

PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA AND SHASTA COMMUNITY HEALTH CENTER

This Agreement is entered into between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency (“County”), and Shasta Community Health Center, a California not-for-profit corporation (“Consultant”), (collectively, the “Parties” and individually a “Party”), for the coordination of health, behavioral health, and social services through a Whole Person Care program (“Program”).

Section 1. DEFINITIONS.

For the purposes of this Agreement, the following definitions shall apply:

- A. **Delivery Infrastructure:** Costs associated with hiring, training, and developing an operational Intensive Medical Case Management Team and Participant case load for County fiscal year (FY) 2016-17. Delivery Infrastructure development shall conclude no later than 06/30/2018.
- B. **Incentive Payments – Permanent Housing:** Payments made for each Whole Person Care Participant, up to budgetary limits identified in budget, attached hereto and incorporated herein as **EXHIBIT B, Whole Person Care Pilot Project Budget**, attached and incorporated herein, who receives and stays in permanent housing for at least six consecutive months following determination of program participation by County.
- C. **Incentive Payments – Reduced Emergency Department Utilization:** Payments made for each WPC Participant, up to budgetary limits identified in **EXHIBIT B**, who has less than two emergency department visits for six consecutive months following determination of program participation by County.
- D. **Intensive Medical Case Management (“IMCM”):** The provision of comprehensive assessments, patient-centered care plans, care coordination, nursing support for management of chronic conditions, home visits, coordination with housing case manager, and medication monitoring support by an intensive medical case management team, including, but not limited to, a Registered Nurse case manager and a Patient Navigator.
- E. **Patient Navigator:** Supports engagement and management of chronic medical conditions and access to social non-medical services for WPC Participants.
- F. **Pay for Reporting:** Payments made to support time spent on collecting and reporting required data related to Whole Person Care Program enrolled Participants including, but not limited to, clinical encounter data, case management services data, and preparation of semi-annual progress reports.
- G. **Per Member/Per Month (“PMPM”) Bundle:** Bundle is for Intensive Medical Case Management services following Delivery Infrastructure development, beginning in County FY 2017-18 on 09/01/2017 and throughout FY’s 2020-22.
- H. **Target Population:** Adults (age 18-64) who are homeless or at risk of becoming homeless and who have had two or more Emergency Department (ED) visits or a hospitalization in a County specified time period prior to WPC screening

(“Participant”). In addition, these individuals may have one or more of the following risk factors: diagnosis of Serious Mental Illness (SMI), diagnosis of Substance Use Disorder (SUD), or an undiagnosed/undisclosed opioid addiction.

- I. **Whole Person Care (“WPC”) Participant (“Participant”):** Individuals who meet the Target Population criteria and agree to actively connect with providers of WPC Program services.
- J. **WPC Pilot Team:** Committee comprised of lead entity and participating entity staff or designees who design and implement the WPC Program.
- K. **WPC Program:** Program that provides each Participant with connection to a patient centered health home, a case management system that is supportive in accessing medical and social non-medical services, referral to outpatient and/or residential substance use treatment services when clinically indicated, and stable housing that supports both behavioral and physical health.
- L. **WPC Steering Committee:** Committee consisting of representatives from the County (“Lead Entity”), participating entities and other agencies involved in the coordination of physical health, behavioral health, and substance use disorders through the Shasta Health Assessment and Redesign Collaborative (SHARC) behavioral health subcommittee.

Section 2. RESPONSIBILITIES OF CONSULTANT.

- A. Pursuant to the terms and conditions of this Agreement, Consultant shall:
 - (1) Beginning 01/01/2017, provide Delivery Infrastructure services including but not limited to:
 - a. Hiring staff for first IMCM team, composed of:
 - 1. 1.00 Full Time Equivalent (FTE) Registered Nurse (RN) Case Manager, and
 - 2. 1.00 FTE Patient Navigator.
 - b. Identify and enroll eligible Participants in WPC Program, to build a sustainable PMPM caseload, including but not limited to: time spent developing internal systems for Participant referral, data collection and reporting, service model development, and collaboration with other WPC Pilot Team members to coordinate care for Participants.
 - (2) Provide Training based upon needs determined by Consultant to staff. Trainings shall include, but not be limited to:
 - a. Building capacity for care coordination.
 - b. Integrating evidence-based strategies into practice.
 - c. Building capacity for cross agency collaboration.
 - d. Educating staff on data and information sharing policies and procedures.
 - e. Supporting data collection, reporting and continuous quality improvement practices.

- (3) Work with each Participant to stay in permanent housing and reduce emergency department utilization. Incentive Payments—Permanent Housing and Incentive Payments Reduced Emergency Department Utilization shall be paid by County to Consultant, as determined by County based on data from monthly reports outlined in Section 2.A.6 and 2.A.7. Incentive payments shall be paid as set forth in budget as prescribed in **EXHIBIT B**, following approval by State Department of Healthcare Services (DHCS).
 - a. Incentive Payments – Permanent Housing shall be paid to Consultant once every six months for each Participant who remains in permanent housing for six consecutive months, not to exceed \$6,250 during County FY 2017-18, \$6,250 during County FY 2018-19, \$6,250 during County FY 2019-20, and \$3,125 during County FY's 2020-21 and 2021-22, ending 12/31/2021.
 - b. Incentive Payments – Reduced Emergency Department Utilization shall be paid to Consultant once every six months for each Participant who has less than two emergency department visits for six consecutive months, not to exceed \$18,750 during County FY 2017-18, \$18,750 during County FY 2018-19, \$18,750 during County FY 2019-20, and \$9,375 during County FY's 2020-21 and 2021-22, ending 12/31/2021.
- (4) Provide IMCM to WPC Program enrolled Participants. Services to Participants as part of the IMCM PMPM Bundle shall include:
 - a. Outreach: Develops trusting relationship with Participant and serves as a link to primary, specialty and ancillary services. This outreach will be done in coordination with any outreach conducted by the mental health resource center to ensure there is no duplication of service
 - b. Assessment: Identifies acuity level using standard scale, identify medical and social risks, identify substance use (diagnosed or not), assess level of self-care and engagement in health activities
 - c. Care Coordination and Patient Empowerment: Works with Participant and care providers to develop and adhere to shared action plan and meets with care providers to support coordination of plan of care; home visits (frequency based on acuity level) to support achievement of goals
 - d. Education: Provides coaching in self-management skills and behavior change
 - e. Utilization Review: Reviews admissions, discharges, ED visits from last 24 hours and conducts follow-up with Participant
- (5) Create and provide for subsequent IMCM Teams, as determined by the WPC Pilot Team and the WPC Steering Committee, that consist of the following Full Time Equivalent (FTE) staffing positions:
 - a. 1.00 FTE Registered Nurse (RN) Case Manager, and
 - b. 1.00 FTE Patient Navigator.
- (6) IMCM shall be available to Participants on Consultant business days during Consultant's regular business hours.

- (7) Prepare and provide to County, a monthly written report including all currently enrolled Participants in a format to be determined by County, due by the 15th of each month for the preceding month for programs included in the WPC Program. Monthly reports shall include, but not be limited to:
 - a. Participant contact attempts, contacts, type and duration of contact, and;
 - b. Participant services including types and number of services provided
 - (8) Prepare and provide to County, semi-annual written reports including all currently enrolled Participants in a format to be determined by County, due by January 15 and July 15 of each County fiscal year. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. Semi-annual reports shall include but not be limited to:
 - a. Number of ED visits
 - b. Inpatient utilization including general hospital or acute care
 - c. Initiation and engagement of alcohol and other drug dependence treatment
 - d. Comprehensive diabetes care, Participant diabetes related blood test results
 - e. Depression screening scores from Patient Health Questionnaire (PHQ9) tool.
 - f. Most recent date of suicide risk assessment
 - (9) Provide a representative who will serve as Consultant's member of the WPC Pilot Team and who will attend all meetings, as deemed necessary by County.
 - (10) Prior to providing services, assist Participants in completing County approved Release of Information (ROI), attached and incorporated herein as **EXHIBIT C**, or ensure that a completed ROI is on file.
 - (11) Maintain medical records for all Participants.
 - (12) Maintain records required to determine WPC Program eligibility, participation of Participants, and other records as specified by County, including but not limited to:
 - a. Multi-party bidirectional ROI, updated annually or more frequently as directed by the Participant or required by County.
 - b. Comprehensive care plan, updated in collaboration with members of the WPC Pilot Team and Participant.
 - (13) Participate in caseload and care coordination activities for the purpose of improving outcomes for Participants.
- B. By signing this agreement, acknowledge that Consultant has read and understands and shall comply with all applicable terms and conditions of California Department of Health Care Services Agreement No. 16-14184-SH-45, attached and incorporated herein as **EXHIBIT A**.
- C. As required by Government Code section 7550, each document or report prepared by Consultant for or under the direction of County pursuant to this Agreement shall contain the numbers and dollar amount of the Agreement and all subcontracts under the Agreement relating to the preparation of the document or written report. If multiple

documents or written reports are the subject of the Agreement or subcontracts, the disclosure section may also contain a statement indicating that the total Agreement amount represents compensation for multiple documents or written reports. Consultant shall label the bottom of the last page of the document or report as follows: department name, Agreement number, and dollar amount. If more than one document or report is produced under this Agreement, Consultant shall add: "This [document or report] is one of [number] produced under this Agreement."

- D. Acknowledge the funding source of all activities undertaken pursuant to this Agreement including in any educational and training materials, audio visual aids, interviews with the press, flyers, or publications the following statement: "This activity (or program) has been funded (or sponsored) by the County of Shasta through the California Department of Health Care Services."

Section 3. RESPONSIBILITIES OF COUNTY.

Pursuant to the terms and conditions of this Agreement, County shall:

- A. Serve as Lead Entity responsible for coordinating and monitoring the WPC Program in accordance with DHCS Agreement No. 16-14184-SH-45.
- B. Compensate Consultant as prescribed in sections 4 and 5 of this Agreement and monitor the outcomes achieved by Consultant.
- C. Monitor and evaluate the performance of Consultant throughout the term of this Agreement to assure compliance with the terms of this Agreement.

Section 4. COMPENSATION.

- A. County shall compensate Consultant for the following services during the term of this agreement:
 - (1) Delivery Infrastructure, in accordance with Sections 1.A, 2.A.1 above and **EXHIBIT B**, in an amount not to exceed \$99,636 for FY 2016-17, and \$49,113 for FY 2017-18. Maximum amount payable for Delivery Infrastructure, for the entire term of the Agreement shall not exceed \$148,749. No additional Delivery Infrastructure payments shall be available for reimbursement after 06/30/2018.
 - (2) Training, in accordance with Section 2.A.2 above and **EXHIBIT B**, in an amount not to exceed \$2,500 for FY 2016-17; \$5,000 for FY 2017-18; \$5,000 FY 2018-19; \$5,000 for FY 2019-20; and \$2,500 for FY 2020-2022. Maximum amount payable for Training for the entire term of the Agreement shall not exceed \$20,000.
 - (3) Incentive Payments, in accordance with Sections 1.A.B, 1.A.C, 2.A.3 above, and **EXHIBIT B**, in an amount not to exceed \$25,000 for FY 2017-18; \$25,000 for FY 2018-19; \$25,000 for FY 2019-2020; and \$12,500 for FY 2020-2022. Maximum amount payable for Incentive Payments for the entire term of the Agreement shall not exceed \$87,500 once verified by the State Department of Healthcare Services (DHCS).
 - (4) PMPM Bundle, in accordance with Sections 1.A.G and 2.A.4 above, and **EXHIBIT B**, in an amount not to exceed \$595,000 for FY 2017-18; \$595,000 for

FY 2018-19; \$595,000 for FY 2019-20; and \$297,500 for FY 2020-2022. Maximum amount payable for PMPM Bundle for the entire term of the Agreement shall not exceed \$2,082,500.

- (5) Reporting, in accordance with Sections 2.A.6 and 2.A.7 above, and **EXHIBIT B**, in an amount not to exceed \$4,200 for FY 2016-17; \$8,400 for FY 2017-18; \$8,400 for FY 2018-19; \$8,400 for FY 2019-20; \$4,200 for FY 2020-2022. Maximum amount payable for Reporting for the entire term of the Agreement shall not exceed \$33,600.
- B. In no event, shall the maximum compensation payable under this agreement exceed \$2,372,349.
- C. Consultant's violation or breach of Agreement terms may result in fiscal penalties, withholding of compensation, or termination of Agreement.

Section 5. BILLING AND PAYMENT.

- A. Consultant shall submit to HHS Business and Support Services Branch, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005 monthly by the 15th day of each month for services rendered the preceding month, and in accordance with the Budget, a billhead or invoice regularly used in the conduct of business of the Consultant and accompanied, upon request, by a written Expenditure Report in a format approved by County. County shall make payment within 30 days of receipt of Consultant's correct and approved billhead or invoice.
- B. Compensation under this Agreement shall be reduced by applicable Consultant revenues. The term "applicable Consultant revenues" refers to those receipts or reductions in expenditures or costs which operate to offset or reduce expense or cost items that are allocable to Consultant's compensation under this Agreement (such as but not limited to: purchase discounts, rebates or allowances, insurance refunds and adjustments or overpayment, or other erroneous charges). To the extent that applicable contractor revenues, accruing or received by Consultant relate to allowable costs, they shall be credited to County either as a reduction, or a cash refund, as appropriate.
- C. Should County, or the state or federal government, disallow any amount claimed by Consultant, Consultant shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed cost.

Section 6. TERM OF AGREEMENT.

This Agreement shall commence as of January 1, 2017, and shall end December 31, 2020. Notwithstanding the foregoing, County shall not be obligated for payments hereunder for any future County fiscal year unless or until County's Board of Supervisors appropriates funds for this Agreement in County's budget for that County fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall end as of June 30 of the last County fiscal year for which funds for this Agreement were appropriated. For the purposes of this Agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify Consultant in writing of such non-appropriation at the earliest possible date.

Section 7. TERMINATION OF AGREEMENT.

- A. If Consultant materially fails to perform Consultant's responsibilities under this Agreement to the satisfaction of County, or if Consultant fails to fulfill in a timely and professional manner Consultant's responsibilities under this Agreement, or if Consultant violates any of the terms or provisions of this Agreement, then County shall have the right to terminate this Agreement for cause effective immediately upon the County giving written notice thereof to Consultant. If termination for cause is given by County to Consultant and it is later determined that Consultant was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this section.
- B. County may terminate this Agreement without cause on 30 days written notice to Consultant.
- C. County may terminate this Agreement immediately upon oral notice should funding cease or be materially decreased during the term of this Agreement.
- D. County's right to terminate this Agreement may be exercised by the Shasta County Board of Supervisors, the County Executive Officer, Health and Human Services Agency ("HHSA") Director or any HHSA Branch Director designated by the HHSA Director.
- E. Should this Agreement be terminated, Consultant shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Consultant pursuant to this Agreement.
- F. If this Agreement is terminated, Consultant shall only be paid for services satisfactorily completed and provided prior to the effective date of termination.

Section 8. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. This Agreement supersedes all previous agreements relating to the subject of this Agreement and constitutes the entire understanding of the Parties hereto. Consultant shall be entitled to no other benefits other than those specified herein. Consultant specifically acknowledges that in entering into and executing this Agreement, Consultant relies solely upon the provisions contained in this Agreement and no others.
- B. No changes, amendments, or alterations to this Agreement shall be effective unless in writing and signed by both Parties. Amendments to Exhibit C, including retroactive, may be agreed to in writing between Consultant and the HHSA Director. However, notwithstanding amendments to Exhibit C, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this Agreement and do not cause an increase to the maximum amount payable under this Agreement may be agreed to in writing between Consultant and the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, provided that the amendment is in substantially the same format as the County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).

- C. The headings that appear in this Agreement are for reference purposes only and shall not affect the meaning or construction of this Agreement.
- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this Agreement and the provisions of any of this Agreement's exhibits or appendices, the provisions of this Agreement shall govern.

Section 9. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this Agreement is intended to secure the specialized services of Consultant, Consultant may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this Agreement shall not be deemed to be a waiver of any other breach.

Section 10. EMPLOYMENT STATUS OF CONSULTANT.

Consultant shall, during the entire term of this Agreement, be construed to be an independent contractor, and nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Consultant performs the work or services that are the subject matter of this Agreement; provided, however, that the work or services to be provided by Consultant shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of County is to insure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. Consultant shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Consultant were a County employee. County shall not be liable for deductions for any amount for any purpose from Consultant's compensation. Consultant shall not be eligible for coverage under County's workers' compensation insurance plan nor shall Consultant be eligible for any other County benefit. Consultant must issue W-2 and 941 Forms for income and employment tax purposes, for all of Consultant's assigned personnel under the terms and conditions of this Agreement.

Section 11. INDEMNIFICATION.

To the fullest extent permitted by law, Consultant shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Consultant, or by any of Consultant's subcontractors, any person employed under Consultant, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. Consultant shall also, at Consultant's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against County, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Consultant, or any of Consultant's subcontractors, any person employed under Consultant, or under any Subcontractor, or in any capacity.

Consultant shall also defend and indemnify County for any adverse determination made by the Internal Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless County with respect to Consultant's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 12. INSURANCE COVERAGE.

- A. Without limiting Consultant's duties of defense and indemnification, Consultant and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this Agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect the County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Consultant and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Consultant, subcontractor, Consultant's partner(s), subcontractor's partner(s), Consultant's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Consultant or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against County, its elected officials, officers, employees, agents, and volunteers which might arise in connection with this Agreement. Consultant hereby certifies that Consultant is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Consultant shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this Agreement.
- C. Consultant shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million.
- D. Consultant shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Consultant pursuant to this Agreement.
- E. With regard to all insurance coverage required by this Agreement:
 - (1) Any deductible or self-insured retention exceeding \$25,000 for Consultant or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this Agreement.
 - (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Consultant or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of

this Agreement and continue coverage for a period of three years after the expiration of this Agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Consultant or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this Agreement.

- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled, a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this Agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
- (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a "separation of insureds" clause which shall read:

"Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
 - b. Separately to each suit insured against whom a claim is made or suit is brought."
- (5) Consultant shall provide County with an endorsement or amendment to Consultant's policy of insurance as evidence of insurance protection before the effective date of this Agreement.
 - (6) The insurance coverage required herein shall be in effect at all times during the term of this Agreement. In the event any insurance coverage expires at any time during the term of this Agreement, Consultant shall provide, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement or for a period of not less than one year. In the event Consultant fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this Agreement, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
 - (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Consultant shall provide County a certificate of insurance reflecting those limits.

- (8) Any of Consultant's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of County.

Section 13. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with Consultant or if any lawsuit is instituted concerning Consultant's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Consultant shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this Agreement.
- B. Any dispute between the Parties, and the interpretation of this Agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 14. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. Consultant shall observe and comply with all applicable present and future federal laws, state laws, local laws, codes, rules, regulations, and/or orders that relate to the work or services to be provided pursuant to this Agreement.
- B. Consultant shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS) physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.
- C. Consultant represents that Consultant is in compliance with and agrees that Consultant shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. No funds or compensation received by Consultant under this Agreement shall be used by Consultant for sectarian worship, instruction, or proselytization. No funds or compensation received by Consultant under this Agreement shall be used to provide direct, immediate, or substantial support to any religious activity.
- E. In addition to any other provisions of this Agreement, Consultant shall be solely responsible for any and all damages caused, and/or penalties levied, as the result of Consultant's noncompliance with the provisions of this section.

Section 15. ACCESS TO RECORDS; RECORDS RETENTION.

- A. County, federal, and state officials shall have access to any books, documents, papers, and records of Consultant that are directly pertinent to the subject matter of this Agreement for the purpose of auditing or examining the activities of Consultant or County. Except where longer retention is required by federal or state law, Consultant

shall maintain all records for five years after County makes final payment hereunder. This provision shall survive the termination, expiration, or cancellation of this Agreement.

- B. Consultant shall maintain appropriate records to insure a proper accounting of all funds and expenditures pertaining to the work performed or the services provided pursuant to this Agreement. Consultant shall maintain records providing information that account for all funds and expenses related to the provision of services provided pursuant to this Agreement. Access to these records shall be provided to County during working days, 8:00 a.m. to 5:00 p.m. and at other times upon reasonable notice by County, and upon request of state and federal agencies charged with the administration of programs related to the work or services to be provided pursuant to this Agreement.
- C. Consultant agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or County audit directly related to the provisions of this Agreement. Consultant agrees to repay County the full amount of payment received for duplicate billings, erroneous billings, audit exceptions, or false or deceptive claims. Consultant agrees that County may withhold any money due and recover through any appropriate method any money erroneously paid under this Agreement if evidence exists of less than full compliance with this Agreement including, but not limited to, exercising a right of set-off against any compensation payable to Consultant.

Section 16. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

Consultant's failure to comply with state and federal child, family, and spousal support reporting requirements regarding Consultant's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this Agreement. Consultant's failure to cure such default within 90 days of notice by County shall be grounds for termination of this Agreement.

Section 17. LICENSES AND PERMITS.

Consultant, and Consultant's officers, employees, and agents performing the work or services required by this Agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by County.

Section 18. PERFORMANCE STANDARDS.

Consultant shall perform the work or services required by this Agreement in accordance with the industry and/or professional standards applicable to Consultant's work or services.

Section 19. CONFLICTS OF INTEREST.

Consultant and Consultant's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this Agreement.

Section 20. NOTICES.

- A. Except as provided in section 7.C. of this Agreement (oral notice of termination due to insufficient funding), any notices required or permitted pursuant to the terms and provisions of this Agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing. Such notice shall be deemed given: (1) upon personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to County: Branch Director
 HHS Adult Services Branch
 Attn: Contracts Unit
 2640 Breslauer Way
 Redding, CA 96001
 Phone: (530) 225-5900
 Fax: (530) 225-5977

If to Consultant: Chief Executive Officer
 Shasta Community Health Center
 1035 Placer Street
 Redding, CA 96001
 Phone: (530) 245-5704
 Fax: (530) 241-7831

- B. Any oral notice authorized by this Agreement shall be given to the persons specified in Section 20.A. and shall be deemed to be effective immediately.
- C. Unless otherwise stated in this Agreement, any written or oral notices on behalf of the County as provided for in this Agreement may be executed and/or exercised by the County Executive Officer.

Section 21. AGREEMENT PREPARATION.

It is agreed and understood by the Parties that this Agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this Agreement within the meaning of section 1654 of the Civil Code.

Section 22. COMPLIANCE WITH POLITICAL REFORM ACT.

Consultant shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard

to any obligation on the part of Consultant to disclose financial interests and to recuse from influencing any County decision which may affect Consultant's financial interests. If required by the County's Conflict of Interest Code, Consultant shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 23. PROPERTY TAXES.

Consultant represents and warrants that Consultant, on the date of execution of this Agreement, (1) has paid all property taxes for which Consultant is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. Consultant shall make timely payment of all property taxes at all times during the term of this Agreement.

Section 24. SEVERABILITY.

If any portion of this Agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

Section 25. CONFIDENTIALITY.

During the term of this Agreement, both Parties may have access to information that is confidential or proprietary in nature. Both Parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other Party or as required by law. This provision shall survive the termination, expiration, or cancellation of this Agreement.

Section 26. CONFIDENTIALITY OF PATIENT INFORMATION.

All information and records obtained in the course of providing services under this Agreement shall be confidential, and Consultant and all of Consultant's employees, volunteers, agents, and officers shall comply with state and federal requirements regarding confidentiality of patient information (including, but not limited to, sections, 5328, 10850, and 14100.2 of the California Welfare and Institutions Code; Health and Safety sections 11845.5 and 11812, 22 California Code of Regulations section 51009; California Civil Code section 56.10; the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations adopted pursuant thereto; Title 42, Code of Federal Regulations, Part 2; and Title 45, Code of Federal Regulations, section 205.50). All applicable regulations and statutes relating to patients' rights shall be adhered to. No list of services of persons receiving services under this Agreement shall be published, disclosed, or used for any other purpose except for the direct administration of the program or other uses authorized by law that are not in conflict with requirements of confidentiality. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 27. SCOPE AND OWNERSHIP OF WORK.

All research data, reports, and every other work product of any kind or character arising from or relating to this Agreement shall become the property of the County and be delivered to the County upon completion of its authorized use pursuant to this Agreement. County may use such work products for any purpose whatsoever. All works produced under this Agreement shall be deemed works produced by a contractor for hire, and all copyright with respect thereto shall vest in the County without payment of royalty or any other additional compensation. Notwithstanding anything to the contrary contained in this Agreement, Consultant shall retain all of Consultant's rights in Consultant's own proprietary information, including, without limitation, Consultant's methodologies and methods of analysis, ideas, concepts, expressions, know how, methods, techniques, skills, knowledge, and experience possessed by Consultant prior to, or acquired by Consultant during the performance of this Agreement and Consultant shall not be restricted in any way with respect thereto.

Section 28. USE OF COUNTY PROPERTY.

Consultant shall not use County premises, property (including equipment, instruments, and supplies), or personnel for any purpose other than in the performance of Consultant's obligations under this Agreement.

Section 29. APPLICATION OF OTHER AGREEMENTS.

Consultant and Consultant's officers, agents, employees, and volunteers, and any of Consultant's subcontractors shall comply with all terms and provisions imposed upon any subcontractor of County by **EXHIBIT A**.

Section 30. FINANCIAL RECORDS.

Consultant shall maintain financial records that clearly reflect the cost of each type of service for which compensation under this Agreement is claimed. Any apportionment of costs shall be made in accordance with generally accepted accounting principles and shall evidence proper audit trails reflecting the true cost of the services rendered. Appropriate service and financial records must be maintained and retained for seven years following the close of the fiscal year to which the records pertain. This provision shall survive the termination, expiration, or cancellation of this Agreement.

Section 31. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT.

The Parties acknowledge the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Consultant understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information. The Parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Consultant understands and

agrees that it is independently responsible for compliance with HIPAA and agrees to take all necessary actions to comply with the requirements of HIPAA related to transactions and code sets, privacy, and security. Consultant agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless County (including County's officers, employees, and agents), for damages that are attributable to such failure. The indemnification provided for in this section is in addition to, and does not in any way limit, the hold harmless, indemnification, and defense obligations of Consultant that are provided for in Section 11.

Section 32. COUNTY'S RIGHT OF SETOFF.

To the fullest extent permitted by law, County shall have the right but not the obligation, to setoff, in whole or in part, against any compensation owed to Consultant or any of its subsidiaries under any contract with the County, any amount of any Federal or State audit liability owed by or claimed or asserted against the County or any amounts owed to County by Consultant or its subsidiaries.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, County and Consultant have executed this Agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this Agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

_____, CHAIRMAN

Board of Supervisors
County of Shasta
State of California

ATTEST:

LAWRENCE G. LEES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

By: David Myhr 1/3/18
Alan B. Cox
Deputy County Counsel

RISK MANAGEMENT APPROVAL

By: James Johnson 01/03/18
James Johnson
Risk Management Analyst

Date: 1-3-2018

CONSULTANT
C. Dean Germano, CEO
by Robin Glasco, COO
C. DEAN GERMANO
Chief Executive Officer

Tax I.D.#: _____ On File