



C o u n t y o f S a n L u i s O b i s p o

GENERAL SERVICES AGENCY

Janette D. Pell, Director

Cody VanDorn, Department Administrator

REQUEST FOR PROPOSAL #1200 WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

December 28, 2012

The County of San Luis Obispo (County) is currently soliciting proposals for professional services for WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY.

Each proposal shall specify each and every item as set forth in the attached specifications. Any and all exceptions must be clearly stated in the proposal. Failure to set forth any item in the specifications without taking exception may be grounds for rejection. The County reserves the right to reject any and all proposals and to waive any irregularity or informality in any proposal or in the Request for Proposal process, as long as, in the judgment of the County, such action will not negate fair competition and will permit proper comparative evaluation of the proposals submitted.

This Request for Proposal is posted on the County's Purchasing website at http://www.slocounty.ca.gov/GSA/Purchasing/Current_Formal_Bids_and_Proposals.htm. Any changes, additions, or deletions to this Request for Proposal will be in the form of written addenda issued by the County. Any addenda will be posted on the website. Prospective proposers must check the website for addenda or other relevant new information during the response period. The County is not responsible for the failure of any prospective proposer to receive such addenda. All addenda so issued shall become a part of this Request for Proposal.

If your firm is interested and qualified, please submit FOUR (4) hard copies and one (1) electronic copy (on CD/flashdrive) of your proposal on Thursday, JANUARY 22, 2013 before 3:00 p.m. to:

County of San Luis Obispo
General Services Agency
Attn.: Phill Haley
1087 Santa Rosa Street
San Luis Obispo, CA 93408

If you have any questions about the proposal process, please contact me.

All questions pertaining to the content of this Request for Proposal must be made in writing via e-mail to Azarm A Ghareman at: AAGhareman@co.slo.ca.us. All questions will receive a response within three (3) business days. The question and its response will be posted (anonymously) on the County's Purchasing web site located at the link above. The County reserves the right to determine the appropriateness of comments/questions that will be posted on the website.

PHILL HALEY
Buyer II – GSA Purchasing
phaley@co.slo.ca.us

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

LOCAL VENDOR PREFERENCE

The County has established a local vendor preference. When quality, service, and other relevant factors are equal, responses to Requests for Proposals will be evaluated with a preference for local vendors. Note the following exceptions:

1. Those contracts which State Law or, other law or regulation precludes this local preference.
2. Public works construction projects.

A "local" vendor preference will be approved as such when, 1) The vendor conducts business in a fully staffed office with a physical address within the County of San Luis Obispo; 2) The vendor holds a valid business license issued by the County or a city within the County; and 3) The vendor has conducted business at the local address for not less than six (6) months prior to the due date of this Request for Proposal.

Proposals received in response to this Request for Proposal will be evaluated by the Selection Committee considering the local vendor preference described above when quality, service and other relevant factors are equal. The burden of proof will lie with proposers relative to verification of "local" vendor preference. Should any questions arise, please contact a buyer at (805) 781-5200.

	YES	NO
Do you claim local vendor preference?		
Do you conduct business in an office with a physical location within the County of San Luis Obispo?		
Business Address: _____ _____		
Years at this Address: _____		
Does your business hold a valid business license issued by the County or a City within the County?		
Name of Local Agency which issued license: _____		

Business Name: _____

Authorized Individual: _____ Title: _____

Signature: _____ Dated: _____

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY**PROPOSAL SUBMITTAL AND SELECTION**

1. All proposals, consisting of FOUR (4) hard copies and one (1) electronic copy (on CD/flashdrive) must be **received** by mail, recognized carrier, or hand delivered no later than 3:00 p.m. on Thursday, January 22, 2013. Late proposals will not be considered and will be returned, unopened. Postmarks are not acceptable.

2. All correspondence should be directed to:

San Luis Obispo County
General Services Agency
Attn.: Phill Haley
1087 Santa Rosa Street
San Luis Obispo, CA 93408

3. All costs incurred in the preparation and submission of proposals and related documentation will be borne by the proposer.

4. It is preferred that all proposals be submitted on recycled paper, printed on two sides.

5. Selection of qualified proposers will be by an impartial Selection Committee using an approved County procedure for awarding professional contracts. Selection will be made on the basis of the proposals as submitted, although the County reserves the right to interview applicants or conduct site visits as part of the selection process. The proceedings of the Selection Committee are confidential, and members of the Selection Committee are not to be contacted by the proposers.

6. This Request for Proposal does not constitute an offer of employment or to contract for services.

7. The County reserves the option to accept or reject any or all proposals, wholly or in part, received by reason of this request, and make more than one award, or no award, as the best interests of the County may appear.

8. All documents submitted to the County in response to this Request for Proposal will become the exclusive property of the County and may be returned to the proposer or kept by the County, in the County's sole discretion.

9. All proposals shall remain firm for ninety (90) days following closing date for receipt of proposals.

10. The County reserves the right to award the contract to the firm who presents the proposal which in the judgment of the County, best accomplishes the desired results, and shall include, but not be limited to, a consideration of the professional service fee.

11. Any contract awarded pursuant to this Request for Proposal will incorporate the requirements and specifications contained in this Request for Proposal. All information presented in a proposer's proposal will be considered binding upon selection of the successful proposer, unless otherwise modified and agreed to by the County during subsequent negotiations.

12. The successful proposer(s) is/are expected to execute a contract similar to the contract in Appendix A. This sample contract is for reference to the anticipated terms and conditions governing the County and the successful proposer. The proposer must take exception in their proposal to any section of the attached contract they do not agree with. Failing to do so will be deemed as acceptance by the proposer to the terms spelled out in the sample contract. The County reserves the right, in its sole discretion, to add, delete, or modify, or negotiate additional

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terms and conditions to the attached contract. BEFORE BEGINNING ANY WORK OR SUBMITTING A PROPOSAL IT IS ADVISED THAT PROPOSERS READ THE COUNTY INSURANCE AND INDEMNIFICATION REQUIREMENTS IN THE ATTACHED SAMPLE CONTRACT. The selected proposer will be asked to provide evidence that County insurance requirements have been met. See Appendix A – Sample County Contract, and in the Sample County Contract the insurance requirements are found in Exhibit A.

13. Under the provisions of the California Public Records Act (the “Act”), Government Code section 6252 et seq., all “public records” (as defined in the Act) of a local agency, such as the County, must be available for inspection and copying upon the request of any person. Under the Act, the County may be obligated to provide a copy of any and all responses to this Request for Proposal, if such requests are made after the contract is awarded. One exception to this required disclosure is information which fits within the definition of a confidential trade secret [Government Code section 6254(k)] or contains other technical, financial or other data whose public disclosure could cause injury to the proposer’s competitive position. If any proposer believes that information contained in its response to this Request for Proposal should be protected from disclosure, the proposer MUST specifically identify the pages of the response that contains the information by properly marking the applicable pages and inserting the following notice in the front of its response:

***NOTICE:** The data on pages _ of this response identified by an asterisk (*) contain technical or financial information, which are trade secrets, or information for which disclosure would result in substantial injury to the proposer’s competitive position. Proposer requests that such data be used only for the evaluation of the response, but understands that the disclosure will be limited to the extent the County considers proper under the law. If an agreement is entered into with the proposer, the County shall have the right to use or disclose the data as provided in the agreement, unless otherwise obligated by law.*

The County will not honor any attempt by proposer to designate its entire proposal as proprietary. If there is any dispute, lawsuit, claim or demand as to whether information within the response to the Request for Proposal is protected from disclosure under the Act, proposer shall indemnify, defend, and hold harmless, the County arising out of such dispute, lawsuit, claim or demand.

14. An electronic copy of your proposal must be included. This electronic copy should include all documents being submitted combined into one Adobe Acrobat (pdf) file on a CD/flashdrive, using this convention for the file name: FIRM NAME + RFP NUMBER (e.g., if your firm is Acme Inc. and you are responding to RFP #1101, your Acrobat (pdf) file would be named: **ACME 1101.pdf**)

Additionally, if you deem any part of your proposal as proprietary and not to be disclosed under the California Public Records Act as explained in item 13 above, please mark the CD with the phrase “**Proprietary Information Included**”. This can be hand written or printed on the CD label.

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15. The selected Contractor will be required to provide insurance coverage in the amount of \$ 2,000,000.00 General Liability Insurance and \$1,000,000.00 of Business Automobile Insurance and Worker's Compensation/Employer's Liability Insurance in the amount of \$1,000,000.00. See Exhibit D of the Sample Contract attached for further information. The Contractor shall provide within five (5) days after the Notice of Award is issued a certificate of liability insurance naming the County of San Luis Obispo and its employees and officers as additionally named insured. This shall be maintained in full force and effect for the duration of the contract and must be in an amount and format satisfactory to the County.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY**PROJECT SCOPE****SECTION I: INTRODUCTION****A. Description of services**

San Luis Obispo County Drug and Alcohol Services Division, Behavioral Health Department (the "Department"), in collaboration with the San Luis Obispo County Child Welfare Services, is requesting proposals from qualified applicants to provide residential alcohol and other drug (AOD) recovery facility for San Luis Obispo County adult women with children (ages 0-6) residents. Placement of adults to be facilitated by San Luis Obispo County Drug and Alcohol Services Specialists utilizing the Addiction Severity Index (ASI) and ASAM Patient Placement Criteria for substance use disorders.

Residential Recovery Facilities are safe, clean, sober, residential environments that promote individual recovery through positive peer group interactions among house members and staff. Sober living housing is affordable, alcohol and drug free and allows the house members or residents to continue to develop their own individual recovery plans and to become self-sufficient citizens. In doing so, the Recovery facility must co-exist in a respectful, lawful, non-threatening manner within the residential communities of San Luis Obispo County.

The Residential Recovery provider must work collaboratively with the County of San Luis Obispo Drug and Alcohol Services and Department of Social Services and Department of Probation to allow the residents to attend treatment and case management services with the County at the County's schedule. The Residential Recovery provider may conduct additional recovery activities, but they must not conflict with the County's required treatment and case management services for the participant.

B. Funding Priorities and Requirements

Under the collaborative direction of the San Luis Obispo County Drug and Alcohol Services Division and Child Welfare Services, eligible and qualified Residential Recovery providers are being sought to serve county adults referred for residential recovery maintenance and substance use disorders treatment services. The purpose of this RFP is to seek a Women with Children Residential Recovery Facility that meets, at a minimum, the requirements of the attached **San Luis Obispo County Sober Living Environments Standards**. Applicants must provide trained staff (paid or volunteer) who can deliver culturally competent and linguistically relevant recovery services in conformance with all applicable state, federal, and local laws, rules and regulations.

Priority will be given to agencies that have a history of providing substance abuse recovery services to adults and/or agencies that can demonstrate knowledge and/or awareness of problems associated with the dependency court/child welfare services population. Applicants are expected to work closely with the San Luis Obispo County Drug and Alcohol Services Division and Child Welfare Services/Social Services Department in a supportive and

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complementary manner to optimize the client's successful completion of program services. Respondents to this RFP, who agree to and are evaluated as meeting these minimum guidelines, will be awarded a contract. The County may award one contract or several contracts depending upon what is in the best interests of the County.

C. Funding Amount

Funds under this RFP may not be used to purchase facilities. It is expected that the awarded contract will commence in February, 2013 and continue through February, 2014. Contracts may be renewed on a year to year basis, based on availability of funding.

D. Who May Apply

The Department is seeking qualified applicants who exhibit expertise in administering services solicited under **Section III, A-E** below to the targeted population. All services must be provided in San Luis Obispo County. Applicants may be public or private community based organizations, corporations, or sole proprietors that meet the legal requirements to conduct business under the laws of California. Currently, Residential Recovery facilities are not required and are not able to be licensed by the State of California as a Sober Living Environment. They are however subject to landlord and tenant laws in California, zoning, planning codes, and other requirements of their local jurisdiction. Applicants must have all legally mandated permits and licenses, as may be required at the time of contract signing. The following is a list of resources which provides guidance and information on successful operation of Sober Living Environments. **Preference will be given to applicants who are already registered with the California Association of Addiction Recovery Resources (CAARR).**

- California Association of Addiction Recovery Resources
2129 Fulton Avenue
Sacramento, CA 95821
(916) 338-9460
- Sober Living Network
P. O. Box 5235
Santa Monica, CA 90409
(310) 396-5270
- A Guide to Housing for Low Income People Recovery from Alcohol and Other Drug Problems, U.S. Department of Public Health Services, National Institute on Alcohol Abuse and Alcoholism, 5600 Fishers Lane, Rockville, MD 20857.

E. Procedures for Submitting Proposals

1. Proposals will be typed and double spaced on 8 ½ x 11 inch plain white paper printed on two sides of the paper. Proposals must not exceed twenty (20) pages, including a line item budget and budget narrative. See Section IV for more information on page limits. Font size of 12 CPI is acceptable, no exceptions. Each proposal will include a

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complete **Table of Contents**, with page numbers, at the beginning of the proposal package. All pages in the package will be numbered consecutively. Proposals will not be bound, but may be submitted in a binder or folder that allows for easy removal of the pages.

SECTION II: GENERAL BACKGROUND**A. History**

In October 2012, County of San Luis Obispo Drug and Alcohol Services was awarded a three-year grant by the Substance Abuse and Mental Health Services Administration (SAMHSA) to provide treatment services to parents and their children within the existing Dependency Drug Court. The majority of the program participants will be mothers with children, who have substance use disorders, and who have been involved in the Child Welfare Services and may have had their children removed. The Dependency Drug Court has the following goals in mind:

- Program participants will have achieved and sustained a lifestyle of sobriety and recovery
- Program participants will have learned skills to better parent and keep their children safe
- There will be decreased criminal recidivism, decreased impact on social services (such as foster care placements and length of foster care stays), and reunited families.

As part of this grant, the funding was provided to conduct residential treatment services for pregnant and parenting women with children. Additional funding is combined from the County Department of Social Services. The treatment services to this population will be provided for by the County Drug and Alcohol Services in very close collaboration and coordination with the Women with Children Residential Recovery Facility. The women will attend treatment services at a Drug and Alcohol Services facility for four hours per day, up to four days per week. Transportation will be provided for by the County to the treatment facility. Therefore, on-site supervision is needed in the afternoons and overnight for the residents of the Residential Recovery Facility.

B. Program Goal and Performance Measures

Goal: Provide a safe, stable living environment that supports clients' recovery from addiction
Performance Measures:

1. Number of clients that complete the program Residential Recovery services in their treatment plan
2. Number of bed days used per client
3. Number of clients that are re-unified with their children

SECTION III: SOLICITED SERVICES**A. Target Population**

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Adult women with children (ages 0-6) who are San Luis Obispo County residents that meet the following criteria:

- meet the eligibility criteria for Dependency Drug Court, referral from Child Welfare Services and Drug and Alcohol Services Departments
- have alcohol or drug related problems as established by standardized assessment
- are evaluated as requiring, and being able to benefit from, a structured living environment in conjunction with their substance use disorder treatment or case management services

B. Facility

Facility size is to be sufficient to accommodate at least five (5) adult women individuals per location with up to 10 children under the age of 7. All pertinent licensing and safety requirements must be met, including, without limitation, local fire code, conditional use permits, and zoning requirements. There shall be adequate indoor and outdoor space for residents and program needs. Living quarters and recovery areas shall be attractive, clean, safe and functional. The facility shall meet American with Disabilities Act (ADA) criteria.

C. Staffing

Staffing levels must be sufficient to provide afternoon and overnight on-site supervision, seven days per week. Staffing can be volunteer, paid, or student interns or other agency provided staffing. Staffing, including volunteers who provide on-site supervision, must not currently be on Probation or on Parole.

Transportation to existing outpatient treatment services for treatment program participation may be provided by the County treatment staffing. A maximum of five days per week services could be conducted which would require transportation. Court appearances, treatment sessions, and transportation may also be required of the residents. In order to minimize County transportation expenses, Residential Recovery providers located closer to treatment facilities, public transportation, and/or available to aid in providing transportation will be given priority.

D. Referrals/Placement

Referrals and placement of women in the Residential Recovery Facility will be facilitated through San Luis Obispo County Drug and Alcohol Services. **The County will maintain the sole use of the Residential Recovery Facility purchased.** The County will determine the admission and discharge dates for each resident with the exception of threats or harm to other residents, drug violations, and other residential rules.

E. Required Essential Service Elements to be provided by the Women with Children Residential Recovery Facility Provider

- Provide on-site cooking facilities or meals, lodging, bathing, laundry, area for exercise, recreation, and visiting capacity

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- Culturally competent recovery maintenance services including afternoon and overnight on-site supervision, seven days per week using paid or volunteer staffing
- Transportation services to outpatient treatment providers and Court, if available
- Collaboration with other treatment providers, including detoxification and medication services
- Collaboration with Social Services and Probation Officers, including in-home visitations, searches in conjunction with the client's terms and conditions, administration of any GPS monitoring devices, and conducting of drug and alcohol testing of residents (devices and drug testing is at the expense of the County or resident)
- Case planning meetings and/or communication with the Dependency Drug Court Treatment Team on a weekly basis
- Recovery based activities (such as 12-Step community meetings, in-home lifeskills training, faith-based activities, educational classes, socialization activities, support for employment, etc.)
- Exit/Discharge planning in collaboration with Drug and Alcohol Services and Child Welfare Services Department with linkage to acuity step down services

SECTION IV: PROPOSAL CONTENT

A qualifying proposal must address all of the following points and shall be in the format outlined below.

Proposals will be typed and double spaced on 8 ½ x 11 inch plain white paper printed on two sides of the paper. Proposals must not exceed **twenty (20) pages**, including a line item budget and budget narrative. See Section IV below for further information on page limits. Proposals must adhere to the format outlined by this RFP. Proposal sections must be labeled in the same way as the corresponding section of the RFP as written below. Proposals that do not adhere to the RFP format may be disqualified. It is to the proposer's advantage to document all statements concerning experience, knowledge, training and capabilities to the maximum extent possible in responding to each section of the RFP.

Proposals will consist of the following parts, which will be subject to the number of scoring points listed for a total of **150 possible points**:

1. Title Page (no points). Not included in page limit.

Use the organization's current letterhead. State that the enclosed proposal is for the County of San Luis Obispo Drug and Alcohol Services Women with Children Residential Recovery Facility.

Indicate by whom the proposal is submitted. Provide: (1) the individuals' name and titles, (2) organization name, (3) address and email address, (4) telephone and facsimile numbers, (5) date of submission, and (6) signature of the agency's chairperson for the Board of Directors or person empowered by the agency's governing authority to sign contracts and make commitments for the agency.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY**2. Table of Contents (no points). Not included in page limit.**

Insert at the beginning of the proposal package. Include page numbers for each required section.

3. Agency Overview

Describe in detail, the agency's philosophy and conceptual approach to the delivery of recovery services to adult child welfare services/criminal justice populations. Describe any experience in working with Health and Human Services organizations that serve this population. Describe the agency's existing services and how they relate to the proposed services. Discuss your experience in working with substance abusers, including assessing their needs (employment, recovery, life skills, etc). Describe efforts to make substance abuse recovery services culturally and linguistically relevant to clients.

Discuss your organization's experience working as a collaborative partner in community collaborative efforts. Discuss your role as a member of a multi-disciplinary case planning team. Elaborate on your experience and success in sharing information with agencies involved in common cases and follow-through with referrals.

In Attachments, provide an organizational chart for the entire legal entity or entities of your agency, showing how the new program will fit into the existing organization. Describe the composition of your Board of Directors and/or Advisory Board, detailing gender, racial and ethnic composition, and representation from the local community. Discuss your experience in hiring and training personnel with experience in providing treatment to adult criminal justice substance abusers. Please include procedures for background checks for staffing and/or volunteers. **Note: Attachments are not subject to the page limitation.**

Include a list of all types of insurance your agency has, and the specific limitation amounts for each type. Proof of insurance will be required prior to start of work by the contractor, under the terms and conditions of the Agreement.

Include a list of all types of certificates or associations your organization belongs to.

4. Program Narrative

This section of the proposal should present a comprehensive statement of the proposed recovery maintenance facility and how you would go about developing, administering and evaluating it. Applicants are encouraged to review Section III of RFP to ensure that the narrative addresses the categories of service which will be provided under this Agreement.

A. Start Up Activities

Describe start up activities required to implement the proposed facility. For each activity, indicate the amount of time required, completion date, and individual responsible for ensuring that the activity is carried out. This may be displayed in a table or a timeline.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY**B. Service Provision**

Develop a Residential Recovery maintenance facility that encompasses the service elements noted in **Section III-E** within 14 days to 6 month length of stay for each resident. Provide a complete description of the program content, philosophy, model, modality to be used in this facility, to include linking program participants to community based support activities such as AA and NA self-help groups. You may place additional information, brochures, booklets in the Attachments Section, but you need to describe your service provision in this section. Describe staff qualifications and methods by which staff/volunteers are or have been selected.

Describe the staffing responsible for on-site supervision for the afternoons and evenings (overnight), seven (7) days per week.

Indicate your ability and/or willingness to work with County Detoxification and Nursing Staff, to allow medications and medication storage on-site, and your ability to work with co-occurring disorders (mental health issues and substance use disorders) and provide for the safekeeping of medications.

Indicate your ability and/or willingness to provide transportation to treatment services, and or describe your locations relative to treatment centers or public transportation in order to reduce County's costs associated with transportation.

Describe the gender and/or culturally or linguistically appropriate services that you are proposing to provide.

C. Goals and Objectives

Develop time limited measurable process objectives and outcome objectives for each goal stated in **Section II-B**. Process goals are things that are done, i.e., specific activities. Outcome objectives are measures of the intended effect of the process objectives, i.e., the desired end result. This may be displayed narratively or in a table.

D. Staff

Provide a list that includes the individual name and title for each position budgeted, percentage of full-time equivalents (FTE) for the proposed services whether paid or volunteer staff, general duties and qualifications for each position. Resumes of key staff may be included in the Attachments. All staff and volunteers working with the program, including house managers, or those providing on-site supervision must not currently be on Probation or Parole.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY**E. Evaluation**

Describe staff experience working with program evaluators, including a description of information collected and reviewed, evaluation procedures, criteria for measuring results, and the staff responsible for coordinating and evaluation effort required.

5. Program Budget

Develop a line item budget for one year and budget narrative. Include the anticipated collection of client resident fee revenue and any supplemental or in-kind funding which may be provided to the project.

- Provide your total annual cost to develop and run a Women with Children Residential Recovery Facility
- Provide the total number of beds you anticipate having available for the County
- How many beds will be available for female adults?
- How many beds will be available for children?
- Provide the geographical location of the proposed facility (address if known)
- Delineate what the residents will be required to pay for, if any fees are to be paid.

6. Fiscal Information

Submit a recent financial statement for the agency or Schedule C for a sole proprietor and a copy of the most recent fiscal audit or a statement by a Certified Public Accountant or other fiscal personnel attesting to your financial stability.

7. Management and Reporting Capabilities

Provide a detailed description of your program capabilities in the following areas:

1. Financial management
2. Personnel management
3. General administration
4. Adherence to funding agency reporting requirements

8. Staff Training, Development, and Evaluation

It is essential that providers work in a supportive manner with the Dependency Drug Court Steering Committee, particularly involving Drug and Alcohol Services, Department of Social Services, Judges, Mental Health, and other Treatment Providers. Indicate your knowledge of how these systems work related to the target population and your agency's willingness to participate in training and meetings as required.

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Describe the program's practice with regard to:

- A. Staff training
- B. Staff development
- C. Staff evaluation
- D. Staff clearance or background checks

9. Policies and Procedures

Describe the agency's practice with regard to:

- A. Affirmative action
- B. Conflict of interest
- C. Non-discrimination in hiring and provision of services
- D. Drug Free Work Place
- E. Confidentiality
- F. Child/Adult abuse reporting
- G. American with Disabilities Act (ADA)

10. Investigation Statement

- A. Include a statement of whether the agency or individual proprietor is now or has been the subject of a public or private audit or investigation due to potential or alleged financial mismanagement.
- B. A statement of whether the proposed administrative staff has been the subject of, or was employed by an agency that was the subject of public or private investigation or audit.
- C. Statement of whether the Board of Directors or Governing Authority for the proposed program has been a member of the Board of Directors or Governing Authority of an agency that has been the subject of a public or private audit or special investigation.

These statements must describe the program audited or investigated, by whom, the date of the audit, the period audited, and the purpose and outcome of the audit or investigation.

11. Legal Information

Applicant must declare and document its authority to operate in the State of California. This may be accomplished by including photocopies of federal and state tax identification numbers. When the contract is awarded, a copy of the agency's Articles of Incorporation verification will be required (if applicable). Copies of business licenses also accepted.

The applicant will be required to provide proof of insurance coverage at the limitations determined by the County's Risk Manager. The selected Contractor will be required to provide insurance coverage in the amount of \$2,000,000.00 General Liability Insurance and \$1,000,000.00 of Business

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Automobile Insurance and Worker's Compensation/Employer's Liability Insurance in the amount of \$1,000,000.00. See Exhibit D of the Sample Contract attached for further information. The Contractor shall provide within five (5) days after the Notice of Award is issued a certificate of liability insurance naming the County of San Luis Obispo and its employees and officers as additionally named insured. This shall be maintained in full force and effect for the duration of the contract and must be in an amount and format satisfactory to the County.

In addition, applicants must also adhere to the County's policies on Drug Free Work Place, Child and Elder Abuse reporting, Confidentiality, and Conflict of Interest.

12. Supportive Information/Attachments (no page limit)

Include in this section any additional information supportive of the agency or this proposal. Information may include:

- Letters of support from public or private agencies or former residents
- Brochures and promotional materials
- Pictorial material, clippings and other information
- Floor plan of the facility (if known)
- Organizational chart
- Advisory Board membership
- Resumes of key staff
- Daily schedule of activities provided to the residents.

SECTION V: PROCEDURES FOR REVIEWING PROPOSALS

1. San Luis Obispo County will, upon receipt of proposals, designate a panel of reputable individuals Selection Committee to review all proposals to determine whether proposals are compliant, complete and eligible. In order to receive a score, each proposal must meet all of the criteria. A failure to meet any one of the specified criteria will cause the proposal to be disqualified. Disqualified submissions will not be scored and will not be further considered for this contract.
2. Written notification of the disqualification and reasons thereof will be provided to the proposer.
3. Proposals which are found to be responsive, compliant, and eligible will be evaluated in accordance with the criteria described in **SECTION IV, 1-12** of the RFP specifications above, and a final score will be assigned to the proposal.
4. The proposal(s) with the highest score(s) which meets the minimum scoring requirements will be recommended for the award to Board of Supervisors. The County may award one or more contracts based upon the County's needs (for example, geographical locations). At this time, all proposers will be notified of the contract award.

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5. The County Board of Supervisors reserves the right to make an award for the services specified herein as deemed appropriate in accordance with applicable state and/or federal law, including the Welfare and Institutions Code.
6. The County Board of Supervisors reserves the right to reject any proposal and to waive informalities and minor irregularities in the proposals received.
7. Proposers certification shall constitute a warranty, the falsity of which shall entitle the County to pursue any remedy authorized by law, and shall include the right, at the option of the County, of declaring any contract made as a result thereof, to be void.
8. A dissatisfied proposer may protest the contract award, in accordance with the County's Vendor Protest Policy.
9. Upon written request, the County may provide an unsuccessful proposer with a general explanation as to why its proposal was rejected and/or the basis for the award to the successful proposer(s).
10. Procurement process may be canceled after receipt of the proposals, but prior to the award when San Luis Obispo County determines that cancellation is in the best interest of the County for reasons including, but not limited to, those listed below:
 - A. Inadequate, ambiguous, or otherwise deficient specifications were cited in the RFP.
 - B. Services are no longer required.
 - C. All other acceptable proposals received are at unreasonable prices.
 - D. The proposals were not independently arrived in open competition, were collusive, or were submitted in bad faith.
 - E. No proposal is received which meets the minimum requirements of the RFP.
 - F. The County determines after analysis of the proposals that its needs can be satisfied by a less expensive method.
 - G. If any or all of the funds associated with this project are canceled or are otherwise unavailable, the RFP procurement process will be canceled.

Should cancellation be necessary, all proposers will be notified, in writing, of the specific reasons for cancellation of the procurement process.

SECTION VI: GENERAL POLICIES

- A. The County assumes no obligation for any cost associated with proposal development, preparation, and submission.
- B. This RFP is in no way an agreement, obligation or contract.
- C. Proposals will become public information and the property of the County upon submission.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

- D. Proposals received after the deadline will not be considered.
- E. Proposals may be rejected if incomplete, inappropriate, or unresponsive.
- F. The County may reject any and all proposals.
- G. The County reserves the right to make an award without further discussion of the proposals received. Therefore, it is important that the proposal be submitted in as complete a format possible with regard to the program content, technical compliance, and cost. Cost alone will not be the determining factor in making the award.
- H. After submission of the proposals and the closing thereof, no information will be released until after the award.
- I. The County will award the entire contract to one applicant which is deemed most advantageous to the County or the County may award several contracts to different providers based upon the County's needs.
- J. Technical Assistance (TA) with all phases of program implementation will be provided by the noted collaborative partnership of Drug and Alcohol Services, Department of Social Services, Judges, and other Treatment Providers.
- K. Upon distribution of any revisions to the RFP by January 15, 2013, no further questions will be answered prior to the proposal due date.

SECTION VII: SELECTION PROCESS

A review committee consisting of individuals experienced in the development and implementation of substance abuse treatment and recovery programs, provision of substance abuse and/or criminal justice services to adults, and other individuals deemed capable and appropriate by the San Luis Obispo County Drug and Alcohol Services will review the proposals. This committee may choose to visit any facility proposed by the applicant.

Proposals will be competitively evaluated in terms of the technical approach proposed and the qualifications of the applicant to perform the proposed services in an appropriate and timely manner.

The committee may request additional information deemed necessary to determine the applicant's financial stability, ability to perform on schedule, or willingness to incorporate additional features in the proposal.

Once selection(s) has been made, the selected agency will be contacted to negotiate an agreement for services. At the conclusion of the negotiations, the service contract will be presented to the Board of Supervisors.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

SECTION VIII: RFP PROPOSAL AND ANTICIPATED IMPLEMENTATION TIME LINE

December 28, 2012	RFP Released
January 22, 2012	Proposals due
January 23 – 30, 2013	Panel Review
January 31, 2013	Award Announcements
February 19, 2013	Board of Supervisors Award Contract(s)

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY**San Luis Obispo County
Sober Living Environment Standards**

1. Sign in and sign out log for the residents. The House Manager, or Case Manager, or Provider representative is responsible for requiring the residents to sign in and sign out upon leaving the premises.
2. On-site supervisor, who can account for residents, performs drug and alcohol testing as deemed appropriate, and is responsible for the general living standards and cleanliness of the home. On-site supervisor (house manager) not currently on probation or parole.
3. Residents required to attend 3 – 5 (minimum) weekly NA/AA groups held either at the home or residents attend, as a group, at a local meeting place.
4. Establishment of a curfew with general rules to not allow visitors after curfew and without prior permission from the house manager.
5. Open immediate communication with Probation regarding possible Probation violations and to inform Probation as soon as possible if a resident under Probation supervision is to leave.
6. Liveable housing conditions, including the home be up to code enforcement standards and have adequate heating, water and other basic utility services.
7. Home should be close to services and if not, transportation needs to be provided to residents without the means.
8. California Association of Addiction Recovery Resources (CAARR) certification which requires annual peer site visit and technical assistance to help the Sober Living Environment preferred.
9. County insurance requirements must be met.
10. All personnel and facilities maintain all licenses and certifications required by law.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

APPENDIX A

SAMPLE CONTRACT FOR BEHAVIORAL HEALTH SERVICES
COUNTY OF SAN LUIS OBISPO

THIS CONTRACT, entered into by and between the County of San Luis Obispo, a public entity in the State of California, (hereafter "County") and XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX, a California corporation, (hereafter "Contractor"):

WITNESSETH

WHEREAS, County has a need for _____ services to serve _____; and
WHEREAS, Contractor operates _____ facility, located at XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX, to provide Women with Children Residential Recovery Facility as more particularly described on Exhibit A, attached hereto; and
WHEREAS, Contractor is specially trained, experienced, expert and competent to perform such special services.
WHEREAS, Pursuant to Government Code section 31000, the County may contract for special services on behalf of public entities including County Behavioral Health.

NOW, THEREFORE, in consideration of the covenants, conditions, agreements, and stipulations set forth herein, the parties agree as follows:

- 1. Scope of Services. County hereby engages Contractor to perform, and Contractor hereby agrees to perform for County, the services set forth on Exhibit A, attached hereto and incorporated herein by reference, all pursuant to the terms and conditions hereinafter set forth.
2. Compensation. Contractor shall be compensated by County for performing said services in accordance with Exhibit B, attached hereto and incorporated herein by reference.
3. Effective Date and Duration. The effective date and duration of this Contract shall be as specified on Exhibit C, attached hereto and incorporated herein by reference.
4. General Conditions. Contractor and County shall comply with all provisions of County's General Conditions, a copy of which is attached hereto as Exhibit D and incorporated herein by reference.
5. Special Conditions. Contractor and County shall comply with the special conditions attached hereto as Exhibit E and incorporated herein by reference. In the event of conflicts between the provisions of the General Provisions and the Special Conditions, the provisions of the Special Conditions shall be controlling.

WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

6. Business Associate Agreement.

Contractor and County shall comply with the County's Business Associate Agreement in accordance with Exhibit F, a copy of which is attached hereto and incorporated herein by reference.

IN WITNESS WHEREOF County and Contractor have executed this Contract on the day and year set forth below.

CONTRACTOR
XXXXXXXXXXXXXXXXXXXXXX

CONTRACTOR
XXXXXXXXXXXXXXXXXXXXXX

By: _____
Name, Title

By: _____
Name, Title

Tax ID# Held in Confidential File

COUNTY COUNSEL
Approved as to form and legal effect.

RITA NEAL
COUNTY COUNSEL

By: _____
Deputy County Counsel

Date: _____

COUNTY OF SAN LUIS OBISPO,
A Public Entity in the State of California

By: _____
Chairman, Board of Supervisors

Date: _____

ATTEST

By: _____
County Clerk and Ex-Officio Clerk
of the Board of Supervisors

EXHIBIT A
CONTRACT FOR WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

SCOPE OF SERVICES

(To be filled in upon successful contract award)

EXHIBIT B
CONTRACT FOR WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

COMPENSATION

1. Tax Identification Number. Prior to commencement of services, Contractor shall provide a valid and current taxpayer identification number to the San Luis Obispo County Auditor/Controller at: County Government Center, 1055 Monterey Street, Suite D220, San Luis Obispo, California, 93408

2. County's Maximum Cost of the Contract for Services.
 County shall pay to Contractor as compensation in full for all services performed by Contractor pursuant to this Contract, the following sums in the following manner:

County will pay the Contractor for actual services used by the County. In no event shall the County's obligation under this Contract exceed the maximum fixed amount set forth below. The maximum dollar amount of this Contract is _____ dollars (\$XXXXXXXXXX).

3. Rate per Service. County will pay Contractor for services provided currently estimated as follows:

<u>Service Description.</u>	<u>Unit</u>	<u>Rate</u>
XXXXXXXXXXXXXXXX	XXXX	\$
XXXXXXXXXXXXXXXX	XXXX	\$

4. Billing. Contractor shall bill County for services provided under this Contract as follows:

- a. For all services in a calendar month, the Contractor shall invoice County by the 15th day of the following calendar month. The invoice shall include detailed daily charge by client, showing each client's number of services that were provided on each day of the month, the service rate, and the total charges for that client. The invoice shall include an itemized account of each client's medication support service minutes and provide the name and Medi-Cal provider number of the treating physician. Each client's account will commence on a separate page of Contractor's letterhead so that no other client's information can be observed on the invoice.
- b. Contractor will separately identify for County those services which are reimbursable under the Medi-Cal and Medicare programs so that County may bill and recover said reimbursement. Contractor agrees that any such reimbursement received by County shall be and remain the property of County.

5. Payment by County. County shall, within thirty (30) days following receipt of a correct monthly invoice, pay the undisputed charges on the invoice. If there are any disputed charges on an invoice, County shall include the explanation of the nature of the dispute with the payment for the undisputed charges. The parties will exchange any information needed to resolve the dispute within a reasonable time.

6. Audit Risk. Contractor agrees to accept risk for Medi-Cal exceptions related to deficiencies in documentation or any other areas of responsibility to County to the extent allowed by law. Contractor further agrees to be responsible for reimbursing County any revenues to be paid to the State or Federal government, including but not limited to exceptions resulting from Medi-Cal audit, or as identified through utilization review and medical review by insurance carriers or other auditors. Said reimbursements shall include all lost revenues, damages of any kind, costs and attorney fees incurred by the County, and other charges assessed against the County to the full extent allowed by law.

EXHIBIT C
CONTRACT FOR WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

DURATION AND EFFECTIVE DATE

Effective Date.

This Contract shall be effective as of the date this Contract is signed by the Board of Supervisors for the County of San Luis Obispo, and that signator shall be the last to sign.

Service Date.

Services shall commence on or after January 1, 2013 and shall end upon the end of the duration date.

The County Board of Supervisors specifically acknowledges that in anticipation of execution of this contract, services within the scope of this contract may have been provided in reliance on assurances that this contract would be executed by the parties on the effective date. The services may have been rendered from July 1, 2012 to the date the Board of Supervisors is executing this contract and which were intended in the best interest of the public health and welfare. The Board of Supervisors expressly authorizes the retroactive effective date under this contract to January 1, 2013. The Board of Supervisors also expressly authorizes payment for those services accepted by the County at the same rates and under the same terms and conditions as stated in this contract, even though this contract is being signed after January 1, 2013.

If any services from January 1, 2013 until the effective date have been paid by a purchase order via the County Purchasing Agent, that amount shall be deducted from this contract.

Duration Date.

This contract shall remain in effect from the effective date stated above until December 31, 2014, unless terminated sooner pursuant to the terms of this Contract, including, without limitation, Sections 6 or 7 of Exhibit D.

EXHIBIT D
CONTRACT FOR WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

GENERAL CONDITIONS

Independent Contractor.

Contractor shall be deemed to be an independent contractor of County. Nothing in this contract shall be construed as creating an employer-employee relationship, partnership or a joint venture relationship. Nothing in this contract authorizes or permits the County to exercise discretion or control over the professional manner in which Contractor provides services. Contractor's services shall be provided in a manner consistent with all applicable standards and regulations governing such services.

No Eligibility for Fringe Benefits.

Contractor understands and agrees that Contractor and its personnel are not, and will not be, eligible for membership in or any benefits from any County group plan for hospital, surgical, or medical insurance, or for membership in any County retirement program, or for paid vacation, paid sick leave, or other leave, with or without pay, or for any other benefit which accrues to a County employee.

Warranty of Contractor for Provision of Services.

Contractor shall obtain and shall keep in full force and effect during the term of this Contract all permits, registrations and licenses necessary to accomplish the work specified in the Contract. Contractor shall furnish qualified professional personnel as prescribed by Title 9 of the California Code of Regulations, the Business and Professions Code, and other laws applicable to the provision of services under this Contract. Contractor warrants that it, and each of the personnel employed or otherwise retained by Contractor, will at all times, to the extent required by the Business and Professions Code, and all other applicable laws for the type of services rendered, be properly certified and licensed throughout the entire duration of this Contract under the local, state and federal laws and regulations applicable to the provision of services herein.

Warranty of Contractor re Compliance with all Laws.

Contractor shall keep informed of, observe, comply with, and cause all of its agents and personnel to observe and comply with all laws, rules, regulations, and administrative requirements adopted by federal, state, and local governments which in any way affect the conduct of work under this Contract. If any conflict arises between provisions of the scope of work or specifications in this Contract and any law, then the Contractor shall immediately notify the County in writing.

Power and Authority of Contractor.

If the Contractor is a corporation, Contractor represents and warrants that it is and will remain, throughout the term of this Contract, either a duly organized, validly existing California corporation in good standing under the laws of the State of California or a duly organized, validly existing foreign corporation in good standing in the state of incorporation and authorized to transact business in the State of California.

Termination for Cause.

If the County determines that there has been a material breach of this Contract by Independent Contractor that poses a threat to health and safety, the County may immediately terminate the Contract. In addition, if any of the following occur, County shall have the right to terminate this Contract effective immediately upon giving written notice to the Independent Contractor:

- a. Contractor fails to perform his duties to the satisfaction of the County; or
- b. Contractor fails to fulfill in a timely and professional manner his obligations under this Contract; or
- c. Contractor fails to exercise good behavior either during or outside of working hours that is of such a nature as to bring discredit upon the County; or
- d. Any requisite licenses or certifications held by Contractor are terminated, suspended, reduced, or restricted; or
- e. Contractor has not, to the satisfaction of the County, documented or has not sufficiently documented services provided by Contractor, which includes without limitation, failure to meet industry standards or failure to satisfy any special requirements needed by third party payors or federal or state funding agencies; or.
- f. Contractor has failed or refused to furnish information or cooperate with any inspection, review or audit of Contractor's program or County's use of Contractor's program. This includes interviews or reviews of records in any form of information storage; or
- g. Contractor fails to comply with any provision of the Mental Health Compliance Plan, Cultural Competency Plan, and Code of Ethics.

All obligations to provide services shall automatically terminate on the effective date of termination. For all other material breaches of this Contract, County must give Contractor written notice setting forth the nature of the breach. If Contractor fails to remedy said breach within ten (10) days from the date of the written notice, County may terminate the Contract. Contractor shall thereafter have no further rights, powers, or privileges against County under or arising out of this Contract.

In the event a breach does not result in termination, but does result in costs being incurred by County, said costs shall be charged to and paid by Independent Contractor, which costs may include, but are not limited to, costs incurred by County in investigating and communicating with Contractor regarding said breach, including staff time.

Termination for Convenience.

Either party may terminate this Contract at any time by giving the other party at least 30 calendar days' written notice of termination for convenience ("Notice of Termination for Convenience"). Termination for convenience shall be effective at 11:59 p.m., Pacific Standard Time, on the intended date for termination (the "Termination Date"). The terminating party shall deliver to the other party a notice specifying the date upon which

such termination will become effective, which shall be at least 30 calendar days after the date of the notice.

Termination for convenience shall have no effect upon the rights and obligations of the parties arising out of any services, which were provided prior to the effective date of such termination. Contractor shall be paid for all work satisfactorily completed prior to the effective date of termination. After receiving a Notice of Termination for Convenience, Contractor shall, unless directed by County, place no further subcontracts for services or materials, terminate all subcontracts to the extent they relate to the work terminated, and settle all outstanding liabilities arising from the termination of subcontracts.

Power to Terminate.

Termination of this Contract may be effectuated by the Behavioral Health Administrator without the need for action, approval, or ratification by the Board of Supervisors.

Prohibition Against Assignment and Delegation of Contract.

This Contract is intended to secure the specialized and personal services of the Contractor. Contractor shall not delegate, assign, or otherwise transfer in whole or in part its rights or obligations under this Contract without the prior written consent of County. Any assignment, transfer, or delegation without the County's prior written consent shall be null and void.

Subcontracting.

No performance of this Contract, or any portion thereof, shall be subcontracted by Contractor without the prior written consent of County. Any attempt by Contractor to subcontract any performance, obligation or responsibility under this Contract, without the prior written consent of County, shall be null and void and shall constitute a material breach of this Contract.

Entire Agreement and Modifications.

This Contract supersedes all previous contracts between the parties hereto on the same subject matter and constitutes the entire understanding of the parties hereto on the subject matter of this Contract. Contractor shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both parties. Contractor specifically acknowledges that in entering into and executing this contract, Contractor relies solely upon the provisions contained in this Contract and no others.

Governing Law and Venue.

This Contract shall be governed by, and construed in accordance with, the laws of the State of California, without regard to its conflict of laws provisions. All of the parties' rights and obligations created hereunder shall be performed in the County of San Luis Obispo, State of California and such County shall be the venue for any action or proceeding that may be brought, or arise out of, this contract.

Waiver.

No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Contract shall impair any such right power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right power or privilege or the exercise of any other right, power or privilege. No waiver shall be valid unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

Severability.

The Contractor agrees that if any provision of this Contract is found to be invalid, illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of the Contract shall remain in full force and effect. Upon determination that any term or provision is invalid, illegal or unenforceable, the parties shall negotiate in good faith to modify this contract so as to affect the original intent of the parties as closely as possible.

Notices.

All notices given or made pursuant hereto shall be in writing and shall be deemed to have been duly given if delivered personally, mailed by registered or certified mail (postage paid, return receipt requested) or sent by a nationally recognized overnight courier (providing proof of delivery) to the parties at the following addresses or sent by electronic transmission to the following facsimile numbers (or at such other address or facsimile number for a party as shall be specified by like notice):

Karen Baylor, Ph.D., LMFT
Behavioral Health Services Administrator
2180 Johnson Avenue
San Luis Obispo, CA 93401-4535

And to Contractor at:

XXXX
XXXXX
XXXX, CA

Any such notice shall be deemed to have been received if: (a) in the case of personal delivery or facsimile transmission with confirmation retained, on the date of such delivery or transmission; (b) in the case of nationally recognized overnight courier, on the next business day after the date sent; (3) in the case of mailing, on the third business day following posting.

Inspection Rights.

The Contractor shall allow the County to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract and to inspect evaluate and audit any and all books, records, and facilities maintained by Contractor and subcontractors, pertaining to such service at any time during normal business hours.

Books and records include, without limitation, all physical records originated or prepared pursuant to the performance under this Contract including work papers, reports, financial records and books of account. Upon request, at any time during the period of this Contract, and for a period of five years thereafter, the Contractor shall furnish any such record, or copy thereof, to County.

Headings.

The headings contained in this Contract are for reference purposes only and shall not affect in any way the meaning or interpretation of this Contract.

Signatory Authority.

Contractor warrants that it has full power and authority to enter into and perform this Contract, and the person signing this Contract warrants that he/she has been properly authorized and empowered to enter into this Contract.

Indemnification.

Contractor shall defend, indemnify and hold harmless the County, its Board of Supervisors, officers and employees from any and all claims, demands, damages, costs, expenses, judgments, awards, interest, attorney fees, expert' fees and expenses, liabilities or other losses that may be asserted by any person or entity, including Contractor, and that arise out of or are in any way connected with this Contract, whether in tort, contract or otherwise, including those acts or omissions of Contractor and any Provider relating to the performance of any duty, obligation, or work hereunder. This duty shall extend to all claims and losses, in their entirety, even when such claims or losses arise from the comparative negligence of the County, its Board of Supervisors, officers, and/or employees. This duty shall include, but not be limited to, claims for bodily injury, property damage, personal injury, and contractual damages or otherwise alleged to be caused by any person or entity including, but not limited to, employees, agents, and officers of Contractor. The duty shall extend to any and all allegations or claims of liability, except in circumstances found by a judge or jury to be the sole and legal result of County negligence or willful misconduct. This duty shall arise at the first claim or allegation of liability against the County. It is the intent of the parties to provide the County the fullest indemnification, defense, and "hold harmless" rights allowed under the law. If any word(s) contained herein are deemed by a court to be in contravention of applicable law, said word(s) shall be severed from this contract and the remaining language shall be given full force and effect.

Insurance.

Contractor, at its sole cost, shall purchase and maintain the insurance policies set forth below on all of its operations under this Contract. All of the insurance companies providing insurance for Contractor shall have, and provide evidence of, an A.M. Best & Co. rating of A:VII or above, unless exception is granted by Risk Manager. Further, all policies shall be maintained for the full term of this Contract and related warranty period if applicable.

Scope and Limits of Required Insurance Policies.

Commercial General Liability.

1. Policy shall include coverage at least as broad as set forth in Insurance Services Office Commercial General Liability Coverage (CG 00 01) with policy limits of not less than two million dollars (\$2,000,000.00) combined single limit per occurrence. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:

The County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Contract.

The insurance provided herein shall be considered primary coverage to the County of San Luis Obispo with respect to any insurance or self insured retention maintained by the County. Further, the County's insurance shall be considered excess insurance only and shall not be called upon to contribute to this insurance.

The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo, Behavioral Health Department.

Business Automobile Policy.

2. Policy shall include coverage at least as broad as set forth in the liability section of Insurance Services Office Business Auto Coverage (CA 00 01) with policy limits of no less than \$1 million dollars combined single limit for each occurrence. Said insurance shall include coverage for owned, non-owned, and hired vehicles. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:

The County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Contract.

The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo, Department of Behavioral Health.

Workers' Compensation / Employer's Liability Insurance.

3. Workers' compensation policy shall provide statutory limits as required by State of California. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:

Contractor and its insurer shall waive all rights of subrogation against the County, its officers and employees for workers' compensation losses arising out of this contract.

The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo, Behavioral Health Department.

Employer's liability policy shall provide one million dollars (\$1,000,000.00) per accident for bodily injury or disease.

Professional Liability (Errors and Omissions).

4. *Professional Liability policy shall be appropriate to the Contractor's profession with limits of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.*

The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the County of San Luis Obispo, Behavioral Health Department.

Deductibles and Self-Insurance Retentions.

All deductibles and/or self-insured retentions which apply to the insurance policies required herein will be declared in writing and approved by the County prior to commencement of this contract.

Documentation.

Prior to commencement of work and annually thereafter for the term of this contract, Contractor will provide to the County of San Luis Obispo, Behavioral Health Department properly executed certificates of insurance clearly evidencing the coverage, limits, and endorsements specified in this contract. Further, at the County's request, the Contractor shall provide copies of endorsements and certified copies of the insurance policies within thirty days of request.

Absence of Insurance Coverage.

County may direct Contractor to immediately cease all activities with respect to this contract if it determines that Contractor fails to carry, in full force and effect, all insurance policies with coverage levels at or above the limits specified in this contract. Any delays or expense caused due to stopping of work and change of insurance shall be considered Contractor's delay and expense.

Nonappropriation of Funds.

During the term of this Contract, if the State or any federal government terminates or reduces its funding to County for services that are to be provided under this Contract, then County may elect to terminate this Contract by giving written notice of termination to Contractor effectively immediately or on such other date as County specifies in the notice. In the event that the term of this Contract extends into fiscal year subsequent to that in which it was approved by the County, continuation of the Contract is contingent on the appropriation of funds by the San Luis Obispo County Board of Supervisors or, if

applicable, provision of State or Federal funding source. If County notifies Contractor in writing that the funds for this Contract have not been appropriated or provided, this Contract will terminate. In such an event, the County shall have no further liability to pay any funds to the Contractor or to furnish any other consideration under this Contract, and the Contractor shall not be obligated to perform any provisions of this Contract or to provide services intended to be funded pursuant to this Contract. If partial funds are appropriated or provided, the County shall have the option to either terminate this Contract with no liability to the County or offer a Contract amendment to the Contractor to reflect the reduced amount.

Force Majeure.

Neither the County nor the Contractor shall be deemed in default in the performance of the terms of this contract if either party is prevented from performing the terms of this Contract by causes beyond its control, including without limitation: acts of God; rulings or decisions by municipal, Federal, States or other governmental bodies; any laws or regulations of such municipal, Federal, States or other governmental bodies; or any catastrophe resulting from flood, fire, explosion, or other causes beyond the control of the defaulting party. Any party delayed by force majeure shall as soon as reasonably possible give the other party written notice of the delay. The party delayed shall use reasonable diligence to correct the cause of the delay, if correctable, and if the condition that caused the delay is corrected, the party delayed shall immediately give the other parties written notice thereof and shall resume performance under this Contract.

Fiscal Controls.

Contractor shall adhere to the accounting requirements, financial reporting, and internal control standards as described in the Auditor-Controller Contract Accounting and Administration Handbook, (Handbook) which contains the minimum required procedures and controls that must be employed by Contractor's accounting and financial reporting system, and which is incorporated herein by reference. The handbook may be modified from time to time and contractor shall comply with modifications from and after the date modified. Contractor shall require subcontractors to adhere to the Handbook for any services funded through this contract, unless otherwise agreed upon in writing by County.

The Handbook is available at <http://www.slocounty.ca.gov/AC/>, under Policies and Procedures or at the Auditor-Controller's Office, 1055 Monterey Street Room D220, County Government Center, San Luis Obispo CA, 93408,

The Office of Management and Budget (OMB) circulars are available at <http://www.whitehouse.gov/omb/circulars>.

State Audit.

Pursuant to California Government Code section 8546.7, every county contract involving the expenditure of funds in excess of ten thousand dollars (\$10,000) is subject to examination and audit of the State Auditor for a period of three years after final payment under the contract.

Nondisclosure.

All reports, information, documents, or any other materials prepared by Contractor under this Contract are the property of the County unless otherwise provided herein. Such reports, information, documents and other materials shall not be disclosed by Contractor without County's prior written consent. Any requests for information shall be forwarded to County along with all copies of the information requested. County shall make sole decision whether and how to release information according to law.

Conflict of Interest.

Contractor acknowledges that Contractor is aware of and understands the provisions of Sections 1090 et seq. and 87100 et seq. of the Government Code, which relate to conflict of interest of public officers and employees. Contractor certifies that Contractor is unaware of any financial or economic interest of any public officer or employee of the County relating to this Contract. Contractor agrees to comply with applicable requirements of Government Code Section 87100 et seq. during the term of this Contract.

Immigration Reform and Control Act.

Contractor acknowledges that Contractor, and all subcontractors hired by Contractor to perform services under this Contract are aware of and understand the Immigration Reform and Control Act ("IRCA") of 1986, Public Law 99-603. Contractor certifies that Contractor is and shall remain in compliance with ICRA and shall ensure that any subcontractors hired by Contractor to perform services under this Contract are in compliance with IRCA.

Third Party Beneficiaries.

It is expressly understood that the enforcement of the terms and conditions and all rights of action related to enforcement, shall be strictly reserved to County and Contractor. Nothing contained in this contract shall give or allow and claim or right of action whatsoever by any other third person.

Tax Information Reporting.

Upon request, Contractor shall submit its tax identification number or social security number, whichever is applicable, in the form of a signed W-9 form, to facilitate appropriate fiscal management and reporting.

Delegation of Authority.

The component of services covered in this Contract and the related compensation rates are anticipated types and rates for services. Accordingly, the Board of Supervisors delegates to the Behavioral Health Administrator the authority to amend this Contract to exchange, delete, or add to the types of services and/or to increase compensation to Contractor up to the change order limits specified in the County's Contracting for Services Policy.

Any amendment made pursuant to a delegation of authority will only be effective if, prior to the commencement of services or extension of said Contract, the amendment is memorialized in writing, is approved by County Counsel, and is signed by the Behavioral Health Administrator and does not exceed the change order limits. This delegation of authority is expressly limited as stated herein.

EXHIBIT E
CONTRACT FOR WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY

SPECIAL CONDITIONS

Compliance with Health Care Laws.

Contractor agrees to abide by all applicable local, State and Federal laws, rules, regulations, guidelines, and directives for the provision of services hereunder, including without limitation, the applicable provisions of the Civil Code, Welfare and Institutions Code, the Health and Safety Code, the Family Code, the California Code of Regulations, the Code of Federal Regulations, and the Health Insurance Portability and Accountability Act. This obligation includes, without limitation, meeting delivery of service requirements, guaranteeing all client's rights provisions are satisfied, and maintaining the confidentiality of patient records.

No Discrimination In Level Of Services.

As a condition for reimbursement, Contractor shall provide to and ensure that clients served under this Contract receive the same level of services as provided to all other clients served regardless of status or source of funding.

Nondiscrimination.

Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Human services, effective June 2, 1977, and found in the Federal Register, Volume 42, No.86 dated May 4, 1977. Contractor shall comply with the provisions of the Americans with Disabilities Act of 1990, the Fair Employment and Housing Act (Government Code section 12900 et seq.) and the applicable regulation promulgated thereunder (Title 2 Section 7285 et seq.) The Contractor shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Contractor shall not engage in any unlawful discriminatory practices in the admission of beneficiaries, assignments of accommodations, access to programs or activities, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual preference or mental or physical handicap.

Quality Assurance.

Contractor agrees to conduct a program of quality assurance and program review that meets all requirements of the State Department of Health Care Services. Contractor agrees to cooperate fully with program monitoring or other programs that may be established by County to promote high standards of mental health care to clients at economical costs.

Compliance Plan.

Contractor and its employees, contractors and agents shall read, acknowledge receipt, and comply with all provisions of the latest edition of the County Mental Health Compliance Plan and Code of Ethics (“Compliance Plan”). The Compliance Plan includes policies and procedures that are designed to prevent and detect fraud, waste and abuse in federal health care programs, as required by Section 6032 of the Deficit Reduction Act (“DRA”). Failure to comply with any Compliance Plan provision, including without limitation, DRA compliance provisions is a material breach of this Contract and grounds for termination for cause. The ethics plan ensures that the conduct of employees reflects the principles of the Mental Health Department to treat consumers, the general public, and other employees with integrity, honesty, courtesy, fairness and to adhere to the requirements set by various federal and statute regulatory agencies. Contractor agrees that all staff employed by Contractor will follow these ethical standards, including compliance with state and federal regulations for safeguarding client information. Contractor will certify, on an annual basis, that it and all of its employees, contractors and agents have read and received a copy of the Compliance Plan and agree to abide by its provisions, and will orientate staff to enforce established standards to ensure organizational and individual compliance. In addition, at the time Contractor hires a new employee, contractor or agent, Contractor will certify that the individual has read and received a copy of the Compliance Plan and agrees to abide by its provisions.

Compliance with County Cultural Competence Plan.

Contractor will meet cultural, ethnic and linguistic backgrounds of the clients served, in accordance with the County Cultural Competence Plan, including access to services in the appropriate language and/or reflecting the appropriate culture or ethnic group. Contractor will certify, on an annual basis, that it and all of its employees, contractors and agents have read and received a copy of the County Cultural Competence Plan and agree to abide by its provisions. Contractor will use professional skills, behaviors, and attitudes in its system that ensures that the system, or those being seen in the system, will work effectively in a cross cultural environment.

Training Program.

Contractor will participate in training programs as provided in Title 22 of the California Code of Regulations, Health Information Portability and Accountability Act, and other appropriate regulations, and as required by County.

Record keeping and reporting of services.

Contractor shall:

Keep complete and accurate records for each client treated pursuant to this Contract, which shall include, but not be limited to, diagnostic and evaluation studies, treatment plans, medication log, progress notes, program compliance, outcome measurement and records of services provided in sufficient detail to permit an evaluation of services without prior notice. Such records shall comply with all applicable Federal, State, and County record maintenance requirements.

Submit informational reports as required by County on forms provided by or acceptable to County with respect to Contractor's program, major incidents, and fiscal activities of the program.

Collect and provide County with all data and information County deems necessary for County to satisfy State reporting requirements, which shall include, without limitation, Medi-Cal Cost reports in accordance with Welfare and Institutions Code 5651(a)(4), 5664(a) and (b), 5705(b)(3), 5718(c) and guidelines established by DHCS. Said information shall be due no later than 90 days after close of fiscal year of each year, unless a written extension is approved by the County. Contractor shall provide such information in accordance with the requirements of the Short-Doyle/Medi-Cal Cost Reporting System Manual, applicable state manuals and/or training materials, and other written guidelines that may be provided by County to Contractor.

State Audits.

Pursuant to California Code of Regulations section 1810.380, Contractor shall be subject to State oversight, including site visits and monitoring of data reports and claims processing; and reviews of program and fiscal operations to verify that medically necessary services are provided in compliance with said code and the contract between the State and County. If the Contractor is determined to be out of compliance with State or Federal laws and regulations, the State may require actions of the County to rectify any out of compliance issue, which may include financial implications. Contractor agrees to be held responsible for their portion of any action the State may impose on the County.

Equipment.

Contractor shall furnish all personnel, supplies, equipment, telephone, furniture, utilities, and quarters necessary for the performance of services pursuant to this Contract with the exception of: any required Behavioral Health forms. County may at its option and at County's sole discretion, elect to provide certain equipment which shall remain County property and be returned to the County upon earlier demand by or in no event later than the termination of the Contract. Contractor may at its option use County provided equipment for non-County clients as long as the equipment in any given instance is not for the sole use of non-County clients.

Screening for Inspector Generals' Excluded Provider List and Medi-Cal List of Excluded Providers.

At the time of securing a new employee or service provider, Contractor shall conduct or cause to be conducted a screening and provide documentation to County certifying that its new employee or service provider is not listed on the Excluded Provider List of the Office of the Inspector General or the Medi-Cal List of Excluded Providers. On an annual basis, Contractor shall conduct or cause to be conducted a screening of all employees, contractors or agents and shall sign a certification documenting that neither Contractor nor any of its employees, contractors or agents are listed on the Excluded Provider List of the Office of the Inspector General or the Medi-Cal List of Excluded Providers. Documentation shall be forwarded to the Mental Health Contracts Coordinator for inclusion in the contract file.

State Department of Health Care Services Contract.

Contractor agrees that this Contract shall be governed by and construed in accordance with the laws, regulations and contractual obligations of County under its agreement with the State Department of Health Care Services to provide specialty mental health services to Medi-Cal beneficiaries of San Luis Obispo County. (Medi-Cal Specialty Mental Health Services, Welfare and Institutions Code section 5775).

Placement Authority.

County will have sole and exclusive right to screen and approve or disapprove clients prior to placement in Contractor's facility. Approval must be obtained in writing by client's case manager or designee prior to placement under this Contract.

Inspection of Records by Local, State or Federal Agency.

The Contractor shall allow the County, State Department of Health Care Services (DHCS), United States Department of Health and Human Services (HHS), the Comptroller General of the United States (Government Accountability Office, GAO), and other authorized federal and state agencies, or their duly authorized representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract and to inspect, evaluate and audit any and all books, records, and facilities maintained by Contractor, pertaining to such service at any time during normal business hours. Books and records include, without limitation, all physical records originated or prepared pursuant to the performance under this Contract including work papers, reports, financial records, books of account, beneficiary records, prescription files, and any other documentation pertaining to covered services and other related services for beneficiaries. Upon request, at any time during the period of this Contract, and for a period of five years thereafter, the Contractor shall furnish any such record, or copy thereof, to County, State DHCS, HHS, or GAO as requested.

Confidentiality.

Contractor shall abide by all applicable local, State and federal laws, rules, regulations, guidelines, and directives regarding the confidentiality and security of patient information, including without limitation, Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code Sections 14100 and 5328 et seq., Section 431.300 et seq. of Title 42 of the Code of Federal Regulations, the Health Insurance Portability and Accountability Act (HIPAA) and its implementing regulations, including but not limited to Title 45 CFR Parts 142, 160, 162 and 164, and the provisions of Exhibit F, and the Business Associate Agreement attached to this Contract and incorporated by this reference. Any conflict between the terms and conditions of this Contract and the Business Associate Agreement are to be read so that the more legally stringent terms and obligations of the Contractor shall control and be given effect. Contractor shall not disclose, except as otherwise

specifically permitted by the Contract or authorized by the client/patient or the law, any such identifying information without prior written authorization in accordance with State and Federal laws.

License Information.

Contractor agrees that all facilities and staff including, but not limited to, all professional and paraprofessional staff used to provide services will maintain throughout the term of this Contract, such qualifications, licenses and/or permits as are required by state, federal or local law. Contractor shall provide County a list of all licensed persons who may be providing services under this Contract, if applicable. The list shall include the name, title, professional degree, license number, and NPI number.

Gifts.

Gifts may not be charged to this Contract, whether to Contractor staff or anyone else. However, incentive items for youth clients used in a clinical behavioral modification program are allowed with clinical documentation and compliance with established County procedures.

Professional Liability Insurance Policy (“PL”).

Contractor shall maintain a Professional Liability Insurance policy during the entire term of this contract. This policy shall cover damages, liabilities, and costs incurred as a result of Contractor’s professional errors and omissions or malpractice. This policy shall include a coverage limit of at least One Million Dollars (\$1,000,000) per claim, including the annual aggregate for all claims (such coverage shall apply during the performance of the services under this Contract and for two (2) years thereafter with respect to incidents which occur during the performance of the Contract). Contractor shall notify the County if any annual aggregate is eroded by more than seventy-five percent (75%) in any given year.

Reports of Death, Injury, Damage or Abuse.

If the County discovers any practice, procedure, or policy of the Contractor which deviates from the requirements of this Contract, violates federal or state law, threatens the success of the program conducted pursuant to this Contract, jeopardizes the fiscal integrity of such program, or compromises the health or safety of recipients of service, County may require corrective action, withhold payment in whole or in part, or terminate this Contract immediately. If County notifies Contractor that corrective action is required, Contractor shall promptly initiate and correct any and all discrepancies, violations or deficiencies to the satisfaction of the County within thirty (30) days, unless County notifies Contractor that it is necessary to make corrections at an earlier date in order to protect the health and safety of recipients of service.

Contractor agrees to notify the County immediately should Contractor be investigated, charged, or convicted of a health care related offense. During the pendency of any such proceedings, Contractor shall keep the County fully informed about the status of such proceedings and to consult with the County prior to taking any action which will directly impact the County. This Contract may be terminated immediately by County upon the

actual exclusion, debarment, loss of licensure, or conviction of Contractor of a health care offense. Contractor will indemnify, defend, and hold harmless the County for any loss or damage resulting from the conviction, debarment, or exclusion of Contractor or subcontractors.

If Contractor is an in-patient facility, Contractor shall submit its patient admissions and length of stay requests for utilization review through existing hospital systems or professional standards review organizations.

REPORTS OF DEATH, INJURY, DAMAGE, OR ABUSE

A. Reports of Death, Injury, or Damage. If death, serious personal injury, or substantial property damage occur in connection with the performance of this Contract and involving County's clients, Contractor shall immediately notify the Behavioral Health Administrator by telephone. In addition, Contractor shall promptly submit to County a written report including: (1) the name and address of the injured /deceased person; (2) the time and location of the incident; (3) the names and addresses of Contractor's employees or agents who were involved with the incident; (4) the names of County employees, if any, involved with the incident; and (5) a detailed description of the incident.

B. Child Abuse Reporting. Contractor shall ensure that all known or suspect instances of child abuse or neglect are promptly reported to proper authorities as required by the Child Abuse and Neglect Reporting Act, Penal Code § 11164, et seq. Contractor shall require that all of its employees, consultants, and agents performing services under this Contract who are mandated reporters under the Act sign statements indicating that they know of and will comply with the Act's reporting requirements.

C. Elder Abuse Reporting. Contractor shall ensure that all known or suspected instances of abuse or neglect of elderly people 65 years of age or older and dependent adults age 18 or older are promptly reported to proper authorities as required by the Elder Abuse and Dependent Adult Protection Act (Welfare and Institutions Code § 15600 Code, et seq.). Contractor shall require that all of its employees, consultants, and agents performing services under this Contract who are mandated reporters under the Act sign statements indicating that they know of and will comply with the Act's reporting requirements.

Disclosure of Unusual Incidents.

Contractor shall notify the County's Behavioral Health Administrator, by telephone, of the violation of any provision of this Contract within 24 hours of obtaining reasonable cause to believe such a violation occurred. Notice of such violation shall be confirmed by deliver to the Behavioral Health Administrator, within 72 hours of obtaining a reasonable cause to believe that such violation occurred, of a written notice which shall describe the violation in detail. Contractor shall comply with state law and the County's policies and requirements concerning the reporting of unusually occurrences and incidents.

EXHIBIT F
CONTRACT FOR WOMEN WITH CHILDREN RESIDENTIAL RECOVERY FACILITY
BUSINESS ASSOCIATE AGREEMENT

1. Use and Disclosure of Protected Health Information (PHI).

Except as otherwise provided in this Exhibit, Contractor may use PHI to perform functions, activities or services for or on behalf of the County, as specified in the underlying Agreement, provided that such use does not violate HIPAA or other law. The uses and disclosures of PHI may not exceed the limitations applicable to the County under the regulations except as authorized for management, administrative or legal responsibilities of the Contractor.

2. Safeguarding Protected Health Information.

Contractor agrees to use appropriate safeguards to prevent the unauthorized use or disclosure of PHI. Contractor shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI that Contractor creates, receives, maintains or transmits on behalf of the County; and to prevent use or disclosure of protected information other than as provided in this Contract.

The actions taken by Contractor to protect Electronic PHI shall include, without limitation: (1) Encrypting Electronic PHI that it stores and transmits; (2) Implementing strong access controls, including physical locks, firewalls and strong passwords; (3) Using antivirus software that is upgraded regularly; (4) Adopting contingency planning policies and procedures, including data backup and disaster recovery plans; and (4) Conducting periodic security training.

3. Unauthorized Use or Disclosure of Protected Health Information.

Contractor shall comply with all applicable federal, state and local laws, rules and regulations that are in effect at the inception of this Agreement and that become effective during the term of this agreement, including, without limitations, HIPAA. Contractor agrees to report to County any use or disclosure of the PHI not permitted under this Agreement or otherwise in violation of HIPAA. Contractor shall report any such incidents to County within twenty four (24) hours of becoming aware of such an incident. Contractor shall take prompt corrective action to cure any deficiencies and any action pertaining to the unauthorized disclosure.

4. Agents or Subcontractors of Contractor.

The Contractor shall ensure that any agent, including a subcontractor, to which the Contractor provides PHI received from, or created by or received by the Contractor on behalf of the County, shall comply with the same restrictions and conditions that apply through the underlying Agreement to the Contractor with respect to such information.

^a Protected Health Information includes without limitation, all individually identifiable health information including, without limitation, all information, data, documentation and materials, including without limitation, demographic, medical and financial information, that relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. Protected Health Information also includes such information, which is transmitted by or maintained in electronic media.

The Contractor shall ensure that any agent to whom it provides PHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such PHI. Contractor shall not use subcontractors or agents, unless it receives prior written consent from County.

5. County Access to Protected Health Information.

At the request of the County, and in the time and manner designated by the County, Contractor shall provide access to PHI to an Individual or the County in order to meet the requirements of 45 C.F.R. section 164.524, which provides patients with the right to access and copy their own PHI. Requests for PHI will be honored within a reasonable amount of time to accumulate the data requested.

6. Employee Training and Discipline.

Contractor shall train and use reasonable measures to ensure compliance with the requirements of this Exhibit by employees who assist in the performance of functions or activities on behalf of County under this Contract and use or disclose protected information; and discipline employees who intentionally violate any provisions.

7. Amendments to Records.

Contractor agrees to make any amendments to the PHI as directed or agreed to by County pursuant to 45 C.F.R. section 164.526 within a reasonable time of receiving such a request.

8. Access to Records.

Contractor agrees to make available its internal practices, books, and reports, including policies and procedures, relating to the use, disclosure, security and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, to County or to the Secretary of the Department of Health and Human Services for purposes of determining compliance with HIPAA, in the time and manner designated by the County or Secretary.

9. Documentation of Uses and Disclosures.

Contractor agrees to document disclosures of PHI, and information related to such disclosures, as would be required for the County to respond to a request by an Individual for an accounting of disclosures in accordance with 45 C.F.R. section 164.528. Requests for PHI will be honored within a reasonable amount of time to accumulate the data requested. Contractor agrees to implement a process that allows for an accounting to be collected and maintained by Contractor for at least six years prior to the request, but not before the compliance date of the Privacy Rule.

10. Accounting of Disclosures.

The Contractor shall provide to the County or an Individual, in the time and manner designated by the County, information collected in accordance with 45 C.F.R. section 164.528, to permit the County to respond to a request by the Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. section 164.528.

11. Destruction of Protected Health Information.

Upon termination of the underlying Agreement for any reason, Contractor shall return or destroy all PHI received from County, or created or received by Contractor on behalf of County. This provision shall apply to PHI that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI. However, Contractor shall retain

all PHI throughout the term of the underlying Agreement and shall continue to maintain the information required under Section 8 of this Agreement for a period of six years after termination of the underlying Agreement.

In the event that Contractor determines that returning or destroying the PHI is infeasible, Contractor shall notify County of the conditions that make return or destruction infeasible. If the County agrees that return or destruction of the PHI is infeasible, Contractor shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of the information to those purposes that make the return or destruction infeasible, as long as Contractor maintains the information.

12. Mitigation of Disallowed Uses and Disclosures.

Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by the Contractor in violation of the requirements of the underlying Agreement or HIPAA.

13. Definitions.

Terms, used but not otherwise defined in this Exhibit shall have the same meaning as those in the Privacy Rule.

14. Interpretation.

Any ambiguity in this Exhibit shall be resolved to permit County to comply with HIPAA.

15. Termination.

The underlying Agreement is subject to termination by the County upon knowledge of a material breach of the terms of this Exhibit by the Contractor of which Contractor fails to cure to the satisfaction of the County.

16. Amendment.

The Parties acknowledge that Federal and State laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Exhibit may be required to provide for new procedures to ensure compliance with these developments. Contractor specifically agrees to take such action as is necessary to implement the standards and requirements of HIPAA, the HIPAA regulations and other applicable laws relating to security or privacy of protected information. Upon County's request, Contractor agrees to promptly enter into negotiations with County concerning an amendment to this Exhibit, which will embody the new standards and requirements. County may terminate the Contract upon thirty (30) days notice in the event that Contractor does not promptly enter into negotiations to amend this Exhibit or Contractor does not enter into an amendment, which the County, in its sole discretion, deems sufficient to satisfy the new standards and requirements.