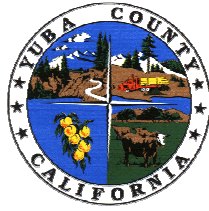


BOARD OF SUPERVISORS

AGENDA



Agenda materials are available at the Yuba County Government Center, 915 8th Street, Marysville and www.co.yuba.ca.us Any disclosable public record related to an open session item and distributed to all or a majority of the Board less than 72 hours prior to the meeting is available for public inspection at Suite 109 of the Government Center during normal business hours.

Meetings are located at:
Yuba County Government Center
Board Chambers, 915 Eighth Street
Marysville, California

TUESDAY, MAY 02, 2017

Welcome to the Yuba County Board of Supervisors meeting. As a courtesy to others, please turn off cell phones, or other electronic devices which might disrupt the meeting. All items on the agenda other than Correspondence and Board and Staff Members Reports are considered items for which the Board may take action. The public will be given opportunity to comment on action items on the agenda when the item is heard and comments shall be limited to three minutes per individual or group.

5:30 P.M. SPECIAL MEETING

ROLL CALL – Supervisors Vasquez, Leahy, Lofton, Bradford, Fletcher

CLOSED SESSION

- 101/2017** Labor Negotiations pursuant to Government Code §54947(a) – DDAA/YCEA Negotiator Jill Abel
- 23/2017** Pending litigation pursuant to Government Code Section §54956.9 (d)(1) - Hedrick vs. Grant
- 66/2017** Pending litigation pursuant to Government Code Section §54956.9 (d)(1) – Fellowship of Friends vs. County of Yuba

ADJOURN

6:00 P.M. REGULAR MEETING

PLEDGE OF ALLEGIANCE - Led by Supervisor Leahy

ROLL CALL - Supervisors Vasquez, Leahy, Lofton, Bradford, Fletcher

CONSENT AGENDA

All matters listed under Consent Agenda are considered to be routine and can be enacted in one motion.

- 180/2017** Administrative Services - Approve Amendment No. 2 to agreement for Professional Services with Mead & Hunt, Inc., for engineering services for FAA Grant AIP 3-06-0149-15-2014 and authorize Chair to execute.
- 189/2017** Board of Supervisors: Appoint John Eachus to Reclamation District 2103 Board of Trustees in lieu of election pursuant to Water Code §50741 and §50732.
- 185/2017** Clerk of the Board of Supervisors: Approve meeting minutes of April 18, 2017.

- 148/2017** Health and Human Services: Approve Privacy and Security Agreement with the California Department of Social Services and authorize Chair to execute.
- 149/2017** Health and Human Services: Adopt resolution to approve the Medi-Cal Administrative Activities agreement with the California Department of Health Care Services and authorize Chair to execute.
- 177/2017** Health and Human Services Department: Approve the Medi-Cal Targeted Case Management Provider Participation Agreement with the California Department of Health Care Services and authorize Chair to execute.

SPECIAL PRESENTATIONS

- 146/2017** Present proclamation proclaiming Hmong-American Veterans Memorial Day May 15, 2017. (Ten minute estimate)
- 129/2017** Present proclamation proclaiming Foster Care Month May 2017. (Ten minute estimate)

PUBLIC COMMUNICATIONS

Any person may speak about any subject of concern, provided it is within the jurisdiction of the Board of Supervisors and is not already on today's agenda. The total amount of time allotted for receiving such public communication shall be limited to a total of 15 minutes and each individual or group will be limited to no more than three minutes. Prior to this time speakers are requested to fill out a "Request to Speak" card and submit it to the Clerk of the Board of Supervisors. Note: No Board action can be taken on comments made under this heading.

COUNTY DEPARTMENTS

- 184/2017** Auditor-Controller/Administrative Services: Adopt resolution authorizing the Auditor/Controller to establish an Energy Internal Services Fund to receive, process, and allocate costs for all County energy expenses to include all electric, gas, water and sewer costs. (Ten minute estimate)
- 176/2017** Auditor-Controller: Receive audited financial statements of Yuba County for the period ending June 30, 2016. (Ten minute estimate)

ORDINANCES AND PUBLIC HEARINGS

If you challenge in court the action or decision of the Yuba County Board of Supervisors regarding a zoning, planning, land use or environmental protection matter made at any hearing described in this notice, you may be limited to raising only those issues you or someone else raised at such hearing, or in written correspondence delivered to the Yuba County Board of Supervisors at, or prior to, such hearing. Public comments will be limited to three minutes per individual or group.

- 133/2017** Ordinance: Hold public hearing, waive second reading, and adopt ordinance amending Section 2.47.050, County Administrator Power and Duties, of the Yuba County Ordinance Code. (Community Development and Services Agency) (Ten minute estimate) (Roll Call Vote)
- 138/2017** Ordinance: Hold public hearing, waive second reading, and adopt ordinance adding 13.00.031 and repealing and re-enacting chapters 13.00.030, 13.00.036, 13.00.040, 13.00.042, 13.00.052, and 13.00.054, 13.00.060 and 13.20.100 of the Yuba County Consolidated Fee Ordinance for Fiscal Year 2017-18. (Fifteen minute estimate) (Roll call vote)

CORRESPONDENCE

The Board may direct any item of informational correspondence to a department head for appropriate action.

- 174/2017** Letter from State of California Department of Veteran Affairs regarding local benefit payments.
- 178/2017** Two letters from California Governor's Office of Emergency Services regarding United States Small Business Administration Economic Injury Disaster Loan Declaration and United States Department of Agriculture Secretarial Disaster Designation.

BOARD AND STAFF MEMBERS' REPORTS

This time is provided to allow Board and staff members to report on activities or to raise issues for placement on future agendas.

ADJOURN

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you have a disability and need disability-related modifications or accommodations to participate in this meeting, please contact the Clerk of the Board's office at (530) 749-7510 or (530) 749-7353 (fax). Requests must be made two full business days before the start of the meeting. To place an item on the agenda, contact the office of the Clerk of the Board of Supervisors at (530) 749-7510.

The County of Yuba

Administrative Services



TO: Board of Supervisors

FROM: Administrative Services, Doug McCoy

SUBJECT: Administrative Services - Approve amendment to agreement for professional services with Mead & Hunt, Inc., for engineering services for FAA grant AIP 3-06-0149-15-2014

DATE: May 2, 2017

NUMBER: 180/2017

Recommendation

Approv amendment to agreement for professional services with Mead & Hunt, Inc., for engineering services for FAA grant AIP 3-06-0149-15-2014

Background

The engineering services are for the completion of the apron rehabilitation. The subject amendment to the engineering agreement is to extend the term.

Discussion

The Yuba County Airport is applying for a \$2 million construction grant from the Federal Aviation Administration's Airport Improvement Grant 2017 funding cycle. The additional environmental work necessary for the project has increased the time period needed to complete the engineering portion of the project. The agreement term expired on March 31, 2017.

Committee Action:

This item was not presented to the Public Facilities Committee as it is considered routine and the project has previously been before the Board of Supervisors during the grant approval process on May 13, 2014, November 18, 2014, and September 26, 2016.

Fiscal Impact:

There are no costs associated with this agenda item that would impact the General Fund.

Attachments

180-2017 Amendment #2 between Mead & Hunt and County

AGREEMENT FOR PROFESSIONAL SERVICES

AMENDMENT NO. 2

This is the second amendment to the agreement, dated November 18, 2014, for Professional Services between the County of Yuba (COUNTY) and MEAD & HUNT, INC., (CONSULTANT).

Pursuant to Attachment D, General Provisions, Item D.22, "Modifications," of the basic agreement, the following changes are hereby made to update the Term:

Item 2. Term.

Extend the agreement term as follows:

Commencement Date: October 1, 2014

Termination Date: June 30, 2017

All other terms and conditions remain unchanged.

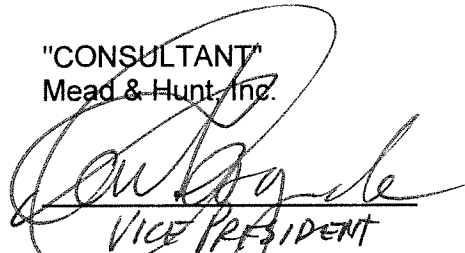
In witness thereof, the parties hereto have executed this Amendment No. 2 to the Agreement on

_____ 2017.

"COUNTY"
County of Yuba

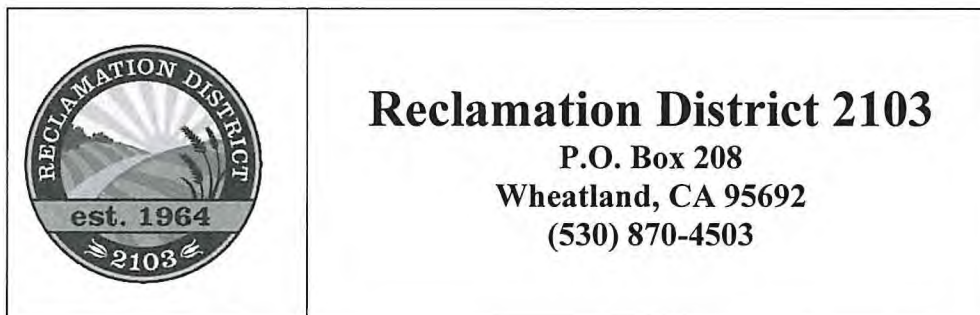
Chairman, Board of Supervisors

"CONSULTANT"
Mead & Hunt, Inc.


VICE PRESIDENT

APPROVED AS TO FORM:


County Counsel



April 21, 2017

VIA EMAIL AND U.S. MAIL

Ms. Donna Stottlemeyer, Clerk of the Board
Yuba County Board of Supervisors
915 8th Street, Suite 109
Marysville, CA 95901

Re: Request for Appointment to Vacancy on Board of Trustees

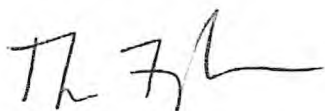
Ms. Stottlemeyer:

On March 16, 2017 Reclamation District No. 2103 published notice of its intent to conduct an election on June 6, 2017. The nomination period has now closed, and Mr. John Eachus was the sole qualified nominee for the available seat. Because the number of candidates nominated does not exceed the number of seats up for election, no election will be held.

The District has published a notice that no election will be held. The District now requests that the Yuba County Board of Supervisors take action at its next regular meeting to appoint Mr. Eachus to the open seat, pursuant to Water Code section 50741 and 50732.

If you have questions regarding this appointment, please do not hesitate to contact me.

Very truly yours,



Tom Engler, P.E., CFM
MBK Engineers

cc: Board of Trustees, Reclamation District 2103

The County of Yuba

B O A R D O F S U P E R V I S O R S



APRIL 18, 2017 – MINUTES

Call to order 9:30 a.m. with Supervisors Andy Vasquez, Mike Leahy, Doug Lofton, Gary Bradford, and Randy Fletcher present. Also present were County Administrator Robert Bendorf and Chief Deputy County Counsel Courtney Abril.

PLEDGE OF ALLEGIANCE - Led by Supervisor Vasquez

ROLL CALL - Supervisors Vasquez, Leahy, Lofton, Bradford, Fletcher – All present.

CONSENT AGENDA: All matters listed under Consent Agenda are considered to be routine and can be enacted in one motion.

MOTION: Move to approve

MOVED: Andy Vasquez SECOND: Gary Bradford

AYES: Andy Vasquez, Mike Leahy, Doug Lofton, Gary Bradford, Randy Fletcher

NOES: None ABSENT: None ABSTAIN: None

- 152-2017 Board of Supervisors: Accept letter of resignation from Yuba County Counsel Angil Morris-Jones effective April 30, 2017. Accepted.
- 150-2017 Clerk of the Board of Supervisors: Approve minutes of April 4, 2017. Approved.
- 107/2017 Community Development and Services Agency: Adopt resolution certifying the 2016 Maintained Road Mileage. Adopted Resolution No. 2017-39.
- 122/2017 Community Development and Services Agency: Adopt resolution authorizing County to apply for Beverage Container Recycling City/County Payment Program as a Participant and Regional Lead for the Regional Waste Management Authority Member Jurisdictions and authorize Director of Environmental Health or his/her designee to execute any and all necessary documents upon review and approval of County Counsel. Adopted Resolution No. 2017-40.
- 108/2017 Health and Human Services: Authorize request for quote for laboratory services and drug testing products. Approved.
- 131/2017 Human Resources: Approve Amendment to Memorandum of Understanding with Management Sheriffs Association as it pertains to Resident Hill Sergeant Assignment Pay and authorize Chair to execute. Approved.
- 130/2017 Sutter-Yuba Behavioral Health Advisory Board: Approve Three Year Program and Expenditure Plan for Fiscal Years 2017/2018 - 2019/2020. Approved.

PUBLIC COMMUNICATIONS: Ms. Freda Calvert - Hammonton Road condition

COUNTY DEPARTMENTS

154/2017 Board of Supervisors: Approve county participation coalition letter regarding Oroville Dam Crisis and authorize Chair to execute. (Ten minute estimate) Legislative Affairs Coordinator Russ Brown recapped participation and responded to inquiries.

MOTION: Move to approve

MOVED: Andy Vasquez SECOND: Doug Lofton

AYES: Andy Vasquez, Mike Leahy, Doug Lofton, Gary Bradford, Randy Fletcher

NOES: None ABSENT: None ABSTAIN: None

135/2017 County Administrator: Approve joint letter with District Attorney supporting AB 1254 regarding the diversion of river water and authorize Chair to execute. (Ten minute estimate) Legislative Affairs Coordinator Russ Brown recapped legislation and responded to inquiries.

MOTION: Move to approve

MOVED: Andy Vasquez SECOND: Gary Bradford

AYES: Andy Vasquez, Mike Leahy, Doug Lofton, Gary Bradford, Randy Fletcher

NOES: None ABSENT: None ABSTAIN: None

153/2017 County Administrator: Adopt resolution opposing SB 54 regarding establishment of a sanctuary state. (Ten minute estimate) Legislative Affairs Coordinator Russ Brown recapped legislation and responded to inquiries.

MOTION: Move to approve

MOVED: Andy Vasquez SECOND: Doug Lofton

AYES: Andy Vasquez, Mike Leahy, Doug Lofton, Gary Bradford, Randy Fletcher

NOES: None ABSENT: None ABSTAIN: None

CORRESPONDENCE: The Board may direct any item of informational correspondence to a department head for appropriate action.

112/2017 Three Notices from California Fish and Game Commission in regards to regulatory actions pertaining to Upland Game Birds and Cascades Frogs. Received.

BOARD AND STAFF MEMBERS' REPORTS: This time is provided to allow Board and staff members to report on activities or to raise issues for placement on future agendas.

Supervisor Vasquez:

- Tour of Yuba County with SACOG
- Resolution for more representation within California legislature
- Blue Star Moms Veterans Appreciation May 6

Supervisor Leahy:

- Yuba Sutter Arts Event Saturday April 29
- Resolution for more representation within California legislature

Supervisor Bradford:

- Resolution for more representation within California legislature
- Department of Water Resources presentation on Oroville Dam and upcoming Town Hall meetings
- Zip Code Petition for Plumas Lake area

County Administrator Robert Bendorf: SB 54 Sanctuary Bill

Supervisor Fletcher: Citizen discussion session with two Board members on the 4th Tuesday at 6:00 p.m. beginning in June

CLOSED SESSION: The Board retired into closed session at 9:55 a.m. and returned at 10:28 a.m.

23/2017 Pending litigation pursuant to Government Code Section §54956.9 (d)(1) - Hedrick vs. Grant - Information provided.

101/2017 Labor Negotiations pursuant to Government Code §54947(a) – DDAA/YCEA / Negotiator Jill Abel - Pulled from consideration.

77/2017 Personnel pursuant to Government Code §54957(b)(1) – Department Head Appointment/County Counsel - By unanimous voted appointed Courtney Abril Interim County Counsel effective May 1, 2017.

ADJOURN: 10:28 a.m.

Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

Approved: _____

The County of Yuba

Health and Human Services Department



TO: Board of Supervisors

FROM: Health and Human Services Department
Jennifer Vasquez, Director
Donna Clark, Privacy Officer

SUBJECT: Health and Human Services: Execute the Privacy and Security Agreement with the California Department of Social Services.

DATE: May 2, 2017

NUMBER: 148/2017

Recommendation

It is recommended that the Board of Supervisors execute the Privacy and Security Agreement between the California Department of Social Services (CDSS) and Yuba County, on behalf of its Health and Human Services Department.

Background

Authorized employees in the Health and Human Services Department access and use Personally Identifiable Information (PII) contained in the Medi-Cal Eligibility Data System (MEDS), the Applicant Income and Eligibility Verification System (IEVS), and in data received from the Social Security Administration (SSA) and other sources. The SSA requires CDSS to enter into Privacy and Security Agreements with all County Welfare Departments. This agreement is similar to the previously executed Privacy and Security Agreement with the Department of Health Care Services.

Discussion

The Agreement sets forth protocols and controls to ensure the privacy and security of SSA, MEDS and IEVS PII that the counties access through CDSS and the Department of Health Care Services (DHCS). This agreement covers twelve (12) programs including CalFresh, CalWORKs, Foster Care, and General Assistance/General Relief. It also includes computer security safeguards which have been reviewed and approved by Yuba County's Information Technology Department.

Committee Action:

The Human Services Committee recommended approval on April 25, 2017.

Fiscal Impact:

The cost for maintenance and operation for the security and privacy requirements of this Agreement are primarily funded through the CDSS programs. There may be a small General Fund component to the General Assistance Program which is included within the current General Fund allocation. There are no additional General Fund dollars requested for this action.

Attachments

148/2017 California Department of Social Services (CDSS) Privacy and Security Agreement

PRIVACY AND SECURITY AGREEMENT
BETWEEN
the California Department of Social Services and the
County of Yuba, Department of Health & Human Services

PREAMBLE

The California Department of Social Services (CDSS) and the County of Yuba, Department of Health & Human Services (County Department) enter into this Data Privacy and Security Agreement (Agreement) in order to ensure the privacy and security of Social Security Administration (SSA), Medi-Cal Eligibility Data System (MEDS) and Applicant Income and Eligibility Verification System (IEVS) Personally Identifiable Information (PII), covered by this Agreement and referred to hereinafter as PII, that the counties access through CDSS and the Department of Health Care Services (DHCS). This Agreement covers the following twelve (12) programs; please check the applicable box(s) for your County Department:

- ☒ CalFresh;
- ☒ California Food Assistance Program (CFAP);
- ☒ California Work Opportunity and Responsibility to Kids Program (CalWORKs);
- ☒ Cash Assistance Program for Immigrants (CAPI);
- ☒ Entrant Cash Assistance (ECA);
- ☒ Foster Care (FC) (eligibility);
- ☒ Kinship Guardianship Assistance Program (Kin-GAP) (eligibility);
- ☒ Federal Guardianship Assistance Program (Fed-GAP) (eligibility);
- ☒ General Assistance/General Relief (GA/GR);
- ☒ Refugee Cash Assistance (RCA); and
- ☒ Trafficking and Crime Victims Assistance Program (TCVAP).

The CDSS has an Inter-Agency Agreement (IAA) with DHCS that allows CDSS and local county agencies to access SSA and MEDS data for the purpose of determining eligibility for the programs listed above. The IAA requires that CDSS may only share SSA and MEDS data if its contract with the entity with whom it intends to share the data reflects the entity's obligations under the IAA.

The County Department in its administration of the social services programs utilizes SSA and MEDS data in conjunction with other system data, for eligibility determinations.

This Agreement covers the County of Yuba, Department of Health & Human Services and its staff (county staff), who access, use, or disclose PII covered by this Agreement, to assist in the administration of programs.

DEFINITIONS

For the purpose of this Agreement, the following terms mean:

1. **"Assist in the Administration of the Program"** means performing administrative functions on behalf of programs, such as determining eligibility for, or enrollment in, and collecting PII for such purposes, to the extent such activities are authorized by law.
2. **"Breach"** refers to actual loss, loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for other than authorized purposes have access or potential access to PII, whether electronic, paper, verbal, or recorded.
3. **"County staff"** means those county employees, contractors, subcontractors, vendors and agents performing any functions for the county that require access to and/or use of PII and that are authorized by the county to access and use PII.
4. **"PII"** is personally identifiable information that is obtained through the MEDS or IEVS on behalf of the programs and can be used alone, or in conjunction with any other reasonably available information, to identify a specific individual. The PII includes, but is not limited to, an individual's name, social security number, driver's license number, identification number, biometric records, date of birth, place of birth, or mother's maiden name. The PII may be electronic, paper, verbal, or recorded.
5. **"Security Incident"** means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PII, or interference with system operations in an information system which processes PII that is under the control of the county or county's Statewide Automated Welfare System (SAWS) Consortium, or under the control of a contractor, subcontractor or vendor of the county, on behalf of the county.

6. **"Secure Areas"** means any area where:
- a. County staff assist in the administration of their program;
 - b. County staff use or disclose PII; or
 - c. PII is stored in paper or electronic format.

MEMORANDUM OF UNDERSTANDING

NOW THEREFORE, CDSS and County Department mutually agree as follows:

I. PRIVACY AND CONFIDENTIALITY

- A. The County Department staff covered by this Agreement (county staff) may use or disclose PII only as permitted in this Agreement and only to assist in the administration of programs in accordance with 45 CFR § 205.50 et seq and Welfare and Institutions Code section 10850 (**County Department please insert alternative statute that authorizes the use of data if 10850 is inapplicable**) or as authorized or required by law. Disclosures, which are authorized or required by law, such as a court order, or are made with the explicit written authorization of the individual, who is the subject of the PII, are allowable. Any other use or disclosure of PII requires the express approval in writing by CDSS. No county staff shall duplicate, disseminate or disclose PII except as allowed in this Agreement.
- B. Pursuant to this Agreement, county staff may only use PII to perform administrative functions related to administering their respective programs.
- C. Access to PII shall be restricted to county staff who need to perform their official duties to assist in the administration of their respective programs.
- D. County staff who access, disclose or use PII in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable federal and state statutes.

II. PERSONNEL CONTROLS

The County Department agrees to advise county staff who have access to PII, of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in applicable federal and state laws. For that purpose, the County Department shall implement the following personnel controls:

- A. **Employee Training.** Train and use reasonable measures to ensure compliance with the requirements of this Agreement by county staff, including, but not limited to:
 - 1. Provide initial privacy and security awareness training to each new county staff within thirty (30) days of employment and;

2. Thereafter, provide annual refresher training or reminders of the privacy and security safeguards in this Agreement to all county staff. Three (3) or more security reminders per year are recommended;
3. Maintain records indicating each county staff's name and the date on which the privacy and security awareness training was completed;
4. Retain training records for a period of three (3) years after completion of the training.

B. *Employee Discipline.*

1. Provide documented sanction policies and procedures for county staff who fail to comply with privacy policies and procedures or any provisions of these requirements.
2. Sanction policies and procedures shall include termination of employment when appropriate.

- C. *Confidentiality Statement.*** Ensure that all county staff sign a confidentiality statement. The statement shall be signed by county staff prior to accessing PII and annually thereafter. Signatures may be physical or electronic. The signed statement shall be retained for a period of three (3) years.

The statement shall include at a minimum:

1. General Use;
2. Security and Privacy Safeguards;
3. Unacceptable Use; and
4. Enforcement Policies.

D. *Background Screening.*

1. Conduct a background screening of a county staff before they may access PII.
2. The background screening should be commensurate with the risk and magnitude of harm the employee could cause. More thorough screening shall be done for those employees who are authorized to bypass significant technical and operational security controls.
3. The County Department shall retain each county staff's background screening documentation for a period of three (3) years following conclusion of employment relationship.

III. **MANAGEMENT OVERSIGHT AND MONITORING**

To ensure compliance with the privacy and security safeguards in this Agreement the County Department shall perform the following:

- A. Conduct periodic privacy and security reviews of work activity by county staff, including random sampling of work product. Examples include, but are not limited to, access to case files or other activities related to the handling of PII.
- B. The periodic privacy and security reviews must be performed or overseen by management level personnel who are knowledgeable and experienced in the areas of privacy and information security in the administration of their program, and the use or disclosure of PII.

IV. **INFORMATION SECURITY AND PRIVACY STAFFING**

The County Department agrees to:

- A. Designate information security and privacy officials who are accountable for compliance with these and all other applicable requirements stated in this Agreement.
- B. Assign county staff to be responsible for administration and monitoring of all security related controls stated in this Agreement.

V. **PHYSICAL SECURITY**

The County Department shall ensure PII is used and stored in an area that is physically safe from access by unauthorized persons at all times. The County Department agrees to safeguard PII from loss, theft, or inadvertent disclosure and, therefore, agrees to:

- A. Secure all areas of the County Department facilities where county staff assist in the administration of their program and use, disclose, or store PII.
- B. These areas shall be restricted to only allow access to authorized individuals by using one or more of the following:
 - 1. Properly coded key cards
 - 2. Authorized door keys
 - 3. Official identification
- C. Issue identification badges to county staff.
- D. Require county staff to wear these badges where PII is used, disclosed, or stored.

- E. Ensure each physical location, where PII is used, disclosed, or stored, has procedures and controls that ensure an individual who is terminated from access to the facility is promptly escorted from the facility by an authorized employee and access is revoked.
- F. Ensure there are security guards or a monitored alarm system at all times at the County Department facilities and leased facilities where five hundred (500) or more individually identifiable records of PII is used, disclosed, or stored. Video surveillance systems are recommended.
- G. Ensure data centers with servers, data storage devices, and/or critical network infrastructure involved in the use, storage, and/or processing of PII have perimeter security and physical access controls that limit access to only authorized county staff. Visitors to the data center area must be escorted at all times by authorized county staff.
- H. Store paper records with PII in locked spaces, such as locked file cabinets, locked file rooms, locked desks, or locked offices in facilities which are multi-use meaning that there are County Department and non-County Department functions in one building in work areas that are not securely segregated from each other. It is recommended that all PII be locked up when unattended at any time, not just within multi-use facilities.
- I. The County Department shall have policies that include, based on applicable risk factors, a description of the circumstances under which the county staff can transport PII, as well as the physical security requirements during transport. A County Department that chooses to permit its county staff to leave records unattended in vehicles must include provisions in its policies to ensure the PII is stored in a non-visible area such as a trunk, that the vehicle is locked, and under no circumstances permit PII be left unattended in a vehicle overnight or for other extended periods of time.
- J. The County Department shall have policies that indicate county staff are not to leave records with PII unattended at any time in airplanes, buses, trains, etc., including baggage areas. This should be included in training due to the nature of the risk.
- K. Use all reasonable measures to prevent non-authorized personnel and visitors from having access to, control of, or viewing PII.

VI. TECHNICAL SECURITY CONTROLS

- A. **Workstation/Laptop Encryption.** All workstations and laptops, which use, store and/or process PII, must be encrypted using a FIPS 140-2 certified algorithm 128 bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk. It is encouraged, when available and when feasible, that the encryption be 256 bit.

- B. **Server Security.** Servers containing unencrypted PII must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review. It is recommended to follow the guidelines documented in the latest revision of the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53, Security and Privacy Controls for Federal Information Systems and Organizations.
- C. **Minimum Necessary.** Only the minimum necessary amount of PII required to perform required business functions may be accessed, copied, downloaded, or exported.
- D. **Mobile Device and Removable Media.** All electronic files, which contain PII data, must be encrypted when stored on any mobile device or removable media (i.e. USB drives, CD/DVD, smartphones, tablets, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm 128 bit or higher, such as AES. It is encouraged, when available and when feasible, that the encryption be 256 bit.
- E. **Antivirus Software.** All workstations, laptops and other systems, which process and/or store PII, must install and actively use an antivirus software solution. Antivirus software should have automatic updates for definitions scheduled at least daily.
- F. **Patch Management.**
1. All workstations, laptops and other systems, which process and/or store PII, must have critical security patches applied, with system reboot if necessary.
 2. There must be a documented patch management process that determines installation timeframe based on risk assessment and vendor recommendations.
 3. At a maximum, all applicable patches deemed as critical must be installed within thirty (30) days of vendor release. It is recommended that critical patches which are high risk be installed within seven (7) days.
 4. Applications and systems that cannot be patched within this time frame, due to significant operational reasons, must have compensatory controls implemented to minimize risk.
- G. **User IDs and Password Controls.**
1. All users must be issued a unique user name for accessing PII.
 2. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee within twenty-four (24) hours. Note: Twenty-four (24) hours is defined as one (1) working day.
 3. Passwords are not to be shared.

4. Passwords must be at least eight (8) characters.
5. Passwords must be a non-dictionary word.
6. Passwords must not be stored in readable format on the computer or server.
7. Passwords must be changed every ninety (90) days or less. It is recommended that passwords be required to be changed every sixty (60) days or less.
8. Passwords must be changed if revealed or compromised.
9. Passwords must be composed of characters from at least three (3) of the following four (4) groups from the standard keyboard:
 - a. Upper case letters (A-Z)
 - b. Lower case letters (a-z)
 - c. Arabic numerals (0-9)
 - d. Special characters (!,@,#, etc.)
- H. **User Access.** In conjunction with CDSS and DHCS, County Department management should exercise control and oversight over the authorization of individual user access to SSA data, MEDS, IEVS, and over the process of issuing and maintaining access control numbers, IDs, and passwords.
- I. **Data Destruction.** When no longer needed, all PII must be cleared, purged, or destroyed consistent with NIST SP 800-88, Guidelines for Media Sanitization, such that the PII cannot be retrieved.
- J. **System Timeout.** The systems providing access to PII must provide an automatic timeout, requiring re-authentication of the user session after no more than twenty (20) minutes of inactivity.
- K. **Warning Banners.** The systems providing access to PII must display a warning banner stating, at a minimum:
 1. Data is confidential;
 2. Systems are logged;
 3. System use is for business purposes only, by authorized users; and
 4. Users shall log off the system immediately if they do not agree with these requirements.
- L. **System Logging.**
 1. The systems which provide access to PII must maintain an automated audit trail that can identify the user or system process which initiates a request for PII, or alters PII.

2. The audit trail shall:
 - a. Be date and time stamped;
 - b. Log both successful and failed accesses;
 - c. Be read-access only; and
 - d. Be restricted to authorized users.
 3. If PII is stored in a database, database logging functionality shall be enabled.
 4. Audit trail data shall be archived for at least three (3) years from the occurrence.
- M. **Access Controls.** The system providing access to PII shall use role-based access controls for all user authentications, enforcing the principle of least privilege.
- N. **Transmission Encryption.**
1. All data transmissions of PII outside of a secure internal network must be encrypted using a Federal Information Processing Standard (FIPS) 140-2 certified algorithm that is 128 bit or higher, such as Advanced Encryption Standard (AES) or Transport Layer Security (TLS). It is encouraged, when available and when feasible, that 256 bit encryption be used.
 2. Encryption can be end to end at the network level, or the data files containing PII can be encrypted.
 3. This requirement pertains to any type of PII in motion such as website access, file transfer, and email.
- O. **Intrusion Prevention.** All systems involved in accessing, storing, transporting, and protecting PII, which are accessible through the Internet, must be protected by an intrusion detection and prevention solution.

VII. AUDIT CONTROLS

A. **System Security Review.**

1. The County Department must ensure audit control mechanisms are in place.
2. All systems processing and/or storing PII must have at least an annual system risk assessment/security review that ensures administrative, physical, and technical controls are functioning effectively and provide an adequate level of protection.
3. Reviews should include vulnerability scanning tools.

- B. **Log Reviews.** All systems processing and/or storing PII must have a process or automated procedure in place to review system logs for unauthorized access.
- C. **Change Control.** All systems processing and/or storing PII must have a documented change control process that ensures separation of duties and protects the confidentiality, integrity and availability of data.
- D. **Anomalies.** When the County Department or DHCS suspects MEDS usage anomalies, the County Department will work with DHCS to investigate the anomalies and report conclusions of such investigations and remediation to CDSS.

VIII.

BUSINESS CONTINUITY / DISASTER RECOVERY CONTROLS

- A. **Emergency Mode Operation Plan.** The County Department must establish a documented plan to enable continuation of critical business processes and protection of the security of PII kept in an electronic format in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than twenty-four (24) hours. It is recommended that County Department conduct periodic disaster recovery testing, including connectivity exercises conducted with DHCS and CDSS, if requested.
- B. **Data Centers.** Data centers with servers, data storage devices, and critical network infrastructure involved in the use, storage and/or processing of PII, must include environmental protection such as cooling, power, and fire prevention, detection, and suppression.
- C. **Data Backup and Recovery Plan.**
 - 1. The County Department shall have established documented procedures to backup PII to maintain retrievable exact copies of PII.
 - 2. The documented backup procedures shall contain a schedule which includes incremental and full backups.
 - 3. The procedures shall include storing backups offsite.
 - 4. The procedures shall ensure an inventory of backup media.
 - 5. The County Department shall have established documented procedures to recover PII data.
 - 6. The documented recovery procedures shall include an estimate of the amount of time needed to restore the PII data.
 - 7. It is recommended that the County Department periodically test the data recovery process.

IX. PAPER DOCUMENT CONTROLS

- A. ***Supervision of Data.*** The PII in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information may be observed by an individual not authorized to access the information.
- B. ***Data in Vehicles.*** The County Department shall have policies that include, based on applicable risk factors, a description of the circumstances under which the county staff can transport PII, as well as the physical security requirements during transport. A County Department that chooses to permit its county staff to leave records unattended in vehicles must include provisions in its policies to ensure the PII is stored in a non-visible area such as a trunk, that the vehicle is locked, and under no circumstances permit PII be left unattended in a vehicle overnight or for other extended periods of time.
- C. ***Public Modes of Transportation.*** The PII in paper form shall not be left unattended at any time in airplanes, buses, trains, etc., including baggage areas. This should be included in training due to the nature of the risk.
- D. ***Escorting Visitors.*** Visitors to areas where PII is contained shall be escorted, and PII shall be kept out of sight while visitors are in the area.
- E. ***Confidential Destruction.*** PII must be disposed of through confidential means, such as cross cut shredding or pulverizing.
- F. ***Removal of Data.*** The PII must not be removed from the premises of County Department except for identified routine business purposes or with express written permission of CDSS.
- G. ***Faxing.***
 - 1. Faxes containing PII shall not be left unattended and fax machines shall be in secure areas.
 - 2. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them and notify the sender.
 - 3. Fax numbers shall be verified with the intended recipient before sending the fax.
- H. ***Mailing.***
 - 1. Mailings containing PII shall be sealed and secured from damage or inappropriate viewing of PII to the extent possible.
 - 2. Mailings that include five hundred (500) or more individually identifiable records containing PII in a single package shall be sent using a tracked mailing method that includes verification of delivery and receipt, unless the County Department obtains prior written permission from CDSS to use another method.

X. NOTIFICATION AND INVESTIGATION OF BREACHES AND SECURITY INCIDENTS

During the term of this Agreement, the County Department agrees to implement reasonable systems for the discovery and prompt reporting of any Breach or Security Incident, and to take the following steps:

A. *Initial Notice to DHCS:*

The County Department will provide initial notice to DHCS with a copy to CDSS. The DHCS is acting on behalf of CDSS, for purposes of receiving reports of privacy and information security incidents and breaches. The County Department agrees to perform the following incident reporting to DHCS.

Immediately upon discovery of a suspected security incident that involves data provided to DHCS by the SSA, the County Department shall notify DHCS by email or telephone.

Within one working day of discovery, the County Department shall notify DHCS by email or telephone of unsecured PII, if that PII was, or is, reasonably believed to have been accessed or acquired by an unauthorized person, any suspected security incident, intrusion, or unauthorized access, use, or disclosure of PII in violation of this Agreement, or potential loss of confidential data affecting this Agreement. Notice shall be made using the "DHCS Privacy Incident Report" (PIR) form, including all information known at the time. The County Department shall use the most current version of this form, which is posted on the DHCS Privacy Office website (www.dhcs.ca.gov, select "Privacy & HIPAA" and then "County Use") or use this link:

<http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/CountiesOnly.aspx>. Initial, Investigation, and Completed PIRs are submitted to the DHCS Privacy Office and the DHCS Information Security Office. When using this form to report PII incidents, the County Department shall also include in the report the system(s) and program(s) involved as known at the time of reporting.

A breach shall be treated as discovered by the County Department as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach), who is an employee, officer or other agent of the County Department. Notice shall be provided to the DHCS Privacy Office and the DHCS Information Security Office.

Upon discovery of a breach, security incident, intrusion, or unauthorized access, use, or disclosure of PII, the County Department shall take:

1. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
2. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

- B. ***Investigation and Investigative Report.*** The County Department shall immediately investigate breaches and security incidents involving PII, and, if the initial PIR did not include all of the information marked with an asterisk, or if new or updated information is available, submit an updated PIR **within seventy-two (72) hours of the discovery**. The updated PIR shall include all of the information marked with an asterisk, and all other applicable information listed on the form, to the extent known at that time.
- C. ***Complete Report.*** If all of the required information was not included in either the initial report, or the investigation report, then a separate complete report must be submitted **within ten (10) working days of the discovery**. The Complete Report of the investigation shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of SSA, the Health Information Technology for Economic and Clinical Health (HITECH) Act, the Health Insurance Portability and Accountability Act (HIPAA) regulations, and/or state law. The report shall also include a full, detailed corrective action plan (CAP), including information on measures that were taken to halt and/or contain the improper use or disclosure. If CDSS or DHCS requests information in addition to that listed on the PIR, the County Department shall make reasonable efforts to provide such information. The DHCS will review the County Department's determination of whether a breach occurred, whether individual notifications are required, and the CAP, and will make recommendations to CDSS. The CDSS will make the final breach and CAP determinations. If necessary, an updated PIR may be used to submit revised or additional information after the Completed Report is submitted.
- D. ***Notification of Individuals.*** When applicable state or federal law requires a breaching entity to notify individuals of a breach or unauthorized disclosure of their PII, the following provisions apply: If the cause of the breach is attributable to the County Department or its subcontractors, agents or vendors, the County Department shall pay any costs of such notifications, as well as any and all costs associated with the breach. The notifications shall comply with the requirements set forth in California Civil Code section 1798.29, and 42 U.S.C. section 17932, and its implementing regulations, including but not limited to the requirement that the notifications be made without unreasonable delay and in no event later than sixty (60) calendar days. The CDSS shall review the time, manner and content of any such notifications; CDSS may elect to assign responsibility for such notification to the County Department. In the event CDSS assigns notification responsibility to the County Department, CDSS shall provide the County Department with the appropriate direction and procedures to ensure notice is provided pursuant to applicable law. If the cause of the breach is attributable to CDSS, CDSS shall pay any costs associated with such notifications. If there is any question as to whether CDSS or the County Department is responsible for the breach, CDSS and the County Department shall jointly determine responsibility for purposes of allocating the costs of such notices.

- E. **Responsibility for Reporting of Breaches when Required by State or Federal Law.** If the cause of a breach is attributable to the County Department or its agents, subcontractors or vendors, the County Department is responsible for reporting the breach and all costs associated with the breach. If the cause of the breach is attributable to CDSS, CDSS is responsible for reporting the breach and for all costs associated with the breach. When applicable law requires the breach be reported to a federal or state agency or that notice be given to media outlets, DHCS (if the breach involves MEDS or SSA data), CDSS, and the County Department shall coordinate to ensure such reporting is in compliance with applicable law and to prevent duplicate reporting, and to jointly determine responsibility for purposes of allocating the costs of such reports, if any.
- F. **CDSS and DHCS Contact Information.** To direct communications to the above referenced CDSS and DHCS staff, the County Department shall initiate contact as indicated herein. The CDSS and DHCS reserves the right to make changes to the contact information below by giving written notice to the County Department. Said changes shall not require an amendment to this Agreement to which it is incorporated.

| CDSS Information Security & Privacy Office | DHCS Privacy Office |
|---|---|
| California Department of Social Services Information Security & Privacy Office 744 P Street, MS 9-9-70 Sacramento, CA 95814-6413 Email: iso@dss.ca.gov Telephone: (916) 651-5558 | DHCS Privacy Office Office of HIPAA Compliance MS 4722 P.O. Box 997413 Sacramento, CA 95899-7413 Email: privacyofficer@dhcs.ca.gov Telephone: (916) 445-4646 or (866) 866-0602 |

XI. COMPLIANCE WITH SSA AGREEMENT

The County Department agrees to comply with substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between SSA and CDSS, known as the Information Exchange Agreement (IEA), which are appended and hereby incorporated in to this Agreement (Exhibit A). The specific sections of the IEA with substantive privacy and security requirements, which are to be complied with by the County Department are in the following sections:

- Section E, Security Procedures;
- Section F, Contractor/Agent Responsibilities;
- Section G, Safeguarding and Reporting Responsibilities for PII; and
- Attachment 4, Electronic Information Exchange Security Requirements and Procedures for State and Local Agencies Exchanging Electronic Information with SSA (TSSR).

If there is any conflict between a privacy and security standard in these sections of the IEA and a standard in this Agreement, the most stringent standard shall apply. The most stringent standard means the standard which provides the greatest protection to PII.

If SSA changes the terms of its agreement(s) with CDSS, as soon as reasonably possible after receipt, CDSS will supply copies to the County Welfare Directors Association (CWDA). CDSS will also propose a target date for compliance. For a period of thirty (30) days, CDSS will accept input from CWDA on the proposed target date and make adjustments, if appropriate. After the thirty (30) day period, CDSS will submit the proposed target date to SSA, which will be subject to adjustment by SSA. Once a target date for compliance is determined by SSA, CDSS will supply copies of the changed agreement to the CWDA and the counties, along with the compliance date expected by SSA. If a County Department is not able to meet the SSA compliance date, it must submit a CAP to CDSS for review and approval at least thirty (30) days prior to the SSA compliance date. Any potential County Department resource issues may be discussed with CDSS through a collaborative process in developing their CAP.

XII. COMPLIANCE WITH DEPARTMENT OF HOMELAND SECURITY AGREEMENT

The County Department agrees to comply with substantive privacy and security requirements in the Computer Matching Agreement (CMA) between the Department of Homeland Security, United States Citizenship and Immigration Services (DHS-USCIS) and CDSS, which is appended and hereby incorporated into this Agreement (Exhibit B). If there is any conflict between a privacy and security standard in the CMA and a standard in this Agreement, the most stringent standard shall apply. The most stringent standard means the standard which provides the greatest protection to PII.

If DHS-USCIS changes the terms of its agreement(s) with CDSS, CDSS will, as soon as reasonably possible after receipt, supply copies to CWDA as well as the CDSS proposed target date for compliance. For a period of thirty (30) days, CDSS will accept input from CWDA on the proposed target date and make adjustments, if appropriate. After the thirty (30) day period, CDSS will submit the proposed target date to DHS-USCIS, which will be subject to adjustment by DHS-USCIS. Once a target date for compliance is determined by DHS-USCIS, CDSS will supply copies of the changed agreement to the CWDA and the County Department, along with the compliance date expected by DHS-USCIS. If a County Department is not able to meet the DHS-USCIS compliance date, it must submit a CAP to CDSS for review and approval at least thirty (30) days prior to the DHS-USCIS compliance date. Any potential County Department resource issues may be discussed with CDSS through a collaborative process in developing their CAP.

XIII. COUNTY DEPARTMENT'S AGENTS AND SUBCONTRACTORS

The County Department agrees to enter into written agreements with any agents, including subcontractors and vendors, to whom County Department provides PII received from or created or received by County Department in performing functions or activities related to the administration of their program that impose the same restrictions and conditions on such agents, subcontractors and vendors that apply to the County Department with respect to PII, including restrictions on disclosure of PII and the use of appropriate administrative, physical, and technical safeguards to protect such PII. The County Department shall incorporate, when applicable, the relevant provisions of this Agreement into each subcontract or subaward to such agents, subcontractors and vendors, including the requirement that any breach, security incident, intrusion, or unauthorized access, use, or disclosure of PII be reported to the County Department.

XIV. ASSESSMENTS AND REVIEWS

In order to enforce this Agreement and ensure compliance with its provisions, the County Department agrees to allow CDSS or DHCS (on behalf of CDSS) to inspect the facilities, systems, books, and records of the County Department, with reasonable notice from CDSS or DHCS, in order to perform assessments and reviews. Such inspections shall be scheduled at times that take into account the operational and staffing demands. The County Department agrees to promptly remedy any violation of any provision of this Agreement and certify the same to CDSS in writing, or to enter into a written CAP with CDSS containing deadlines for achieving compliance with specific provisions of this Agreement.

XV. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

In the event of litigation or administrative proceedings involving CDSS based upon claimed violations by the County Department of the privacy or security of PII, or federal or state laws or agreements concerning privacy or security of PII, the County Department shall make all reasonable effort to make itself and county staff assisting in the administration of their program and using or disclosing PII available to CDSS at no cost to CDSS to testify as witnesses. The CDSS shall also make all reasonable efforts to make itself and any subcontractors, agents, and employees available to the County Department at no cost to the County Department to testify as witnesses, in the event of litigation or administrative proceedings involving the County Department based upon claimed violations by CDSS of the privacy or security of PII, or state or federal laws or agreements concerning privacy or security of PII.

XVI. AMENDMENT OF AGREEMENT

The CDSS and the County Department acknowledge that federal and state laws relating to data security and privacy are rapidly evolving and that an amendment to this Agreement may be required to ensure compliance with all data security and privacy procedures. Upon request by CDSS, the County Department agrees to promptly enter into negotiations concerning an amendment to this Agreement as may be needed by developments in federal and state laws and regulations. The CDSS may terminate this Agreement upon thirty (30) days written notice if the County Department does not promptly enter into negotiations to amend this Agreement when requested to do so, or does not enter into an amendment that CDSS deems necessary.

Each amendment shall be properly identified as Agreement No., Amendment No. (A-1, A-2, A-3, etc.) to identify the applicable changes to this Agreement, and be effective upon execution by the parties.

XVII. TERM OF AGREEMENT

The term of this agreement shall be upon signature and approval of CDSS through October 1, 2019.

XVIII. TERMINATION

- A. This Agreement shall terminate on October 1, 2019, regardless of the date the Agreement is executed by the parties. The parties can agree in writing to extend the term of the Agreement through a formal amendment. County Department requests for an extension must be justified and approved by CDSS and limited to no more than a six-month extension. Such an extension may, upon County Department request and CDSS approval, be renewed for one additional six-month period. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated in the Agreement is binding upon any of the parties.
- B. **Survival:** All provisions of this Agreement that provide restrictions on disclosures of PII and that provide administrative, technical, and physical safeguards for the PII in the County Department's possession shall continue in effect beyond the termination of the Agreement, and shall continue until the PII is destroyed or returned to CDSS.

XIX. TERMINATION FOR CAUSE

Upon CDSS' knowledge of a material breach or violation of this Agreement by the County Department, CDSS may provide an opportunity for the County Department to cure the breach or end the violation and may terminate this Agreement if the County Department does not cure the breach or end the violation within the time specified by CDSS. This Agreement may be terminated immediately by CDSS if the County Department has breached a material term and CDSS determines, in its sole discretion, that cure is not possible or available under the circumstances. Upon termination of this Agreement, the County Department must destroy all PII in accordance with Section VI, above. The provisions of this Agreement governing the privacy and security of the PII shall remain in effect until all PII is destroyed and CDSS receives a certificate of destruction.

XX. **SIGNATORIES**

The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this Agreement.


The authorized officials whose signatures appear below have committed their respective agencies to the terms of this Agreement. The contract is effective on the day the final signature is obtained.

For the County of Yuba Department of Health & Human Services,

| | |
|------------------------|------------------------------------|
| _____ | _____ |
| (Signature) | (Date) |
| _____ | <u>Chair, Board of Supervisors</u> |
| (Name – Print or Type) | (Title – Print or Type) |

For the California Department of Social Services,

| | |
|-----------------------|---|
| _____ | _____ |
| (Signature) | (Date) |
| <u>Deborah Pearce</u> | <u>Chief, Contracts & Purchasing Bureau</u> |
| (Name) | (Title) |

Recommended for Approval:
 3/14/12
Information Technology Date

RECOMMENDED FOR APPROVAL:

Jennifer Vasquez, Director
Yuba County Health & Human
Services Department

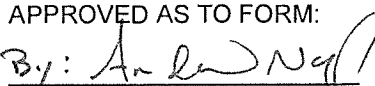
APPROVED AS TO FORM:

Argil P. Morris-Jones,
County Counsel

EXHIBIT A

These are sensitive documents that are provided separately upon request to the County's Privacy and/or Information Security Officer.

- Computer Matching and Privacy Protection Act Agreement between the SSA and California Health and Human Services Agency (5/25/2016)
- Information Exchange Agreement between SSA and CDSS (IEA-F 10/30/2014 and IEA-S 10/30/2014)
- Electronic Information Exchange Security Requirements and Procedures for State and Local Agencies Exchanging Electronic Information with the SSA (TSSR) (version 7.0, 7/2014)

EXHIBIT B

These are sensitive documents that are provided separately upon request to the County's Privacy and/or Information Security Officer.

- Computer Matching Agreement between the Department of Homeland Security, United States Citizenship and Immigration Services (DHS-USCIS) and California Department of Social Services (CA-DSS) (12/15/2015)

The County of Yuba

Health and Human Services Department



TO: Board of Supervisors

FROM: Health and Human Services Department
Jennifer Vasquez, Director
Homer Rice, MPH, PhD, Health Administrator

SUBJECT: Execute the Medi-Cal Administrative Activities agreement with the California Department of Health Care Services

DATE: May 2, 2017

NUMBER: 149/2017

Recommendation

The Board of Supervisors recommends approval of the Resolution of the Board authorizing the Health and Human Services Department (HHSD) to enter into Standard Agreement #16-93385 with the California Department of Health Care Services (DHCS) for participation in the Medi-Cal Administrative Activities (MAA) program for the period of July 1, 2016, through June 30, 2019, and authorizing the Chair to execute documents as required by this agreement and to accept funds.

Background

HHSD currently contracts with DHCS to participate in the MAA program. MAA is a Medi-Cal program which reimburses a portion of the costs of providing Medi-Cal administrative activities such as Medi-Cal Outreach, Medi-Cal Program Planning and Policy Development, MAA Coordination & Claims Administration, Training, and Contracting for Medi-Cal Services.

Discussion

HHSD receives reimbursement for a portion of the costs of providing certain Medi-Cal administrative activities in the normal course of business. Without participation in the MAA program, the costs of providing the activities would be solely met by County funds. The maximum reimbursement revenue available from MAA is \$350,000 for fiscal year 2016-2017; \$375,000 for fiscal year 2017-2018; and \$400,000 for fiscal year 2018-2019.

Committee Action: (Omit if to Committee)

The Human Services Committee was by-passed as this is a routine request with no impact on other departments.

Fiscal Impact:

Approval of the Resolution of the Board will result in the reimbursement of a portion of the costs through federal and state funds that would otherwise be met with County funds.

Attachments

149/2017 Medi-Cal Administrative Activities (MAA) Agreement

149/2017 Resolution for the Medi-Cal Administrative Activities (MAA) Agreement

**BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA**

RESOLUTION AUTHORIZING THE YUBA)
COUNTY HEALTH AND HUMAN SERVICES)
DEPARTMENT TO ENTER INTO)
AGREEMENT WITH THE STATE OF)
CALIFORNIA, DEPARTMENT OF HEALTH)
CARE SERVICES, FOR PARTICIPATION IN)
THE MEDI-CAL ADMINISTRATIVE)
ACTIVITIES PROGRAM FOR THE PERIOD)
OF JULY 1, 2016, THROUGH JUNE 30, 2019,)
AND AUTHORIZING THE CHAIR OF THE)
BOARD TO EXECUTE DOCUMENTS AS)
REQUIRED BY THE AGREEMENT AND ANY)
PERTINENT DOCUMENTS RELATED TO)
THIS PROGRAM, AND AUTHORIZING THE)
ACCEPTANCE OF FUNDS)

RESOLUTION NO. _____

WHEREAS, the State of California has made funds available through the federal Medicaid program for reimbursement of a portion of the costs of providing certain Medi-Cal Administrative Activities. The maximum amounts of reimbursement available from the State shall not exceed:

- 1) \$350,000 for the period of 07/01/2016 through 06/30/2017
- 2) \$375,000 for the period of 07/01/2017 through 06/30/2018
- 3) \$400,000 for the period of 07/01/2018 through 06/30/2019; and

WHEREAS, the Health and Human Services Department, through its Public Health Division, assists in the proper and efficient administration of the Medi-Cal Program by improving the availability and accessibility of Medi-Cal services to Medi-Cal eligible and potentially eligible beneficiaries by performing Medi-Cal Administrative Activities such as: Medi-Cal Outreach, Medi-Cal Program Planning and Policy Development, Medi-Cal Administrative Activities Coordination & Claims Administration, Training, and Contracting for Medi-Cal Services; and

WHEREAS, by participating in the Medi-Cal Administrative Activities program, Yuba County residents have greater access to Medi-Cal benefits.

NOW, THEREFORE, BE IT RESOLVED by the Yuba County Board of Supervisors as follows: That the submission of a Standard Agreement to the State of California, Department of Health Care Services, for participation in the Medi-Cal Administrative Activities program is hereby authorized.

BE IT FURTHER RESOLVED by the Yuba County Board of Supervisors as follows: That the Chair of the Board is hereby authorized to accept all reimbursement funds for the three-year period from July 1, 2016, to June 30, 2019; to execute, upon review and approval of the County Counsel, documents as required by the Agreement for the stated three-year period; and further, the Chair of the Board is granted permission to amend agreements for additional or lesser funding. A copy of said agreement or any amendments thereto, shall be filed in the office of the Clerk of the Board, County of Yuba.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California on the _____ day of _____, 2017 by the following vote:

AYES:

NOES:

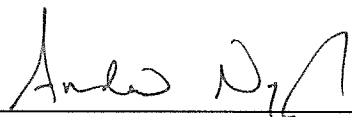
ABSENT:

ABSTAIN:

Chair

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

ANGIL P. MORRIS-JONES
YUBA COUNTY COUNSEL
APPROVED AS TO FORM:

BY:  _____

REGISTRATION NUMBER

AGREEMENT NUMBER

16-93385

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

(Also known as DHCS, CDHS, DHS or the State)

Department of Health Care Services

CONTRACTOR'S NAME

(Also referred to as Contractor)

County of Yuba

2. The term of this Agreement is: July 1, 2016
through June 30, 2019

3. The maximum amount of this Agreement is: \$ 1,125,000
One Million One Hundred Twenty Five Thousand Dollars

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this Agreement.

| | |
|--|----------------|
| Exhibit A – Scope of Work | 7 pages |
| Exhibit B – Budget Detail and Payment Provisions | 7 pages |
| Exhibit C * – General Terms and Conditions | <u>GTC 610</u> |
| Exhibit D (F) – Special Terms and Conditions (Attached hereto as part of this agreement) | 26 pages |
| Exhibit E – Additional Provisions | 7 pages |
| Exhibit F – Contractors Release | 1 page |
| Exhibit G – HIPAA Business Associate Addendum | 15 pages |

See Exhibit E, Provision 1 for additional incorporated exhibits.

Items shown above with an Asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.
These documents can be viewed at <http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

County of Yuba

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Randy Fletcher, Chair of the Board of Supervisors

ADDRESS

915 8th Street, Suite 109
Marysville, CA 95901

STATE OF CALIFORNIA

AGENCY NAME

Department of Health Care Services

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Don Rodriguez, Chief, Contract Management Unit

ADDRESS

1501 Capitol Avenue, Suite 71.2048, MS 1400, P.O. Box 997413,
Sacramento, CA 95899-7413

**California Department of
General Services Use Only**

☐ Exempt per:

APPROVED AS TO FORM

ANGIL P. MORRIS-JONES

COUNTY COUNSEL

BY:

Exhibit A
Scope of Work

1. Service Overview

Contractor agrees to provide to the California Department of Health Care Services (DHCS) the services described herein:

Contractor shall perform County-Based Medi-Cal Administrative Activities (CMAA) on behalf of DHCS to assist in the proper and efficient administration of the Medi-Cal Program by improving the availability and accessibility of Medi-Cal Services to Medi-Cal eligible and potentially eligible individuals and their families. These activities include, but are not limited to, attending or conducting general, non-medical staff meetings, developing and monitoring program budgets and/or site management, and general non-program supervision of staff. This also includes staff break time and any time spent filling out a Time Survey Form Medi-Cal Outreach, Referral, Coordination, and Monitoring of Medi-Cal Services, Facilitating Medi-Cal Application, Arranging and/or Providing Non-Emergency, Non-Medical Transportation to a Medi-Cal Covered Service, Contract Administration for Medi-Cal Services, Program Planning and Policy Development for Medi-Cal Services, Medi-Cal Administrative Activities (MAA)/Targeted Case Management (TCM) Coordination and Claims Administration, MAA/TCM Implementation Training, general administration, and paid time off.

2. Service Location

The activities shall be performed at applicable facilities within the Yuba County geographic region.

3. Service Hours

The services shall be provided during normal Contractor working hours and days.

4. Project Representatives

A. The project representatives during the term of this Agreement will be:

Department of Health Care Services

Shelly Taunk, Chief
Medi-Cal Claiming and Inmate Services Section
Telephone: 916-552-9056
Fax: 916-552-8651
E-Mail: Shelly.Taunk@dhcs.ca.gov

County of Yuba

Randy Fletcher, Chair
Yuba County Board of Supervisors
Telephone: 530-749-7510
Fax: 530-749-7353

B. Direct all inquiries to:

Department of Health Care Services

Medi-Cal Claiming and Inmate Services Section
Attention: Autumn Recce
1501 Capitol Ave., MS 4603
P.O. Box 997436
Sacramento, CA 95899-7436
Telephone: 916-552-9223
Fax: 916-324-0738

County of Yuba

Attention: Cyndi Journagan
5730 Packard Avenue, Suite 100
Marysville, CA 95901

Telephone: 530-749-6279
Fax: 530-749-6397

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Scope of Work

E-Mail: Autumn.Recce@dhcs.ca.gov

E-Mail: cjournagan@co.yuba.ca.us

- C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

5. Services to be Performed

The following CMAA are *eligible* for Federal Financial Participation (FFP) only when they are identified in a CMAA Claiming Plan approved by the State and the Centers for Medicare and Medicaid Services (CMS):

- A. **Medi-Cal Outreach:** This activity may consist of discrete campaigns or may be an ongoing activity. This activity is directed to groups or individuals targeted to two goals:

- a. Bringing potential eligibles into the Medi-Cal system for the purpose of determining Medi-Cal eligibility.
- b. Bringing Medi-Cal eligibles into Medi-Cal services.

Outreach may consist of discrete campaigns or may be an ongoing activity, such as: sending teams of employees into the community to contact homeless alcoholics or drug abusers; establishing a telephone or walk-in service for referring persons to Medi-Cal services or eligibility offices; operating a drop-in community center for underserved populations, such as minority teenagers where Medi-Cal eligibility and service information is disseminated.

NOTE: Public health outreach conducted by Local Government Agencies (LGAs) shall not duplicate the requirements on Medi-Cal managed care providers to pursue the enrollment of Medi-Cal eligibles in their service areas.

- c. Medi-Cal only eligibility outreach campaigns directed to the entire population to encourage potential Medi-Cal eligibles to apply for Medi-Cal are allowable, and the costs do not have to be discounted by the Medi-Cal percentage:
 - (1) Outreach campaigns directed toward bringing Medi-Cal eligibles into Medi-Cal covered services are allowable and the costs do not have to be discounted by the Medi-Cal percentage. In such campaigns, the language should clearly indicate that the message is directed only to persons eligible for Medi-Cal, and not the general public. These campaigns are service campaigns, targeted on specific Medi-Cal services, such as Early and Periodic Screening, Diagnosis and Treatment.
 - (2) A health education program or campaign may be allowable as a Medi-Cal administrative cost if it is targeted specifically to Medi-Cal services and for Medi-Cal eligible individuals, such as an educational campaign on immunization addressed to parents of Medi-Cal children.

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- B. Referral, Coordination, and Monitoring of Medi-Cal Services:** Referral, Coordination, and Monitoring of Medi-Cal Services includes making referrals for, coordinating, and/or monitoring the delivery of Medi-Cal covered services.
- C. Facilitating Medi-Cal Application (Eligibility Intake):** This activity includes explaining Medi-Cal eligibility rules and the Medi-Cal eligibility process to prospective applicants; assisting an applicant to fill out a Medi-Cal eligibility application; gathering information related to the application and eligibility determination or re-determination from a client, including resource information and third party liability information, as a prelude to submitting a formal Medi-Cal application to the county welfare department; and/or providing necessary forms and packaging all forms in preparation for the Medi-Cal eligibility determination. This activity does not include the eligibility determination itself. These costs do not have to be discounted (i.e reduced) by the Medi-Cal percentage.
- D. Arranging and/or Providing Non-Emergency, Non-Medical Transportation to a Medi-Cal covered Service:** Arranging and/or providing non-emergency, non-medical transportation for a Medi-Cal eligible client who does not have a physical or mental limitation to a Medi-Cal provider for a Medi-Cal covered service when medically necessary. Arranging and/or providing non-emergency, non-medical transportation and accompaniment by an attendant, for a Medi-Cal eligible client who has a physical or mental limitation to an Medi-Cal provider for a Medi-Cal covered service when medically necessary. If the Medi-Cal eligible client does not have a physical or mental limitation, the contractor or governmental unit may provide transportation services, but is unable to accompany the client to the Medi-Cal covered service appointment. However, LGAs may not claim arranging transportation as CMAA when performed by a TCM Case Manager. The cost of this time will be included in the TCM encounter rate and is not claimable separately through CMAA (DHCS CMMA Program Operational Plan, Appendix D, Section III.3.).
- Examples:** Providing transportation services to a Medi-Cal eligible individual to a Medi-Cal service provider. Scheduling or arranging transportation to Medi-Cal covered services. Accompanying clients (elderly, young, disabled at a Medi-Cal provider medical appointment because the client has physical limitation, pursuant to 42 Code of Federal Regulations (CFR) part 440.170.
- E. Contract Administration for Medi-Cal Services:** This activity involves entering into agreements with community based organizations or other provider agencies for the provision of Medi-Cal services and/or CMAA, other than TCM. The costs of TCM subcontract administration should be included in the TCM rate.

NOTE: A Contractor has the option of claiming the costs of contract administration for allowable CMAA, such as Outreach, under that activity or the costs may be claimed under Contract Administration. Under no circumstances are the costs of contract administration for allowable CMAA to be claimed under both Contract Administration and the activity, such as Outreach. Contracting for Medi-Cal services may only be claimed under Contract Administration.

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Contracting for Medi-Cal services and/or CMAA is claimable as an administrative activity when the administration of those agreements meets all of the following criteria:

- a. The contract administration is performed by an identifiable unit of one or more employees, whose tasks officially involve contract administration, according to the duty statements or job descriptions of the employees being claimed.
- b. The contract administration involves contractors that provide Medi-Cal services and/or CMAA. The costs of contracting for TCM services with non-LGA providers should be claimed as part of the TCM rate. These costs cannot be separately claimed as CMAA.
- c. The contract administration must be directed to one or more of the following goals:
 - (1) Identifying, recruiting, and contracting with community agencies as Medi-Cal service contract providers;
 - (2) Providing technical assistance to Medi-Cal subcontractors regarding County, State and Federal regulations;
 - (3) Monitoring provider agency capacity and availability; and
 - (4) Ensuring compliance with the terms of the agreement.

The contracts being administered must be for Medi-Cal services and CMAA or just CMAA and target Medi-Cal populations only or target the general population if the general population includes a Medi-Cal eligible population.

F. Program Planning and Policy Development (PP&PD) for Medi-Cal Services: This activity may be claimed at the enhanced rate (75 percent FFP) if performed by a Skilled Professional Medical Personnel (SPMP), or the non-enhanced rate (50 percent FFP) if performed by a non-SPMP.

- a. Allowable: This activity is claimable when performed, either part-time or full-time, by one or more Contractor employees and subcontractors whose tasks officially involve PP&PD. Contractor employees performing this activity must have the tasks identified in the employee's position descriptions/duty statements. If the programs serve both Medi-Cal and non-Medi-Cal clients, the costs of PP&PD activities must be allocated according to the Medi-Cal percentages being served by the programs.

This activity is claimable as a direct charge for Medi-Cal administration only when PP&PD is performed by a unit of one or more Contractor employees who spend 100 percent of their paid working time performing this activity. This activity is claimable only if the administrative amounts being claimed for PP&PD persons and activities are not otherwise included in other claimable cost pools; and the amounts being claimed for such persons employed by (and activities taking place in) a service provider setting are not otherwise being reimbursed through the billable service rate of that provider. Costs for persons performing this activity less than 100 percent of their time will be based on a time-survey.

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In LGAs with county-wide managed care arrangements, PP&PD activities are claimable as Medi-Cal administration only for those services that are excluded from the managed care contracts.

Under the conditions specified above, the following tasks are allowable as CMAA under this activity:

- (1) Developing strategies to increase Medi-Cal system capacity and close Medi-Cal service gaps. This includes analyzing Medi-Cal data related to a specific program or specific group.
 - (2) Interagency coordination to improve delivery of Medi-Cal services.
 - (3) Developing resource directories of Medi-Cal services/providers.
 - (4) For subcontractors, some PP&PD support services are allowable, e.g., developing resource directories, preparing Medi-Cal data reports, conducting needs assessments, or preparing proposals for expansion of Medi-Cal services.
- b. Not allowable: This activity is not allowable if staff performing this function are employed full-time by service providers, such as clinics. The full costs of the employee's salary are assumed to be included in the billable fee-for-service rate and separate CMAA claiming is not allowed.

This activity is not allowable if staff who deliver services part-time in an LGA service provider setting, such as a clinic, are performing PP&PD activities relating to the service provider setting in which they deliver services.

- G. **MAA/TCM Coordination and Claims Administration:** Contractor employees whose position description/duty statement includes the administration of CMAA and TCM on an LGA service region-wide basis, may claim for the costs of these activities on the CMAA detailed invoice as a direct charge.

Costs incurred in the preparation and submission of CMAA claims at any level, including staff time, supplies, and computer time, may be direct charged. If the CMAA/TCM Coordinator and/or claims administration staff are performing this function part-time, along with other duties, they must certify the percentage of total time spent performing the duties of CMAA coordination and/or claims administration. The percentage certified for the CMAA/TCM Coordinator and/or claims administration staff activities must be used as the basis for federal claiming. Charges for supervisors, clericals, and support staff may be allocated based upon the percentage of certified time of the CMAA/TCM Coordinator and claims administration staff.

- a. The CMAA/TCM Coordinator and claims administration staff may claim the costs of the following activities, as well as any other reasonable activities directly related to the Contractor's administration of TCM services and CMAA at the LGA-wide level:
 - (1) Drafting, revising, and submitting CMAA Claiming Plans, and TCM performance monitoring plans.

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- (2) Serving as liaison with and monitoring the performance of claiming programs within the LGA and with the State and Federal Governments on CMAA and TCM.
- (3) Administering LGA claiming, including overseeing, preparing, compiling, revising and submitting CMAA and TCM invoices on an LGA-wide basis to the State.
- (4) Attending training sessions, meetings, and conferences involving CMAA and/or TCM.
- (5) Training Contractor program and subcontractor staff on State, Federal, and Local requirements for CMAA and/or TCM claiming.
- (6) Ensuring that CMAA and/or TCM invoices do not duplicate Medi-Cal invoices for the same services or activities from other providers. This includes ensuring that services are not duplicated when a Medi-Cal beneficiary receives TCM services from more than one case manager.

NOTE: The costs of the CMAA/TCM Coordinator's time and claims administration staff time must not be included in the CMAA claiming or in the TCM rate, since the costs associated with the time are to be direct charged. Charges for supervisors, clericals, and support staff for these employees may be allocated based upon the percentage of certified time of the CMAA/TCM Coordinator and claims administration staff. The costs of TCM claiming activity at the TCM provider level are to be included in the TCM rate.

- H. **MAA/TCM Implementation Training:** Training activities shall be time studied in accordance with the purpose of the training. Training activities include time spent providing or attending training related to the performance of CMAA or TCM. Training activities also include reasonable time spent on related paperwork, clerical activities, staff travel time necessary to perform these activities including initiating and responding to email and voicemail. Training that is unrelated to CMAA is not allowable.
- I. **General Administration:** This includes activities that are eligible for cost distribution on a 2 CFR Part 200 et. seq. approved cost allocation basis. These costs are to be distributed proportionately while performing the following activities:
 - a. Attend or conduct general, non-medical staff meetings;
 - b. Develop and monitor program budgets;
 - c. Provide instructional leadership, site management, supervise staff, or participate in Employee performance reviews;
 - d. Review departmental or unit procedures and rules;
 - e. Present or participate in, in-service orientations and programs;
 - f. Participate in health promotion activities for employees of the Contractor; and

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- g. The 15 minutes that a time survey participant spent filling out the Time Survey Form at the end of the work day.
- J. **Paid Time Off:** This activity is to be used by all staff involved in CMAA to record usage of paid leave, including vacation, sick leave, holiday time and any other employee time off that is paid. This does not include lunch or meal breaks, off payroll time, or Compensatory Time Off which shall be allocated as prescribed by the State.

6. Americans with Disabilities Act

Contractor agrees to ensure that deliverables developed and produced, pursuant to this Agreement shall comply with the accessibility requirements of **Section 508 of the Rehabilitation Act and the Americans with Disabilities Act of 1973** as amended (29 U.S.C. § 794 (d), and regulations implementing that act as set forth in Part 1194 of Title 36 of the Federal Code of Regulations. In 1998, Congress amended the **Rehabilitation Act of 1973** to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. California Government Code section 11135 codifies section 508 of the Act requiring accessibility of electronic and information technology.

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

- A. For administrative activities satisfactorily rendered and upon receipt and approval of the invoices, DHCS agrees to compensate the Contractor for actual expenditures incurred in accordance with the conditions specified herein.
- B. Invoices shall include the Agreement Number and shall be submitted not more frequently than quarterly in arrears to:

Regular Mail

CMAA Analyst
Department of Health Care Services
Safety Net Financing Division
Medi-Cal Claiming and Inmate Services Section
MS 4603
PO Box 997436
Sacramento, CA 95899-7436

Overnight Mail

CMAA Analyst
Department of Health Care Services
Safety Net Financing Division
Medi-Cal Claiming and Inmate Services Section
MS 4603
1501 Capitol Avenue
Sacramento, CA 95814

C. Invoices shall:

- 1) Be prepared on the CMAA Invoice incorporated by reference in Exhibit E, Provision 1
- 2) Be prepared on Contractor letterhead and must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent actual expenses for the activities performed under this agreement on the CMAA Invoice Summary page.
- 3) Bear the Contractor's name as shown on the agreement on the CMAA Invoice.
- 4) Identify the billing and/or performance period covered by the invoice on the CMAA Invoice.
- 5) Itemize costs for the billing period in the same or greater level of detail as indicated in this agreement on the CMAA Invoice. Subject to the terms of this agreement, reimbursement may only be sought for those costs and/or cost categories expressly identified as allowable in this agreement and approved by DHCS.
- 6) Provide the State with complete invoice and expenditure information to include in the CMS 64 no later than *fifteen* (15) months after the end of the quarter for which the claim was submitted. This information shall be provided on the standardized CMAA Invoice.
- 7) Identify on the CMAA Invoice, the claim categories to which expenditure data must adhere for insertion into the CMS 64. A separate CMAA Invoice shall be submitted for each program, clinic, non-governmental entity and subcontractor claiming CMAA costs pursuant to this agreement, except for contracted employees under the direct control of the Contractor. Contracted employees' costs shall be aggregated and reported in accordance with the CMAA Invoice instructions. The CMAA Invoice(s) for each of the programs claimed shall correspond to the name of the claiming programs identified in the Contractors CMAA Claiming Plan. The Invoice instructions are found in the DHCS CMAA/TCM Time Survey Methodology and DHCS CMAA

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Program Operational Plan (CMAA/ TCM Implementation Plan) incorporated by reference in Exhibit E, Provision 1.

D. Rates Payable

- 1) The invoices may include the cost of expenses of staff and the operating expenses and equipment costs necessary to collect data, disseminate information, and carry out the staff activities outlined in this agreement.
 - a. The maximum rate of Federal reimbursement for compensation (salary and benefits), of activities qualifying under Federal regulations applying to SPMP of a public agency and their direct supporting staff shall be 75 percent of such costs for activities identified as "enhanced." The maximum rate of reimbursement for allowable costs of activities identified as "non-enhanced", performed by SPMP and their direct supporting staff, shall be 50 percent. The maximum rate of reimbursement for all allowable costs other than compensation applicable to SPMPs and their direct supporting staff shall be 50 percent.
 - (1) An SPMP is defined as an employee of the Contractor who has completed a 2-year or longer program leading to an academic degree or certification in a medically-related profession *and* who performs duties and responsibilities requiring professional medical knowledge and skills. Direct supporting staff are also employees of the Contractor. They are secretarial, stenographic, copy, file, or record clerks who are directly supervised by the SPMP, and who provide clerical services necessary for carrying out the professional medical responsibilities and administrative activities of the SPMP.
 - b. The rate of federal reimbursement is 50 percent FFP for all costs of non-SPMPs and all costs of subcontractors (non-governmental entities) performing allowable administrative activities as defined in Provision 5, Services to be Performed, of Exhibit A, Scope of Work.
 - c. The maximum rate of reimbursement for all non-public subcontractors to the Contractor shall be 50 percent for all categories of cost.
- E. Certify the certified public expenditure (CPE) from the Contractor's General Fund, or from any other funds allowed under federal law and regulation, for Title XIX funds claimed for CMAA performed pursuant to W&I Code Section 14132.47. The State shall deny payment of any claim submitted under this agreement if it determines that the certification is not adequately supported for purposes of FFP. Expenditures certified for CMAA costs shall not duplicate, in whole or in part, claims made for the costs of direct patient care. DHCS shall provide a certification statement to be included with each CMAA Invoice Summary Page submitted to the State for payment for the performance of CMAA.

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2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, DHCS shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to further provide services under the CMAA program.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, DHCS shall have the option to either cancel this Agreement with no liability occurring to DHCS, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. Amounts Payable

- A. The amounts payable under this agreement shall not exceed:
 - 1) \$ 350,000 for the budget period of 07/01/16 through 06/30/17,
 - 2) \$ 375,000 for the budget period of 07/01/17 through 06/30/18,
 - 3) \$ 400,000 for the budget period of 07/01/18 through 06/30/19.
- B. Reimbursement shall be made for allowable expenses up to the amount annually encumbered commensurate with the state fiscal year in which services are performed and/or goods are received.

5. Participation in Medi-Cal Administrative Claiming Process

- A. As a condition of participation in the Medi-Cal Administrative Claiming process, and in recognition of revenue generated in the Medi-Cal Administrative Claiming process, the Contractor shall pay an annual participation fee through a mechanism agreed to by the State and Contractors, or, if no agreement is reached by August 1 of each year, directly to the State.
- B. The participation fee shall be used to cover the cost of administering the Medi-Cal Administrative Claiming process, including, but not limited to, claims processing, technical assistance, and monitoring. The State shall determine and report staffing requirements upon which projected costs will be based.
- C. The amount of the participation fee shall be based upon the anticipated state salaries, benefits, operating expenses and equipment, necessary to administer the Medi-Cal Administrative Claiming process and other costs related to that process.

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6. Non-Federal Matching Funds for CMAA

The Contractor will expend one hundred percent (100%) of the non-federal share of the cost of performing CMAA. By signing this agreement, the Contractor certifies that the funds expended for this purpose shall be from the Contractor's general fund or from any other funds allowable under federal law and regulation.

7. Claiming Overhead Costs

- A. In order to claim administrative overhead costs, also referred to as "External Administrative Overhead" costs, the Contractor must have a State Controller's Office approved LGA administrative overhead cost allocation plan for the applicable period and these costs must be claimed in accordance with the plan. An LGA's plan is submitted to the California State Controller's Office, which has delegated authority from the Federal Government to approve it.
- B. Internal (departmental) administrative overhead costs are allowable for FFP only if there is a departmental overhead indirect cost allocation plan prepared and on file for audit purposes for the applicable period and costs are claimed in accordance with it following 2 CFR Part 200 et. seq. guidelines.
- C. Both external and internal administrative cost allocation plans must comply with provisions of 2 CFR Part 200 et. seq., entitled "Cost Principles for State, Local, and Indian Tribal Governments" and Federal Publication OASC-10, entitled "A Guide for State and Local Governments/Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government."
- D. The Contractor must assure that costs claimed as direct costs are not duplicate costs claimed through the application of the indirect cost rate.

8. Offset of Revenues and Non-Duplication of FFP

- A. To the extent that other funding sources have paid or would pay for the costs at issue, FFP is not available and the costs must be removed from the total costs (*2 CFR part 200 et. seq.*). The revenue offset categories which must be applied in developing the net costs include, but are not limited to:
 - 1) All unallowable federal funds, including not only federal grants but also federal payments for services under Medicare fee-for-service or encounter rates.
 - 2) All state expenditures which have been previously matched by the Federal Government (*includes Medicaid funds for medical assistance, such as the payment rate for services under fee-for-service or encounter rates*). Claims submitted will not be duplicative of Medicaid claims for costs that are part of the all inclusive rate for direct patient care.
 - 3) Private insurance and other fees collected from non-governmental sources.
 - 4) All applicable credits must be offset against claims for Medicaid funds. Applicable credits refer to those receipts or reduction of expenditure type transactions that

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offset or reduce expense items allocable to federal awards as direct or indirect costs.

- 5) A program may not claim any federal match for administrative activities if its total cost has already been paid by the revenue sources above. A government program may not be reimbursed in excess of its actual costs.

9. Requirements for FFP

- A. The reimbursement LGAs receive for their Medi-Cal program expenditures is known as FFP. Section 433.51 of Title 42 of the CFR provides that the amount expended for providing medical assistance must be "... certified by the contributing public agency as representing expenditures eligible for FFP." Section 1903(a) of Title XIX of the Social Security Act also provides language indicating states may receive an enhancement to the FFP. Section 1903(a)(2) of the Act specifically indicates federal matching at 75 percent is attributable to the compensation and/or training of SPMP, and staff direct supporting such personnel of the State agency or any other public agency. For example, when the amounts expended for providing medical assistance "are attributable to the compensation or training of SPMP, and staff direct supporting such personnel", the FFP rate shall be 75 percent. Therefore, the FFP rate for an LGA claim with eligible and certified Medi-Cal expenditures performed by an SPMP, or staff direct supporting an SPMP, in the amount of \$100 would be \$75 ($\$100 \times .75 = \75).
- B. In order to meet the CPE requirements and receive FFP, LGAs must obtain and maintain supporting documentation verifying: a) 100 percent of available revenue is specifically related to performing the administrative activities and services of the Medi-Cal program; b) 100 percent of the expenditures eligible for reimbursement are specifically related to performing the administrative activities and services of the Medi-Cal program; c) the expenditures eligible for reimbursement are restricted to the actual costs incurred; d) the funds expended to account for the actual cost are from revenue sources allowable under all applicable state and federal laws and regulations; e) the administrative activity and service expenditures of the Medi-Cal program are incurred prior to requesting FFP reimbursement. The contributing public agency must certify to their allowable expenditures for the actual costs of providing services and/or activities. Community-Based Organizations (CBOs) may not utilize their private funds or certify costs. CBOs may only utilize allowable CPE contributed by a Public Agency for the actual costs related to Medi-Cal eligible services and/or activities. If an LGA has a question regarding eligible CPE or actual cost at the claiming unit or CBO level, they should contact DHCS.
- C. Per 42 CFR, Section 432.2 et seq., and Section 433.1 et seq., SPMP, and direct supporting staff, eligible for enhanced funding are defined as physicians, dentists, nurses, and other specialized personnel who have professional education and training in the field of medical care or appropriate medical practice and who are in an employer-employee relationship with the Contractor. SPMPs do not include other non-medical health professionals such as public administrators, medical analysts, lobbyists, senior managers or administrators of public assistance programs or of the Medi-Cal program.
- D. The seventy-five (75) percent (enhanced) federal matching rate is only available for a Contractor that is contractually linked to DHCS to perform Medi-Cal Administrative Activities. The enhanced federal matching rate can be claimed for salaries, benefits,

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travel and training of SPMP and their direct supporting clerical staff who are in an employee-employer relationship with the Contractor and are involved in activities that are necessary for the proper and efficient administration of the Medi-Cal Program.

- E. Fifty (50) percent (non-enhanced) federal matching rate can be claimed for any of the Contractor's staff, or subcontractors, involved in the performance of activities that are necessary for the proper and efficient administration of the Medi-Cal Program. This includes claiming for SPMP and direct supporting clerical staff performing related activities that are non-enhanced. Additionally, the ability to claim SPMP under the MAA program is activity driven not education based. Expenditures for the actual furnishing of medical services by SPMP do not qualify for reimbursement via Medi-Cal Administrative Claiming, as medical services are paid for in the fee-for-services system and managed care system.
- F. Qualifying SPMP costs may be matched at the 75 percent rate in proportion to the time worked by SPMP in performing those duties that require professional medical knowledge and skills, as evidenced by position descriptions, job announcements, or job classifications.

10. Expense Allowability/Fiscal Documentation

- A. Invoices, received from a Contractor and accepted and/or submitted for payment by DHCS, shall not be deemed evidence of allowable agreement costs.
- B. Contractor shall maintain for review and audit and supply to DHCS upon request, adequate documentation of all expenses claimed pursuant to this agreement to permit a determination of expense allowability.
- C. If the allowability or appropriateness of an expense cannot be determined by DHCS because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be withheld by the DHCS. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.
- D. The LGA is to establish policies and procedures to identify the Federal Award amounts passed through to subrecipients and furnish those amounts to DHCS.

11. Federal Audit Disallowances

- A. In addition to the indemnification required by Exhibit C, Provision 5, and notwithstanding any other provision of this agreement, the State shall be held harmless, in accordance with Provision 2, Budget Contingency Clause, paragraphs A and B, from any federal audit disallowance and interest resulting from payments made to the Contractor pursuant to W&I Code Section 14132.47, and this agreement, less the amounts already remitted to the State.
- B. To the extent that a federal audit disallowance and interest results from a claim or claims for the Contractor has received reimbursement for CMAA, the State shall recoup from the Contractor which submitted the disallowed claim, through offsets or by direct billing, amounts equal to the amount of the disallowance plus interest in that fiscal year, less

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any amount already remitted to the State for the disallowed claim. All subsequent claims submitted to the State applicable to any previously disallowed CMAA or claim, may be held in abeyance, with no payment made, until the federal disallowance issue is resolved.

- C. To the extent that a federal audit disallowance and interest results from a claim or claims for which the Contractor has received reimbursement for CMAA performed by a non-governmental entity under agreement with, and on behalf of, the Contractor, the State shall be held harmless by that particular Contractor for 100 percent of the amount of any such final federal audit disallowance and interest less the amounts already remitted to the State for the disallowed claim.

12. Dun and Bradstreet Universal Numbering System (DUNS)

Notwithstanding Exhibit E. 8. A. 8. definition for vendor, CMAA providers and their subcontractors are considered contractors solely for the purposes of U.S. Office of Management and Budget Uniform Guidance (Title 2 of the Code of Federal Regulations, Part 200, and, specifically, 2 CFR 200.330). Consequently, as Contractors, as distinguished from subrecipients, a DUNS number is not required.

EXHIBIT C

GENERAL TERMS AND CONDITIONS

1. APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.
2. AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
3. ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.
4. AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).
5. INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.
6. DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.
7. TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

8. INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

9. RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12. TIMELINESS: Time is of the essence in this Agreement.

13. COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

14. GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

15. ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

16. CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

17. UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

18. PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

20. LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

Special Terms and Conditions

(For federally funded service contracts or agreements and grant agreements)

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or to govern the meaning of any specific term or condition.

The terms "contract", "Contractor" and "Subcontractor" shall also mean, "agreement", "grant", "grant agreement", "Grantee" and "Subgrantee" respectively.

The terms "California Department of Health Care Services", "California Department of Health Services", "Department of Health Care Services", "Department of Health Services", "CDHCS", "DHCS", "CDHS", and "DHS" shall all have the same meaning and refer to the California State agency that is a party to this Agreement.

This exhibit contains provisions that require strict adherence to various contracting laws and policies. Some provisions herein are conditional and only apply if specified conditions exist (i.e., agreement total exceeds a certain amount; agreement is federally funded, etc.). The provisions herein apply to this Agreement unless the provisions are removed by reference on the face of this Agreement, the provisions are superseded by an alternate provision appearing elsewhere in this Agreement, or the applicable conditions do not exist.

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1. Federal Equal Opportunity Requirements

(Applicable to all federally funded agreements entered into by the Department of Health Care Services)

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- b. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- g. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHCS, the Contractor may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

2. Travel and Per Diem Reimbursement

(Applicable if travel and/or per diem expenses are reimbursed with agreement funds.)

Reimbursement for travel and per diem expenses from DHCS under this Agreement shall, unless otherwise specified in this Agreement, be at the rates currently in effect, as established by the California Department of Human Resources (CalHR), for nonrepresented state employees as stipulated in DHCS' Travel Reimbursement Information Exhibit. If the CalHR rates change during the term of the Agreement, the new rates shall apply upon their effective date and no amendment to this Agreement shall be necessary. Exceptions to CalHR rates may be approved by DHCS upon the submission of a statement by the Contractor indicating that such rates are not available to the Contractor. No travel outside the State of California shall be reimbursed without prior authorization from DHCS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

3. Procurement Rules

(Applicable to agreements in which equipment/property, commodities and/or supplies are furnished by DHCS or expenses for said items are reimbursed by DHCS with state or federal funds provided under the Agreement.)

a. Equipment/Property definitions

Wherever the term equipment and/or property is used, the following definitions shall apply:

- (1) **Major equipment/property:** A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.
 - (2) **Minor equipment/property:** A tangible item having a base unit cost of less than \$5,000 with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement.
- b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 shall also apply, if equipment/property purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.
- c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment/property and services related to such purchases for performance under this Agreement.
- (1) Equipment/property purchases shall not exceed \$50,000 annually.

To secure equipment/property above the annual maximum limit of \$50,000, the Contractor shall

- make arrangements through the appropriate DHCS Program Contract Manager, to have all remaining equipment/property purchased through DHCS' Purchasing Unit. The cost of equipment/property purchased by or through DHCS shall be deducted from the funds available in this Agreement. Contractor shall submit to the DHCS Program Contract Manager a list of equipment/property specifications for those items that the State must procure. DHCS may pay the vendor directly for such arranged equipment/property purchases and title to the equipment/property will remain with DHCS. The equipment/property will be delivered to the Contractor's address, as stated on the face of the Agreement, unless the Contractor notifies the DHCS Program Contract Manager, in writing, of an alternate delivery address.
- (2) All equipment/property purchases are subject to Paragraphs d through h of Provision 3. Paragraph b of Provision 3 shall also apply, if equipment/property purchases are delegated to subcontractors that are either a government or public entity.
- (3) Nonprofit organizations and commercial businesses shall use a procurement system that meets the following standards:
- (a) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement, or bid contract in which, to his or her knowledge, he or she has a financial interest.
 - (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
 - (c) Procurements shall be conducted in a manner that provides for all of the following:
 - [1] Avoid purchasing unnecessary or duplicate items.
 - [2] Equipment/property solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - [3] Take positive steps to utilize small and veteran owned businesses.
- d. Unless waived or otherwise stipulated in writing by DHCS, prior written authorization from the appropriate DHCS Program Contract Manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment/property, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by DHCS, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- e. In special circumstances, determined by DHCS (e.g., when DHCS has a need to monitor certain purchases, etc.), DHCS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. DHCS reserves the right to either deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that DHCS determines to be unnecessary in carrying out performance under this Agreement.
- f. The Contractor and/or subcontractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or subcontractor at any time.
- g. For all purchases, the Contractor and/or subcontractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. DHCS may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Contractor no less than 30 calendar days written notice.

4. Equipment/Property Ownership / Inventory / Disposition

(Applicable to agreements in which equipment/property is furnished by DHCS and/or when said items are purchased or reimbursed by DHCS with state or federal funds provided under the Agreement.)

- a. Wherever the term equipment and/or property is used in Provision 4, the definitions in Paragraph a of Provision 3 shall apply.

Unless otherwise stipulated in this Agreement, all equipment and/or property that is purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement shall be considered state equipment and the property of DHCS.

- (1) **Reporting of Equipment/Property Receipt** - DHCS requires the reporting, tagging and annual inventorying of all equipment and/or property that is furnished by DHCS or purchased/reimbursed with funds provided through this Agreement.

Upon receipt of equipment and/or property, the Contractor shall report the receipt to the DHCS Program Contract Manager. To report the receipt of said items and to receive property tags, Contractor shall use a form or format designated by DHCS' Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with DHCS Funds) does not accompany this Agreement, Contractor shall request a copy from the DHCS Program Contract Manager.

- (2) **Annual Equipment/Property Inventory** - If the Contractor enters into an agreement with a term of more than twelve months, the Contractor shall submit an annual inventory of state equipment and/or property to the DHCS Program Contract Manager using a form or format designated by DHCS' Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of DHCS-Funded Equipment) does not accompany this Agreement, Contractor shall request a copy from the DHCS Program Contract Manager. Contractor shall:

- (a) Include in the inventory report, equipment and/or property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
 - (b) Submit the inventory report to DHCS according to the instructions appearing on the inventory form or issued by the DHCS Program Contract Manager.
 - (c) Contact the DHCS Program Contract Manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by either the DHCS Program Contract Manager or DHCS' Asset Management Unit.
- b. Title to state equipment and/or property shall not be affected by its incorporation or attachment to any property not owned by the State.
- c. Unless otherwise stipulated, DHCS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or property.
- d. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property.
- (1) In administering this provision, DHCS may require the Contractor and/or Subcontractor to repair or replace, to DHCS' satisfaction, any damaged, lost or stolen state equipment and/or property. In the event of state equipment and/or miscellaneous property theft, Contractor and/or Subcontractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the DHCS Program Contract Manager.
- e. Unless otherwise stipulated by the Program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, shall only be used for performance of this Agreement or another DHCS agreement.

- f. Within sixty (60) calendar days prior to the termination or end of this Agreement, the Contractor shall provide a final inventory report of equipment and/or property to the DHCS Program Contract Manager and shall, at that time, query DHCS as to the requirements, including the manner and method, of returning state equipment and/or property to DHCS. Final disposition of equipment and/or property shall be at DHCS expense and according to DHCS instructions. Equipment and/or property disposition instructions shall be issued by DHCS immediately after receipt of the final inventory report. At the termination or conclusion of this Agreement, DHCS may at its discretion, authorize the continued use of state equipment and/or property for performance of work under a different DHCS agreement.

g. **Motor Vehicles**

(Applicable only if motor vehicles are purchased/reimbursed with agreement funds or furnished by DHCS under this Agreement.)

- (1) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, within thirty (30) calendar days prior to the termination or end of this Agreement, the Contractor and/or Subcontractor shall return such vehicles to DHCS and shall deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to DHCS.
- (2) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, the State of California shall be the legal owner of said motor vehicles and the Contractor shall be the registered owner. The Contractor and/or a subcontractor may only use said vehicles for performance and under the terms of this Agreement.
- (3) The Contractor and/or Subcontractor agree that all operators of motor vehicles, purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, shall hold a valid State of California driver's license. In the event that ten or more passengers are to be transported in any one vehicle, the operator shall also hold a State of California Class B driver's license.
- (4) If any motor vehicle is purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, the Contractor and/or Subcontractor, as applicable, shall provide, maintain, and certify that, at a minimum, the following type and amount of automobile liability insurance is in effect during the term of this Agreement or any extension period during which any vehicle remains in the Contractor's and/or Subcontractor's possession:

Automobile Liability Insurance

- (a) The Contractor, by signing this Agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, to the Contractor and/or Subcontractor.
- (b) The Contractor and/or Subcontractor shall, as soon as practical, furnish a copy of the certificate of insurance to the DHCS Program Contract Manager. The certificate of insurance shall identify the DHCS contract or agreement number for which the insurance applies.
- (c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this Agreement or until such time as the motor vehicle is returned to DHCS.
- (d) The Contractor and/or Subcontractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this Agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- (e) The Contractor and/or Subcontractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:

- [1] The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State (California Department of Health Care Services).
 - [2] The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this Agreement and any extension or continuation of this Agreement.
 - [3] The insurance carrier shall notify the California Department of Health Care Services (DHCS), in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices shall contain a reference to each agreement number for which the insurance was obtained.
- (f) The Contractor and/or Subcontractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by DHCS, in writing, if this provision is applicable to this Agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services shall be performed prior to obtaining said approval.
- (g) In the event the Contractor and/or Subcontractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, DHCS may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

5. Subcontract Requirements

(Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor shall obtain at least three bids or justify a sole source award.
- (1) The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
 - (2) DHCS may identify the information needed to fulfill this requirement.
 - (3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - (a) A local governmental entity or the federal government,
 - (b) A State college or State university from any State,
 - (c) A Joint Powers Authority,
 - (d) An auxiliary organization of a California State University or a California community college,
 - (e) A foundation organized to support the Board of Governors of the California Community Colleges,
 - (f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - (g) Firms or individuals proposed for use and approved by DHCS' funding Program via acceptance of an application or proposal for funding or pre/post contract award negotiations,
 - (h) Entities and/or service types identified as exempt from advertising and competitive bidding in State Contracting Manual Chapter 5 Section 5.80 Subsection B.2. View this publication at the following Internet address: <http://www.dgs.ca.gov/ols/Resources/StateContractManual.aspx>.
- b. DHCS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this Agreement.

- (1) Upon receipt of a written notice from DHCS requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHCS.
- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHCS. DHCS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by DHCS.
- d. Contractor shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by DHCS, make copies available for approval, inspection, or audit.
- e. DHCS assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.
- f. The Contractor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.
- g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.
- h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from DHCS to the Contractor, to permit DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."
- i. Unless otherwise stipulated in writing by DHCS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this Agreement.
- j. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 17, 19, 20, 24, 32 and/or other numbered provisions herein that are deemed applicable.

6. Income Restrictions

Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement shall be paid by the Contractor to DHCS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by DHCS under this Agreement.

7. Audit and Record Retention

(Applicable to agreements in excess of \$10,000.)

- a. The Contractor and/or Subcontractor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- b. The Contractor's and/or subcontractor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that DHCS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this

Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896).

- d. The Contractor and/or Subcontractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.
 - (1) If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - (2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor and/or Subcontractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.
- f. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- g. The Contractor shall, if applicable, comply with the Single Audit Act and the audit reporting requirements set forth in OMB Circular A-133.

8. Site Inspection

The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor or Subcontractor, the Contractor shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

9. Federal Contract Funds

(Applicable only to that portion of an agreement funded in part or whole with federal funds.)

- a. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- b. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.

- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- d. DHCS has the option to invalidate or cancel the Agreement with 30-days advance written notice or to amend the Agreement to reflect any reduction in funds.

10. Intellectual Property Rights

a. Ownership

- (1) Except where DHCS has agreed in a signed writing to accept a license, DHCS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or DHCS and which result directly or indirectly from this Agreement.
- (2) For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
 - (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this Agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, under this Agreement, Contractor may access and utilize certain of DHCS' Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, Contractor shall not use any of DHCS' Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of DHCS. **Except as otherwise set forth herein, neither the Contractor nor DHCS shall give any ownership interest in or rights to its Intellectual Property to the other Party.** If during the term of this Agreement, Contractor accesses any third-party Intellectual Property that is licensed to DHCS, Contractor agrees to abide by all license and confidentiality restrictions applicable to DHCS in the third-party's license agreement.
- (4) Contractor agrees to cooperate with DHCS in establishing or maintaining DHCS' exclusive rights in the Intellectual Property, and in assuring DHCS' sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, Contractor shall require the terms of the Agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to DHCS all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or DHCS and which result directly or indirectly from this Agreement or any subcontract.
- (5) Contractor further agrees to assist and cooperate with DHCS in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce DHCS' Intellectual Property rights and interests.

b. Retained Rights / License Rights

- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHCS and which result directly or indirectly from this Agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this Agreement. Contractor hereby grants to DHCS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this Agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this Agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of DHCS or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.

c. Copyright

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Paragraph a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this Agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to DHCS to any work product made, conceived, derived from, or reduced to practice by Contractor or DHCS and which result directly or indirectly from this Agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHCS and which result directly or indirectly from this Agreement, shall include DHCS' notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2010, etc.], California Department of Health Care Services. This material may not be reproduced or disseminated without prior written permission from the California Department of Health Care Services." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Patent Rights

With respect to inventions made by Contractor in the performance of this Agreement, which did not result from research and development specifically included in the Agreement's scope of work, Contractor hereby grants to DHCS a license as described under Section b of this provision for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the Agreement's scope of work, then Contractor agrees to assign to DHCS, without additional compensation, all its right, title and interest in and to such inventions and to assist DHCS in securing United States and foreign patents with respect thereto.

e. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this Agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining DHCS' prior written approval; and (ii) granting to or obtaining for DHCS, without additional compensation, a license, as described in Section b of this provision, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon these terms is unattainable, and DHCS determines that the Intellectual Property should be included in or is required

for Contractor's performance of this Agreement, Contractor shall obtain a license under terms acceptable to DHCS.

f. Warranties

(1) Contractor represents and warrants that:

- (a) It is free to enter into and fully perform this Agreement.
- (b) It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
- (c) Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHCS and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
- (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
- (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to DHCS in this Agreement.
- (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.

(2) DHCS MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

g. Intellectual Property Indemnity

- (1) Contractor shall indemnify, defend and hold harmless DHCS and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of DHCS' use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by

Contractor or DHCS and which result directly or indirectly from this Agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this Agreement. DHCS reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against DHCS.

- (2) Should any Intellectual Property licensed by the Contractor to DHCS under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve DHCS' right to use the licensed Intellectual Property in accordance with this Agreement at no expense to DHCS. DHCS shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for DHCS to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, DHCS shall be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
- (3) Contractor agrees that damages alone would be inadequate to compensate DHCS for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges DHCS would suffer irreparable harm in the event of such breach and agrees DHCS shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

h. Federal Funding

In any agreement funded in whole or in part by the federal government, DHCS may acquire and maintain the Intellectual Property rights, title, and ownership, which results directly or indirectly from the Agreement; except as provided in 37 Code of Federal Regulations part 401.14; however, the federal government shall have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

i. Survival

The provisions set forth herein shall survive any termination or expiration of this Agreement or any project schedule.

11. Air or Water Pollution Requirements

Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt under 40 CFR 15.5.

- a. Government contractors agree to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- b. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

12. Prior Approval of Training Seminars, Workshops or Conferences

Contractor shall obtain prior DHCS approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this Agreement and of any reimbursable publicity or educational materials to be made available for distribution. The Contractor shall acknowledge the support of the State whenever publicizing the work under this Agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Contractor or Subcontractor to conduct routine business matters.

13. Confidentiality of Information

- a. The Contractor and its employees, agents, or subcontractors shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- b. The Contractor and its employees, agents, or subcontractors shall not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
- c. The Contractor and its employees, agents, or subcontractors shall promptly transmit to the DHCS Program Contract Manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than DHCS without prior written authorization from the DHCS Program Contract Manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.
- f. As deemed applicable by DHCS, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

14. Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Government Code Section 7550.)

Any document, publication or written report (excluding progress reports, financial reports and normal contractual communications) prepared as a requirement of this Agreement shall contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts or agreements and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

15. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from DHCS' action in the administration of an agreement. If there is a dispute or grievance between the Contractor and DHCS, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the DHCS Program Contract Manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees with the Branch Chief's decision, the Contractor may appeal to the second level.
 - (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's

decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.

- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Health and Safety Code Section 100171.
- c. Unless otherwise stipulated in writing by DHCS, all dispute, grievance and/or appeal correspondence shall be directed to the DHCS Program Contract Manager.
- d. There are organizational differences within DHCS' funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the DHCS Program Contract Manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

16. Financial and Compliance Audit Requirements

- a. The definitions used in this provision are contained in Section 38040 of the Health and Safety Code, which by this reference is made a part hereof.
- b. Direct service contract means a contract or agreement for services contained in local assistance or subvention programs or both (see Health and Safety [H&S] Code Section 38020). Direct service contracts shall not include contracts, agreements, grants, or subventions to other governmental agencies or units of government nor contracts or agreements with regional centers or area agencies on aging (H&S Code Section 38030).
- c. The Contractor, as indicated below, agrees to obtain one of the following audits:
 - (1) ***If the Contractor is a nonprofit organization (as defined in H&S Code Section 38040) and receives \$25,000 or more from any State agency under a direct service contract or agreement;*** the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (2) ***If the Contractor is a nonprofit organization (as defined in H&S Code Section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract or agreement;*** the Contractor agrees to obtain a biennial single, organization wide financial and compliance audit, unless there is evidence of fraud or other violation of state law in connection with this Agreement. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (3) ***If the Contractor is a State or Local Government entity or Nonprofit organization (as defined by the Federal Office of Management and Budget [OMB] Circular A-133) and expends \$500,000 or more in Federal awards;*** the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit according to the requirements specified in OMB Circular A-133 entitled "Audits of States, Local Governments, and Non-Profit Organizations". An audit conducted pursuant to this provision will fulfill the audit requirements outlined in Paragraphs c(1) and c(2) above. The audit shall be completed by the end of the ninth month following the end of the audit period. The requirements of this provision apply if:
 - (a) The Contractor is a recipient expending Federal awards received directly from Federal awarding agencies, or
 - (b) The Contractor is a subrecipient expending Federal awards received from a pass-through entity such as the State, County or community based organization.

- (4) If the Contractor submits to DHCS a report of an audit other than an OMB A-133 audit, the Contractor must also submit a certification indicating the Contractor has not expended \$500,000 or more in federal funds for the year covered by the audit report.
- d. Two copies of the audit report shall be delivered to the DHCS program funding this Agreement. The audit report must identify the Contractor's legal name and the number assigned to this Agreement. The audit report shall be due within 30 days after the completion of the audit. Upon receipt of said audit report, the DHCS Program Contract Manager shall forward the audit report to DHCS' Audits and Investigations Unit if the audit report was submitted under Section 16.c(3), unless the audit report is from a City, County, or Special District within the State of California whereby the report will be retained by the funding program.
 - e. The cost of the audits described herein may be included in the funding for this Agreement up to the proportionate amount this Agreement represents of the Contractor's total revenue. The DHCS program funding this Agreement must provide advance written approval of the specific amount allowed for said audit expenses.
 - f. The State or its authorized designee, including the Bureau of State Audits, is responsible for conducting agreement performance audits which are not financial and compliance audits. Performance audits are defined by Generally Accepted Government Auditing Standards.
 - g. Nothing in this Agreement limits the State's responsibility or authority to enforce State law or regulations, procedures, or reporting requirements arising thereto.
 - h. Nothing in this provision limits the authority of the State to make audits of this Agreement, provided however, that if independent audits arranged for by the Contractor meet Generally Accepted Governmental Auditing Standards, the State shall rely on those audits and any additional audit work and shall build upon the work already done.
 - i. The State may, at its option, direct its own auditors to perform either of the audits described above. The Contractor will be given advance written notification, if the State chooses to exercise its option to perform said audits.
 - j. The Contractor shall include a clause in any agreement the Contractor enters into with the audit firm doing the single organization wide audit to provide access by the State or Federal Government to the working papers of the independent auditor who prepares the single organization wide audit for the Contractor.
 - k. Federal or state auditors shall have "expanded scope auditing" authority to conduct specific program audits during the same period in which a single organization wide audit is being performed, but the audit report has not been issued. The federal or state auditors shall review and have access to the current audit work being conducted and will not apply any testing or review procedures which have not been satisfied by previous audit work that has been completed.

The term "expanded scope auditing" is applied and defined in the U.S. General Accounting Office (GAO) issued Standards for *Audit of Government Organizations, Programs, Activities and Functions*, better known as the "yellow book".

17. Human Subjects Use Requirements

(Applicable only to federally funded agreements/grants in which performance, directly or through a subcontract/subaward, includes any tests or examination of materials derived from the human body.)

By signing this Agreement, Contractor agrees that if any performance under this Agreement or any subcontract or subagreement includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 U.S.C. Section 263a (CLIA) and the regulations thereunder.

18. Novation Requirements

If the Contractor proposes any novation agreement, DHCS shall act upon the proposal within 60 days after receipt of the written proposal. DHCS may review and consider the proposal, consult and negotiate with the Contractor, and accept or reject all or part of the proposal. Acceptance or rejection of the proposal may be made orally within the 60-day period and confirmed in writing within five days of said decision. Upon written acceptance of the proposal, DHCS will initiate an amendment to this Agreement to formally implement the approved proposal.

19. Debarment and Suspension Certification

(Applicable to all agreements funded in part or whole with federal funds.)

- a. By signing this Agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- b. By signing this Agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
 - (4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - (5) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - (6) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the DHCS Program Contract Manager.
- d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the DHCS may terminate this Agreement for cause or default.

20. Smoke-Free Workplace Certification

(Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.)

- a. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- b. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- c. By signing this Agreement, Contractor or Grantee certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- d. Contractor or Grantee further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

21. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, DHCS shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

22. Payment Withholds

(Applicable only if a final report is required by this Agreement. Not applicable to government entities.)

Unless waived or otherwise stipulated in this Agreement, DHCS may, at its discretion, withhold 10 percent (10%) of the face amount of the Agreement, 50 percent (50%) of the final invoice, or \$3,000 whichever is greater, until DHCS receives a final report that meets the terms, conditions and/or scope of work requirements of this Agreement.

23. Performance Evaluation

(Not applicable to grant agreements.)

DHCS may, at its discretion, evaluate the performance of the Contractor at the conclusion of this Agreement. If performance is evaluated, the evaluation shall not be a public record and shall remain on file with DHCS. Negative performance evaluations may be considered by DHCS prior to making future contract awards.

24. Officials Not to Benefit

No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits.

25. Four-Digit Date Compliance

(Applicable to agreements in which Information Technology (IT) services are provided to DHCS or if IT equipment is procured.)

Contractor warrants that it will provide only Four-Digit Date Compliant (as defined below) Deliverables and/or services to the State. "Four Digit Date compliant" Deliverables and services can accurately process, calculate, compare, and sequence date data, including without limitation date data arising out of or relating to leap years and changes in centuries. This warranty and representation is subject to the warranty terms and conditions of this Contract and does not limit the generality of warranty obligations set forth elsewhere herein.

26. Prohibited Use of State Funds for Software

(Applicable to agreements in which computer software is used in performance of the work.)

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

27. Use of Small, Minority Owned and Women's Businesses

(Applicable to that portion of an agreement that is federally funded and entered into with institutions of higher education, hospitals, nonprofit organizations or commercial businesses.)

Positive efforts shall be made to use small businesses, minority-owned firms and women's business enterprises, whenever possible (i.e., procurement of goods and/or services). Contractors shall take all of the following steps to further this goal.

- (1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
- (2) Make information on forthcoming purchasing and contracting opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
- (3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- (4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- (5) Use the services and assistance, as appropriate, of such organizations as the Federal Small Business Administration and the U.S. Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

28. Alien Ineligibility Certification

(Applicable to sole proprietors entering federally funded agreements.)

By signing this Agreement, the Contractor certifies that he/she is not an alien that is ineligible for state and local benefits, as defined in Subtitle B of the Personal Responsibility and Work Opportunity Act. (8 U.S.C. 1601, et seq.)

29. Union Organizing

(Applicable only to grant agreements.)

Grantee, by signing this Agreement, hereby acknowledges the applicability of Government Code Sections 16645 through 16649 to this Agreement. Furthermore, Grantee, by signing this Agreement, hereby certifies that:

- a. No state funds disbursed by this grant will be used to assist, promote or deter union organizing.
- b. Grantee shall account for state funds disbursed for a specific expenditure by this grant, to show those funds were allocated to that expenditure.
- c. Grantee shall, where state funds are not designated as described in b herein, allocate, on a pro-rata basis, all disbursements that support the grant program.
- d. If Grantee makes expenditures to assist, promote or deter union organizing, Grantee will maintain records sufficient to show that no state funds were used for those expenditures, and that Grantee shall provide those records to the Attorney General upon request.

30. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, DHCS sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - (1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this Agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - (2) Director's and executive committee member's fees.
 - (3) Incentive awards and/or bonus incentive pay.
 - (4) Allowances for off-site pay.
 - (5) Location allowances.
 - (6) Hardship pay.
 - (7) Cost-of-living differentials
- c. Specific allowable fringe benefits include:
 - (1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
- d. To be an allowable fringe benefit, the cost must meet the following criteria:
 - (1) Be necessary and reasonable for the performance of the Agreement.
 - (2) Be determined in accordance with generally accepted accounting principles.
 - (3) Be consistent with policies that apply uniformly to all activities of the Contractor.
- e. Contractor agrees that all fringe benefits shall be at actual cost.

f. Earned/Accrued Compensation

- (1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See Provision f (3)(a) for an example.
- (2) For multiple year agreements, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the Agreement. Holidays cannot be carried over from one agreement year to the next. See Provision f (3)(b) for an example.
- (3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the Agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

(a) **Example No. 1:**

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a one year agreement. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of an agreement, the Contractor during a one-year budget period may only claim up to three weeks of vacation and twelve days of sick leave as actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the Agreement are not an allowable cost.

(b) **Example No. 2:**

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks).

(c) **Example No. 3:**

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to DHCS, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

31. Suspension or Stop Work Notification

- a. DHCS may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification may be a verbal or written directive issued by the funding Program's Contract Manager. Upon receipt of said notice, the Contractor is to suspend and/or stop all, or any part, of the work called for by this Agreement.
- b. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within 30 working days of the verbal notification. The suspension or stop work notification shall remain in effect until further written notice is received from DHCS. The resumption of work (in whole or part) will be at DHCS' discretion and upon receipt of written confirmation.
 - (1) Upon receipt of a suspension or stop work notification, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.
 - (2) Within 90 days of the issuance of a suspension or stop work notification, DHCS shall either:
 - (a) Cancel, extend, or modify the suspension or stop work notification; or
 - (b) Terminate the Agreement as provided for in the Cancellation / Termination clause of the Agreement.

- c. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Contractor may resume work only upon written concurrence of funding Program's Contract Manager.
- d. If the suspension or stop work notification is cancelled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or contract terms resulting from the suspension or stop work notification shall require an amendment to the Agreement.
- e. If a suspension or stop work notification is not canceled and the Agreement is cancelled or terminated pursuant to the provision entitled Cancellation / Termination, DHCS shall allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.
- f. DHCS shall not be liable to the Contractor for loss of profits because of any suspension or stop work notification issued under this clause.

32. Lobbying Restrictions and Disclosure Certification

(Applicable to federally funded agreements in excess of \$100,000 per Section 1352 of the 31, U.S.C.)

a. Certification and Disclosure Requirements

- (1) Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- (2) Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.
- (3) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - (a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - (b) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
 - (c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- (4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person shall forward all disclosure forms to DHCS Program Contract Manager.

b. Prohibition

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for

influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

**Attachment 1
State of California
Department of Health Care Services**

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

County of Yuba

Name of Contractor

Randy Fletcher

Printed Name of Person Signing for Contractor

16-93385

Contract / Grant Number

Signature of Person Signing for Contractor

Date

Chair of the Board of Supervisors

Title

After execution by or on behalf of Contractor, please return to:

California Department of Health Care Services
Safety Net Financing Division
County Based Medi-Cal Administrative Activities Unit
1501 Capitol Avenue
PO Box 997436 MS 4603
Sacramento, CA 95899-7436

APPROVED AS TO FORM

ANGIL P. MORRIS-JONES

COUNTY COUNSEL

BY: Angil P. Morris-Jones

DHCS reserves the right to notify the contractor in writing of an alternate submission address.

Attachment 2

CERTIFICATION REGARDING LOBBYING

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure)

Approved by OMB
0346-0046

| | | |
|--|--|---|
| 1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance | 2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award | 3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: Year _____ quarter _____ date of last report _____. |
| 4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier ____, if known: Congressional District, If known: | 5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, If known: | |
| 6. Federal Department/Agency | 7. Federal Program Name/Description: CDFA Number, if applicable: _____ | |
| 8. Federal Action Number, if known: | 9. Award Amount, if known: \$ | |
| 10.a. Name and Address of Lobbying Registrant (If individual, last name, first name, MI): | b. Individuals Performing Services (including address if different from 10a. (Last name, First name, MI): | |
| 11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person that fails to file the required disclosure shall be subject to a not more than \$100,000 for each such failure. | Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____ | |
| Federal Use Only | | Authorized for Local Reproduction Standard Form-LLL (Rev. 7-97) |

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001".
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
 (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Exhibit E
Additional Provisions

1. Additional Incorporated Exhibits

A. The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. Contractors are required to fully comply with the directives in each document incorporated by reference herein and each update thereto. These documents may be updated periodically by DHCS, as required by program directives or changes in law or policy. Unless otherwise indicated, DHCS shall provide the Contractor with copies of said documents at or before the agreement is presented to the Contractor for review, acceptance, and signature and will require acknowledgement of receipt. Periodic updates to the below listed documents will be presented to the Contractor under separate cover and acknowledgement of receipt will be required. DHCS will maintain on file, all documents referenced herein and any subsequent updates.

- 1) Policy & Procedure Letters (PPL)*
- 2) DHCS CMAA/TCM Time Survey Methodology and DHCS CMAA Program Operational Plan (CMAA/ TCM Implementation Plan) *
- 3) CMAA Invoice Documents*
- 4) CMAA Training Materials*

*View at www.dhcs.ca.gov/provgovpart/Pages/CMAA.aspx

2. Amendment Process

Should either party, during the term of this agreement, desire a change or amendment to the terms of this agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

3. Cancellation/Termination

- A. This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements.
- B. Upon receipt of a notice of termination or cancellation from DHCS, Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.

Exhibit E
Additional Provisions

- C. The Contractor shall be entitled to payment for all allowable costs authorized under this agreement, including authorized non-cancelable obligations incurred up to the date of termination or cancellation, provided such expenses do not exceed the stated maximum amounts payable.

4. Contractor Responsibilities

- A. The Contractor shall comply with 42 U.S.C., Section 1396 et seq., 42 CFR Part 400 et seq., and 45 CFR Part 95, California Welfare and Institutions Code, Division 9, Part 3, Chapter 7 (commencing with Section 14000) and Chapter 8 (commencing with Section 14200), and Title 22 California Code of Regulations CCR), Division (3 (commencing with Section 50000), all as periodically amended; State issued policy directives; and 2 CFR Part 200 et. seq, as periodically amended.
- B. If the Contractor enters into contracts with other organizations to perform CMAA in support of the Contractor claiming administrative reimbursement, the Contractor shall have any contract to perform administrative activities under the auspices of the Medi-Cal Program available for State and/or Federal review.
- C. The Contractor is responsible for the acts or omissions of its employees and/or subcontractors. Submission of a falsified CMAA Invoice by a Contractor shall constitute a breach of contract. Submission of a CMAA invoice for which there is no supporting documentation by a Contractor may constitute a breach of contract.
- D. The conviction of an employee or subcontractor of the Contractor, or of an employee of a subcontractor, of any felony or of a misdemeanor involving fraud, abuse of any Medi-Cal applicant or beneficiary, or abuse of the Medi-Cal Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the Medi-Cal Administrative Claiming process. Failure of a Contractor to exclude a convicted individual from participation in the Medi-Cal Administrative Claiming process shall constitute a breach of contract.
- E. Exclusion after conviction shall result regardless of any subsequent order under Section 1203.4 of the Penal Code allowing a person to withdraw his or her plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment.
- F. Suspension or exclusion of an employee or subcontractor, or of an employee of a subcontractor, from participation in the Medi-Cal Program, the Medicaid Program, or the Medicare Program, shall result in the exclusion of that employee or subcontractor, or employee of a subcontractor, from participation in the Medi-

Exhibit E
Additional Provisions

Cal Administrative Claiming process. Failure of a Contractor to exclude a suspended or excluded individual from participation in the Medi-Cal Administrative Claiming process shall constitute a breach of contract.

- G. Revocation, suspension, or restriction of the license, certificate, or registration of any employee, subcontractor, or employee of a subcontractor, shall result in exclusion from the Medi-Cal Administrative Claiming process, when such license, certificate, or registration is required for the performance of Medi-Cal administrative activities. Failure of a Contractor to exclude an individual whose license, certificate, or registration has been revoked, suspended, or restricted, from participation in the Medi-Cal Administrative Claiming process, may constitute a breach of contract.
- H. LGA budget units that elect to participate in the CMAA and/or TCM programs are required to conduct time surveys to account for staff time spent performing Medi-Cal and non-Medi-Cal eligible services and activities. The time survey results are used in the determination of allowable Medi-Cal costs. The activities of staff providing Medi-Cal administration must be documented in accordance with the provisions of 42 CFR Sections 432.50, 433.32, and 433.34, and 45 CFR Parts 74 and 95, and 2 CFR Part 200 et. seq.
- I. All non-Medi-Cal related activities and direct patient care services shall be time surveyed to "Other Programs/Activities" or "Direct Patient Care" on the Time Survey form, as appropriate.
- J. The Contractor shall comply with enabling legislation, regulations, administrative claiming process directives, and the PPLs of DHCS Safety Net Financing Division incorporated by reference in Exhibit E, Provision 1, which define program specific allowable CMAA.
- K. The Contractor shall provide to the State, comprehensive Medi-Cal Administrative Claiming Plan, in the format specified by the State. The claiming plan must be approved by the State and this agreement must be signed by both parties prior to the submission of CMAA invoices.
- L. The Contractor shall not discriminate against any eligible person because of race, religion, political beliefs, color, national or ethnic origin, ancestry, mental or physical disability, medical condition, marital status, age, or sex.
- M. The Contractor shall ensure all applicable State and federal requirements, as identified in Exhibit E, Provision 4, are met in performing CMAA under this agreement. It is understood and agreed that failure by the Contractor to ensure all applicable State and Federal requirements not met in performing CMAA under

Exhibit E
Additional Provisions

this agreement shall be sufficient cause for the State to deny or recoup payments to the Contractor and/or to terminate this agreement.

- N. Abide by the Business Associate Agreement (BAA) (Exhibit G), as incorporated herein and made part of this Agreement by reference. Data released to LGAs is to be used solely for the purpose of verifying Medi-Cal eligibility of the beneficiaries. The data elements used are listed in attachment A”.
- O. The Contractor shall submit a letter of intent to participate in the CMAA Program six (6) months prior to the termination of this agreement for the purpose of extending the term of the agreement or initiating a new agreement, whichever is preferred by DHCS.
- P. When an amendment of the contract is necessary because the original projected expenditures shortfall the actual expenditures, a request must be submitted to DHCS at least 6 months prior to the end of the FY for which additional funding is necessary. If this request is not received timely, the contract will not be amended to address the insufficient funding and subsequent affected invoices will not be paid.

5. State Responsibilities

- A. Review, approve, as appropriate, and process Contractor claims for reimbursement of the allowable actual costs of providing administrative activities necessary for the proper and efficient administration of the Medi-Cal Program. Reimbursement shall be made subsequent to the quarter for which a claim for CMAA is made. Any claim that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval.
- B. Provide the Contractor with a standardized format for the CMAA Invoice and CMAA Claiming Plan which will be disseminated through policy directives issued by the State.
- C. Review CMAA Claiming Plan and amendment(s) to the CMAA Claiming Plan. Any amendment that cannot be approved shall be returned to the Contractor with a written explanation of the basis for disapproval. Any amendment to the CMAA Claiming Plan shall not require a formal amendment to the agreement but may instead be effected via written approval of the amended CMAA Claiming Plan signed by DHCS.
- D. Provide program monitoring and oversight including conducting site reviews at least once every four years for compliance with state and federal requirements and regulations. DHCS will retain ultimate responsibility for program oversight and policy interpretation.

Exhibit E
Additional Provisions

- E. Submit approved CMAA Claiming Plans and amendments to the CMS for review and approval if required.
- F. Make available to Contractors, training and technical support on proper administrative activities to be claimed, identifying costs related to these activities, and billing procedures. Training material is to be developed by and/or approved by DHCS.

6. Joint Responsibilities

The State and the Contractor hereby agree to comply with all applicable laws governing the confidentiality of client information for Medi-Cal clients served by the Contractor, or subcontractor, under this agreement. Applicable laws include, but are not limited to, 42 U.S.C. Section 1396a(a)7, 42 CFR Section 431.300, 45 CFR Sections 160, 162, and 164, Welfare and Institutions Code, Section 14100.2, and 22 California Code of Regulations, Section 51009.

7. Audit

- A. This provision supersedes Provision #4, entitled "Audit" in General Terms & Conditions (GTC 610). View Exhibit C at the following Internet site:
<http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>.
- B. Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative, and employees of the California Department of Justice, and the United States Centers for Medicare and Medicaid Services, shall have the right to review, access, examine, monitor, audit, and to copy any records and supporting documentation pertaining to the performance of this agreement. Contractor agrees to allow interviews of any employees, or staff of any subcontractor, who might reasonably have information related to such records by either state and/or federal authorities. Contractor agrees to retain all necessary records for a minimum period of three (3) years after the end of the quarter in which the LGA receives reimbursement for the expenditures incurred. If an audit is in progress, all records relevant to the audit shall be retained until the completion of the audit or the final resolution of all audit exceptions, deferrals, and/or disallowances, whichever is later, and if litigation has been initiated, all necessary records shall be retained until the final resolution of the litigation. The records shall fully disclose the type and extent of administrative activities performed by the appropriate staff. The Contractor shall furnish such documentation and any other information regarding the performance of and payment for CMAA, upon request, to the state or federal government.

Exhibit E
Additional Provisions

8. Definitions

A. The following definitions are applicable to this Contract.

- 1) "CFDA number" means the number assigned to a federal program in the Catalog of Federal Domestic Assistance (CFDA).
- 2) "Federal award" means federal financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts used to buy goods or services from vendors.
- 3) "Federal awarding agency" means the federal agency that provides an award directly to the recipient.
- 4) "Federal program" means all federal awards to a non-federal entity assigned a single number in the CDFA.
- 5) "Pass-through entity" means a non-federal entity that provides a federal award to a subrecipient to carry out a federal program.
- 6) "Recipient" means a non-federal entity that expends federal awards received directly from a federal awarding agency to carry out a federal program.
- 7) "Subrecipient" means a non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency. Guidance on distinguishing between a subrecipient and a vendor is provided in OMB Circular A-133
- 8) "Vendor" means a dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of a federal program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. Additional guidance on distinguishing between a subrecipient and a vendor is provided on OMB Circular A-133.

B. The definitions in Provision 8, Item A, shall be included in all of Contractor's contracts with subrecipients and vendors.

C. Additional definitions applicable to this Contract:

Exhibit E
Additional Provisions

- 1) "Direct charge" means to report CMAA costs for staff that perform Medi-Cal eligible activities either 100 percent of the time or in distinct and documented blocks of time.
- 2) "Medi-Cal percentage" means for some CMAA, LGAs claim allowable costs based on how many members of a group of people are Medi-Cal beneficiaries; this number is the Medi-Cal percentage. Costs are discounted (i.e. reduced) by the Medi-Cal percentage when the activity is directed toward a group of people that is only partly composed of Medi-Cal eligible persons. The Medi-Cal percentage is the fraction of a total population (target population) that consists of Medi-Cal beneficiaries. The numerator is the number of clients served by the claiming unit that are Medi-Cal beneficiaries, and the denominator is the total number of clients served by the claiming unit. Discount methods approved by DHCS and CMS for calculating the Medi-Cal percentage discount may be utilized.

Contractor's Release

Instructions to Contractor:

With final invoice(s) submit one (1) original and one (1) copy. The original must bear the original signature of a person authorized to bind the Contractor. The additional copy may bear photocopied signatures.

Submission of Final Invoice

Pursuant to contract number 16-93385 entered into between the Department of Health Care Services (DHCS) and the Contractor (identified below), the Contractor does acknowledge that final payment has been requested via invoice number(s) _____, in the amount(s) of \$ _____ and dated _____.
If necessary, enter "See Attached" in the appropriate blocks and attach a list of invoice numbers, dollar amounts and invoice dates.

Release of all Obligations

By signing this form, and upon receipt of the amount specified in the invoice number(s) referenced above, the Contractor does hereby release and discharge the State, its officers, agents and employees of and from any and all liabilities, obligations, claims, and demands whatsoever arising from the above referenced contract.

Repayments Due to Audit Exceptions / Record Retention

By signing this form, Contractor acknowledges that expenses authorized for reimbursement does not guarantee final allowability of said expenses. Contractor agrees that the amount of any sustained audit exceptions resulting from any subsequent audit made after final payment will be refunded to the State.

All expense and accounting records related to the above referenced contract must be maintained for audit purposes for no less than three years beyond the date of final payment, unless a longer term is stated in said contract.

Recycled Product Use Certification

By signing this form, Contractor certifies under penalty of perjury that a minimum of 0% unless otherwise specified in writing of post consumer material, as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether it meets the requirements of Public Contract Code Section 12209. Contractor specifies that printer or duplication cartridges offered or sold to the State comply with the requirements of Section 12156(e).

Reminder to Return State Equipment/Property (If Applicable)

(Applies only if equipment was provided by DHCS or purchased with or reimbursed by contract funds)

Unless DHCS has approved the continued use and possession of State equipment (as defined in the above referenced contract) for use in connection with another DHCS agreement, Contractor agrees to promptly initiate arrangements to account for and return said equipment to DHCS, at DHCS' expense, if said equipment has not passed its useful life expectancy as defined in the above referenced contract.

Patents / Other Issues

By signing this form, Contractor further agrees, in connection with patent matters and with any claims that are not specifically released as set forth above, that it will comply with all of the provisions contained in the above referenced contract, including, but not limited to, those provisions relating to notification to the State and related to the defense or prosecution of litigation.

ONLY SIGN AND DATE THIS DOCUMENT WHEN ATTACHING IT TO THE FINAL INVOICE

Contractor's Legal Name (as on contract): County of Yuba

Signature of Contractor or Official Designee: _____ Date: _____

Printed Name/Title of Person Signing: _____

Distribution: Accounting (Original) Program

Exhibit G
HIPAA Business Associate Addendum

I. Recitals

- A. This Contract (Agreement) has been determined to constitute a business associate relationship under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (the HITECH Act"), 42 U.S.C. section 17921 et seq., and their implementing privacy and security regulations at 45 CFR Parts 160 and 164 ("the HIPAA regulations").
- B. The Department of Health Care Services ("DHCS") wishes to disclose to Business Associate certain information pursuant to the terms of this Agreement, some of which may constitute Protected Health Information ("PHI"), including protected health information in electronic media ("ePHI"), under federal law, and personal information ("PI") under state law.
- C. As set forth in this Agreement, Contractor, here and after, is the Business Associate of DHCS acting on DHCS' behalf and provides services, arranges, performs or assists in the performance of functions or activities on behalf of DHCS and creates, receives, maintains, transmits, uses or discloses PHI and PI. DHCS and Business Associate are each a party to this Agreement and are collectively referred to as the "parties."
- D. The purpose of this Addendum is to protect the privacy and security of the PHI and PI that may be created, received, maintained, transmitted, used or disclosed pursuant to this Agreement, and to comply with certain standards and requirements of HIPAA, the HITECH Act and the HIPAA regulations, including, but not limited to, the requirement that DHCS must enter into a contract containing specific requirements with Contractor prior to the disclosure of PHI to Contractor, as set forth in 45 CFR Parts 160 and 164 and the HITECH Act, and the Final Omnibus Rule as well as the Alcohol and Drug Abuse patient records confidentiality law 42 CFR Part 2, and any other applicable state or federal law or regulation. 42 CFR section 2.1(b)(2)(B) allows for the disclosure of such records to qualified personnel for the purpose of conducting management or financial audits, or program evaluation. 42 CFR Section 2.53(d) provides that patient identifying information disclosed under this section may be disclosed only back to the program from which it was obtained and used only to carry out an audit or evaluation purpose or to investigate or prosecute criminal or other activities, as authorized by an appropriate court order.
- E. The terms used in this Addendum, but not otherwise defined, shall have the same meanings as those terms have in the HIPAA regulations. Any reference to statutory or regulatory language shall be to such language as in effect or as amended.

II. Definitions

- A. Breach shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and the Final Omnibus Rule.
- B. Business Associate shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and the final Omnibus Rule.
- C. Covered Entity shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and Final Omnibus Rule.
- D. Electronic Health Record shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C Section 17921 and implementing regulations.

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HIPAA Business Associate Addendum

- E. Electronic Protected Health Information (EPHI) means individually identifiable health information transmitted by electronic media or maintained in electronic media, including but not limited to electronic media as set forth under 45 CFR section 160.103.
- F. Individually Identifiable Health Information means health information, including demographic information collected from an individual, that is created or received by a health care provider, health plan, employer or health care clearinghouse, and relates to the past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, that identifies the individual or where there is a reasonable basis to believe the information can be used to identify the individual, as set forth under 45 CFR section 160.103.
- G. Privacy Rule shall mean the HIPAA Regulation that is found at 45 CFR Parts 160 and 164.
- H. Personal Information shall have the meaning given to such term in California Civil Code section 1798.29.
- I. Protected Health Information means individually identifiable health information that is transmitted by electronic media, maintained in electronic media, or is transmitted or maintained in any other form or medium, as set forth under 45 CFR section 160.103.
- J. Required by law, as set forth under 45 CFR section 164.103, means a mandate contained in law that compels an entity to make a use or disclosure of PHI that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
- K. Secretary means the Secretary of the U.S. Department of Health and Human Services ("HHS") or the Secretary's designee.
- L. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or PI, or confidential data that is essential to the ongoing operation of the Business Associate's organization and intended for internal use; or interference with system operations in an information system.
- M. Security Rule shall mean the HIPAA regulation that is found at 45 CFR Parts 160 and 164.
- N. Unsecured PHI shall have the meaning given to such term under the HITECH Act, 42 U.S.C. section 17932(h), any guidance issued pursuant to such Act, and the HIPAA regulations.

III. Terms of Agreement

A. Permitted Uses and Disclosures of PHI by Business Associate

Permitted Uses and Disclosures. Except as otherwise indicated in this Addendum, Business Associate may use or disclose PHI only to perform functions, activities or services specified in this Agreement, for, or on behalf of DHCS, provided that such use or disclosure would not violate the

Exhibit G
HIPAA Business Associate Addendum

HIPAA regulations, if done by DHCS. Any such use or disclosure must, to the extent practicable, be limited to the limited data set, as defined in 45 CFR section 164.514(e)(2), or, if needed, to the minimum necessary to accomplish the intended purpose of such use or disclosure, in compliance with the HITECH Act and any guidance issued pursuant to such Act, the HIPAA regulations, the Final Omnibus Rule and 42 CFR Part 2.

1. ***Specific Use and Disclosure Provisions.*** Except as otherwise indicated in this Addendum, Business Associate may:
 - a. ***Use and disclose for management and administration.*** Use and disclose PHI for the proper management and administration of the Business Associate provided that such disclosures are required by law, or the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware that the confidentiality of the information has been breached.
 - b. ***Provision of Data Aggregation Services.*** Use PHI to provide data aggregation services to DHCS. Data aggregation means the combining of PHI created or received by the Business Associate on behalf of DHCS with PHI received by the Business Associate in its capacity as the Business Associate of another covered entity, to permit data analyses that relate to the health care operations of DHCS.

B. Prohibited Uses and Disclosures

1. Business Associate shall not disclose PHI about an individual to a health plan for payment or health care operations purposes if the PHI pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full and the individual requests such restriction, in accordance with 42 U.S.C. section 17935(a) and 45 CFR section 164.522(a).
2. Business Associate shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of DHCS and as permitted by 42 U.S.C. section 17935(d)(2).

C. Responsibilities of Business Associate

Business Associate agrees:

1. ***Nondisclosure.*** Not to use or disclose Protected Health Information (PHI) other than as permitted or required by this Agreement or as required by law.
2. ***Safeguards.*** To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI, including electronic PHI, that it creates, receives, maintains, uses or transmits on behalf of DHCS, in compliance with 45 CFR sections 164.308, 164.310 and 164.312, and to prevent use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall implement reasonable and appropriate policies and procedures to comply with the standards, implementation specifications and other requirements of 45 CFR section 164, subpart C, in compliance with 45 CFR section 164.316. Business Associate shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities, and

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HIPAA Business Associate Addendum

which incorporates the requirements of section 3, Security, below. Business Associate will provide DHCS with its current and updated policies.

3. **Security.** To take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
 - a. Complying with all of the data system security precautions listed in Attachment A, the Business Associate Data Security Requirements;
 - b. Achieving and maintaining compliance with the HIPAA Security Rule (45 CFR Parts 160 and 164), as necessary in conducting operations on behalf of DHCS under this Agreement;
 - c. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III - Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and
 - d. In case of a conflict between any of the security standards contained in any of these enumerated sources of security standards, the most stringent shall apply. The most stringent means that safeguard which provides the highest level of protection to PHI from unauthorized disclosure. Further, Business Associate must comply with changes to these standards that occur after the effective date of this Agreement.

Business Associate shall designate a Security Officer to oversee its data security program who shall be responsible for carrying out the requirements of this section and for communicating on security matters with DHCS.

- D. *Mitigation of Harmful Effects.*** To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate or its subcontractors in violation of the requirements of this Addendum.

E. *Business Associate's Agents and Subcontractors.*

1. To enter into written agreements with any agents, including subcontractors and vendors, to whom Business Associate provides PHI or PI received from or created or received by Business Associate on behalf of DHCS, that impose the same restrictions and conditions on such agents, subcontractors and vendors that apply to Business Associate with respect to such PHI and PI under this Addendum, and that comply with all applicable provisions of HIPAA, the HITECH Act the HIPAA regulations, and the Final Omnibus Rule, including the requirement that any agents, subcontractors or vendors implement reasonable and appropriate administrative, physical, and technical safeguards to protect such PHI and PI. Business associates are directly liable under the HIPAA Rules and subject to civil and, in some cases, criminal penalties for making uses and disclosures of protected health information that are not authorized by its contract or required by law. A business associate also is directly liable and subject to civil penalties for failing to safeguard electronic protected health information in accordance with the HIPAA Security Rule. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits protected health information on behalf of another business associate. Business Associate shall incorporate, when applicable, the relevant provisions of this Addendum into each subcontract or sub-award to such agents, subcontractors and vendors, including the requirement that any security incidents or breaches of unsecured PHI or PI be reported to Business Associate.

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HIPAA Business Associate Addendum

2. In accordance with 45 CFR section 164.504(e)(1)(ii), upon Business Associate's knowledge of a material breach or violation by its subcontractor of the agreement between Business Associate and the subcontractor, Business Associate shall:
 - a. Provide an opportunity for the subcontractor to cure the breach or end the violation and terminate the agreement if the subcontractor does not cure the breach or end the violation within the time specified by DHCS; or
 - b. Immediately terminate the agreement if the subcontractor has breached a material term of the agreement and cure is not possible.

F. *Availability of Information to DHCS and Individuals.* To provide access and information:

1. To provide access as DHCS may require, and in the time and manner designated by DHCS (upon reasonable notice and during Business Associate's normal business hours) to PHI in a Designated Record Set, to DHCS (or, as directed by DHCS), to an Individual, in accordance with 45 CFR section 164.524. Designated Record Set means the group of records maintained for DHCS that includes medical, dental and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for DHCS health plans; or those records used to make decisions about individuals on behalf of DHCS. Business Associate shall use the forms and processes developed by DHCS for this purpose and shall respond to requests for access to records transmitted by DHCS within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none.
2. If Business Associate maintains an Electronic Health Record with PHI, and an individual requests a copy of such information in an electronic format, Business Associate shall provide such information in an electronic format to enable DHCS to fulfill its obligations under the HITECH Act, including but not limited to, 42 U.S.C. section 17935(e).
3. If Business Associate receives data from DHCS that was provided to DHCS by the Social Security Administration, upon request by DHCS, Business Associate shall provide DHCS with a list of all employees, contractors and agents who have access to the Social Security data, including employees, contractors and agents of its subcontractors and agents.

G. *Amendment of PHI.* To make any amendment(s) to PHI that DHCS directs or agrees to pursuant to 45 CFR section 164.526, in the time and manner designated by DHCS.

H. *Internal Practices.* To make Business Associate's internal practices, books and records relating to the use and disclosure of PHI received from DHCS, or created or received by Business Associate on behalf of DHCS, available to DHCS or to the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by DHCS or by the Secretary, for purposes of determining DHCS' compliance with the HIPAA regulations. If any information needed for this purpose is in the exclusive possession of any other entity or person and the other entity or person fails or refuses to furnish the information to Business Associate, Business Associate shall so certify to DHCS and shall set forth the efforts it made to obtain the information.

Exhibit G**HIPAA Business Associate Addendum**

- I. **Documentation of Disclosures.** To document and make available to DHCS or (at the direction of DHCS) to an Individual such disclosures of PHI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of PHI, in accordance with the HITECH Act and its implementing regulations, including but not limited to 45 CFR section 164.528 and 42 U.S.C. section 17935(c). If Business Associate maintains electronic health records for DHCS as of January 1, 2009, Business Associate must provide an accounting of disclosures, including those disclosures for treatment, payment or health care operations, effective with disclosures on or after January 1, 2014. If Business Associate acquires electronic health records for DHCS after January 1, 2009, Business Associate must provide an accounting of disclosures, including those disclosures for treatment, payment or health care operations, effective with disclosures on or after the date the electronic health record is acquired, or on or after January 1, 2011, whichever date is later. The electronic accounting of disclosures shall be for disclosures during the three years prior to the request for an accounting.
- J. **Breaches and Security Incidents.** During the term of this Agreement, Business Associate agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:
1. **Notice to DHCS.** (1) To notify DHCS **immediately** upon the discovery of a suspected security incident that involves data provided to DHCS by the Social Security Administration. This notification will be **by telephone call plus email or fax** upon the discovery of the breach. (2) To notify DHCS **within 24 hours by email or fax** of the discovery of unsecured PHI or PI in electronic media or in any other media if the PHI or PI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person, any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI or PI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Business Associate as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Business Associate.

Notice shall be provided to the DHCS Program Contract Manager, the DHCS Privacy Officer and the DHCS Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves data provided to DHCS by the Social Security Administration, notice shall be provided by calling the DHCS EITS Service Desk. Notice shall be made using the "DHCS Privacy Incident Report" form, including all information known at the time. Business Associate shall use the most current version of this form, which is posted on the DHCS Privacy Office website (www.dhcs.ca.gov, then select "Privacy" in the left column and then "Business Use" near the middle of the page) or use this link:

<http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/DHCSBusinessAssociatesOnly.aspx>

Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of PHI or PI, Business Associate shall take:

- a. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
- b. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

Exhibit G**HIPAA Business Associate Addendum**

2. ***Investigation and Investigation Report.*** To immediately investigate such security incident, breach, or unauthorized access, use or disclosure of PHI or PI. If the initial report did not include all of the requested information marked with an asterisk, then within 72 hours of the discovery, Business Associate shall submit an updated "DHCS Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer:
3. ***Complete Report.*** To provide a complete report of the investigation to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. If all of the required information was not included in either the initial report, or the Investigation Report, then a separate Complete Report must be submitted. The report shall be submitted on the "DHCS Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, the HIPAA regulations and/or state law. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If DHCS requests information in addition to that listed on the "DHCS Privacy Incident Report" form, Business Associate shall make reasonable efforts to provide DHCS with such information. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "DHCS Privacy Incident Report" form. DHCS will review and approve or disapprove the determination of whether a breach occurred, is reportable to the appropriate entities, if individual notifications are required, and the corrective action plan.
4. ***Notification of Individuals.*** If the cause of a breach of PHI or PI is attributable to Business Associate or its subcontractors, agents or vendors, Business Associate shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and shall pay any costs of such notifications, as well as any costs associated with the breach. The notifications shall comply with the requirements set forth in 42 U.S.C. section 17932 and its implementing regulations, including, but not limited to, the requirement that the notifications be made without unreasonable delay and in no event later than 60 calendar days. The DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made.
5. ***Responsibility for Reporting of Breaches.*** If the cause of a breach of PHI or PI is attributable to Business Associate or its agents, subcontractors or vendors, Business Associate is responsible for all required reporting of the breach as specified in 42 U.S.C. section 17932 and its implementing regulations, including notification to media outlets and to the Secretary. If a breach of unsecured PHI involves more than 500 residents of the State of California or its jurisdiction, Business Associate shall notify the Secretary of the breach immediately upon discovery of the breach. If Business Associate has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to DHCS in addition to Business Associate, Business Associate shall notify DHCS, and DHCS and Business Associate may take appropriate action to prevent duplicate reporting. The breach reporting requirements of this paragraph are in addition to the reporting requirements set forth in subsection 1, above.
6. ***DHCS Contact Information.*** To direct communications to the above referenced DHCS staff, the Contractor shall initiate contact as indicated herein. DHCS reserves the right to make changes to

Exhibit G
HIPAA Business Associate Addendum

the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

| DHCS Program Contract Manager | DHCS Privacy Officer | DHCS Information Security Officer |
|--|--|--|
| See the Scope of Work exhibit for Program Contract Manager information | Privacy Officer c/o: Office of HIPAA Compliance Department of Health Care Services P.O. Box 997413, MS 4722 Sacramento, CA 95899-7413 Email: privacyofficer@dhcs.ca.gov Telephone: (916) 445-4646 Fax: (916) 440-7680 | Information Security Officer DHCS Information Security Office P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413 Email: iso@dhcs.ca.gov Fax: (916) 440-5537 Telephone: EITS Service Desk (916) 440-7000 or (800) 579-0874 |

K. Termination of Agreement. In accordance with Section 13404(b) of the HITECH Act and to the extent required by the HIPAA regulations, if Business Associate knows of a material breach or violation by DHCS of this Addendum, it shall take the following steps:

1. Provide an opportunity for DHCS to cure the breach or end the violation and terminate the Agreement if DHCS does not cure the breach or end the violation within the time specified by Business Associate; or
2. Immediately terminate the Agreement if DHCS has breached a material term of the Addendum and cure is not possible.

L. Due Diligence. Business Associate shall exercise due diligence and shall take reasonable steps to ensure that it remains in compliance with this Addendum and is in compliance with applicable provisions of HIPAA, the HITECH Act and the HIPAA regulations, and that its agents, subcontractors and vendors are in compliance with their obligations as required by this Addendum.

M. Sanctions and/or Penalties. Business Associate understands that a failure to comply with the provisions of HIPAA, the HITECH Act and the HIPAA regulations that are applicable to Business Associate may result in the imposition of sanctions and/or penalties on Business Associate under HIPAA, the HITECH Act and the HIPAA regulations.

IV. Obligations of DHCS

DHCS agrees to:

A. Notice of Privacy Practices. Provide Business Associate with the Notice of Privacy Practices that DHCS produces in accordance with 45 CFR section 164.520, as well as any changes to such notice. Visit the DHCS Privacy Office to view the most current Notice of Privacy Practices at: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/default.aspx> or the DHCS website at www.dhcs.ca.gov (select "Privacy in the left column and "Notice of Privacy Practices" on the right side of the page).

B. Permission by Individuals for Use and Disclosure of PHI. Provide the Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect the Business Associate's permitted or required uses and disclosures.

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HIPAA Business Associate Addendum

C. *Notification of Restrictions.* Notify the Business Associate of any restriction to the use or disclosure of PHI that DHCS has agreed to in accordance with 45 CFR section 164.522, to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.

D. *Requests Conflicting with HIPAA Rules.* Not request the Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA regulations if done by DHCS.

V. Audits, Inspection and Enforcement

A. From time to time, DHCS may inspect the facilities, systems, books and records of Business Associate to monitor compliance with this Agreement and this Addendum. Business Associate shall promptly remedy any violation of any provision of this Addendum and shall certify the same to the DHCS Privacy Officer in writing. The fact that DHCS inspects, or fails to inspect, or has the right to inspect, Business Associate's facilities, systems and procedures does not relieve Business Associate of its responsibility to comply with this Addendum, nor does DHCS':

1. Failure to detect or
2. Detection, but failure to notify Business Associate or require Business Associate's remediation of any unsatisfactory practices constitute acceptance of such practice or a waiver of DHCS' enforcement rights under this Agreement and this Addendum.

B. If Business Associate is the subject of an audit, compliance review, or complaint investigation by the Secretary or the Office of Civil Rights, U.S. Department of Health and Human Services, that is related to the performance of its obligations pursuant to this HIPAA Business Associate Addendum, Business Associate shall notify DHCS and provide DHCS with a copy of any PHI or PI that Business Associate provides to the Secretary or the Office of Civil Rights concurrently with providing such PHI or PI to the Secretary. Business Associate is responsible for any civil penalties assessed due to an audit or investigation of Business Associate, in accordance with 42 U.S.C. section 17934(c).

VI. Termination

A. *Term.* The Term of this Addendum shall commence as of the effective date of this Addendum and shall extend beyond the termination of the contract and shall terminate when all the PHI provided by DHCS to Business Associate, or created or received by Business Associate on behalf of DHCS, is destroyed or returned to DHCS, in accordance with 45 CFR 164.504(e)(2)(ii)(I).

B. *Termination for Cause.* In accordance with 45 CFR section 164.504(e)(1)(ii), upon DHCS' knowledge of a material breach or violation of this Addendum by Business Associate, DHCS shall:

1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by DHCS; or
2. Immediately terminate this Agreement if Business Associate has breached a material term of this Addendum and cure is not possible.

Exhibit G
HIPAA Business Associate Addendum

- C. *Judicial or Administrative Proceedings.*** Business Associate will notify DHCS if it is named as a defendant in a criminal proceeding for a violation of HIPAA. DHCS may terminate this Agreement if Business Associate is found guilty of a criminal violation of HIPAA. DHCS may terminate this Agreement if a finding or stipulation that the Business Associate has violated any standard or requirement of HIPAA, or other security or privacy laws is made in any administrative or civil proceeding in which the Business Associate is a party or has been joined.
- D. *Effect of Termination.*** Upon termination or expiration of this Agreement for any reason, Business Associate shall return or destroy all PHI received from DHCS (or created or received by Business Associate on behalf of DHCS) that Business Associate still maintains in any form, and shall retain no copies of such PHI. If return or destruction is not feasible, Business Associate shall notify DHCS of the conditions that make the return or destruction infeasible, and DHCS and Business Associate shall determine the terms and conditions under which Business Associate may retain the PHI. Business Associate shall continue to extend the protections of this Addendum to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.

VII. Miscellaneous Provisions

- A. *Disclaimer.*** DHCS makes no warranty or representation that compliance by Business Associate with this Addendum, HIPAA or the HIPAA regulations will be adequate or satisfactory for Business Associate's own purposes or that any information in Business Associate's possession or control, or transmitted or received by Business Associate, is or will be secure from unauthorized use or disclosure. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.
- B. *Amendment.*** The parties acknowledge that federal and state laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Addendum may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon DHCS' request, Business Associate agrees to promptly enter into negotiations with DHCS concerning an amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws. DHCS may terminate this Agreement upon thirty (30) days written notice in the event:
1. Business Associate does not promptly enter into negotiations to amend this Addendum when requested by DHCS pursuant to this Section; or
 2. Business Associate does not enter into an amendment providing assurances regarding the safeguarding of PHI that DHCS in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA and the HIPAA regulations.
- C. *Assistance in Litigation or Administrative Proceedings.*** Business Associate shall make itself and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to DHCS at no cost to DHCS to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DHCS, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inactions or actions by the Business Associate, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

Exhibit G**HIPAA Business Associate Addendum**

- D. *No Third-Party Beneficiaries.*** Nothing express or implied in the terms and conditions of this Addendum is intended to confer, nor shall anything herein confer, upon any person other than DHCS or Business Associate and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.
- E. *Interpretation.*** The terms and conditions in this Addendum shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA regulations and applicable state laws. The parties agree that any ambiguity in the terms and conditions of this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act and the HIPAA regulations.
- F. *Regulatory References.*** A reference in the terms and conditions of this Addendum to a section in the HIPAA regulations means the section as in effect or as amended.
- G. *Survival.*** The respective rights and obligations of Business Associate under Section VI.D of this Addendum shall survive the termination or expiration of this Agreement.
- H. *No Waiver of Obligations.*** No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

Exhibit G
HIPAA Business Associate Addendum

Attachment A
Business Associate Data Security Requirements

I. Personnel Controls

- A. *Employee Training.*** All workforce members who assist in the performance of functions or activities on behalf of DHCS, or access or disclose DHCS PHI or PI must complete information privacy and security training, at least annually, at Business Associate's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following contract termination.
- B. *Employee Discipline.*** Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.
- C. *Confidentiality Statement.*** All persons that will be working with DHCS PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to DHCS PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for DHCS inspection for a period of six (6) years following contract termination.
- D. *Background Check.*** Before a member of the workforce may access DHCS PHI or PI, a thorough background check of that worker must be conducted, with evaluation of the results to assure that there is no indication that the worker may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.

II. Technical Security Controls

- A. *Workstation/Laptop encryption.*** All workstations and laptops that process and/or store DHCS PHI or PI must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved by the DHCS Information Security Office.
- B. *Server Security.*** Servers containing unencrypted DHCS PHI or PI must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- C. *Minimum Necessary.*** Only the minimum necessary amount of DHCS PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
- D. *Removable media devices.*** All electronic files that contain DHCS PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, smartphones, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.

Exhibit G**HIPAA Business Associate Addendum**

- E. *Antivirus software.*** All workstations, laptops and other systems that process and/or store DHCS PHI or PI must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.
- F. *Patch Management.*** All workstations, laptops and other systems that process and/or store DHCS PHI or PI must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release.
- G. *User IDs and Password Controls.*** All users must be issued a unique user name for accessing DHCS PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
- Upper case letters (A-Z)
 - Lower case letters (a-z)
 - Arabic numerals (0-9)
 - Non-alphanumeric characters (punctuation symbols)
- H. *Data Destruction.*** When no longer needed, all DHCS PHI or PI must be cleared, purged, or destroyed consistent with NIST Special Publication 800-88, Guidelines for Media Sanitization such that the PHI or PI cannot be retrieved.
- I. *System Timeout.*** The system providing access to DHCS PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.
- J. *Warning Banners.*** All systems providing access to DHCS PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.
- K. *System Logging.*** The system must maintain an automated audit trail which can identify the user or system process which initiates a request for DHCS PHI or PI, or which alters DHCS PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If DHCS PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.
- L. *Access Controls.*** The system providing access to DHCS PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.

Exhibit G
HIPAA Business Associate Addendum

- M. *Transmission encryption.*** All data transmissions of DHCS PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement pertains to any type of PHI or PI in motion such as website access, file transfer, and E-Mail.
- N. *Intrusion Detection.*** All systems involved in accessing, holding, transporting, and protecting DHCS PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

III. Audit Controls

- A. *System Security Review.*** All systems processing and/or storing DHCS PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.
- B. *Log Reviews.*** All systems processing and/or storing DHCS PHI or PI must have a routine procedure in place to review system logs for unauthorized access.
- C. *Change Control.*** All systems processing and/or storing DHCS PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

IV. Business Continuity / Disaster Recovery Controls

- A. *Emergency Mode Operation Plan.*** Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic DHCS PHI or PI in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.
- B. *Data Backup Plan.*** Contractor must have established documented procedures to backup DHCS PHI to maintain retrievable exact copies of DHCS PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of DHCS data.

V. Paper Document Controls

- A. *Supervision of Data.*** DHCS PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. DHCS PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- B. *Escorting Visitors.*** Visitors to areas where DHCS PHI or PI is contained shall be escorted and DHCS PHI or PI shall be kept out of sight while visitors are in the area.

Exhibit G
HIPAA Business Associate Addendum

- C. **Confidential Destruction.** DHCS PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
- D. **Removal of Data.** DHCS PHI or PI must not be removed from the premises of the Contractor except with express written permission of DHCS.
- E. **Faxing.** Faxes containing DHCS PHI or PI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- F. **Mailing.** Mailings of DHCS PHI or PI shall be sealed and secured from damage or inappropriate viewing of PHI or PI to the extent possible. Mailings which include 500 or more individually identifiable records of DHCS PHI or PI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of DHCS to use another method is obtained.

CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

| | | |
|--|--|---|
| <i>Contractor/Bidder Firm Name (Printed)</i> County of Yuba | | <i>Federal ID Number</i> 94-6000549 |
| <i>By (Authorized Signature)</i> | | |
| <i>Printed Name and Title of Person Signing</i> Randy Fletcher, Chair of the Board of Supervisors | | |
| <i>Date Executed</i> | <i>Executed in the County of</i> Yuba | APPROVED AS TO FORM ANGIL P. MORRIS-JONES COUNTY COUNSEL BY: <i>Angie Ng</i> |

CONTRACTOR CERTIFICATION CLAUSES

1. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

CALIFORNIA CIVIL RIGHTS LAWS CERTIFICATION

Pursuant to Public Contract Code section 2010, if a bidder or proposer executes or renews a contract over \$100,000 on or after January 1, 2017, the bidder or proposer hereby certifies compliance with the following:

1. CALIFORNIA CIVIL RIGHTS LAWS: For contracts over \$100,000 executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and

2. EMPLOYER DISCRIMINATORY POLICIES: For contracts over \$100,000 executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

CERTIFICATION

| | | |
|---|--|--|
| I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct. <i>Proposer/Bidder Firm Name (Printed)</i> County of Yuba | | <i>Federal ID Number</i> 94-6000549 |
| <i>By (Authorized Signature)</i> | | |
| <i>Printed Name and Title of Person Signing</i> Randy Fletcher, Chair of the Board of Supervisors | | |
| <i>Date Executed</i> | <i>Executed in the County and State of</i> Yuba, California | |

APPROVED AS TO FORM

ANGIL P. MORRIS-JONES

COUNTY COUNSEL

BY: Angil P. Morris-Jones

The County of Yuba

Health and Human Services Department



TO: Board of Supervisors

FROM: Health and Human Services Department
Homer Rice, MPH, PhD, Health Administrator
Health & Human Services Department

SUBJECT: Approve the Medi-Cal Targeted Case Management Provider Participation Agreement with the California Department of Health Care Services

DATE: May 2, 2017

NUMBER: 177/2017

Recommendation: It is recommended that the Board of Supervisors approve and execute the Medi-Cal Targeted Case Management Provider Participation Agreement (#58-17EVGRN) with the California Department of Health Care Services (DHCS) to allow participation by Yuba County's Health and Human Services Department in the Medi-Cal Targeted Case Management (TCM) program for a continuous term beginning July 1, 2017.

Background: Since 1998, Yuba County, through its Health and Human Services Department, has contracted with DHCS to participate in the TCM program which reimburses a portion of the costs of the targeted case management services conducted by the field nursing staff of its Public Health Division and the Yuba County Public Guardian. Approval of this Agreement will allow continued participation in this program until terminated by either party.

Discussion: Through participation in the TCM program, both the Public Health Division of the Health and Human Services Department and the Yuba County Public Guardian receive a partial reimbursement of the costs of providing certain case management services. Without participation in this program, the costs of providing these services would be met solely by County funds. The reimbursement revenue from TCM totaled \$297,506.00 for Public Health and \$77,135.00 for the Public Guardian for fiscal years 2013-2016.

Committee Action: The Human Services Committee was bypassed as there is no impact to any other department.

Fiscal Impact: Approval of the Medi-Cal Targeted Case Management Provider Participation Agreement will result in the reimbursement of costs that will otherwise be met by County funds.

Attachments

177-2017 Medi-Cal Targeted Case Management Provider Participation Agreement Part 1 of 3
177-2017 Medi-Cal Targeted Case Management Provider Participation Agreement Part 2 of 3
177-2017 Medi-Cal Targeted Case Management Provider Participation Agreement Part 3 of 3

Name of Provider: Yuba County
PPA #: 58-17EVRGRN

**MEDI-CAL TARGETED CASE MANAGEMENT
PROVIDER PARTICIPATION AGREEMENT**

Name of Provider: Yuba

PPA # 58-17EVRGRN

The parties agree that this Provider Participation Agreement replaces the prior Provider Participation Agreement # 58-1318A, dated February 2, 2016, by replacing 58-1318A in its entirety.

1. PARTIES AND AUTHORITY

This Provider Participation Agreement (Agreement) sets out the responsibilities of the qualified local governmental agency (Provider), and California Department of Health Care Services (DHCS), for the provision of Targeted Case Management (TCM) services to eligible Medi-Cal beneficiaries, pursuant to Welfare and Institutions (W & I) Code Section 14132.44. This Agreement constitutes the entire TCM agreement between the Provider and DHCS and is subordinate to the Medi-Cal Provider Agreement (DHCS Form 6208) entered into by the Provider in conjunction with the Provider's enrollment in the Medi-Cal Program.

2. TERM AND TERMINATION OF THE AGREEMENT

This Agreement will be effective on July 01, 2017, and shall continue in full force and effect until terminated by either party.

Termination without Cause: Either party may terminate this Agreement by providing the other party with 30 days advance written notice of intent to terminate. Termination shall result in Provider's immediate disenrollment from the TCM program on the termination date and exclusion (without formal hearing under the Administrative Procedure Act) from further participation in the TCM program unless and until such time as Provider is re-enrolled by DHCS in the TCM program.

Termination for Cause: This Agreement shall be automatically terminated or suspended if the Provider's DHCS Form 6208 is terminated or Provider is suspended under the terms of the DHCS Form 6208, respectively. This Agreement's automatic termination or suspension shall be effective the same date as the Provider's DHCS Form 6208 termination or Provider's suspension. Termination will result in Provider's immediate disenrollment and exclusion (without formal hearing under the Administrative Procedure Act) from further providing service under the TCM program.

Name of Provider: Yuba County
PPA #: 58-17EVRGRN

3. CONTACT PERSONS

A. The contact persons during the term of this Agreement are:

| Department of Health Care Services | Provider |
|--|---|
| Shelly Taunk, Chief County-Based Claiming and Inmate Services Section Telephone: (916) 322-2551 Fax: (916) 324-0738 Email: Shelly.Taunk@dhcs.ca.gov | Name: Jennifer Vasquez, Director Telephone: (530) 749-6380 Fax: (530) 749-6281 Email: jvasquez@co.yuba.ca.us |

B. Direct all inquiries to:

| Department of Health Care Services | Provider |
|--|---|
| County-Based Claiming and Inmate Services Section Targeted Case Management Unit Attention: TCM Unit Chief Suite 71.3024, MS 4603 P.O. Box 997436 Sacramento, CA, 95899-7436 Phone: (916) 552-9056 Fax: (916) 324-0738 Email: DHCS-TCM@dhcs.ca.gov | Cyndi Journagan MAA/TCM Coordinator Health & Human Services Department 5730 Packard Avenue, Ste 100 Marysville, CA 95901 Phone: (530) 749-6279 Fax: (530) 749-6281 Email: cjournagan@co.yuba.ca.us |

C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

4. PROVIDER RESPONSIBILITIES

By entering into this Agreement, the Provider agrees to:

- A. Ensure all applicable State and federal requirements are met with regard to Expense Allowability / Fiscal Documentation:
- 1) TCM Summary Invoices, received from a Provider and accepted and/or submitted for payment by DHCS, shall not be deemed evidence of allowable agreement costs.
 - 2) Supporting documentation of all amounts invoiced shall be maintained for review and audit, and supplied to DHCS upon request, pursuant to this Agreement to permit a determination of expense allowability.

- a) If the allowability or appropriateness of an expense cannot be determined by DHCS because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate, according to generally accepted accounting principles or practices, all questioned costs may be disallowed and payment may be withheld or recouped by DHCS. Upon receipt of adequate documentation supporting a disallowed or questioned expense, reimbursement may resume for the amount substantiated and deemed allowable.
- B. TCM providers and their subcontractors are considered contractors solely for the purposes of U.S. Office of Management and Budget Uniform Guidance (Title 2 of the Code of Federal Regulations, Part 200, and, specifically, 2 CFR 200.330). Consequently, as a contractor, as distinguished from subrecipient, a Dun and Bradstreet Universal Numbering System (DUNS) number is not required.
- C. Designate MEDS Access Liaisons responsible for working directly with DHCS in requesting MEDS access for county/city TCM staff. All MEDS Access Liaisons shall sign a MEDS Oath of Confidentiality provided by DHCS. This Liaison is responsible for maintaining an active list of Provider users with MEDS access and collecting a signed Oath of Confidentiality from each user. The Liaison is responsible for ensuring users are informed they cannot share user accounts, that MEDS is to be used for only authorized purposes, and that all activity is logged. DHCS will only accept account requests from an authorized MEDS Access Liaison. The Liaison may be changed by written notice to DHCS. The MEDS Authorization Liaison should be an employee at an appropriate level in the organization, with sufficient responsibility to carry out the duties of this position. DHCS will only accept account requests from an authorized MEDS Access Liaison. DHCS will determine the number of county/city TCM staff allowed to access MEDS. DHCS may deny access to MEDS at its discretion.
 - 1) The MEDS Access Liaison will provide, assign, delete, and track user log-in identification codes generated through DHCS to authorized TCM staff members upon request. The processing of log-in identification codes will be submitted electronically to DHCS to activate (i.e., add, delete, or reset) MEDS access upon receipt.
 - 2) The Liaison is responsible for ensuring processes are in place which result in prompt MEDS account deletion requests when Provider users leave employment or no longer require access due to change in job duties. The Liaison must perform a monthly reconciliation to identify account termination process violations and ensure corrective actions are implemented.
- D. Adhere to the following documents and any subsequent updates that are not attached, but are incorporated herein and made a part hereof by this reference. The Provider is required to fully comply with the directives in each document incorporated by reference herein and each update thereto. These documents may

be updated periodically by DHCS, as required by program directives or changes in law or policy. Unless otherwise indicated, DHCS shall provide the Provider with copies of said documents at or before the agreement is presented to the Provider for review, acceptance, and signature and will require acknowledgement of receipt. Periodic updates to the below listed documents that are not electronically accessible via the Internet, an Extranet link or other mechanism will be presented to the Provider under separate cover and acknowledgement of receipt will be required. DHCS will maintain on file, all documents referenced herein and any subsequent updates.

- 1) Information Exchange Agreement (IEA) between the Social Security Administration and the California Department of Health Care Services (State Agency).
 - a) The specific sections of the IEA and attachments with substantive privacy and security requirements, which are to be complied with by the Provider are in the following:
 - (1) Section E: Security Procedures
 - (2) Section F: Contractor/Agent Responsibilities
 - (3) Section G: Safeguarding and Reporting Responsibilities for PII.
 - (4) Attachment 1: Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS)
 - (5) Attachment 2: Authorized Data Exchange System(s).
 - (6) Attachment 3: Electronic Information Exchange Security Requirements and Procedures.
 - (7) Attachment 4: Worksheet for Reporting Loss or Potential Loss of Personally Identifiable Information

E. By November 1 of each year:

- 1) Submit an annual electronic TCM Cost Report for the service period of July 1 through June 30 to dhsaitcm@dhcs.ca.gov
 - a) Electronic mail (e-mail) submission shall include the following completed documents:
 - (1) Completed Cost Report Template signed and scanned (PDF)
 - (2) Completed Cost Report Template (Excel)
 - (3) LGA certification page signed and scanned (PDF)
 - (4) Non-LGA LPE Certification and LGA Attestation Statements for TCM Cost Report signed and scanned (PDF), if applicable.
 - b) Each e-mail submission shall follow the example below when naming the electronic files for the e-mail submission of the Cost Report:

Example:

2013 Santa Cruz CR.xls (Fiscal Year [FY] 2013-14 Santa Cruz Cost Report, Excel version)
2013 Santa Cruz CR.PDF (FY 2013-14 Santa Cruz Cost Report, signed and scanned PDF version)

- c) Each e-mail submission shall follow the example below when naming the e-mail for the submission of the Cost Report:

Example:

Name of LGA, LGA Code, Fiscal Year End Date (FYE), Part xx.
Santa Cruz County 44 FYE 063014 Part 1 of 3

- F. Accept payments as reimbursement in full as received for TCM services pursuant to this Agreement. Payments are subject to be reviewed and audited by DHCS and Centers for Medicare and Medicaid (CMS).
- G. Submit TCM Summary Invoices in accordance with 42 CFR 433.51, Title 22 CCR Sections 51185, 51271, 51272, 51351, 51351.1, 51365, 51535.7, and 51492, and ensure TCM Summary Invoices are postmarked within 12 months from the date of service.
- H. Execute a Memorandum of Understanding (MOU) with Medi-Cal Managed Care Health Plan(s) serving beneficiaries in the same county as the Provider when the Provider is in a Geographic Managed Care, Two-Plan Managed Care, Regional Model, Imperial Model, San Benito Model, or County Organized Health System county in accordance with State issued policy directives, including Policy and Procedure Letters (PPLs) and federal directives, all as periodically amended. The MOU will serve to define the respective responsibilities between LGA's TCM program and Medi-Cal Managed Care Health Plans and must include coordination protocols to ensure non-duplication of services provided to beneficiaries in common.

5. DHCS RESPONSIBILITIES

By entering into this Agreement, DHCS agrees to:

- A. Establish an all-inclusive interim rate for the Provider to claim for TCM services.
- B. Provide the TCM program with inquiry-only MEDS accounts. These MEDS accounts will be used by Providers to perform various activities, including but not limited to, providing specialized case management services to Medi-Cal eligible

individuals in a defined target population to gain access to needed medical, social, educational, and other services.

- C. Perform settlement reconciliation to reflect the actual costs the Provider incurred in providing TCM services to Medi-Cal beneficiaries.
- D. Review and process TCM Summary Invoices within 24 months from the date of service. Upon review, processing, and approval of valid TCM encounters, TCM Summary Invoices shall then be scheduled for payment.
- E. Provide training and technical assistance to enable the Provider to identify costs related to proper invoicing documentation and billing procedures. The State will provide oversight to ensure compliance with the W&I Code Section 14132.44 and all other governing federal and State laws and regulations.

6. FISCAL PROVISIONS

Reimbursement under this Agreement shall be made in the following manner:

- A. Upon the Provider's compliance with all provisions pursuant to W&I Code Section 14132.44, Title 22 CCR Division 3 (commencing with Section 50000), and this Agreement, and upon the submission of a TCM Summary Invoice, based on valid and substantiated information, DHCS agrees to process the TCM Summary Invoice for reimbursement.
- B. Transfer of funds is contingent upon the availability of federal financial participation (FFP).
- C. The Provider shall verify the certified public expenditure (CPE) from the Provider's General Fund, or from any other funds allowed under federal law and regulation, for Title XIX funds claimed for TCM services performed pursuant to W&I Code Section 14132.44. DHCS shall deny payment of any TCM Summary Invoice submitted under this Agreement, if it determines that the certification is not adequately supported for purposes of FFP. Expenditures certified for TCM costs shall not duplicate, in whole or in part, claims made for the costs of direct patient services.
- D. Failure to timely submit cost reports, or other documents to verify CPE, by the Provider within the statutory, regulatory, or contractual deadline shall entitle DHCS to declare any funds forwarded to the Provider for the cost report period as an overpayment and recoup the funds.
- E. It is mutually agreed that if the Budget Act for the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event DHCS shall have no liability to pay any funds whatsoever to the Provider

or to furnish any other considerations under this Agreement and the Provider shall not be obligated to further provide services under the TCM program.

- F. If funding for any FY is reduced or deleted by the Budget Act for purposes of the TCM Program, DHCS shall have the option to either cancel this Agreement, with no liability occurring to DHCS, or offer an agreement amendment to the Provider to reflect the reduced amount.

7. LIMITATION OF STATE LIABILITY

- A. Notwithstanding any other provision of this Agreement, DHCS shall be held harmless from any federal audit disallowance and interest resulting from payments made by the federal Medicaid program as reimbursement for claims providing TCM services pursuant to W&I Code Section 14132.44, for the disallowed claim or claims, less the amounts already remitted to DHCS pursuant to W&I Code Section 14132.44(m).
- B. To the extent that a federal audit disallowance and interest results from a claim or claims for which the Provider has received reimbursement for TCM services, DHCS shall recoup from the Provider, upon written notice, amounts equal to the amount of the disallowance and interest in that FY for the disallowed claim or claims. All subsequent TCM Summary Invoices submitted to DHCS applicable to any previously disallowed claim or claims, may be held in abeyance, with no payment made, until the federal disallowance issue is resolved, less the amounts already remitted to DHCS pursuant to W&I Code Section 14132.44(m).
- C. Notwithstanding sections 2, 6E, and 6F, to the extent that a federal audit disallowance and interest results from a claim or claims for which the Provider has received reimbursement for TCM services provided by a nongovernmental entity under contract with, and on behalf of the Provider, DHCS shall be held harmless by the Provider for 100 percent of the amount of any such federal audit disallowance and interest, for the disallowed claim or claims, less the amounts already remitted to DHCS pursuant to W&I Code Section 14132.44(m).
- D. Notwithstanding sections 2, 6E, and 6F, the Provider agrees that when it is established upon audit or reconciliation that an overpayment, or other recovery determination, has been made, DHCS and Provider shall follow current laws, regulations, and State issued policy directives, including PPLs for the proper treatment of identified overpayment.
- E. DHCS reserves the right to select the method to be employed for the recovery of an overpayment, or other recovery determination.
- F. Overpayments may be assessed interest charges, and may be assessed penalties, in accordance with W&I Code Sections 14171(h) and 14171.5, respectively.

8. AMENDMENT

Should either party, during the term of this Agreement, desire a change or amendment to the Articles of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through a process that is mutually agreeable to both DHCS and the Provider. No amendment will be considered binding on either party until it is approved by DHCS.

9. GENERAL PROVISIONS

- A. This document constitutes the entire Agreement between the parties pertaining to the TCM program. Notwithstanding the DHCS Form 6208, any condition, provision, agreement or understanding not stated in this Agreement shall not affect any rights, duties, or privileges in connection with the terms of this Agreement. If there is a conflict between this Agreement and the DHCS Form 6208, then the DHCS Form 6208 shall control. Form 6208 hereby is incorporated by reference and is made part of this Agreement.
- B. The term "days" as used in this Agreement shall mean calendar days unless specified otherwise.
- C. The provisions and obligations of this Agreement cannot be waived or altered except through an amendment made in accordance with Section 8.
- D. None of the provisions of this Agreement are or shall be construed as for the benefit of, or enforceable by, any person not a party to this Agreement.

###

Name of Provider: Yuba County
PPA #: 58-17EVRGRN

TCM AGREEMENT EXECUTION

The undersigned agent agrees to the terms above, and enters into this Agreement on behalf of YUBA COUNTY (Local Governmental Agency). This Agreement does not go into force until signed by California Department of Health Care Services.

Provider Authorized Contact Person's Signature

Print Name

Chair, Board of Supervisors

Title

915 8th Street, Suite 109, Marysville, CA 95901

Address

Date

California Department of Health Care Services
Authorized Contact Person's Signature

Print Name

Chief, Safety Net Financing Division

Title

Department of Health Care Services

Name of Department

1501 Capitol Avenue, MS 4603, Sacramento, CA 95899-7413

Address

Date


APPROVED AS TO FORM
ANGIL P. MORRIS-JONES
COUNTY COUNSEL
BY: 

Exhibit A
HIPAA Business Associate Addendum

I. Recitals

- A. This Contract (Agreement) has been determined to constitute a business associate relationship under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), 42 U.S.C. section 17921 et seq., and their implementing privacy and security regulations at 45 CFR Parts 160 and 164 ("the HIPAA regulations").
- B. The Department of Health Care Services ("DHCS") wishes to disclose to Business Associate certain information pursuant to the terms of this Agreement, some of which may constitute Protected Health Information ("PHI"), including protected health information in electronic media ("ePHI"), under federal law, and personal information ("PI") under state law.
- C. As set forth in this Agreement, Contractor, here and after, is the Business Associate of DHCS acting on DHCS' behalf and provides services, arranges, performs or assists in the performance of functions or activities on behalf of DHCS and creates, receives, maintains, transmits, uses or discloses PHI and PI. DHCS and Business Associate are each a party to this Agreement and are collectively referred to as the "parties."
- D. The purpose of this Addendum is to protect the privacy and security of the PHI and PI that may be created, received, maintained, transmitted, used or disclosed pursuant to this Agreement, and to comply with certain standards and requirements of HIPAA, the HITECH Act and the HIPAA regulations, including, but not limited to, the requirement that DHCS must enter into a contract containing specific requirements with Contractor prior to the disclosure of PHI to Contractor, as set forth in 45 CFR Parts 160 and 164 and the HITECH Act, and the Final Omnibus Rule as well as the Alcohol and Drug Abuse patient records confidentiality law 42 CFR Part 2, and any other applicable state or federal law or regulation. 42 CFR section 2.1(b)(2)(B) allows for the disclosure of such records to qualified personnel for the purpose of conducting management or financial audits, or program evaluation. 42 CFR Section 2.53(d) provides that patient identifying information disclosed under this section may be disclosed only back to the program from which it was obtained and used only to carry out an audit or evaluation purpose or to investigate or prosecute criminal or other activities, as authorized by an appropriate court order.
- E. The terms used in this Addendum, but not otherwise defined, shall have the same meanings as those terms have in the HIPAA regulations. Any reference to statutory or regulatory language shall be to such language as in effect or as amended.

II. Definitions

- A. Breach shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and the Final Omnibus Rule.
- B. Business Associate shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and the final Omnibus Rule.
- C. Covered Entity shall have the meaning given to such term under HIPAA, the HITECH Act, the HIPAA regulations, and Final Omnibus Rule.
- D. Electronic Health Record shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C Section 17921 and implementing regulations.

Exhibit A
HIPAA Business Associate Addendum

- E. Electronic Protected Health Information (ePHI) means individually identifiable health information transmitted by electronic media or maintained in electronic media, including but not limited to electronic media as set forth under 45 CFR section 160.103.
- F. Individually Identifiable Health Information means health information, including demographic information collected from an individual, that is created or received by a health care provider, health plan, employer or health care clearinghouse, and relates to the past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, that identifies the individual or where there is a reasonable basis to believe the information can be used to identify the individual, as set forth under 45 CFR section 160.103.
- G. Privacy Rule shall mean the HIPAA Regulation that is found at 45 CFR Parts 160 and 164.
- H. Personal Information shall have the meaning given to such term in California Civil Code section 1798.29.
- I. Protected Health Information means individually identifiable health information that is transmitted by electronic media, maintained in electronic media, or is transmitted or maintained in any other form or medium, as set forth under 45 CFR section 160.103.
- J. Required by law, as set forth under 45 CFR section 164.103, means a mandate contained in law that compels an entity to make a use or disclosure of PHI that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
- K. Secretary means the Secretary of the U.S. Department of Health and Human Services ("HHS") or the Secretary's designee.
- L. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or PI, or confidential data that is essential to the ongoing operation of the Business Associate's organization and intended for internal use; or interference with system operations in an information system.
- M. Security Rule shall mean the HIPAA regulation that is found at 45 CFR Parts 160 and 164.
- N. Unsecured PHI shall have the meaning given to such term under the HITECH Act, 42 U.S.C. section 17932(h), any guidance issued pursuant to such Act, and the HIPAA regulations.

III. Terms of Agreement

A. Permitted Uses and Disclosures of PHI by Business Associate

Permitted Uses and Disclosures. Except as otherwise indicated in this Addendum, Business Associate may use or disclose PHI only to perform functions, activities or services specified in this Agreement, for, or on behalf of DHCS, provided that such use or disclosure would not violate the HIPAA regulations, if done by DHCS. Any such use or disclosure must, to the extent practicable, be limited to the limited data set, as defined in 45 CFR section 164.514(e)(2), or, if needed, to the minimum necessary to accomplish

Exhibit A
HIPAA Business Associate Addendum

the intended purpose of such use or disclosure, in compliance with the HITECH Act and any guidance issued pursuant to such Act, the HIPAA regulations, the Final Omnibus Rule and 42 CFR Part 2.

1. ***Specific Use and Disclosure Provisions.*** Except as otherwise indicated in this Addendum, Business Associate may:
 - a. ***Use and disclose for management and administration.*** Use and disclose PHI for the proper management and administration of the Business Associate provided that such disclosures are required by law, or the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware that the confidentiality of the information has been breached.
 - b. ***Provision of Data Aggregation Services.*** Use PHI to provide data aggregation services to DHCS. Data aggregation means the combining of PHI created or received by the Business Associate on behalf of DHCS with PHI received by the Business Associate in its capacity as the Business Associate of another covered entity, to permit data analyses that relate to the health care operations of DHCS.

B. Prohibited Uses and Disclosures

1. Business Associate shall not disclose PHI about an individual to a health plan for payment or health care operations purposes if the PHI pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full and the individual requests such restriction, in accordance with 42 U.S.C. section 17935(a) and 45 CFR section 164.522(a).
2. Business Associate shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of DHCS and as permitted by 42 U.S.C. section 17935(d)(2).

C. Responsibilities of Business Associate

Business Associate agrees:

1. ***Nondisclosure.*** Not to use or disclose Protected Health Information (PHI) other than as permitted or required by this Agreement or as required by law.
2. ***Safeguards.*** To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI, including electronic PHI, that it creates, receives, maintains, uses or transmits on behalf of DHCS, in compliance with 45 CFR sections 164.308, 164.310 and 164.312, and to prevent use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall implement reasonable and appropriate policies and procedures to comply with the standards, implementation specifications and other requirements of 45 CFR section 164, subpart C, in compliance with 45 CFR section 164.316. Business Associate shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Business Associate's operations and the nature and scope of its activities, and which incorporates the requirements of section 3, Security, below. Business Associate will provide DHCS with its current and updated policies.

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3. **Security.** To take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
- a. Complying with all of the data system security precautions listed in Attachment A, the Business Associate Data Security Requirements;
 - b. Achieving and maintaining compliance with the HIPAA Security Rule (45 CFR Parts 160 and 164), as necessary in conducting operations on behalf of DHCS under this Agreement;
 - c. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III - Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and
 - d. In case of a conflict between any of the security standards contained in any of these enumerated sources of security standards, the most stringent shall apply. The most stringent means that safeguard which provides the highest level of protection to PHI from unauthorized disclosure. Further, Business Associate must comply with changes to these standards that occur after the effective date of this Agreement.

Business Associate shall designate a Security Officer to oversee its data security program who shall be responsible for carrying out the requirements of this section and for communicating on security matters with DHCS.

- D. Mitigation of Harmful Effects.** To mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate or its subcontractors in violation of the requirements of this Addendum.

E. Business Associate's Agents and Subcontractors.

1. To enter into written agreements with any agents, including subcontractors and vendors, to whom Business Associate provides PHI or PI received from or created or received by Business Associate on behalf of DHCS, that impose the same restrictions and conditions on such agents, subcontractors and vendors that apply to Business Associate with respect to such PHI and PI under this Addendum, and that comply with all applicable provisions of HIPAA, the HITECH Act the HIPAA regulations, and the Final Omnibus Rule, including the requirement that any agents, subcontractors or vendors implement reasonable and appropriate administrative, physical, and technical safeguards to protect such PHI and PI. Business associates are directly liable under the HIPAA Rules and subject to civil and, in some cases, criminal penalties for making uses and disclosures of protected health information that are not authorized by its contract or required by law. A business associate also is directly liable and subject to civil penalties for failing to safeguard electronic protected health information in accordance with the HIPAA Security Rule. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits protected health information on behalf of another business associate. Business Associate shall incorporate, when applicable, the relevant provisions of this Addendum into each subcontract or subaward to such agents, subcontractors and vendors, including the requirement that any security incidents or breaches of unsecured PHI or PI be reported to Business Associate.

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2. In accordance with 45 CFR section 164.504(e)(1)(ii), upon Business Associate's knowledge of a material breach or violation by its subcontractor of the agreement between Business Associate and the subcontractor, Business Associate shall:
 - a. Provide an opportunity for the subcontractor to cure the breach or end the violation and terminate the agreement if the subcontractor does not cure the breach or end the violation within the time specified by DHCS; or
 - b. Immediately terminate the agreement if the subcontractor has breached a material term of the agreement and cure is not possible.

F. Availability of Information to DHCS and Individuals. To provide access and information:

1. To provide access as DHCS may require, and in the time and manner designated by DHCS (upon reasonable notice and during Business Associate's normal business hours) to PHI in a Designated Record Set, to DHCS (or, as directed by DHCS), to an Individual, in accordance with 45 CFR section 164.524. Designated Record Set means the group of records maintained for DHCS that includes medical, dental and billing records about individuals; enrollment, payment, claims adjudication, and case or medical management systems maintained for DHCS health plans; or those records used to make decisions about individuals on behalf of DHCS. Business Associate shall use the forms and processes developed by DHCS for this purpose and shall respond to requests for access to records transmitted by DHCS within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none.
2. If Business Associate maintains an Electronic Health Record with PHI, and an individual requests a copy of such information in an electronic format, Business Associate shall provide such information in an electronic format to enable DHCS to fulfill its obligations under the HITECH Act, including but not limited to, 42 U.S.C. section 17935(e).
3. If Business Associate receives data from DHCS that was provided to DHCS by the Social Security Administration, upon request by DHCS, Business Associate shall provide DHCS with a list of all employees, contractors and agents who have access to the Social Security data, including employees, contractors and agents of its subcontractors and agents.

G. Amendment of PHI. To make any amendment(s) to PHI that DHCS directs or agrees to pursuant to 45 CFR section 164.526, in the time and manner designated by DHCS.

H. Internal Practices. To make Business Associate's internal practices, books and records relating to the use and disclosure of PHI received from DHCS, or created or received by Business Associate on behalf of DHCS, available to DHCS or to the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by DHCS or by the Secretary, for purposes of determining DHCS' compliance with the HIPAA regulations. If any information needed for this purpose is in the exclusive possession of any other entity or person and the other entity or person fails or refuses to furnish the information to Business Associate, Business Associate shall so certify to DHCS and shall set forth the efforts it made to obtain the information.

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I. **Documentation of Disclosures.** To document and make available to DHCS or (at the direction of DHCS) to an Individual such disclosures of PHI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of PHI, in accordance with the HITECH Act and its implementing regulations, including but not limited to 45 CFR section 164.528 and 42 U.S.C. section 17935(c). If Business Associate maintains electronic health records for DHCS as of January 1, 2009, Business Associate must provide an accounting of disclosures, including those disclosures for treatment, payment or health care operations, effective with disclosures on or after January 1, 2014. If Business Associate acquires electronic health records for DHCS after January 1, 2009, Business Associate must provide an accounting of disclosures, including those disclosures for treatment, payment or health care operations, effective with disclosures on or after the date the electronic health record is acquired, or on or after January 1, 2011, whichever date is later. The electronic accounting of disclosures shall be for disclosures during the three years prior to the request for an accounting.

J. **Breaches and Security Incidents.** During the term of this Agreement, Business Associate agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:

1. **Notice to DHCS.** (1) To notify DHCS **immediately** upon the discovery of a suspected security incident that involves data provided to DHCS by the Social Security Administration. This notification will be **by telephone call plus email or fax** upon the discovery of the breach. (2) To notify DHCS **within 24 hours by email or fax** of the discovery of unsecured PHI or PI in electronic media or in any other media if the PHI or PI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person, any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI or PI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Business Associate as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Business Associate.

Notice shall be provided to the DHCS Program Contract Manager, the DHCS Privacy Officer and the DHCS Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves data provided to DHCS by the Social Security Administration, notice shall be provided by calling the DHCS EITS Service Desk. Notice shall be made using the "DHCS Privacy Incident Report" form, including all information known at the time. Business Associate shall use the most current version of this form, which is posted on the DHCS Privacy Office website (www.dhcs.ca.gov, then select "Privacy" in the left column and then "Business Use" near the middle of the page) or use this link:

<http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/DHCSBusinessAssociatesOnly.aspx>

Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of PHI or PI, Business Associate shall take:

- a. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
- b. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.

Exhibit A
HIPAA Business Associate Addendum

2. ***Investigation and Investigation Report.*** To immediately investigate such security incident, breach, or unauthorized access, use or disclosure of PHI or PI. If the initial report did not include all of the requested information marked with an asterisk, then within 72 hours of the discovery, Business Associate shall submit an updated "DHCS Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer:
3. ***Complete Report.*** To provide a complete report of the investigation to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. If all of the required information was not included in either the initial report, or the Investigation Report, then a separate Complete Report must be submitted. The report shall be submitted on the "DHCS Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, the HIPAA regulations and/or state law. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If DHCS requests information in addition to that listed on the "DHCS Privacy Incident Report" form, Business Associate shall make reasonable efforts to provide DHCS with such information. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "DHCS Privacy Incident Report" form. DHCS will review and approve or disapprove the determination of whether a breach occurred, is reportable to the appropriate entities, if individual notifications are required, and the corrective action plan.
4. ***Notification of Individuals.*** If the cause of a breach of PHI or PI is attributable to Business Associate or its subcontractors, agents or vendors, Business Associate shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and shall pay any costs of such notifications, as well as any costs associated with the breach. The notifications shall comply with the requirements set forth in 42 U.S.C. section 17932 and its implementing regulations, including, but not limited to, the requirement that the notifications be made without unreasonable delay and in no event later than 60 calendar days. The DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made.
5. ***Responsibility for Reporting of Breaches.*** If the cause of a breach of PHI or PI is attributable to Business Associate or its agents, subcontractors or vendors, Business Associate is responsible for all required reporting of the breach as specified in 42 U.S.C. section 17932 and its implementing regulations, including notification to media outlets and to the Secretary. If a breach of unsecured PHI involves more than 500 residents of the State of California or its jurisdiction, Business Associate shall notify the Secretary of the breach immediately upon discovery of the breach. If Business Associate has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to DHCS in addition to Business Associate, Business Associate shall notify DHCS, and DHCS and Business Associate may take appropriate action to prevent duplicate reporting. The breach reporting requirements of this paragraph are in addition to the reporting requirements set forth in subsection 1, above.
6. ***DHCS Contact Information.*** To direct communications to the above referenced DHCS staff, the Contractor shall initiate contact as indicated herein. DHCS reserves the right to make changes to the

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contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

| DHCS Program Contract Manager | DHCS Privacy Officer | DHCS Information Security Officer |
|--|--|--|
| See the Scope of Work exhibit for Program Contract Manager information | Privacy Officer c/o: Office of HIPAA Compliance Department of Health Care Services P.O. Box 997413, MS 4722 Sacramento, CA 95899-7413 Email: privacyofficer@dhcs.ca.gov Telephone: (916) 445-4646 Fax: (916) 440-7680 | Information Security Officer DHCS Information Security Office P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413 Email: iso@dhcs.ca.gov Fax: (916) 440-5537 Telephone: EITS Service Desk (916) 440-7000 or (800) 579-0874 |

K. Termination of Agreement. In accordance with Section 13404(b) of the HITECH Act and to the extent required by the HIPAA regulations, if Business Associate knows of a material breach or violation by DHCS of this Addendum, it shall take the following steps:

1. Provide an opportunity for DHCS to cure the breach or end the violation and terminate the Agreement if DHCS does not cure the breach or end the violation within the time specified by Business Associate; or
2. Immediately terminate the Agreement if DHCS has breached a material term of the Addendum and cure is not possible.

L. Due Diligence. Business Associate shall exercise due diligence and shall take reasonable steps to ensure that it remains in compliance with this Addendum and is in compliance with applicable provisions of HIPAA, the HITECH Act and the HIPAA regulations, and that its agents, subcontractors and vendors are in compliance with their obligations as required by this Addendum.

M. Sanctions and/or Penalties. Business Associate understands that a failure to comply with the provisions of HIPAA, the HITECH Act and the HIPAA regulations that are applicable to Business Associate may result in the imposition of sanctions and/or penalties on Business Associate under HIPAA, the HITECH Act and the HIPAA regulations.

IV. Obligations of DHCS

DHCS agrees to:

A. Notice of Privacy Practices. Provide Business Associate with the Notice of Privacy Practices that DHCS produces in accordance with 45 CFR section 164.520, as well as any changes to such notice. Visit the DHCS Privacy Office to view the most current Notice of Privacy Practices at: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/default.aspx> or the DHCS website at www.dhcs.ca.gov (select "Privacy in the left column and "Notice of Privacy Practices" on the right side of the page).

B. Permission by Individuals for Use and Disclosure of PHI. Provide the Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect the Business Associate's permitted or required uses and disclosures.

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HIPAA Business Associate Addendum

- C. *Notification of Restrictions.*** Notify the Business Associate of any restriction to the use or disclosure of PHI that DHCS has agreed to in accordance with 45 CFR section 164.522, to the extent that such restriction may affect the Business Associate's use or disclosure of PHI.
- D. *Requests Conflicting with HIPAA Rules.*** Not request the Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA regulations if done by DHCS.

V. Audits, Inspection and Enforcement

- A.** From time to time, DHCS may inspect the facilities, systems, books and records of Business Associate to monitor compliance with this Agreement and this Addendum. Business Associate shall promptly remedy any violation of any provision of this Addendum and shall certify the same to the DHCS Privacy Officer in writing. The fact that DHCS inspects, or fails to inspect, or has the right to inspect, Business Associate's facilities, systems and procedures does not relieve Business Associate of its responsibility to comply with this Addendum, nor does DHCS':
1. Failure to detect or
 2. Detection, but failure to notify Business Associate or require Business Associate's remediation of any unsatisfactory practices constitute acceptance of such practice or a waiver of DHCS' enforcement rights under this Agreement and this Addendum.
- B.** If Business Associate is the subject of an audit, compliance review, or complaint investigation by the Secretary or the Office of Civil Rights, U.S. Department of Health and Human Services, that is related to the performance of its obligations pursuant to this HIPAA Business Associate Addendum, Business Associate shall notify DHCS and provide DHCS with a copy of any PHI or PI that Business Associate provides to the Secretary or the Office of Civil Rights concurrently with providing such PHI or PI to the Secretary. Business Associate is responsible for any civil penalties assessed due to an audit or investigation of Business Associate, in accordance with 42 U.S.C. section 17934(c).

VI. Termination

- A. *Term.*** The Term of this Addendum shall commence as of the effective date of this Addendum and shall extend beyond the termination of the contract and shall terminate when all the PHI provided by DHCS to Business Associate, or created or received by Business Associate on behalf of DHCS, is destroyed or returned to DHCS, in accordance with 45 CFR 164.504(e)(2)(ii)(I).
- B. *Termination for Cause.*** In accordance with 45 CFR section 164.504(e)(1)(ii), upon DHCS' knowledge of a material breach or violation of this Addendum by Business Associate, DHCS shall:
1. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by DHCS; or
 2. Immediately terminate this Agreement if Business Associate has breached a material term of this Addendum and cure is not possible.

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- C. *Judicial or Administrative Proceedings.*** Business Associate will notify DHCS if it is named as a defendant in a criminal proceeding for a violation of HIPAA. DHCS may terminate this Agreement if Business Associate is found guilty of a criminal violation of HIPAA. DHCS may terminate this Agreement if a finding or stipulation that the Business Associate has violated any standard or requirement of HIPAA, or other security or privacy laws is made in any administrative or civil proceeding in which the Business Associate is a party or has been joined.
- D. *Effect of Termination.*** Upon termination or expiration of this Agreement for any reason, Business Associate shall return or destroy all PHI received from DHCS (or created or received by Business Associate on behalf of DHCS) that Business Associate still maintains in any form, and shall retain no copies of such PHI. If return or destruction is not feasible, Business Associate shall notify DHCS of the conditions that make the return or destruction infeasible, and DHCS and Business Associate shall determine the terms and conditions under which Business Associate may retain the PHI. Business Associate shall continue to extend the protections of this Addendum to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.

VII. Miscellaneous Provisions

- A. *Disclaimer.*** DHCS makes no warranty or representation that compliance by Business Associate with this Addendum, HIPAA or the HIPAA regulations will be adequate or satisfactory for Business Associate's own purposes or that any information in Business Associate's possession or control, or transmitted or received by Business Associate, is or will be secure from unauthorized use or disclosure. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.
- B. *Amendment*** The parties acknowledge that federal and state laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Addendum may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable laws relating to the security or privacy of PHI. Upon DHCS' request, Business Associate agrees to promptly enter into negotiations with DHCS concerning an amendment to this Addendum embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable laws. DHCS may terminate this Agreement upon thirty (30) days written notice in the event:
1. Business Associate does not promptly enter into negotiations to amend this Addendum when requested by DHCS pursuant to this Section; or
 2. Business Associate does not enter into an amendment providing assurances regarding the safeguarding of PHI that DHCS in its sole discretion, deems sufficient to satisfy the standards and requirements of HIPAA and the HIPAA regulations.
- C. *Assistance in Litigation or Administrative Proceedings.*** Business Associate shall make itself and any subcontractors, employees or agents assisting Business Associate in the performance of its obligations under this Agreement, available to DHCS at no cost to DHCS to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DHCS, its directors, officers or employees based upon claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inactions or actions by the Business Associate, except where Business Associate or its subcontractor, employee or agent is a named adverse party.

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- D. *No Third-Party Beneficiaries.*** Nothing express or implied in the terms and conditions of this Addendum is intended to confer, nor shall anything herein confer, upon any person other than DHCS or Business Associate and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.
- E. *Interpretation.*** The terms and conditions in this Addendum shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA regulations and applicable state laws. The parties agree that any ambiguity in the terms and conditions of this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act and the HIPAA regulations.
- F. *Regulatory References.*** A reference in the terms and conditions of this Addendum to a section in the HIPAA regulations means the section as in effect or as amended.
- G. *Survival.*** The respective rights and obligations of Business Associate under Section VI.D of this Addendum shall survive the termination or expiration of this Agreement.
- H. *No Waiver of Obligations.*** No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

Exhibit A
HIPAA Business Associate Addendum

Attachment A
Business Associate Data Security Requirements

I. Personnel Controls

- A. *Employee Training.*** All workforce members who assist in the performance of functions or activities on behalf of DHCS, or access or disclose DHCS PHI or PI must complete information privacy and security training, at least annually, at Business Associate's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following contract termination.
- B. *Employee Discipline.*** Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.
- C. *Confidentiality Statement.*** All persons that will be working with DHCS PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to DHCS PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for DHCS inspection for a period of six (6) years following contract termination.
- D. *Background Check.*** Before a member of the workforce may access DHCS PHI or PI, a thorough background check of that worker must be conducted, with evaluation of the results to assure that there is no indication that the worker may present a risk to the security or integrity of confidential data or a risk for theft or misuse of confidential data. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years following contract termination.

II. Technical Security Controls

- A. *Workstation/Laptop encryption.*** All workstations and laptops that process and/or store DHCS PHI or PI must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved by the DHCS Information Security Office.
- B. *Server Security.*** Servers containing unencrypted DHCS PHI or PI must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- C. *Minimum Necessary.*** Only the minimum necessary amount of DHCS PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
- D. *Removable media devices.*** All electronic files that contain DHCS PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, smartphones, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
- E. *Antivirus software.*** All workstations, laptops and other systems that process and/or store DHCS PHI or PI must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.

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- F. Patch Management.** All workstations, laptops and other systems that process and/or store DHCS PHI or PI must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release.
- G. User IDs and Password Controls.** All users must be issued a unique user name for accessing DHCS PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password, at maximum within 24 hours. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
- Upper case letters (A-Z)
 - Lower case letters (a-z)
 - Arabic numerals (0-9)
 - Non-alphanumeric characters (punctuation symbols)
- H. Data Destruction.** When no longer needed, all DHCS PHI or PI must be cleared, purged, or destroyed consistent with NIST Special Publication 800-88, Guidelines for Media Sanitization such that the PHI or PI cannot be retrieved.
- I. System Timeout.** The system providing access to DHCS PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.
- J. Warning Banners.** All systems providing access to DHCS PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.
- K. System Logging.** The system must maintain an automated audit trail which can identify the user or system process which initiates a request for DHCS PHI or PI, or which alters DHCS PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If DHCS PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.
- L. Access Controls.** The system providing access to DHCS PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.

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- M. *Transmission encryption.*** All data transmissions of DHCS PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing PHI can be encrypted. This requirement pertains to any type of PHI or PI in motion such as website access, file transfer, and E-Mail.
- N. *Intrusion Detection.*** All systems involved in accessing, holding, transporting, and protecting DHCS PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

III. Audit Controls

- A. *System Security Review.*** All systems processing and/or storing DHCS PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.
- B. *Log Reviews.*** All systems processing and/or storing DHCS PHI or PI must have a routine procedure in place to review system logs for unauthorized access.
- C. *Change Control.*** All systems processing and/or storing DHCS PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

IV. Business Continuity / Disaster Recovery Controls

- A. *Emergency Mode Operation Plan.*** Contractor must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic DHCS PHI or PI in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than 24 hours.
- B. *Data Backup Plan.*** Contractor must have established documented procedures to backup DHCS PHI to maintain retrievable exact copies of DHCS PHI or PI. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and an estimate of the amount of time needed to restore DHCS PHI or PI should it be lost. At a minimum, the schedule must be a weekly full backup and monthly offsite storage of DHCS data.

V. Paper Document Controls

- A. *Supervision of Data.*** DHCS PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. DHCS PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- B. *Escorting Visitors.*** Visitors to areas where DHCS PHI or PI is contained shall be escorted and DHCS PHI or PI shall be kept out of sight while visitors are in the area.
- C. *Confidential Destruction.*** DHCS PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.

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- D. **Removal of Data.** DHCS PHI or PI must not be removed from the premises of the Contractor except with express written permission of DHCS.
- E. **Faxing.** Faxes containing DHCS PHI or PI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers shall be verified with the intended recipient before sending the fax.
- F. **Mailing.** Mailings of DHCS PHI or PI shall be sealed and secured from damage or inappropriate viewing of PHI or PI to the extent possible. Mailings which include 500 or more individually identifiable records of DHCS PHI or PI in a single package shall be sent using a tracked mailing method which includes verification of delivery and receipt, unless the prior written permission of DHCS to use another method is obtained.

DEPARTMENT OF HEALTH CARE SERVICES

HIPAA Business Associate Addendum

Attachment A

The following data files will be provided pursuant to this Agreement:

Managed Care Organization (MCO)

Each MCO will receive a list of Medi-Cal Participants (Participant) who received TCM services that is/was enrolled in that MCO. The list may provide the following information, as necessary, for each Participant who received TCM services:

1. Last Name
2. First Name
3. Middle Name
4. Date Of Birth
5. Sex
6. MEDS ID
7. LGA Name (Most recent LGA that provided care)
8. Program Type
9. Encounter Number
10. Date Of Service
11. California ID Number

Local Government Agency (LGA)

Each LGA will receive a list of Participants who received TCM services from the LGA. The list may provide the following information, as necessary, for each Participant who received TCM services:

1. Last Name
2. First Name
3. Middle Name
4. Date Of Birth
5. Sex
6. MEDS ID
7. LGA Name
8. Program Type
9. Encounter Number
10. Date Of Service
11. MCO Name (Most recent MCO that Participant is/was enrolled in)
12. California ID Number

**MEDI-CAL PROVIDER AGREEMENT****(To Accompany Applications for Enrollment or Continued Enrollment)*****FOR STATE USE ONLY****Do not use staples on this form or on any attachments.****Type or print clearly in ink. If you must make corrections, please line through, date, and initial in ink.****Do not leave any questions, lines, etc. blank. Enter N/A if not applicable to you.**

Date

/ /

| | | | |
|--|--------------------|--|-----------------------------------|
| Legal name of applicant or provider (hereinafter jointly referred to as "Provider") Yuba County | | Business name (if different than legal name) Health & Human Services Department | |
| Provider number (NPI or Dentl-Cal provider number as applicable) NPI 161918 | | Business Telephone Number (530) 749-6311 | |
| Business address (number, street) 5730 Packard Avenue, Suite 100 | City Marysville | State CA | Nine-digit ZIP code 95901-7117 |
| Mailing address (number, street, P.O. Box number) P. O. Box 2320 | City Marysville | State CA | Nine-digit ZIP code 95901-2320 |
| Pay-to address (number, street, P.O. Box number) | City | State | Nine-digit ZIP code |
| Previous business address (number, street, P.O. Box number) | City | State | Nine-digit ZIP code |
| Taxpayer Identification Number** 94-6000549 | | | |

EXECUTION OF THIS PROVIDER AGREEMENT BETWEEN AN APPLICANT OR PROVIDER HEREINAFTER JOINTLY REFERRED TO AS "PROVIDER") AND THE DEPARTMENT OF HEALTH CARE SERVICES (HEREINAFTER "DHCS"), IS MANDATORY FOR PARTICIPATION OR CONTINUED PARTICIPATION AS A PROVIDER IN THE MEDI-CAL PROGRAM PURSUANT TO 42 UNITED STATES CODE, SECTION 1396a(a)(27), TITLE 42, CODE OF FEDERAL REGULATIONS, SECTION 431.107, WELFARE AND INSTITUTIONS CODE, SECTION 14043.2, AND TITLE 22, CALIFORNIA CODE OF REGULATIONS, SECTION 51000.30(a)(2).

AS A CONDITION FOR PARTICIPATION OR CONTINUED PARTICIPATION AS A PROVIDER IN THE MEDI-CAL PROGRAM, PROVIDER AGREES TO COMPLY WITH ALL OF THE FOLLOWING TERMS AND CONDITIONS, AND WITH ALL OF THE TERMS AND CONDITIONS INCLUDED ON ANY ATTACHMENT(S) HERETO, WHICH IS/ARE INCORPORATED HEREIN BY REFERENCE:

- 1. Term and Termination.** This Agreement will be effective from the date applicant is enrolled as a provider by DHCS, or, from the date provider is approved for continued enrollment. Provider may terminate this Agreement by providing DHCS with written notice of intent to terminate, which termination shall result in Provider's immediate disenrollment and exclusion (without formal hearing under the Administrative Procedures Act) from further participation in the Medi-Cal program unless and until such time as Provider is re-enrolled by DHCS in the Medi-Cal program. DHCS may immediately terminate this Agreement for cause if Provider is suspended/excluded for any of the reasons set forth in Paragraph 26(a) below, which termination will result in Provider's immediate disenrollment and exclusion (without formal hearing under the Administrative Procedures Act) from further participation in the Medi-Cal program. During any period in which the provider is on provisional provider status or preferred provisional provider status, DHCS may terminate this agreement for any of the grounds stated in Welfare and Institutions Code Section 14043.27(c).
- 2. Compliance With Laws and Regulations.** Provider agrees to comply with all applicable provisions of Chapters 7 and 8 of the Welfare and Institutions Code (commencing with Sections 14000 and 14200), and any applicable rules or regulations promulgated by DHCS pursuant to these Chapters. Provider further agrees that if it violates any of the provisions of Chapters 7 and 8 of the Welfare and Institutions Code, or any other regulations promulgated by DHCS pursuant to these Chapters, it may be subject to all sanctions or other remedies available to DHCS. Provider further agrees to comply with all federal laws and regulations governing and regulating Medicaid providers.

* Every applicant and provider must execute this Provider Agreement, except physicians, who must execute the "Medi-Cal Physician Application/Agreement," DHCS 6210.

** The taxpayer identification number may be a Taxpayer Identification Number (TIN) or a social security number for sole proprietors.

3. **National Provider Identifier (NPI).** Provider agrees not to submit any claims to DHCS using an NPI unless that NPI is appropriately registered with the Centers for Medicare and Medicaid Services (CMS) and is in compliance with all NPI requirements established by CMS as of the date the claim is submitted. Provider agrees that submission of an NPI to DHCS as part of an application to use that NPI to obtain payment constitutes an implied representation that the NPI submitted is appropriately registered and in compliance with all CMS requirements at the time of submission. Provider also agrees that any subsequent defect in registration or compliance of the NPI constitutes an "addition or change in the information previously submitted" which must be reported to DHCS under the requirements of California Code of Regulations, title 22, section 51000.40.
4. **Forbidden Conduct.** Provider agrees that it shall not engage in conduct inimical to the public health, morals, welfare and safety of any Medi-Cal beneficiary, or the fiscal integrity of the Medi-Cal program.
5. **Nondiscrimination.** Provider agrees that it shall not exclude or deny aid, care, service or other benefits available under Medi-Cal or in any other way discriminate against a person because of that person's race, color, ancestry, marital status, national origin, gender, age, economic status, physical or mental disability, political or religious affiliation or beliefs in accordance with California and federal laws. Provider further agrees that it shall provide aid, care, service, or other benefits available under Medi-Cal to Medi-Cal beneficiaries in the same manner, by the same methods, and at the same scope, level, and quality as provided to the general public.
6. **Scope of Health and Medical Care.** Provider agrees that the health care services it provides may include diagnostic, preventive, corrective, and curative services, goods, supplies, and merchandise essential thereto, provided by qualified personnel for conditions that cause suffering, endanger life, result in illness or infirmity, interfere with capacity for normal activity, including employment, or for conditions which may develop into some significant handicap or disability. Provider further agrees such health care services may be subject to prior authorization to determine medical necessity.
7. **Licensing.** Provider agrees to possess at the time this Agreement becomes effective, and to maintain in good standing throughout the term of this Agreement, valid and unexpired license(s), certificate(s), or other approval(s) to provide health care services, which is appropriate to the services, goods, supplies, and merchandise being provided, if required by the state or locality in which Provider is located, or by the Federal Government. Provider further agrees that DHCS shall automatically suspend Provider as a provider in the Medi-Cal program pursuant to Welfare and Institutions Code, Section 14043.6, if Provider has license(s), certificate(s), or other approval(s) to provide health care services, which are revoked or suspended by a federal, California, or another state's licensing, certification, or approval authority, has otherwise lost that/those license(s), certificate(s), or approval(s), or has surrendered that/those license(s), certificate(s), or approval(s) while a disciplinary hearing on that/those license(s), certificate(s), or approval(s) was pending. Such suspension shall be effective on the date that Provider's license, certificate, or approval was revoked, suspended, lost, or surrendered. Provider further agrees to notify DHCS within ten business days of learning that any restriction has been placed on, or of a suspension of Provider's license, certificate, or other approval to provide health care. Provider further agrees to provide DHCS complete information related to any restriction to, or revocation or loss of, Provider's license, certificate, or other approval to provide health care services.
8. **Insurance.** Provider agrees to possess at the time this Agreement becomes effective, and to maintain in good standing throughout the term of this Agreement, liability insurance for the business address and, if a licensed practitioner, professional liability (malpractice) insurance coverage from an authorized insurer pursuant to Section 700 of the Insurance Code.
9. **Record Keeping and Retention.** Provider agrees to make, keep and maintain in a systematic and orderly manner, and have readily retrievable, such records as are necessary to fully disclose the type and extent of all services, goods, supplies, and merchandise provided to Medi-Cal beneficiaries, including, but not limited to, the records described in Section 51476 of Title 22, California Code of Regulations, and the records described in Section 431.107 of Title 42 of the Code of Federal Regulations. Provider further agrees that such records shall be made at or near the time at which the services, goods, supplies, and merchandise are delivered or rendered, and that such records shall be retained by Provider in the form in which they are regularly kept for a period of three years from the date the goods, supplies, or merchandise were delivered or the services rendered.
10. **DHCS, AG and Secretary Access to Records; Copies of Records.** Provider agrees to make available, during regular business hours, all pertinent financial records, all records of the requisite insurance coverage, and all records concerning the provision of health care services to Medi-Cal beneficiaries to any duly authorized representative of DHCS, the California Attorney General's Medi-Cal Fraud Unit ("AG"), and the Secretary of the United States Centers for Medicare and Medicaid Services (Secretary). Provider further agrees to provide, if requested by any of the above, copies of the records and documentation, and that failure to comply with any request to examine or receive copies of such records shall be grounds for immediate suspension of Provider from participation in the Medi-Cal program. Provider will be reimbursed for reasonable copy costs as determined by DHCS, AG or Secretary.

11. **Confidentiality of Beneficiary Information.** Provider agrees that all medical records of beneficiaries made or acquired by Provider shall be confidential and shall not be released without the written consent of the beneficiary or his/her personal representative, or as otherwise authorized by law.
12. **Disclosure of Information to DHCS.** Provider agrees to disclose all information as required in Federal Medicaid laws and regulations and any other information required by DHCS, and to respond to all requests from DHCS for information. Provider further agrees that the failure of Provider to disclose the required information, or the disclosure of false information shall, prior to any hearing, result in the denial of the application for enrollment or shall be grounds for termination of enrollment status or suspension from the Medi-Cal program, which shall include deactivation of all provider numbers used by Provider to obtain reimbursement from the Medi-Cal program. Provider further agrees that all bills or claims for payment to DHCS by Provider shall not be due and owing to Provider for any period(s) for which information was not reported or was reported falsely to DHCS. Provider further agrees to reimburse those Medi-Cal funds received during any period for which information was not reported, or reported falsely, to DHCS.
13. **Information Regarding Subcontractors and Suppliers.** Provider agrees to submit, within 35 days of the date on a request by the Secretary or the Medicaid agency, full and complete information about the ownership of any subcontractor with whom the provider has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and any significant business transactions between the provider and any wholly owned supplier, or between the provider and any subcontractor, during the 5-month period ending on the date of the request.
14. **Background Check.** Provider agrees that DHCS may conduct a background check on Provider for the purpose of verifying the accuracy of the information provided in the application and in order to prevent fraud or abuse. The background check may include, but not be limited to, the following: (1) on-site inspection prior to enrollment; (2) review of medical and business records; and, (3) data searches.
15. **Unannounced Visits By DHCS, AG and Secretary.** Provider agrees that DHCS, AG and/or Secretary may make unannounced visits to Provider, at any of Provider's business locations, before, during or after enrollment, for the purpose of determining whether enrollment, continued enrollment, or certification is warranted, to investigate and prosecute fraud against the Medi-Cal program, to investigate complaints of abuse and neglect of patients in health care facilities receiving payment under the Medi-Cal program, and/or as necessary for the administration of the Medi-Cal program and/or the fulfillment of the AG's powers and duties under Government Code Section 12528. Premises subject to inspection include billing agents, as defined in Welfare and Institutions Code Section 14040.1. Failure to permit inspection by DHCS, AG or Secretary or any agent, investigator or auditor thereof, shall be grounds for immediate suspension of provider from participation in the Medi-Cal program.
16. **Provider Fraud and Abuse.** Provider agrees that it shall not engage in or commit fraud or abuse. "Fraud" means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or herself or some other person. It includes any act that constitutes fraud under applicable federal or state law. "Abuse" means either: (1) practices that are inconsistent with sound fiscal or business practices and result in unnecessary cost to the Medicare program, the Medi-Cal program, another state's Medicaid program, or other health care programs operated, or financed in whole or in part, by the Federal Government or any state or local agency in this state or any other state; (2) practices that are inconsistent with sound medical practices and result in reimbursement by the Medi-Cal program or other health care programs operated, or financed in whole or in part, by the Federal Government or any state or local agency in this state or any other state, for services that are unnecessary or for substandard items or services that fail to meet professionally recognized standards for health care.
17. **Investigations of Provider for Fraud or Abuse.** Provider certifies that, at the time this Agreement was signed, it was not under investigation for fraud or abuse pursuant to Subpart A (commencing with Section 455.12) of Part 455 of Title 42 of the Code of Federal Regulations or under investigation for fraud or abuse by any other government entity. Provider further agrees to notify DHCS within ten business days of learning that it is under investigation for fraud or abuse. Provider further agrees that it shall be subject to temporary suspension pursuant to Welfare and Institutions Code, Section 14043.36(a), which shall include temporary deactivation of all provider numbers used by Provider to obtain reimbursement from the Medi-Cal program, if it is discovered by DHCS that Provider is under investigation for fraud or abuse. Provider further agrees to cooperate with and assist DHCS and any state or federal agency charged with the duty of identifying, investigating, sanctioning, or prosecuting suspected fraud and abuse.
18. **Provider Fraud or Abuse Convictions and/or Civil Fraud or Abuse Liability.** Provider certifies that it and its owners, officers, directors, employees, and agents, has not: (1) been convicted of any felony or misdemeanor involving fraud or abuse in any government program, within the last ten years; or (2) been convicted of any felony or misdemeanor involving the abuse of any patient; or (3) been convicted of any felony or misdemeanor substantially related to the qualifications, functions, or duties of a provider; or (4) entered into a settlement in lieu of conviction for fraud or abuse, within the last ten years; or, (5) been found liable for fraud or abuse in any civil proceeding, within the

last ten years. Provider further agrees that DHCS shall not enroll Provider if within the last ten years, Provider has been convicted of any felony or any misdemeanor involving fraud or abuse in any government program, has entered into a settlement in lieu of conviction for fraud or abuse, or has been found liable for fraud or abuse in any civil proceeding.

19. **Changes to Provider Information.** Provider agrees to keep its application for enrollment in the Medi-Cal program current by informing DHCS, Provider Enrollment Division, in writing on a form or forms to be specified by DHCS, within 35 days of any changes to the information contained in its application for enrollment, its disclosure statement, this Agreement, and/or any attachments to these documents.
20. **Prohibition of Rebate, Refund, or Discount.** Provider agrees that it shall not offer, give, furnish, or deliver any rebate, refund, commission preference, patronage dividend, discount, or any other gratuitous consideration, in connection with the rendering of health care services to any Medi-Cal beneficiary. Provider further agrees that it shall not solicit, request, accept, or receive, any rebate, refund, commission preference, patronage dividend, discount, or any other gratuitous consideration, in connection with the rendering of health care services to any Medi-Cal beneficiary. Provider further agrees that it will not take any other action or receive any other benefit prohibited by state or federal law.
21. **Payment From Other Health Coverage Prerequisite to Claim Submission.** Provider agrees that it shall first seek to obtain payment for services provided to Medi-Cal beneficiaries from any private or public health insurance coverage to which the beneficiary is entitled, where Provider is aware of this coverage and to the extent the coverage extends to these services, prior to submitting a claim to DHCS for the payment of any unpaid balance for these services. In the event that a claim submitted to a private or public health insurer has not been paid within 90 days of billing by Provider, Provider may submit a claim to DHCS.
22. **Beneficiary Billing.** Provider agrees that it shall not submit claims to or demand or otherwise collect reimbursement from a Medi-Cal beneficiary, or from other persons on behalf of the beneficiary, for any service included in the Medi-Cal program's scope of benefits in addition to a claim submitted to the Medi-Cal program for that service, except to: (1) collect payments due under a contractual or legal entitlement pursuant to Welfare and Institutions Code, Section 14000(b); (2) bill a long-term care patient for the amount of his/her liability; and, (3) collect a co-payment pursuant to Welfare and Institutions Code, Sections 14134 and 14134.1. Provider further agrees that, in the event that a beneficiary willfully refuses to provide current other health care coverage billing information as described in Section 50763(a)(5) of Title 22, California Code of Regulations, Provider may, upon giving the beneficiary written notice of intent, bill the beneficiary as a private pay patient.
23. **Payment From Medi-Cal Program Shall Constitute Full Payment.** Provider agrees that payment received from DHCS in accordance with Medi-Cal fee structures shall constitute payment in full, except that Provider, after making a full refund to DHCS of any Medi-Cal payments received for services, goods, supplies, or merchandise, may recover all of Provider's fees to the extent that any other contractual entitlement, including, but not limited to, a private group or indemnification insurance program, is obligated to pay the charges for the services, goods, supplies, or merchandise provided to the beneficiary.
24. **Return of Payment for Services Otherwise Covered by the Medi-Cal Program.** Provider agrees that any beneficiary who has paid Provider for health care services, goods, supplies, or merchandise otherwise covered by the Medi-Cal program received by the beneficiary shall be entitled to a prompt return from Provider of any part of the payment which meets any of the following: (1) was rendered during any period prior to the receipt of the beneficiary's Medi-Cal card, for which the card authorizes payment under Welfare and Institutions Code, Sections 14018 or 14019; (2) was reimbursed to Provider by the Medi-Cal program, following audits and appeals to which Provider is entitled; (3) is not payable by a third party under contractual or other legal entitlement; (4) was not used by the beneficiary to satisfy his/her paid or obligated liability for health care services, goods, supplies, or merchandise, or to establish eligibility.
25. **Compliance With Billing and Claims Requirements.** Provider agrees that it shall comply with all of the billing and claims requirements set forth in the Welfare and Institutions Code and its implementing regulations, and the provider manual.
26. **Deficit Reduction Act of 2005, Section 6032 Implementation.** As a condition of payment for services, goods, supplies and merchandise provided to beneficiaries in the Medical Assistance Program ("Medi-Cal"), providers must comply with the False Claims Act employee training and policy requirements in 1902(a) of the Social Security Act (42 USC 1396a(a)(68)), set forth in that subsection and as the federal Secretary of Health and Human Services may specify.

27. Termination of Provisional Provider or Preferred Provisional Provider Status. Provider agrees that, while it is on provisional provider status or preferred provisional provider status, the provider will be subject to immediate termination of its provisional provider status or preferred provisional provider status and disenrollment from the Medi-Cal program in the following circumstances:

- (1) The provider, persons with an ownership or control interest in the provider, or persons who are directors, officers, or managing employees of the provider have been convicted of any felony, or convicted of any misdemeanor involving fraud or abuse in any government program, related to neglect or abuse of a patient in connection with the delivery of a health care item or service, or in connection with the interference with, or obstruction of, any investigation into health care related fraud or abuse, or have been found liable for fraud or abuse in any civil proceeding, or have entered into a settlement in lieu of conviction for fraud or abuse in any government program within 10 years of the date of the application package.
- (2) There is a material discrepancy in the information provided to the department, or with the requirements to be enrolled, that is discovered after provisional provider status or preferred provisional provider status has been granted and that cannot be corrected because the discrepancy occurred in the past.
- (3) The provider has provided material information that was false or misleading at the time it was provided.
- (4) The provider failed to have an established place of business at the business address for which the application package was submitted at the time of any onsite inspection, announced or unannounced visit, or any additional inspection or review conducted pursuant to this article or a statute or regulation governing the Medi-Cal program, unless the practice of the provider's profession or delivery of services, goods, supplies, or merchandise is such that services, goods supplies, or merchandise are rendered or delivered at locations other than the business address and this practice of delivery of services, goods, supplies, or merchandise has been disclosed in the application package approved by the department when the provisional provider status of preferred provisional provider status was granted.
- (5) The provider meets the definition of a clinic under Section 1200 of the Health and Safety Code, but is not licensed as a clinic pursuant to Chapter 1 (commencing with Section 1200) of Division 2 of the Health and Safety Code and fails to meet the requirements to qualify for at least one exemption pursuant to Section 1206 or 1206.1 of the Health and Safety Code.
- (6) The provider performs clinical laboratory tests or examinations, but it or its personnel do not meet CLIA, and the regulations adopted thereunder, and the state clinical laboratory law, do not possess valid CLIA certificates and clinical laboratory registrations or licenses pursuant to Chapter 3 (commencing with Section 1200) of Division 2 of the Business and Professions Code, or are not exempt from licensure as a clinical laboratory under Section 1241 of the Business and Professions Code.
- (7) The provider fails to possess either of the following:
 - (a) The appropriate licenses, permits, certificates, or other approvals needed to practice the profession or occupation, or provide the services, goods, supplies, or merchandise the provider identified in the application package approved by the department when the provisional provider status or preferred provisional provider status was granted and for the location for which the application was submitted.
 - (b) The business or zoning permits or other approval necessary to operate a business at the location identified in its application package approved by the department when the provisional provider status or preferred provisional provider status was granted.
- (8) The provider, or if the provider is a clinic, group, partnership, corporation, or other association, any officer, director, or shareholder with a 10 percent or greater interest in that organization, commits two or more violations of the federal or state statutes or regulation governing the Medi-Cal program, and the violations demonstrate a pattern or practice of fraud, abuse, or provision of unnecessary or substandard medical services.
- (9) The provider commits any violation of a federal or state statute or regulation governing the Medi-Cal program or of a statute or regulation governing the provider's profession or occupation and the violation represents a threat of immediate jeopardy or significant harm to any Medi-Cal beneficiary or to the public welfare.
- (10) The provider submits claims for payment that subject a provider to suspension under Section 14043.61.
- (11) The provider submits claims for payment for services, goods, supplies, or merchandise rendered at a location other than the location for which the provider number was issued, unless the practice of the provider's profession or delivery of services, goods, supplies, or merchandise is such that services, goods, supplies, or merchandise

are rendered or delivered at locations other than the business address and this practice or delivery of services, goods, supplies, or merchandise has been disclosed in the application package approved by the department when the provisional provider status was granted.

- (12) The provider has not paid its fine, or has a debt due and owing, including overpayments and penalty assessments, to any federal, state, or local government entity that relates to Medicare, Medicaid, Medi-Cal, or any other federal or state health care program, and has not made satisfactory arrangements to fulfill the obligation or otherwise been excused by legal process from fulfilling the obligation.

28. Provider Suspension; Appeal Rights; Reinstatement. Provider agrees that it is to be subject to the following suspension actions. Provider further agrees that the suspension by DHCS of Provider shall include deactivation of all of Provider's provider numbers and shall preclude Provider from submitting claims for payment, either personally or through claims submitted by any individual, clinic, group, corporation, or other association to the Medi-Cal program for any services, supplies, goods, or merchandise that provider has provided directly or indirectly to a Medi-Cal beneficiary, except for services, supplies, goods, or merchandise provided prior to the suspension.

a. Automatic Suspensions/Mandatory Exclusions. DHCS shall automatically suspend Provider under the following circumstances:

- (1) Upon notice from the Secretary of the United States Department of Health and Human Services that Provider has been excluded from participation in the Medicare or Medicaid programs. No administrative appeal of a suspension on this ground shall be available to Provider. (Welfare and Institutions Code, Section 14123(b),(c).)
- (2) If Provider has license(s), certificate(s), or other approval(s) to provide health care services, revoked or suspended by a federal, California, or another state's licensing, certification, or approval authority, has otherwise lost that/those license(s), certificate(s), or approval(s), or has surrendered that/those license(s), certificate(s), or approval(s) while a disciplinary hearing on that license, certificate, or approval was pending. (Welfare and Institutions Code, Section 14043.6.)
- (3) If Provider is convicted of any felony or any misdemeanor involving fraud, abuse of the Medi-Cal program or any patient, or otherwise substantially related to the qualifications, functions, or duties of a provider of service. Suspension following conviction is not subject to the proceedings under Welfare and Institutions Code, Section 14123(c). However, the director may grant an informal hearing at the request of the provider to determine in the director's sole discretion if the circumstances surrounding the conviction justify rescinding or otherwise modifying the suspension.

b. Permissive Suspensions/Permissive Exclusions. DHCS may suspend Provider under the following circumstances:

- (1) Provider violates any of the provisions of Chapter 7 of the Welfare and Institutions Code (commencing with Section 14000 except for Sections 14043–14044), or Chapter 8 (commencing with Section 14200) or any rule or regulations promulgated by DHCS pursuant to those provisions. Administrative appeal pursuant to Health and Safety Code, Section 100171. (Welfare and Institutions Code, Section 14123(a),(c).)
- (2) Provider fails to comply with DHCS' request to examine or receive copies of the books and records pertaining to services rendered to Medi-Cal beneficiaries. Administrative appeal pursuant to Health and Safety Code, Section 100171. (Welfare and Institutions Code, Section 14124.2.)
- (3) Provider participating in the Medi-Cal dental program provides services, goods, supplies, or merchandise that are below or less than the standard of acceptable quality, as established by the California Dental Association Guidelines for the Assessment of Clinical Quality and Professional Performance, Copyright 1995, Third Edition, as periodically amended. (Welfare and Institutions Code, Section 14123(f).)

c. Temporary Suspension. DHCS shall temporarily suspend Provider under the following circumstances:

- (1) Provider fails to disclose all information as required in federal Medicaid regulations or any other information required by DHCS, or discloses false information. Administrative appeal pursuant to Welfare and Institutions Code, Section 14043.65. (Welfare and Institutions Code, Section 14043.2(a).)
- (2) If it is discovered that Provider is under investigation for fraud or abuse. Administrative appeal pursuant to Welfare and Institutions Code, Section 14043.65. (Welfare and Institutions Code, Section 14043.36(a).)
- (3) Provider fails to remediate discrepancies discovered as a result of an unannounced visit to Provider. Administrative appeal pursuant to Welfare and Institutions Code, Section 14043.65. (Welfare and Institutions Code, Section 14043.7(c).)

- (4) When necessary to protect the public welfare or the interests of the Medi-Cal program. Administrative appeal pursuant to Health and Safety Code, Section 100171. (Welfare and Institutions Code, Section 14123(c).)
 - (5) Provider submits claims for payment under any provider number from an individual or entity that is suspended, excluded or otherwise ineligible. This includes a provider on the Suspended and Ineligible Provider List or any list published by the Office of the Inspector General or the Department of Health and Human Services. Appeal pursuant to Welfare and Institutions Code, Section 14043.65. (Welfare and Institutions Code, Section 14043.61)
29. **Liability of Group Providers.** Provider agrees that, if it is a provider group, the group, and each member of the group, are jointly and severally liable for any breach of this Agreement, and that action by DHCS against any of the providers in the provider group may result in action against all of the members of the provider group.
30. **Legislative and Congressional Changes.** Provider agrees that this Agreement is subject to any future additional requirements, restrictions, limitations, or conditions enacted by the California Legislature or the United States Congress which may affect the provisions, terms, conditions, or funding of this Agreement in any manner.
31. **Provider Capacity.** Provider agrees that Provider, and the officers, directors, employees, and agents of Provider, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State of California.
32. **Indemnification.** Provider agrees to indemnify, defend, and save harmless the State of California, its officers, agents, and employees, from any and all claims and losses accruing or resulting to any and all persons, firms, or corporations furnishing or supplying services, materials, or supplies in connection with Provider's performance of this Agreement, and from any and all claims and losses accruing or resulting to any Medi-Cal beneficiary, or to any other person, firm, or corporation who may be injured or damaged by Provider in the performance of this Agreement.
33. **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of California.
34. **Venue.** Venue for all actions, including federal actions, concerning this Agreement, lies in Sacramento County, California, or in any other county in which the California Department of Justice maintains an office.
35. **Titles.** The titles of the provisions of this Agreement are for convenience and reference only and are not to be considered in interpreting this Agreement.
36. **Severability.** If one or more of the provisions of this Agreement shall be invalid, illegal, void, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired. Either party having knowledge of such a provision shall promptly inform the other of the presumed nonapplicability of such provision. Should the nonapplicable provision go to the heart of this Agreement, the Agreement shall be terminated in a manner commensurate with the interests of both parties.
37. **Assignability.** Provider agrees that it has no property right in or to its status as a Provider in the Medi-Cal program or in or to the provider number(s) assigned to it, and that Provider may not assign its provider number for use as a Medi-Cal provider, or any rights and obligations it has under this Agreement except to the extent purchasing owner is joining this provider agreement with successor liability with joint and several liability.
38. **Waiver.** Any action or inaction by DHCS or any failure of DHCS on any occasion, to enforce any right or provision of this Agreement, shall not be interpreted to be a waiver by DHCS of its rights hereunder and shall not prevent DHCS from enforcing such provision or right on any future occasion. The rights and remedies of DHCS herein are cumulative and are in addition to any other rights or remedies that DHCS may have at law or in equity.
39. **Complete Integration.** This Agreement, including any attachments or documents incorporated herein by express reference, is intended to be a complete integration and there are no prior or contemporaneous different or additional agreements pertaining to the subject matter of this Agreement.
40. **Amendment.** No alteration or variation of the terms or provisions of this Agreement shall be valid unless made in writing and signed by the parties to this Agreement, and no oral understanding or agreement not set forth in this Agreement, shall be binding on the parties to this Agreement.

41. **Provider Attestation.** Provider agrees that all information it submits on the application form for enrollment, this Agreement, and all attachments or changes to either, is true, accurate, and complete to the best of Provider's knowledge and belief. Provider further agrees to sign the application form for enrollment, this Agreement, and all attachments or changes to either, under penalty of perjury under the laws of the State of California.

Provider agrees that compliance with the provisions of this agreement is a condition precedent to payment to provider.

The parties agree that this agreement is a legal and binding document and is fully enforceable in a court of competent jurisdiction. The provider signing this agreement warrants that he/she has read this agreement and understands it.

I declare under penalty of perjury under the laws of the State of California that the foregoing information is true, accurate, and complete to the best of my knowledge and belief.

I declare I am the provider or I have the authority to legally bind the provider, which is an entity and not an individual person and that I am eligible to sign this agreement under Title 22, CCR Section 51000.30(a)(2)(B).

1. Printed legal name of provider

Yuba County

2. Printed name of person signing this declaration on behalf of provider (If an entity or business name is listed in Item 1 above)

3. Original signature of provider or representative if this provider is an entity other than an individual person as sole proprietor

APPROVED AS TO FORM

ANGIL P. MORRIS-JONES

COUNTY COUNSEL

BY: 

4. Title of person signing this declaration

Chair of the Board of Supervisors

5. Executed at: Marysville, CA on 1/1/2020
(City) (State) (Date)

6. Notary Public:

Applicants and providers licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, the Osteopathic Initiative Act, or the Chiropractic Initiative Act ARE NOT REQUIRED to have this form notarized. If notarization is required, the Certificate of Acknowledgement signed by the Notary Public must be in the form specified in Section 1189 of the Civil Code.

Privacy Statement
(Civil Code Section 1798 et seq.)

All information requested on the application, the disclosure statement, and the provider agreement is mandatory with the exception of the social security number for any person other than the person or entity for whom an IRS Form 1099 must be provided by the Department pursuant to 26 USC 6041. This information is required by the Department of Health Care Services, Provider Enrollment Division, by the authority of Welfare and Institutions Code Section 14043.2(a). The consequences of not supplying the mandatory information requested are denial of enrollment as a Medi-Cal provider or denial of continued enrollment as a provider and deactivation of all provider numbers used by the provider to obtain reimbursement from the Medi-Cal program. The consequence of not supplying the voluntary social security number information requested is delay in the application process while other documentation is used to verify the information supplied. Any information provided will be used to verify eligibility to participate as a provider in the Medi-Cal program. Any information may also be provided to the State Controller's Office, the California Department of Justice, the Department of Consumer Affairs, the Department of Corporations, or other state or local agencies as appropriate, fiscal intermediaries, managed care plans, the Federal Bureau of Investigation, the Internal Revenue Service, Medicare Fiscal Intermediaries, Centers for Medicare and Medicaid Services, Office of the Inspector General, Medicaid, and licensing programs in other states. For more information or access to records containing your personal information maintained by this agency, contact the Provider Enrollment Division at (916) 323-1945 or Denti-Cal at (800) 423-0507.

**THE COUNTY OF YUBA
BOARD OF SUPERVISORS**

— PROCLAMATION —



HMONG-AMERICAN VETERANS MEMORIAL DAY

WHEREAS, beginning in 1960, the United States Central Intelligence Agency recruited thousands of Hmong to fight against Communist Pathet Lao and North Vietnamese Army regulars in Laos. Brigadier General Landsdale stated "about 9,000 Hmong tribesman have been equipped for guerrilla operations, which they are now conducting with considerable effectiveness in Communist-dominated territory in Laos"; and

WHEREAS, as many as 100,000 Hmong were recruited and trained as Auto Defense Commonalty and Special Guerrilla Units to engage directly against the North Vietnamese Army. The United States relied heavily on the Special Guerrilla Units to interdict the flow of the communist reinforcement and war supplies on the Ho Chi Minh Trail, the Hmong, although outnumbered, fought against enemy forces, conducted tactical guerrilla actions, flew thousands of deadly combat missions and fought in conventional and guerrilla combat with extreme casualties; and

WHEREAS, the Hmong protected United States personnel, guarded United States Air Force radar installations, gathered critical intelligence about enemy operations, and undertook rescue missions to save the lives of downed United States pilots. About 40,000 Hmong lost their lives defending democracy and approximately 50,000 were seriously injured and disabled, 3,000 Hmong were missing in action; and

WHEREAS, Hmong soldiers died at 10 times the rate of American soldiers in the Vietnam War, however, because America's war effort in Laos was covert, the sacrifices and service of the Hmong and Lao veterans are still largely untold. The Hmong became refugees because the United States government encouraged them to fight for the United States; and

WHEREAS, thousands of Hmong soldiers' families were evacuated to a United States airbase in Thailand in order to avoid bloody vengeance by communists of Laos and Vietnam, and after the conclusion of the war, thousands of Hmong soldiers were victims of acts of retribution and atrocities by Pathet Lao and North Vietnamese, causing hundreds of thousands of Hmong to flee to neighboring Thailand and become refugees; and

WHEREAS, approximately 50,000 Hmong veterans reside in the United States and 150,000 Hmong and Laotian-born children graduated from United States schools. However, little is known or taught about the Hmong history, their honorable service and contributions to the United States.

NOW THEREFORE, the Yuba County Board of Supervisors hereby recognizes May 15, as Hmong-American Veterans Memorial Day, a special time to promote, publicize, and increase awareness of the importance of the Hmong in United States history, to commemorate and reaffirm our commitment to respect and honor these men, women, and children who served the United States with loyalty and bravery.

CHAIRMAN



CLERK OF THE BOARD OF SUPERVISORS

COUNTY OF YUBA
BOARD OF SUPERVISORS



— PROCLAMATION —

FOSTER CARE MONTH
MAY 2017

WHEREAS, family, serving as the primary source of love, identity, self-esteem and support, is the very foundation of our communities and our state; and

WHEREAS, in Yuba County there are over 200 children and youth in foster care being provided with a safe, secure and stable home along with the compassion and nurture of a foster family; and

WHEREAS, all young people in foster care need a meaningful connection to a caring adult who becomes a supportive and lasting presence in their lives; and

WHEREAS, foster, kinship, and adoptive families, who open their homes and hearts and support children whose families are in crisis, play a vital role in helping children and families heal and reconnect, thereby launching young people into successful adulthood; and

WHEREAS, dedicated foster families frequently adopt foster children, demonstrating there is a great need for more foster families; and

WHEREAS, numerous individuals and organizations who work to increase awareness of the needs of foster care as well as the enduring and valuable contribution of foster parents, together strengthen the quality of foster care services provided.

NOW, THEREFORE, the Yuba County Board of Supervisors proclaims May 2017 as Foster Care Month in Yuba County and encourages our citizens to make a meaningful connection to positively influence children and youth in foster care.


CHAIRMAN




CLERK OF THE BOARD

The County of Yuba

Administrative Services



TO: Board of Supervisors

FROM: Administrative Services, Doug McCoy

SUBJECT: Auditor/Administrative Services - Approve the attached Resolution to authorize the Auditor/ Controller to establish an Energy Internal Services Fund to receive, process, and allocate costs for all County energy expenses to include all electric, gas, water and sewer costs.

DATE: May 2, 2017

NUMBER: 184/2017

Recommendation

The Board approves the attached Resolution to authorize the Auditor/ Controller to establish an Energy Internal Services Fund to receive, process, and allocate costs for all County energy expenses to include all electric, gas, water and sewer costs.

Background

Administrative Services currently processes most of the County's energy expenses and pays them through the 0901 account. There are several exceptions such as Juvenile Hall, portions of HHS, and the airport that pay their own utilities. These costs are then largely allocated back through the A87 Cost Plan occurring each budget cycle.

Discussion

The Auditor / Controller and Administrative Services propose creation of an Energy Internal Service Fund (ISF) through which we would pay all of the County's energy bills, and allocate costs back to every department on a fair and equitable basis. This will also allow the County to have all departments fairly reap their share of the benefits of the County's solar initiatives.

An ISF is self-contained and operates at close to a break-even point of costs versus expenses. This relieves the Cost Plan of having to calculate energy usage at various facilities and calculating a fair chargeback methodology. All costs would be applied to the ISF and in turn

charged back out to all users. This allows for increased transparency to costs and their allocation to all.

Committee Action:

Due to the time sensitivity of this action and the need for its approval prior to close of the budget process, we have brought this item directly to the Board for your review.

Fiscal Impact:

The net fiscal impact to the General Fund is zero. This is a methodology whereby all costs are paid and allocated back out to all users. Individual departments have been notified in their budget packets of their anticipated share of energy costs so they begin the process of budgeting for them. These are largely the same costs they had been covering in arrears through the Cost Plan. This methodology allows them to be addressed in the year they are accrued.

Attachments

184-2017; Resolution to ccreate an Energy ISF

**BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF YUBA**

**RESOLUTION)
AUTHORIZE THE AUDITOR/ CONTROLLER)
TO ESTABLISH AN ENERGY INTERNAL)
SERVICES FUND TO RECEIVE, PROCESS,)
AND ALLOCATE COSTS FOR ALL COUNTY)
ENERGY EXPENSES TO INCLUDE ALL)
ELECTRIC, GAS, WATER AND)
SEWER COSTS)**

RESOLUTION NO. _____

WHEREAS, the County's Administrative Services Department has been paying all of the County's energy bills and paying them through the 0901 account; and

WHEREAS, all paid energy costs were then allocated back through the County's A87 Cost Plan; and

WHEREAS, the County installed multiple solar arrays and various energy efficient devices in an effort to reduce overall environmental impact and reduce related utility expenditures; and

WHEREAS, an objective of the County is that all departments realize a benefit from the energy savings and to improve administration and oversight of utility cost across all departments; and

WHEREAS, the County desires that all departments are treated in a fair and equitable manner related to utility billing, which provides a methodology to recoup costs through state and/or federal billings and claims; and

WHEREAS, an Internal Service Fund is a reasonable system to allow all departments to participate in the savings presented by the County's solar initiatives and spread costs equally; and

WHEREAS, an Internal Service fund will also provide improved visibility and transparency to how these costs are paid and allocated.

NOW, THEREFORE, BE IT RESOLVED, The Yuba County Board of Supervisors hereby authorizes the County Auditor-Controller to establish a Utility Internal Services Fund to receive, process, and allocate costs for all County energy expenses to include all electric, gas, water and sewer costs; and

BE IT FURTHER RESOLVED, that the County Auditor-Controller will work with the department with oversight to the Utility Internal Service Fund (currently Department of Administrative Services) to develop a cost accumulation and allocation methodology that is consistent with current regulations and fairly distributes costs across all County departments.

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Yuba, State of California on the _____ day of _____, 2017 by the following vote:

AYES:

NOES:

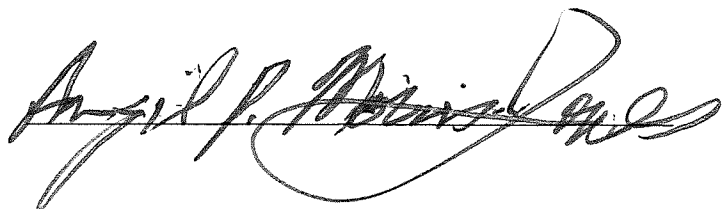
ABSENT:

ABSTAIN:

Chair

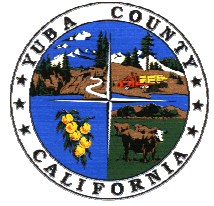
ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

ANGIL P. MORRIS-JONES
YUBA COUNTY COUNSEL
APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read "Angil P. Morris-Jones", written over a horizontal line.

The County of Yuba

Auditor/Controller



TO: Board of Supervisors

FROM: Auditor/Controller, Richard Eberle

SUBJECT: Auditor-Controller: Receive the audited financial statements of Yuba County for the period ending June 20, 2016.

DATE: May 2, 2017

NUMBER: 176/2017

Recommendation

Receive the audited financial statements of Yuba County for the period ending June 30, 2016.

Attachments

Yuba County Audited Financial Statements and Single Audit report for the period ending June 30, 2016.

Copy of referenced document on file with Clerk of the Board

The County of Yuba



TO: Board of Supervisors

FROM: Robert Bendorf, CAO
Kevin Mallen, CDSA Director

SUBJECT: County Administrator: Adopt ordinance amending Section 2.47.050, County Administrator Power and Duties, of the Yuba County Ordinance Code

DATE: April 25, 2017

NUMBER: 133/2017

Recommendation

Adopt ordinance amending Section 2.47.050, County Administrator Power and Duties, of the Yuba County Ordinance Code

Background / Discussion

When reviewing Chapter 2.47 of the Yuba County Ordinance Code it was discovered that clean up language was needed in Section 2.47.050 of that Chapter to make it clear that the County Administrator's appointing authority applies to all at will executive level positions within the Community Development and Services Agency. As the language had been previously written it only applied to the positions listed. This previous language was due to certain positions being held by long tenured employees who were not at will prior to the ordinance relating to appoints within Community Development being created. Currently only the Community Development Director and Public Works Director positions are filled, and both are already at will positions, so no existing staff are affected by this change.

Below are the proposed changes to Section 2.47.050 in strike changes format:

Except for those employees, personnel and County officers appointed for a term of office by law, the County Administrator shall appoint, terminate, suspend, demote or otherwise discipline appointed Agency and Department Heads including senior level at will management positions ~~the following Department Heads within the Community Development and Services Agency, except as to those positions filled at the time of adoption of the~~

~~ordinance from which this Chapter is derived by employees entitled to rights under Chapter 3.05 of the Yuba County Ordinance Code: Director of the Planning Department and Director of Public Works.~~ The Administrator shall consult with the Board, in closed session, prior to appointing, terminating, suspending or demoting an employee covered under this Section ~~a department head~~. Any such closed session shall be noticed, and otherwise conducted in accordance with applicable law and County ordinances.

Committee Action:

This item is being presented directly to the full Board for consideration.

Fiscal Impact:

N/A

Attachments

133/2017 Ordinance Amending 2.47.050

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTION 2.47.050 OF CHAPTER 2.47 OF TITLE II OF
THE YUBA COUNTY ORDINANCE CODE, COUNTY ADMINISTRATOR POWER AND
DUTIES

The following ordinance consisting of three (3) sections, was duly and regularly
passed and adopted by the Board of Supervisors of the County of Yuba, State of
California, at a regular meeting of the Board of Supervisors held on the ____ day of
_____, 2017, by the following vote:

AYES:

NOES:

ABSENT:

Chair of the Board of Supervisors
County of Yuba, State of California

ATTEST: DONNA STOTTLEMEYER
CLERK OF THE BOARD OF SUPERVISORS

By: _____

APPROVED AS TO FORM:
COUNTY COUNSEL

Courtney C. Ah

THE BOARD OF SUPERVISORS OF THE COUNTY OF YUBA, STATE OF
CALIFORNIA, DOES ORDAIN AS FOLLOWS:

Section 1. This ordinance shall take effect thirty (30) days after its passage, and before the expiration of fifteen (15) days after its passage a summary shall be published, with the names of the members voting for and against the same, once in a local newspaper of general circulation in the County of Yuba, State of California.

Section 2. Section 2.47.050 of Chapter 2.47 of Title II, County Administrator Power and Duties is hereby amended to read as follow:

2.47.050. - Power and duties.

The County Administrator shall be the chief administrative officer of the County, may head one or more departments, and shall be responsible to the County Board of Supervisors for the proper administration of all affairs of the County. To that end, the Administrator shall have the power and shall be required to:

(1)

Coordinate the work of all elective and appointive County offices, departments, and institutions in such matters which are the concern and responsibility of the Board of Supervisors. The Administrator may undertake any study or investigation the Administrator believes is necessary or desirable and shall make any study or investigation the Board requests. The Administrator shall make recommendations to the Board which the Administrator believes will result in greater efficiency and economy in the administration of County affairs. To enable the Administrator to carry out such responsibilities, the Administrator may require reasonable and appropriate reports from any County officer, department head, agency head, or institution head.

(2)

Except for those employees, personnel and County officers appointed for a term of office by law, the County Administrator shall appoint, terminate, suspend, demote or otherwise discipline appointed Agency and Department Heads including but not limited to executive level at will management positions within the Community Development and Services Agency. The Administrator shall consult with the Board, in closed session, prior to appointing, terminating, suspending or demoting an employee covered under this Section. Any such closed session shall be noticed, and otherwise conducted in accordance with applicable law and County ordinances.

Section 3. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

The County of Yuba

County Administrator



TO: Board of Supervisors

FROM: County Administrator, Grace Mull

SUBJECT: County Administrator: Consider revisions to the Consolidated Fee Ordinance for Fiscal Year 2017-2018.

DATE: April 25, 2017

NUMBER: 138/2017

Recommendation

Consider fee revisions to the Consolidated Fee Ordinance for Fiscal Year 2017-2018.

Background

Departments are tasked to review their fees annually to ensure that fees charged reflect true cost of services. The review process includes adding new fees, deleting obsolete fees, and revising fee titles to accurately describe the fee.

Discussion

The purpose of the Consolidated Fee Ordinance is to allow the public and those doing business with the County to easily access fees associated with various departmental services. The annual revision process provides the Board and the public an opportunity to review and comment on the County's fee structure.

The attached summary displays which fees are proposed to be changed, the amount requested under the new fee, and the reasons for the fee revisions. Fee increases reflect the department's full amount of time and costs associated with providing these services, and are meant to be cost covering.

Committee Action:

Due to time constraints, this item was not heard at Committee level.

Fiscal Impact:

The proposed revisions to the Consolidated Fee Ordinance and associated fee schedules represent each department's estimate of the cost to provide services, or are set by state law. Consequently, fee adjustments, either up or down, are meant to eliminate a subsidy or to ensure there is no revenue in excess of the cost of the services provided from the fees being charged to perform the services.

Attachments

138/2017 Consolidated Fee Ordinance

138/2017 Attachment A

138/2017 Summary of Changes

FY 17/18 Master Fee Schedule - Summary of Changes

| Code Section & Department | | Name of Fee | | Old Fee | | New Fee | | Reason for Change | |
|---|-----|---|---------|------------------|--|------------------|--|---|--|
| 13.00.030 Admin Services | 1.1 | Services for Data Sets, Programming, Maps Reports | | \$65.00/hour | | Delete | | Move to New Section 13.00.031 (Information Technology) | |
| | 1.2 | Services for Information Security Officer | | \$76.00 | | Delete | | Service no longer exists | |
| | 1.3 | Copies of Electronic Files, Training, Support | | (1 hour minimum) | | Delete | | Move to Code Section 13.00.031(Information Technology) | |
| 13.00.031 Information Technology NEW SECTION | 2.1 | OLD: Services for Data Sets, Programming, Maps Reports IT Services | NEW: | \$65.00/hour | | \$75.00/hour | | Moved from 13.00.030 (Admin Services) hourly rate increase due to increase in labor costs, Title Change | |
| | 2.2 | Services for Information Security Officer | | \$76.00 | | Delete | | Service no longer exists | |
| | 2.3 | IT Project Management Services | | NEW | | \$110.00/hour | | New fee for IT Project Management Services | |
| | 2.4 | Copies of Electronic Files, Training, Support | | (1 hour minimum) | | (1 hour minimum) | | Moved from 13.00.030 (Admin Services) | |
| | 2.5 | Public GIS Data ArcView Shapefiles Compact Disc | | NEW | | \$50.00 | | New fee for CD of GIS Data | |
| 13.00.036 Assessor | 3.2 | OLD: CD of Secured Roll or Electronic Transfer of Secured Roll | NEW: CD | \$250.00 | | \$250.00 | | Name change only. Added "Electronic Transfer" | |
| | 3.2 | OLD: CD of Unsecured Roll CD or Electronic Transfer of Unsecured Roll | NEW: | \$250.00 | | \$250.00 | | Name change only. Added "Electronic Transfer" | |
| | 3.3 | OLD: CD of Roll Being Prepared or Electronic Transfer of Roll Being Prepared | NEW: CD | \$250.00 | | \$250.00 | | Name change only. Added "Electronic Transfer" | |
| | 3.4 | OLD: CD of Physical Characteristics or Electronic Transfer of Physical Characteristics | NEW: CD | \$750.00 | | \$750.00 | | Name change only. Added "Electronic Transfer" | |
| 13.00.040 Clerk of the Board | 4.1 | OLD: Return Check Fee Return Payment Fee | NEW: | \$35.00 | | \$35.00 | | Name change only. Deleted "Check". Added "Payment" | |

FY 17/18 Master Fee Schedule - Summary of Changes

| Code Section & Department | | Name of Fee | | Old Fee | New Fee | Reason for Change |
|-----------------------------|-----|---|------|----------|--------------------|--|
| 13.00.042 Clerk-Recorder | 5.1 | Issuance of Declaration of Marriage | | \$60.00 | \$65.00 | Fee increase to comply with public license fee |
| | 5.2 | Filing a Financial Statement of an Admitted Surety Insurer | | NEW | \$3.50 | Per GC §26855.2 Optional filing for Surety companies to file a financial statement with the County Clerk |
| | 5.3 | Issuing a Certificate of Standing for an Admitted Surety Insurer | | NEW | \$3.50 | Per GC §26855.3 Certificate stating Surety is authorized to transact surety insurance |
| | 5.4 | Translation Certification | | NEW | \$10.00 | Per GC §27293c Certificate verifying translation services have been performed by authorized interpreter |
| | 5.5 | Copy of Reports or Strmts, Political Reform Act per page | | \$0.10 | \$0.10 | Moved from Elections section to Miscellaneous Filing Fees |
| | 5.6 | Retrieval Fee for Copies of FPPC Statements 5 or More Years Old (per request) | | NEW | \$5.00 | Fee for pulling old FPPC statements |
| | 5.7 | FPPC Late Filing Fee (per day up to \$100) | | NEW | \$10.00 | Per GC §91013 Late fees for FPPC filings |
| 13.00.052 Health | 6.1 | Medical Marijuana ID Card | | \$126.00 | \$60.00 | Fee reduction due to Prop 64's elimination of the State portion of the fee. |
| | 6.2 | Tuberculosis Risk Assessment | | NEW | \$10.00 to \$25.00 | New fee for TB risk assessment provided by a Public Health Nurse that is now included in the standard of care for potential TB patients. |
| | 6.3 | Certified Copy of Burial Permit (State Set Fee) | | \$12.00 | DELETE | Delete fee as this fee does not exist on the State fee schedule. |
| 13.00.054 Library | 7.1 | OLD: Return Check Fee Return Payment Fee | NEW: | \$35.00 | \$35.00 | Name change only. Deleted "Check". Added "Payment" |
| 13.00.060 Treasurer | 8.1 | OLD: Return Check Fee Return Payment Fee | NEW: | \$35.00 | \$35.00 | Name change only. Deleted "Check". Added "Payment" |
| 13.20.100 CDSA General | 9.1 | OLD: Return Check Fee Return Payment Fee | NEW: | \$35.00 | \$35.00 | Name change only. Deleted "Check". Added "Payment" |

ORDINANCE NO. _____

**ORDINANCE ADDING 13.00.031 AND REPEALING AND RE-ENACTING
CHAPTERS 13.00.030, 13.00.036, 13.00.040, 13.00.042, 13.00.052 AND 13.00.054, 13.00.060
AND 13.20.100 OF THE YUBA COUNTY CONSOLIDATED FEE ORDINANCE CODE**

The following ordinances consisting of three (3) sections, was duly and regularly passed
and adopted by the Board of Supervisors of the County of Yuba, State of California, at a regular
meeting of the Board of Supervisors held on _____ day of _____, 2017,
by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Randy Fletcher, Chairman of the Board of
Supervisors of the County of Yuba,
State of California

ATTEST: DONNA STOTTLEMEYER
Clerk of the Board of Supervisors

By: _____

APPROVED AS TO FORM:

By: 
Angil P. Morris-Jones, County Counsel

THE BOARD OF SUPERVISORS OF THE COUNTY OF YUBA, STATE OF CALIFORNIA DOES ORDAIN AS FOLLOWS:

Section 1. This ordinance shall take effect Sixty (60) days after its passage, and shall become operative and in full force on July 1, 2017. Before the expiration of Thirty (30) days after its passage a summary shall be published with the names of the members voting for and against the same, once in a local newspaper of general circulation in the County of Yuba, State of California.

Section 2. Section 13.00.031 is hereby added and Sections 13.00.030, 13.00.036, 13.00.040, 13.00.042, 13.00.052 and 13.20.054, 13.00.060 and 13.20.100 of the Yuba County Consolidated Fee Ordinance Code are hereby repealed and re-enacted in its entirety to read as reflected in Attachment "A", hereto and by this reference is incorporated herein as though set forth in full.

Section 3. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

Administrative Services - Code Section 13.00.030

| NAME OF FEE | FEE FY 17/18 |
|--|-----------------------|
| Airport | |
| Hanger Rates | Month/Annual |
| Group 1 - Hangars #1-24 | \$125.00 / \$1,500.00 |
| Group 2 - Hangars #25-27 and #29-30 | \$228.00 / \$2,736.00 |
| Group 3 - Hangars #32-36 and #38-42 | \$180.00 / \$2,160.00 |
| Group 4 - Hangars #44-52 and #60-67 | \$262.00 / \$3,144.00 |
| Group 5 - Hangars #53, #54, and #57 | \$291.00 / \$3,492.00 |
| | |
| Storage Unit Rates | Month/Annual |
| Storage Hangar #28 | \$116.00 / \$1,392.00 |
| Storage Hangar #37 | \$90.00 / \$1,080.00 |
| Storage Hangar #43 | \$87.00 / \$1,044.00 |
| Storage Hangar #58 | \$133.00 / \$1,596.00 |
| Storage Hangar #59 | \$125.00 / \$1,500.00 |
| Storage Hangar #68 | \$86.00 / \$1,032.00 |
| | |
| Tie-Down Rates | Day/Month |
| Single Engine Tie-Down Fees | \$5.00/\$40.00 |
| Light Twin Tie-Down Fees (up to 6,000 lbs) | \$6.00/\$45.00 |
| Multi-Engine Tie-Down Fees (6,000 to 12,000) | \$8.00/\$50.00 |
| Multi-Engine Tie-Down Fees (over 12,000 lbs) | \$10.00/\$55.00 |
| | |
| Airport Use Permit/Off Airport Access Permit | Month/Annual |
| Commercial Use/Off-Field Access Permit | \$125.00/\$1,500.00 |
| Non-Commercial Use/Off-Field Access Permit | \$65.00/\$780.00 |
| | |
| T-Hangar Waiting List Application Fee | \$15.00/month |
| | |
| Late Fee(T-Hangar/Tie Downs/Building/Ground Leases) | |
| Unless otherwise noted in agreement, a late charge of \$25.00 per occurrence, plus 1.5% interest on the unpaid balance | \$39.00 each occur |
| | |
| Non-Sufficient Fund Check Fee | \$35.00 |
| | |
| Administrative Services | |
| Admin Services issued Security Cards | |
| Security Access Card (New) | \$30.00/each |
| Security Access Card (Renewal) | \$30.00/each |
| Security Access Card Lost/Stolen (Replacement) | \$30.00/each |

Administrative Services - Code Section 13.00.030

| NAME OF FEE | FEE FY 17/18 |
|--|-----------------------|
| | |
| Meeting Room charge for non-County users | |
| - evenings and weekend use (\$200.00 max per day) | \$50.00/hour |
| - after hours / emergency call in; 2 hour min based on hourly rates noted below | |
| | |
| Uniformed Security hourly charge | Charge at actual cost |
| - with 48 hours or more advance notice | \$14.75 / hour |
| - with 24 hours notice (but > 8) | \$16.28 / hour |
| | |
| Buildings & Grounds hourly charge | \$42.40 / hour |
| - blended rate for chargeback when appropriate | |
| - after hours / emergency call in; 2 hour minimum | |
| | |
| Custodial Services hourly charge | \$34.80 / hour |
| - blended rate for chargeback when appropriate | |
| - after hours / emergency call in; 2 hour minimum | |
| | |
| Admin Services office hourly rate | \$34.60 / hour |
| - blended rate for chargeback when appropriate | |
| | |
| | |
| | |
| | |
| | |

Information Technology - Code Section 13.00.031

[illegible]

Assessor - Code Section 13.00.036

[illegible]

Clerk of the Board - Code Section 13.00.040

[illegible]

Clerk-Recorder - Code Section 13.00.042

| NAME OF FEE | FEE FY 17/18 |
|--|------------------|
| Recording Fees | |
| Recording Fee 1st page - 8.5 x11 | \$14.00 |
| Each additional page - 8.5 x 11 | \$3.00 |
| Combined documents - each title | \$14.00 |
| Recording Penalty - Any page not 8.5 x 11 all pages of document additional | \$3.00 |
| Print Size Penalty | \$1.00 |
| Additional indexing - each additional reference | \$1.00 |
| Additional indexing - more than ten names | \$1.00 |
| Release of lien recorded in error by Gov't Agency (except Federal Gov't) | No Fee |
| Involuntary Lien Notice (in addition to standard recording fee) - each debtor at different address | \$7.00 |
| Recording full releases of Gov't Agency Liens (State, County & City except Federal Gov't) | \$12.00 |
| Military Discharge | No Fee |
| Recording Financing Statements (1-2 pgs) - State Sets Fee | \$10.00 |
| Recording Financing Statements (3 or more pgs) - State Sets Fee | \$20.00 |
| Filing & Indexing paper not required by law to be recorded | \$6.00 |
| Survey Monument Fund Fee | \$10.00 |
| Documentary Transfer Tax | .55/per \$500.00 |
| Preliminary 20 Day Notice | \$35.00 |
| Preliminary 20 Day Notice each additional parcel or address | \$20.00 |
| Preliminary Change of Ownership Report not filed at time of recording | \$20.00 |
| Annual Internet Access Fee - Public Records | \$6,000.00 |
| Vital Records Fees | |
| Certified Copy of Birth Certificate/Certificate of No Record/Info. Copy of Birth = State Sets Fee | Fee Set by State |
| Certified Copy of Birth Certificate - Public Agency Applicant - State Sets Fee | Fee Set by State |
| Certified Copy of Certificate of Marriage/Certificate of No Record of Marriage - State Sets Fee | Fee Set by State |
| Certified Copy of Certificate of Marriage - Pub Agency Appl - State Sets Fee | Fee Set by State |
| Certified Copy of Death Record/Certificate of No Record/Info. Copy of Death - State Sets Fee | Fee Set by State |
| Map Fees | |
| Recording Map Fee - 1st page | \$9.00 |
| Recording Map Fee each additional page | \$2.00 |
| Marriage Fees | |
| Issuance of Public Marriage License | \$65.00 |
| Issuance of Confidential Marriage License | \$70.00 |
| Issuance of Duplicate Marriage License | \$25.00 |
| Amendment of Confidential Marriage Record after 1 year | \$23.00 |
| Issuance of Declaration of Marriage | \$65.00 |
| Civil Marriage by Commissioner | \$40.00 |
| Credible Witness Affidavit (each) | \$5.00 |
| Office Witness Fee for Marriage Ceremony | \$20.00 |

Clerk-Recorder - Code Section 13.00.042

| NAME OF FEE | FEE FY 17/18 |
|--|--------------------------|
| After Hours Marriage License (Request for license after 4:45 p.m.) | \$25.00 |
| Fictitious Business Name Filing Fees | |
| Fictitious Business Name Statement - 1 Business Name/Registrant | \$30.00 |
| Each additional Fictitious Business at same location | \$5.00 |
| Each additional Registrant operating under same name | \$5.00 |
| Abandonment Statement | \$30.00 |
| Withdrawal from Partnership Statement | \$30.00 |
| Copy of Fictitious Business filings per month | \$10.00 |
| Certified Copy of any statement on file re: fictitious business | \$3.00 |
| Copy & Certification Fees | |
| Photographic Copy of public record | \$2.00 |
| Each additional page | \$0.50 |
| Photographic map copy - 1st page - 11x17 inches | \$2.50 |
| Each additional map page - 11x17 | \$1.00 |
| Photographic map copy - 1st page - 18x26 inches | \$3.00 |
| Each additional map page - 18x26 | \$2.00 |
| Certificate under Seal | \$2.50 |
| Certified Copy of Service Discharge | No Fee |
| Conformed Copy - each (Limit 2) | \$1.00 |
| Map Image CD or Flash Drive | \$20.00 up to 100 images |
| Archival Map Images Hard Drive | \$500.00 |
| CD Recorded Images per month | \$400.00 |
| Federal Lien Search Certificate - 1968 forward | \$10.00 |
| Fax Charge Per Page | \$1.00 |
| Miscellaneous Filing Fees | |
| Bond Filing (doesn't include recording fee) | \$13.00 |
| Process Server Registration (Includes Bond Filing) | \$117.00 |
| Professional Photocopier Registration (Includes Bond Filing) | \$182.00 |
| (Includes Bond Filing) | \$107.00 |
| (Includes Bond Filing) | \$182.00 |
| Additional Process Server ID Card | \$10.00 |
| Certification of Notary Signature | \$10.00 |
| Certification of Official Capacity or Signature Authorization | \$10.00 |
| Administrative Filing Fee - Environmental - Fee Set by State | Fee Set by State |
| Environmental Impact Report - Fee Set by State | Fee Set by State |
| Negative Declaration - Fee Set by State | Fee Set by State |
| Surety Power of Attorney Filings - 1st name | \$12.00 |
| Surety Power of Attorney Filings - each additional name | \$6.00 |
| Filing a Financial Statement of an Admitted Surety Insurer | \$3.50 |
| Issuing a Certificate of Standing for an Admitted Surety Insurer | \$3.50 |
| Translation Certification | \$10.00 |
| Humane Officer Filing | \$5.00 |
| Copy of Reports or Stmts, Political Reform Act per page | \$0.10 |
| FPPC Late Filing Fee (per day up to \$100) | \$10.00 |

Clerk-Recorder - Code Section 13.00.042

| NAME OF FEE | FEE FY 17/18 |
|--|---------------------|
| Election Fees | |
| Registration of Voter | No Fee |
| Certified Copy of Voter Registration | \$1.50 |
| Copy of Voter Index, per thousand names | \$2.00+\$5.00setup |
| Retrieval Fee for Copies of FPPC Statements 5 or More Years Old | \$5.00 |
| Preparing copies of any record per page | \$0.25 |
| Certifying Fee | \$2.50 |
| Searching record or files, per year (Clerk Research) | \$20 hr-1/2 hr min |
| Copy of voter index on disc/tape | \$100.00 |
| Additional Reports added to Voter Index CD | \$5.00 each |
| Labels | .05 ea+\$5.00 setup |
| Absentee Chase - Fax (Includes initial mailing on CD) | \$150.00 |
| Absentee Chase - CD | \$50.00 per CD |
| Initiative - Notice of Intent to Circulate Petition - Filing Fee (EC 9103) | \$200.00 |
| Candidate Statement | Actual Cost |
| Election Related Custom Reports | \$15.00 per report |

Health - Code Section 13.00.052

[illegible]

Library - Code Section 13.00.054

[illegible]

Treasurer - Code Section 13.00.060

| NAME OF FEE | FEE FY 17/18 |
|--|------------------|
| Business Licenses | |
| Amusement Business (Initial Filing Fee Non-Refundable) | \$300.00 |
| Amusement Business (License Fee - Per Day) | \$200.00 |
| Bingo (Annual Fee) | \$50.00 |
| Cardroom (Initial Filing Fee Non-Refundable) | \$300.00 |
| Cardroom (Annual Fee) | \$200.00 |
| Cardroom Table (Per Table) | \$180.00 |
| Dance (Initial Filing Fee Non-Refundable) | \$300.00 |
| Dance (Annual Fee) | \$200.00 |
| Firearms (Process Fee) | \$25.00 |
| Junk Dealer and/or Scrap Metal (Initial Filing Fee Non-Refundable) | \$300.00 |
| Junk Dealer and/or Scrap Metal (Annual Filing Fee) | \$200.00 |
| Massage Establishment Change of Location Fee | Per Resolution |
| Peddler/Itinerant Merchant Business License (Initial Filing Fee Non-Refundable) | \$300.00 |
| Peddler/Itinerant Merchant Business License (Annual Fee) | \$200.00 |
| Picture Arcade | Per Resolution |
| Picture Arcade Employee License | Per Resolution |
| Second Hand Dealer and/or Pawn Broker (Initial Filing Fee Non-Refundable) | \$300.00 |
| Second Hand Dealer and/or Pawn Broker (Annual Fee) | \$200.00 |
| Second Hand Dealer and/or Pawn Broker(Charitable Purpose/ Non-Profit/Fixed Location) | \$1.00 |
| | |
| Miscellaneous | |
| Administrative Fee | \$16.00 |
| CD of Current Tax Roll | \$50.00 |
| CD of Prior Tax Roll (Delinquent) | \$50.00 |
| Copy Fee (Per Page) | \$0.25 |
| Property Tax System Print Screen (Per Screen) | \$0.50 |
| DMV Hold for Delinquent Vessel Taxes | \$15.00 |
| Duplicate Mobile Home Tax Clearance Certificate | \$30.00 |
| Duplicate Release of Lien | \$20.00 |
| Duplicate Tax Bill | \$1.50 |
| Lot Line/Tenative Parcel Map (Per Parcel) | \$25.00 |
| Postage, Mailing, Shipping & Handling | Actual Cost |
| Microfiche (Copy Per Parcel) | \$1.50 |
| Power to Sell Fee (Secured Prior Year Roll) | \$35.00 |
| Prior Year Payment Plan Fee (Secured & Unsecured) | \$50.00 |
| Research Fee (Per Hour-Increments of 15 Minutes) | \$40.00 |
| Returned Payment Fee | \$35.00 |
| Secured Delinquent Cost (2nd Installment Only) | \$20.00 |
| Segregation of Tax Bill (Split into 2 Bills) | \$50.00 |
| Segregation of Tax Bill (Each Additional Bill up to 4 Max) | \$50.00 |
| TSTM/Tract Map (Per Hour - Up to a Maximum of \$100.00 Per Parcel) | Time & Materials |

Treasurer - Code Section 13.00.060

| NAME OF FEE | FEE FY 17/18 |
|--|-----------------|
| Unsecured Collections Rate (Per Hour - Increments of 15 minutes) | \$35.00 |
| Unsecured Reminder Notice (Per Assessment) | \$1.50 |

Community Development & Services Agency General Fees - Code Section 13.20.100

| NAME OF FEE | FEE FY 17/18 |
|---|--|
| Standard Page Sizes (8-1/2"x11" - 14") B&W | \$0.25/per sheet |
| Standard Page Sizes (8-1/2"x11" - 14") Color | \$1.00/per sheet |
| Page Sizes (11"x17") B&W | \$0.50/per sheet |
| Page Sizes (11"x17") Color | \$2.00/per sheet |
| Page Sizes (18"x24") | \$5.00/sheet |
| Page Sizes (24"x36") and larger | \$10.00/sheet |
| Reproduction Not Done in Office | Actual Cost |
| Audio Provided on CD | \$15.00 |
| Electronic Data Request (existing data provided via email, add \$10 to place on CD) | \$2.00 per attachment |
| County Counsel or Special Counsel Fees | Actual Cost |
| Recording Processing Fee | \$73.50 |
| (Does not incl. costs to create document nor Recorder's Fees) | |
| CDSA Support & Technology Surcharge (excludes outside fees & impact fees) | 6% on all fees collected by CDSA |
| Returned Payment Fee | \$35.00 |
| Cash Deposit - Temporary Use | \$1,000.00 |
| Cash Deposit - Deferred Improvements | Deposit corresponds w/ value of imp. |
| Processing Refund of Cash Deposit Fee (whichever is greater) | \$147 or 10% of Deposit |
| Deferred Improvement Agreement (single family residential) | \$294.00 |
| Deferred Improvement Agreement (all other uses) | \$588.00 |
| Unverified Complaint Response Fee | Hourly Rate by Division |
| (charged upon 2nd time of unverified complaint from same person) | |
| Appeal of Determinations to Board of Supervisors (moved from Planning) | \$50 Clerk of the Board \$588 to CDSA |
| For CDSA permits required to correct work performed or operations that occurred subsequent to notification by CDSA of the violation, the permit fees shall be twice the standard rate. Repeat violators or violations shall be three times the standard rate and no prior notification is required. | |
| Annual Permits 2 Payment Option: | |
| Must notify County in advance of due date and pay at least half of fee prior to due date and remainder within 6 months of due date, total fee will be increased by 10% with 2 Payment Option. | Fee + 10% |
| Penalties for Late Payment: | |

Community Development & Services Agency General Fees - Code Section 13.20.100

| NAME OF FEE | FEE FY 17/18 |
|--|-----------------|
| 25% if paid 5-30 days past due | |
| Beyond 30 days, 50% plus enforcement costs. | |
| For returned checks, due date is date of original payment. | |
| | |
| Request for Waiver of Penalties: | |
| Written request must be presented to the CDSA Director for consideration | |
| within 30 days for penalty being assessed. Consideration | |
| will be given to amount of penalty and option to allow a | |
| structured repayment plan with interest on past due amount | |
| assessed at rate of 1.5% per month. | |
| | |
| Permit applications withdrawn, by the applicant or by staff | |
| due to inactivity, will have 30 days for the Applicant to request in | |
| writing a refund of the unused portion of the permit fees/deposits, | |
| less a 10% processing fee, or they will be forfeited. | |
| No refunds will be issued once a project has been set for hearing. | |
| Refunds for Building fees shall be per Section 13.20.200. | |
| | |
| All other service requests not specifically identified in the | |
| fee schedule shall be charged at the applicable Division's hourly rate. | |
| | |
| All reproduction requests less than \$1 in value may be waived due | |
| to processing cost exceeding value of service. | |
| | |
| In the event of the failure of the owner of a development | |
| project to pay in full a fee or fees payable under Chapter | |
| 13.20, County may place and record a lien upon subject | |
| property in the amount of the unpaid fees. (Ord. No. 1459a) | |
| | |
| Enforcement actions resulting in collection/storage of | Actual Cost |
| materials or equipment. | |

DEPARTMENT OF VETERANS AFFAIRS

OFFICE OF THE SECRETARY

POST OFFICE BOX 942895

SACRAMENTO, CALIFORNIA 94295-0001

Telephone: (916) 653-2158

Fax: (916) 653-2456

RECEIVED**APR 17 2017**

April 10, 2017

Clerk/Board of Supervisors

Yuba County Board of Supervisors
Randy Fletcher, Supervisor
915 8th Street, Suite 109
Marysville, CA 95901

The Honorable Randy Fletcher:

During the period of July 1, 2015 through June 30, 2016, your County Veterans Service Office (CVSO), obtained new and increased monthly cash benefits from the United States Department of Veterans Affairs (USDVA), in the amount of \$480,420. On an annualized basis this amounts to more than \$5,765,040 in new benefit payments. In addition, your CVSO obtained \$5,106,602 in one-time benefits, which consists of single and retro-active payments received by veterans or their dependents. Studies have shown that monies spent in a community could turn over between 3 to 7 times, which is a fairly accurate measure of the spending impact on a community. Using the conservative multiplier of 3, this equates to a spending impact of at least \$17,295,120 from the annualized monthly cash benefits and \$15,319,806 from the one-time benefits received.

In addition to the fact that your veterans' community received the above cash benefits, claim advocacy services provided by your county to obtain and maintain federal monetary benefits have resulted in savings based on your county's active participation in the State Mandated Welfare Referral Program. This program requires your CVSO to verify and make benefits entitlement determinations on all public assistance referrals (i.e. GA/FR, Cal WORKS, Food Stamps, and Medi-Cal) received from your County Welfare Department. Included in the totals above is \$138,240 in annualized monthly benefits and \$1,220,700 in one-time benefits received by individuals who had applied for public assistance grants.

I hope that you will consider this valuable information when addressing the needs of a properly funded and fully supported CVSO. With a net county cost of less than \$163,000, your CVSO once again remains one of the few revenue producing offices in the county. Your county veteran population deserves, and has earned the right to continued high quality representation in veterans' affairs.

If I can be of further assistance in maintaining your CVSO's services, please feel free to contact Deputy Secretary, Veterans Services, Keith Boylan at: (916) 653-2573.

Sincerely,

A handwritten signature in blue ink that reads "Vito Imbasciani".

Vito Imbasciani MD
Secretary

Cc: County Veteran Service Office
VSD File



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APR 18 2017

Clerk/Board of Supervisors

April 13, 2017

Mr. Randy Fletcher, Chairperson
Yuba County Board of Supervisors
915 8th Street, Suite 109
Marysville, California 95901

Subject: U.S. Small Business Administration Economic Injury Disaster Loan Declaration due to
U.S. Department of Agriculture Disaster Designation

Dear Chairperson Fletcher:

The U.S. Small Business Administration declared the primary counties of **Kings, Stanislaus, and Sutter** and the contiguous counties **Alameda, Butte, Calaveras, Colusa, Fresno, Kern, Mariposa, Merced, Monterey, Placer, Sacramento, San Joaquin, San Luis Obispo, Santa Clara, Tulare, Tuolumne, Yolo, and Yuba** a disaster area. This declaration is a result of a March 31, 2017, U.S. Department of Agriculture disaster designation due to agricultural losses caused by excessive rainfall and high winds that occurred March 3, 2016, through June 1, 2016.

The California Governor's Office of Emergency Services (Cal OES) is providing the enclosed information regarding this declaration. Please inform interested individuals, businesses, and city officials within your county of this declaration and information.

Sincerely,

KARMA HACKNEY
Individual Assistance Officer

Enclosure

c: County Office of Emergency Services
File Copy



3650 SCHRIEVER AVENUE, MATHER, CA 95655
INDIVIDUAL ASSISTANCE DIVISION
(916) 845-8149 TELEPHONE (916) 845-8395 FAX
www.CalOES.ca.gov

U.S. Small Business Administration (SBA) Declaration

SBA #15104 - Excessive Rainfall and High Winds

Declaration Information

The following table illustrates the declaration information.

| | |
|---|---|
| Eligible Primary County/Counties: | Kings, Stanislaus, Sutter |
| Eligible Contiguous County/Counties: | Alameda, Butte, Calaveras, Colusa, Fresno, Kern, Mariposa, Merced, Monterey, Placer, Sacramento, San Joaquin, San Luis Obispo, Santa Clara, Tulare, Tuolumne, Yolo, Yuba |
| Reason/Event: | March 31, 2017, USDA Designation for excessive rainfall and high winds that occurred March 3, 2016, through June, 1, 2016. |
| Assistance made available by declaration: | SBA Economic Injury Disaster Loans |
| Application deadline for business economic injury: | November 30, 2017 |
| Who may apply: | Small, non-farm businesses, small agricultural cooperatives, and most private non-profit organizations of any size. Small businesses include those that do business directly with the growers, such as truckers and suppliers of agricultural equipment or services. |
| How to apply: | Contact SBA at 1-800-659-2955 , or visit SBA's website at: www.sba.gov/disaster , or email disastercustomerservice@sba.gov Hearing impaired individuals may call 1-800-877-8339. |



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APR 13 2017

Clerk/Board of Supervisors

April 13, 2017

Mr. Randy Fletcher, Chairperson
Yuba County Board of Supervisors
915 8th Street, Suite 109
Marysville, California 95901

Subject: U.S. Department of Agriculture Designation

Dear Chairperson Fletcher:

On March 31, 2017, the U.S. Department of Agriculture granted a Secretarial disaster designation for the primary counties of **Kings, Stanislaus, and Sutter** and the contiguous counties of **Alameda, Butte, Calaveras, Colusa, Fresno, Kern, Mariposa, Merced, Monterey, Placer, Sacramento, San Joaquin, San Luis Obispo, Santa Clara, Tulare, Tuolumne, Yolo** and **Yuba** due to agricultural losses caused by severe weather including excessive rainfall and high winds that occurred March 3, 2016, through June 1, 2016.

The California Governor's Office of Emergency Services (Cal OES) is providing the enclosed information regarding this designation. Please inform potential applicants throughout your county of this designation and information.

Sincerely,

KARMA HACKNEY
Individual Assistance Officer

Enclosure

c: County Office of Emergency Services
County Agricultural Commissioner
Karen Ross, Secretary, California Department of Food and Agriculture (CDFA)
Gary Leslie, County/State Liaison, CDFA
File Copy



3650 SCHRIEVER AVENUE, MATHER, CA 95655
INDIVIDUAL ASSISTANCE DIVISION
(916) 845-8149 TELEPHONE (916) 845-8395 FAX
www.CalOES.ca.gov

U.S. Department of Agriculture (USDA) Designation USDA #S4164 – Excessive Rainfall and High Winds

Designation Information

The following table illustrates the designation information.

| | |
|--|--|
| Eligible Primary County/Counties: | Kings, Stanislaus, Sutter |
| Eligible Contiguous County/Counties: | Alameda, Butte, Calaveras, Colusa, Fresno, Kern, Mariposa, Merced, Monterey, Placer, Sacramento, San Joaquin, San Luis Obispo, Santa Clara, Tulare, Tuolumne, Yolo, Yuba |
| Event: | Excessive rainfall and high winds that occurred March 3, 2016, through June 1, 2016. |
| Assistance made available by designation: | <ul style="list-style-type: none">• Emergency farm loans for both physical and crop production losses as a direct result of the disaster• Up to a maximum of \$500,000 |
| Application deadline: | November 30, 2017 |
| Who may apply: | Farmers and ranchers who conduct family-sized farming operations |
| How to apply: | <ul style="list-style-type: none">• Contact local Farm Service Agency (FSA) office listed in the local telephone directory under U.S. Government, Agriculture• Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD) |
| USDA website for additional information: | https://www.fsa.usda.gov/FSA/webapp?area=home&subject=fmlp&topic=efl |