

**AGREEMENT BETWEEN THE COUNTY OF LAKE AND CARE  
COORDINATION SYSTEMS FOR THE IMPLEMENTATION OF  
PATHWAYS HUB REFERRAL SYSTEM SOFTWARE  
FOR FISCAL YEAR 2019-20**

**This Agreement is made and entered into by and between the County of Lake, hereinafter referred to as “County”, and Care Coordination Systems, hereinafter referred to as “Contractor”, collectively referred to as the “parties”.**

**RECITALS**

**WHEREAS**, County desires to procure the services of Contractor to provide implementation and support services for a closed-loop referral system to support comprehensive community-based care coordination; and

**WHEREAS**, Contractor has been successfully providing this software and services to other California counties, and Contractor is willing to provide such services to County on the terms and conditions set forth herein; and

**WHEREAS**, the parties desire to set forth herein the terms and conditions under which said services shall be furnished.

**NOW THEREFORE**, in consideration of the mutual covenants and promises herein contained, the parties hereby agree as follows:

- 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to County the services described in **Exhibit A**, titled, “**Scope and Description of Services**,” attached hereto and incorporated herein. In the event of a conflict in or inconsistency between the terms of this Agreement and **Exhibits A/B/C/D**, the Agreement shall prevail.
- 2. TERM.** **This Agreement shall commence on April 1, 2020 and shall terminate on June 30, 2022, unless earlier terminated as hereinafter provided.** In the event County desires to temporarily continue services after the expiration of this Agreement, such continuation shall be deemed on a month-to-month basis, subject to the same terms, covenants, and conditions contained herein, including but not limited to the maximum compensation payable under the Agreement.
- 3. COMPENSATION.** Contractor has been selected by County to provide the services described hereunder in **Exhibit A**, attached hereto. **Compensation to Contractor shall not exceed Five Hundred Twelve Thousand Five Hundred Dollars (\$512,500.00).**

The County shall compensate Contractor for services rendered, in accordance with the provisions set forth in **Exhibit B**, titled, “**Fiscal Provisions**,” attached hereto and incorporated herein, provided that Contractor is not in default under any provisions of this Agreement.

- 4. TERMINATION.** This Agreement may be terminated by mutual consent of the parties or by County upon 30 days written notice to Contractor.

In the event of non-appropriation of funds for the services provided under this Agreement, County may terminate this Agreement, without termination charge or other liability. Upon termination, Contractor shall be paid a prorated amount for the services provided up to the date of termination.

5. **MODIFICATION.** This Agreement may only be modified by a written amendment hereto, executed by both parties; however, matters concerning scope of services which do not affect the compensation may be modified by mutual written consent of Contractor and County executed by the Lake County Behavioral Health Services Administrator.

6. **NOTICES.** All notices between the parties shall be in writing addressed as follows:

County of Lake	Care Coordination Systems
Lake County Behavioral Health Services	
PO Box 1024	75 Market Street
6302 Thirteenth Avenue	Akron, OH 44308
Lucerne, CA 95458-1024	
Attn: Todd Metcalf, B.S	Attn: Bob Harnach
Behavioral Health Services Administrator	CEO

7. **EXHIBITS.** The Agreement Exhibits, as listed below, are incorporated herein by reference:

- Exhibit A - Scope of Services
- Exhibit B - Fiscal Provisions
- Exhibit C - Compliance Provisions
- Exhibit D – Business Associate – Qualified Service Organization Agreement

8. **TERMS AND CONDITIONS.** Contractor warrants that it will comply with all terms and conditions of this Agreement including **Exhibit A, Exhibit B and Exhibit C**, entitled “**Compliance Provisions**” and **Exhibit D**, titled, “**Business Associate – Qualified Service Organization Agreement**”, attached hereto and incorporated herein in addition to all other applicable federal, state and local laws, regulations and policies.

9. **INTEGRATION.** This Agreement, including attachments, constitutes the entire agreement between the parties regarding its subject matter and supersedes all prior Agreements, related proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties.

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## **EXHIBIT A – SCOPE AND DESCRIPTION OF SERVICES**

**1. DESCRIPTION OF SERVICES.** CCS has developed a nationally recognized digital resource and referral system, Community Health Records system and new nationally certifiable Pathways Community HUBs to provide advisory services to determine needs, identify community resources, and implement the HealthBridge.care community-wide resource and referral system for closed-loop referral.

### **Project Objectives:**

- A.) Determine community needs and potential community resources to create a community-wide resource and referral system to support a closed-loop referral system. We understand that there is need for appointment scheduling capability. HealthBridge.care is capable of supporting appointment scheduling and was planned later in development. We would propose that the discussion and scope review for this feature be included in the objective.
- B.) Determine community engagement, education and requirement definition for the implementation of the Community Health Record including need for and number of CHR licenses.
- C.) Understanding and educating on the Pathways Community HUB model and explorations of developmental opportunities for a customized Pathways Community HUB in Lake County.
- D.) Provide technical advisory services in 2019 or 2020 resulting in: • Implementation of HealthBridge.care.
- E.) Review needs and resources for a feature scope review for appointment scheduling within HealthBridge.care.
- F.) A detailed plan for initiation and licenses for Community Health Record software integrated with the digital resource referral system.
- G.) A recommendation on how to support and implement the CHR .
- H.) Conduct a series of discussions regarding the Pathways Community HUB model and its benefits and requirements with key stakeholders.
- I.) Upon prior consensus of stakeholders, conduct a two-day on-site community and key stakeholder leadership summit to educate, discuss, and align on HUB objectives, operations, funding, target populations, community resources and partners.

- J.) Evaluate viability budgets for sustainable Pathways Community HUB operations and community-based care coordination network.
- K.) Implement HealthBridge.care resource and referral system.
- L.) Implement Community Health Record Software for care coordinators and provision of ongoing support through the implementation to ensure project success.
- M.) Bring Pathways HUB architects to Lake County to initiate discussions, education, and planning for a Pathways Community HUB.

**2. Project Deliverables:**

The following is a list and description of project deliverables:

- Advisory Services (3-5 days on-site)
- HealthBridge.care platform (Digital resource and referral system)
- Project plan (Proposal to implement the Community Health Record)
- Implementation of Community Health Record (Integrated with HealthBridge.care)
- On-Site advisory services from Pathways HUB architects (Initiation of process to explore implementation of a Pathways HUB)

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### 3. **Pricing:**

<b>Item</b>	<b>Description</b>	<b>Cost</b>
Community Health Record Platform	<p><b>CHR Platform</b> – CCS System platform license includes system, internal/integrated community resources referral via HealthBridge.care, secure messaging, standard hosting, standard maintenance, backup/restore, and frequent standard system upgrades.</p> <p><b>Additional User Licenses</b> – 10 desktop/portal user licenses included; additional users for 3 year contract are \$1,250.00, 1 year contracts are \$1,500.00</p>	<b>\$27,500.00 + \$750 for included licences</b>
Community Health Record with HealthBridge.care Integrated	<p><b>Integrated HealthBridge.care</b> – Internal/integrated community resources referral via HealthBridge.care (non-public facing website). Uses the available clinical and community resources of the Community HUB to streamline the referral process for care coordinators. Does not provide for public access for clients or organizations, yet provides referrals to resources through the CHR.</p>	<b>Included in CHR Platform</b>
Advisory	<p><b>CHR Platform</b> – Initial setup and implementation including scope review with one each EHR, 211 and HIE for integration with the Community Health Record. Deliverables include the launch of the CHR platform and the project plans and budget for the integration of 211 and HIE.</p>	<b>\$10,000.00</b>
Community Health Record Platform	<p><b>Invoicing</b> – Multiple performance-based contracts for outcomes; Braided-funding waterfall determines the appropriate payer for the outcome for the client. Specialized reporting for Invoicing and financing operations including Payer contract terms management, secure invoicing transmission to Payers, and Agency distributions.</p>	<b>\$10,000.00</b>
License – Professional Access	<p><b>Medication Reconciliation</b> – Medication Assessment and Medication Management Pathways reconciliation access for authorized Medication Reviewers. Integration with the CHR platform allows for the care coordinator to complete the medication assessment with their client and immediately send the authorized reviewer(s) a secure notification and secure access to the client's medication assessment. Upon completion by the reviewer, the care coordinator is notified and the reconciled assessment is stored securely in the client records documents, available to the care team.</p>	<b>\$5,000.00</b>

License – Client Access	<b>Patient Activation Measure (PAM)</b> – License per eligible screened client per year; includes first screening and one additional screening per year. Screening packages of 200 / 500 / 1,000 and 2,000 annual clients. Clients screened in excess of subscription without upgrading subscription are \$25/client annually.	<b>\$4,500 / 200</b> <b>\$9,000 / 500</b> <b>\$12,500 / 1,000</b> <b>\$17,500 / 2,000</b>
Professional Development	Pathways and Systems Activation Training for care coordinators, supervisors and HUB Managers. 2 days Onsite; 4 hours webinar after launch; hands-on with systems; Should occur within 2-3 weeks of system launch; Includes Pathways training. \$1,500 / participant; minimum 10 participants required for travel expenses included. Maximum price of \$30,000.	<b>\$15,000.00 Minimum; \$30,000.00 Maximum for 30 CHR trainees</b>
Pathways Community HUB	Discussions regarding community objectives, on-site, two-day stakeholder leadership summit, budgeting and viability projections, policies and procedures, target populations and implementation plan including key on-site advisory services from Pathways HUB architects.	<b>\$75,000.00</b>

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## **EXHIBIT B – FISCAL PROVISIONS**

**1. CONTRACTOR'S FINANCIAL RECORDS.** Contractor shall keep financial records for funds received hereunder, separate from any other funds administered by Contractor, and maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's Cost Principles.

**2. INVOICES.**

2.1 Contractor shall invoice County prior to the completion deadlines imposed by Department of Health Care Services in order for County to make payment prior to payment deadlines agreed upon by County and Contractor.

2.2 Contractor and County shall each appoint one responsible representative for the purpose of resolving any billing questions or disputes which may arise during the term of this Agreement. Should such issues arise, County shall still be obligated to pay Contractor on a timely basis for those amounts and/or services which are not in dispute or with respect to which there are no questions. Questioned amounts, once adjusted (if necessary) as agreed by the two representatives, shall be paid to Contractor immediately after the Agreement is reached by the two representatives.

2.3 Contractor shall remit hard copies of all invoices no later than the 10<sup>th</sup> of every month to the following address:

Lake County Behavioral Health Services  
Attention: Fiscal Department  
P.O. Box 1024  
Lucerne, CA 95458

**3. AUDIT REQUIREMENTS AND AUDIT EXCEPTIONS.**

3.1 Contractor warrants that it shall comply with all audit requirements established by County and will provide a copy of Contractor's Annual Independent Audit Report, if applicable.

3.2 County may conduct periodic audits of Contractor's financial records, notifying Contractor no less than 48 hours prior to scheduled audit. Said notice shall include a detailed listing of the records required for review. Contractor shall allow County, or other appropriate entities designated by County, access to all financial records pertinent to this Agreement.

3.3 Contractor shall reimburse County for audit exceptions within 30 days of written demand or shall make other repayment arrangements subject to the approval of County.

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## **EXHIBIT C – COMPLIANCE PROVISIONS**

1. **INFORMATION INTEGRITY AND SECURITY.** Contractor shall immediately notify County of any known or suspected breach of personal, sensitive and confidential information related to Contractor's work under this Agreement.

2. **NON-DISCRIMINATION.** Contractor shall not unlawfully discriminate against any qualified worker or recipient of services because of race, religious creed, color, sex, sexual orientation, national origin, ancestry, physical disability, mental disability, medical condition, marital status or age.

3. **DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS.**

3.1 The Contractor certifies to the best of its knowledge and belief, that it and its subcontractors:

A. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

B. Have not, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity with commission of any of the offenses enumerated in the preceding paragraph; and

D. Have not, within a three-year period preceding this Agreement, had one or more public transactions terminated for cause or default.

3.2 Contractor shall report immediately to County, in writing, any incidents of alleged fraud and/or abuse by either Contractor or Contractor's subcontractor. Contractor shall maintain any records, documents, or other evidence of fraud and abuse until otherwise notified by County.

4. **AGREEMENTS IN EXCESS OF \$100,000.** Contractor shall comply with all applicable orders or requirements issued under the following laws:

4.1 Clean Air Act, as amended (42 USC 1857).

4.2 Clean Water Act, as amended (33 USC 1368).

4.3 Federal Water Pollution Control Act, as amended (33 USC 1251, et seq.)

4.4 Environmental Protection Agency Regulations (40 CFR, Part 15 and Executive Order 11738).

**5. INDEMNIFICATION AND HOLD HARMLESS.** Contractor shall indemnify and defend County and its officers, employees, and agents against and hold them harmless from any and all claims, losses, damages, and liability for damages, including attorney's fees and other costs of defense incurred by County, whether for damage to or loss of property, or injury to or death of person, including properties of County and injury to or death of County officials, employees or agents, arising out of, or connected with Contractor's operations hereunder or the performance of the work described herein, unless such damages, loss, injury or death is caused solely by the negligence of County.

**6. STANDARD OF CARE.** Contractor represents that it is specially trained, licensed, experienced and competent to perform all the services, responsibilities and duties specified herein and that such services, responsibilities and duties shall be performed, whether by Contractor or designated subcontractors, in a manner according to generally accepted practices.

**7. INTEREST OF CONTRACTOR.** Contractor assures that neither it nor its employees has any interest, and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of services hereunder.

**8. DUE PERFORMANCE – DEFAULT.** Each party agrees to fully perform all aspects of this agreement. If a default to this agreement occurs then the party in default shall be given written notice of said default by the other party. If the party in default does not fully correct (cure) the default within 30 days of the date of that notice (i.e. the time to cure) then such party shall be in default. The time period for corrective action of the party in default may be extended in writing executed by both parties, which must include the reason(s) for the extension and the date the extension expires.

Notice given under this provision shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable time period. No such notice shall be deemed a termination of this Agreement, unless the party giving notice so elects in that notice, or so elects in a subsequent written notice after the time to cure has expired.

**9. INSURANCE.**

9.1 Contractor shall procure and maintain Workers' Compensation Insurance for all of its employees.

9.2 Contractor shall procure and maintain Comprehensive Public Liability Insurance, both bodily injury and property damage, in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverage: personal injury, premises-operations, products and completed operations, blanket contractual, and independent Contractor's liability.

9.3 Contractor shall procure and maintain Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in

connection with Contractor's business in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence.

9.4 Contractor shall procure and maintain Professional Liability Insurance for the protection against claims arising out of the performance of services under this Agreement caused by errors, omissions or other acts for which Contractor is liable. Said insurance shall be written with limits of not less than one million dollars (\$1,000,000).

9.5 Contractor shall not commence work under this Agreement until it has obtained all the insurance required hereinabove and submitted to County certificates of insurance naming the County of Lake as additional insured. Contractor shall provide County certificates of insurance within 30 days of the date of execution of the Agreement. Contractor agrees to provide to County, at least 30 days prior to expiration date, a new certificate of insurance.

9.6 In case of any subcontract, Contractor shall require each subcontractor to provide all of the same coverage as detailed hereinabove. Subcontractors shall provide certificates of insurance naming the County of Lake as additional insured and shall submit new certificates of insurance at least 30 days prior to expiration date. Contractor shall not allow any subcontractor to commence work until the required insurances have been obtained.

9.7 For any claims related to the work performed under this Agreement, the Contractor's insurance coverage shall be primary insurance as to the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, agents or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.

9.8 The Commercial General Liability and Automobile Liability Insurance must each contain, or be endorsed to contain, the following provision:

The County, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds and shall be added in the form of an endorsement to Contractor's insurance on Form CG 20 10 11 85. Contractor shall not commence work under this Agreement until Contractor has had delivered to County the Additional Insured Endorsements required herein.

Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under subdivision (b) of California Civil Code Section 2782.

9.9 Insurance coverage required of Contractor under this Agreement shall be placed with insurers with a current A.M. Best rating of no less than A: VII.

Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve the Contractor for liability in excess of such coverage, nor shall it preclude County from taking other action as is available to it under any other provision of this Agreement or applicable law. Failure of County to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at a later date.

9.10 Any failure of Contractor to maintain the insurance required by this section, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Agreement.

**10. ATTORNEY'S FEES AND COSTS.** If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such part may be entitled.

**11. ASSIGNMENT.** Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of County except that claims for money due or to become due Contractor from County under this Agreement may be assigned by Contractor to a bank, trust company, or other financial institution without such approval. Written notice of any such transfer shall be furnished promptly to County. Any attempt at assignment of rights under this Agreement except for those specifically consented to by both parties or as stated above shall be void.

**12. PAYROLL TAXES AND DEDUCTIONS.** Contractor shall promptly forward payroll taxes, insurances, and contributions to designated governmental agencies.

**13. INDEPENDENT CONTRACTOR.** It is specifically understood and agreed that, in the making and performance of this Agreement, Contractor is an independent Contractor and is not an employee, agent or servant of County. Contractor is not entitled to any employee benefits. County agrees that Contractor shall have the right to control the manner and means of accomplishing the result agreed for herein.

Contractor is solely responsible for the payment of all federal, state and local taxes, charges, fees, or contributions required with respect to Contractor and Contractor's officers, employees, and agents who are engaged in the performance of this Agreement (including without limitation, unemployment insurance, social security and payroll tax withholding.)

**14. OWNERSHIP OF DOCUMENTS.** All non-proprietary reports, drawings, renderings, or other documents or materials prepared by Contractor hereunder are the property of County.

**15. SEVERABILITY.** If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

**16. ADHERENCE TO APPLICABLE DISABILITY LAW.** Contractor shall be responsible for knowing and adhering to the requirements of Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, (42 U.S.C. Sections 12101, et seq.). California Government Code Sections 12920 et seq., and all related state and local laws.

**17. HIPAA COMPLIANCE.** Contractor will adhere to Titles 9 and 22 and all other applicable Federal and State statutes and regulations, including the Health Insurance Portability

and Accountability Act of 1996 (HIPAA) and will make his best efforts to preserve data integrity and the confidentiality of protected health information.

**18. SAFETY RESPONSIBILITIES.** Contractor will adhere to all applicable CalOSHA requirements in performing work pursuant to this Agreement. Contractor agrees that in the performance of work under this Agreement, Contractor will provide for the safety needs of its employees and will be responsible for maintaining the standards necessary to minimize health and safety hazards.

**19. JURISDICTION AND VENUE.** This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue of any action or proceeding regarding this Agreement or performance thereof shall be in Lake County, California. Contractor waives any right of removal it might have under California Code of Civil Procedure Section 394.

**20. RESIDENCY.** All independent Contractors providing services to County for compensation must file a State of California Form 590, certifying California residency or, in the case of a corporation, certifying that they have a permanent place of business in California.

**21. NO THIRD-PARTY BENEFICIARIES.** Nothing contained in this Agreement shall be construed to create, and the parties do not intend to create, any rights in or for the benefit of third parties.

**22. UNUSUAL OCCURRENCE REPORTING.** Contractor is required to have procedures for reporting unusual occurrences relating to health and safety issues. Contractor shall report to County any unusual events, accidents, or injuries requiring medical treatment for clients, staff, or members of the community. An unusual occurrence shall be reported to the County in writing (or electronic mail) as soon as possible but no later than three (3) working days of the Contractor's knowledge of the event. An unusual occurrence is subject to investigation by Lake County Behavioral Health Services; and upon a request, a copy of the County's investigation shall be made available to the State Department of Behavioral Health, which may subsequently conduct its own investigation.

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## Exhibit D

### Business Associate – Qualified Service Organization Agreement

**THIS HIPAA BUSINESS ASSOCIATE and QUALIFIED SERVICE ORGANIZATION AGREEMENT** (the "Agreement") is entered into effective July 1, 2019 (the "Effective Date"), by and between **Care Coordination Systems**, ("Business Associate/Qualified Service Organization") and **Lake County Behavioral Health Services** (the "Covered Entity").

Business Associate/Qualified Service Organization and Covered Entity have a business relationship (the "Relationship" or the "Agreement") in which Business Associate/Qualified Service Organization may perform functions or activities on behalf of Covered Entity involving the use and/or disclosure of protected health information received from, or created or received by, Business Associate/Qualified Service Organization on behalf of Covered Entity. Business Associate is also a Qualified Service Organization (QSO) under 42 CFR, Part 2 and agrees to certain mandatory provisions regarding the use and disclosure of substance abuse treatment information. Therefore, if Business Associate is functioning as a Business Associate or QSO to Covered Entity, Business Associate agrees to the following terms and conditions set forth in this Business Associate/Qualified Service Organization Agreement.

#### Definitions

##### Catch-all definition:

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use. Terms used, but not otherwise defined, in this agreement shall have the same meaning as those terms in the HIPAA and CFR 42 Part 2 Regulations. Protected Health Information (PHI) includes electronic Protected Health Information (ePHI).

##### Specific definitions:

- (a) **Business Associate**. "Business Associate" shall generally have the same meaning as the term "Business Associate" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean **Care Coordination Systems** (*name of contractor*).
- (b) **Qualified Service Organization**. "Qualified Service Organization" shall generally have the same meaning as defined in 42 CFR 2.11, and in reference to the party to this agreement, shall mean **Care Coordination Systems** (*name of contractor*).
- (c) **Covered Entity**. "Covered Entity" shall generally have the same meaning as the term "Covered Entity" at 45 CFR 160.103, and in reference to the party to this agreement, shall mean **Lake County Behavioral Health Services**.
- (d) **HIPAA Rules**. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164 as well as the HITECH Act.
- (e) **CFR 42 Part 2**. "CFR 42 Part 2" shall mean the federal law governing Confidentiality of Alcohol and Drug Abuse Patient Records and its implementing regulations.



## Obligations and Activities of Business Associate/Qualified Service Organization

Business Associate/QSO agrees to:

- (a) **Limitations on Uses and Disclosures of PHI.** Business Associate/QSO shall not, and shall ensure that its directors, officers, employees, and agents do not, use or disclose PHI in any manner that is not permitted or required by the Relationship, this Agreement, or required by law. All uses and disclosures of, and requests by Business Associate/QSO, for PHI are subject to the minimum necessary rule of the Privacy Standards and shall be limited to the information contained in a limited data set, to the extent practical, unless additional information is needed to accomplish the intended purpose, or as otherwise permitted in accordance with Section 13405(b) of HITECH and any implementing regulations. See Permitted Uses and Disclosures by Business Associate below.
- (b) **Required Safeguards To Protect PHI.** Use, and document the implementation of, appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by this Agreement;
- (c) **Reporting of Improper Use and Disclosures or Breaches of Unsecured PHI.** Report to Covered Entity within 24 business hours of Business Associate/QSO becoming aware of any use or disclosure of protected health information not provided for by the Agreement. Business Associate/QSO shall also report to Covered Entity within 24 business hours any breaches of unsecured protected health information as required at 45 C.F.R. §§ 164.400-414, and any security incident of which it becomes aware. Report should be made to:
 

Compliance Officer  
Lake County Behavioral Health Services  
1-877-610-2355
- (d) **Mitigation of Harmful Effects.** Business Associate/QSO agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate/QSO in violation of the requirements of this Agreement, including, but not limited to, compliance with any state law or contractual data breach requirements. Business Associate/QSO shall cooperate with Covered Entity's breach notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.
- (e) **Access to Information.** Within five (5) business days of a request by the Covered Entity, make available protected health information in a designated record set as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524. In the event an individual delivers directly to the Business Associate/QSO a request for access to protected health information, the Business Associate/QSO shall within two (2) business days forward such request to the Covered Entity;
- (f) **Availability of PHI for Amendment.** Within five (5) business days of request of a Covered Entity, make amendment(s) to protected health information in a designated record set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526. This includes, but is not limited to, the Business Associate/QSO providing such information to the Covered Entity for amendment and incorporation of any such amendment(s) in the protected health information. In the event an individual delivers directly to the Business Associate/QSO a request for

amendment(s) to protected health information, the Business Associate/QSO shall within two (2) business days forward such request to the Covered Entity;

- (g) **Documentation of Disclosures.** Maintain a record of all disclosures of protected health information and information related to such disclosures, including the name of the recipient and the date of disclosure. If known, the records shall also include, the address of the recipient of the protected health information, a brief description of the protected health information disclosed, and the purpose of the disclosure which includes an explanation of the basis of such disclosure;
- (h) **Accounting of Disclosures.** Within five (5) days of notice by Covered Entity to Business Associate/QSO that it has received a request for an accounting of disclosures of PHI regarding an individual during the six (6) years prior to the date on which the accounting was requested, Business Associate/QSO shall make available to Covered Entity information to permit Covered Entity to respond to the request for an accounting of disclosures of PHI, as required by 45 C.F.R. § 164.528. In the case of an electronic health record maintained or hosted by Business Associate/QSO on behalf of Covered Entity, the accounting period shall be three (3) years and the accounting shall include disclosures for treatment, payment and healthcare operations, in accordance with the applicable effective date of Section 13402(a) of HITECH. In the event the request for an accounting is delivered directly to Business Associate/QSO, Business Associate/QSO shall within two (2) days forward such request to Covered Entity;
- (i) **Availability of Books and Records.** Business Associate/QSO shall make its internal practices, books, and records relating to the use and disclosure and privacy protection of PHI received from Covered Entity, or created, maintained or received by Business Associate/QSO on behalf of the Covered Entity, available to the Covered Entity, the State of California, and the Secretary of the Department of Health and Human Services, in the time and manner designated by the Covered Entity, State or Secretary, for purposes of determining Covered Entity's compliance with the Privacy Standards. Business Associate/QSO shall notify the Covered Entity upon receipt of such a request for access by the State or Secretary, and shall provide the Covered Entity with a copy of the request as well as a copy of all materials disclosed.
- (j) **Electronic PHI.** To the extent that Business Associate/QSO creates, receives, maintains or transmits electronic PHI on behalf of Covered Entity, Business Associate/QSO shall:
  - (I) Comply with 45 C.F.R. §§164.308, 301, 312, and 316 in the same manner as such sections apply to Covered Entity, pursuant to Section 13401(a) of HITECH, and otherwise implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI;
  - (II) Ensure that any agent to whom Business Associate/QSO provides electronic PHI agrees to implement reasonable and appropriate safeguards to protect it; and
  - (III) Report to Covered Entity any security incident of which Business Associate/QSO becomes aware.
- (k) **Business Associate/QSO as Agent of Covered Entity.** To the extent the Business Associate/QSO is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, Business Associate/QSO shall comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s).

#### **Permitted Uses and Disclosures by Business Associate/QSO**

- (a) Business Associate/QSO may only use or disclose protected health information:
  - (i) To carry out its duties to the Covered Entity pursuant to the terms of the Relationship;
  - (ii) For its own proper management and administration; and
  - (iii) To carry out its legal responsibilities.
- (b) Business Associate/QSO may use or disclose protected health information as required by law.
- (c) Business Associate/QSO agrees to limit uses and disclosures and requests for protected health information to the minimum amount necessary to accomplish the purpose of the request, use, or disclosure, and consistent with the Covered Entity's minimum necessary policies and procedures.
- (d) Business Associate/QSO may disclose protected health information for the proper management and administration of the Business Associate/QSO or to carry out the legal responsibilities of the Business Associate/QSO, provided the disclosures are required by law, or Business Associate/QSO obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person. Additionally, Business Associate/QSO must obtain an agreement from the receiving party to immediately notify the Business Associate/QSO of any instances of which it is aware in which the confidentiality of the information has been breached.
- (e) Business Associate/QSO may provide data aggregation services relating to the health care operations of the Covered Entity.

#### **Provisions for Covered Entity to Inform Business Associate/QSO of Privacy Practices and Restrictions**

- (a) Covered Entity shall notify Business Associate/QSO within five (5) business days of notice of any limitation(s) in the notice of privacy practices of Covered Entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate/QSO's use or disclosure of protected health information.
- (b) Covered Entity shall notify Business Associate/QSO within five (5) business days of notice of any changes in, or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect Business Associate/QSO's use or disclosure of protected health information.
- (c) Covered Entity shall notify Business Associate/QSO within five (5) business days of notice of any restriction on the use or disclosure of protected health information that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate/QSO's use or disclosure of protected health information.

#### **42 CFR Part 2 – Substance Abuse Treatment PHI**

- (a) **Qualified Service Organization Status.** To the extent that in performing its services for or on behalf of Covered Entity, Business Associate/QSO uses, discloses, maintains, or transmits protected health information that is protected by 42 CFR, Part 2, Business Associate/QSO acknowledges and agrees that it is a QSO for the purpose of such federal law. Business

Associate/QSO acknowledges that in receiving, storing, processing or otherwise dealing with any PHI from the Covered Entity, it is fully bound by 42 C.F.R. Part 2.

- (b) **Judicial and Administrative Proceedings.** Business Associate/QSO will resist any efforts, including judicial proceedings, to obtain PHI except as provided in 42 C.F.R. Part 2. In the event Business Associate/QSO receives a subpoena, court or administrative order or other discovery request or mandate for release of PHI, Covered Entity shall have the right to control Business Associate/QSO's response to such request. Business Associate/QSO shall notify Covered Entity of the request as soon as reasonably practicable, but in any event within two (2) days of receipt of such request.
- (c) **Limitations.** Business Associate/QSO may use and/or disclose PHI within BA/QSO for the proper management and administration of its business, except as otherwise limited by the Agreement or 42 C.F.R. Part 2. Business Associate/QSO may use and/or disclose PHI within BA/QSO to carry out its legal responsibilities, except as otherwise limited by the Agreement or 42 C.F.R. Part 2. Re-disclosure of client information to third party is prohibited by 42 CFR Part 2 except to report violations of law as permitted by HIPAA and 42 C.F.R. Part 2.
- (d) **Notification.** Covered Entity will notify Business Associate/QSO of any changes in or revocation of, authorization by an Individual to use or disclose PHI. Covered Entity will notify Business Associate/QSO of any Individual requests for restrictions to the use or disclosure of PHI. Business Associate/QSO acknowledges it is fully bound by HIPAA and 42 C.F.R. Part 2.
- (e) **CFR 42 Part 2 Precedence.** Mandatory provisions of HIPAA preempt provisions of the Agreement. Provisions of the Agreement not mandated by HIPAA but nonetheless permitted by HIPAA will control. In the event of inconsistencies between HIPAA and 42 C.F.R. Part 2, the more restrictive rule will control.

Parties will comply with any and all federal, state and local laws pertaining to client confidentiality including, but not limited to, state mental health and developmental disability confidentiality law, state and federal drug and alcohol confidentiality laws and state AIDS/HIV confidentiality laws.

## **Term and Termination**

- (a) **Term.** The Term of this Agreement shall be effective as of **December 1, 2019** and shall terminate at the time **Care Coordination Systems** (*Business Associate/QSO*) ceases to provide **Integration and Support Services for the Closed-Loop Referral System for Lake County Behavioral Health Services** or on the date Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.
- (b) **Termination for Cause.** Business Associate/QSO authorizes termination of this Agreement by Covered Entity, if Covered Entity determines Business Associate/QSO has violated a material term of the Agreement. At the Covered Entity's option, the Covered Entity may permit the Business Associate/QSO to cure or end any such violation within the time specified by the Covered Entity. Covered Entity's option to have cured a breach of this Agreement shall not be construed as a waiver of any other rights Covered Entity has in the Relationship, this Agreement or by operation of law or in equity.
- (c) **Obligations of Business Associate/QSO Upon Termination.**

- (i) Upon termination of this Agreement for any reason, Business Associate/QSO shall return to Covered Entity or, at the Covered Entity's discretion and direction, destroy all protected health information received from Covered Entity, or created, maintained, or received by Business Associate/QSO on behalf of Covered Entity, that the Business Associate/QSO still maintains in any form. This provision shall apply to protected health information that is in the possession of the Business Associate/QSO or agents of the Business Associate/QSO. Business Associate/QSO shall retain no copies of the protected health information.
- (ii) Upon termination of this Agreement for any reason, Business Associate/QSO may retain certain protected health information for its own management and administration or to carry out its legal responsibilities at the discretion of the Covered Entity. With respect to such protected health information necessary for Business Associate/QSO's own management and administration or to carry out its legal responsibilities which was received from Covered Entity, or created, maintained, or received by Business Associate/QSO on behalf of Covered Entity, Business Associate/QSO shall:
  - 1) Retain only that protected health information which is necessary for Business Associate/QSO to continue its proper management and administration or to carry out its legal responsibilities;
  - 2) Return to Covered Entity, or if agreed to by Covered Entity, destroy the remaining protected health information that the Business Associate/QSO still maintains in any form;
  - 3) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as Business Associate/QSO retains the protected health information;
  - 4) Not use or disclose the protected health information retained by Business Associate/QSO other than for the purposes for which such protected health information was retained and subject to the same conditions set out at paragraph (d) above under "Permitted Uses and Disclosures By Business Associate/QSO" which applied prior to termination; and
  - 5) Return to Covered Entity or, if agreed to by Covered Entity, destroy the protected health information retained by Business Associate/QSO when it is no longer needed by Business Associate/QSO for its proper management and administration or to carry out its legal responsibilities.
- (d) **Survival**. The obligations of Business Associate/QSO under this Section shall survive the termination of this Agreement.

#### **Miscellaneous**

- (a) **Regulatory References**. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- (b) **Amendment**. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA, CFR 42 Part 2, HITECH, the Privacy Standards, Security Standards or Transactions Standards and any other applicable law.
- (c) **Interpretation**. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules and CFR 42, Part 2.
- (d) **Injunctive Relief**. Business Associate/QSO stipulates that its unauthorized use or disclosure of protected health information while performing services pursuant to this Agreement would cause

irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled to institute proceedings in any court of competent jurisdiction to obtain damages and injunctive relief.

- (e) **Indemnification**. Business Associate/QSO shall indemnify and hold harmless Covered Entity and its officers, trustees, employees, and agents from any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate/QSO of its obligations under this Agreement.
- (f) **Exclusion from Limitation of Liability**. To the extent that Business Associate/QSO has limited its liability under the terms of this Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate/QSO's breach of its obligations relating to the use and disclosure of protected health information.
- (g) **Owner of Protected Health Information**. Under no circumstances shall Business Associate/QSO be deemed in any respect to be the owner of any protected health information used or disclosed by or to Business Associate/QSO by Covered Entity.
- (h) **Third Party Rights**. The terms of this Agreement do not grant any rights to any parties other than Business Associate/QSO and Covered Entity.
- (i) **Independent Contractor Status**. For the purposed of this Agreement, Business Associate/QSO is an independent contractor of Covered Entity, and shall not be considered an agent of Covered Entity.

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IN WITNESS WHEREOF, each Party hereby executes this Agreement as of the Effective Date.

**Care Coordination Systems**

**Lake County Behavioral Health Services**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Bob Harnach

Name: Todd Metcalf

Title: CEO

Title: Behavioral Health Services Administrator






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Final Audit Report

2020-08-05

Created:	2020-07-27
By:	Leanne Klier (leanne.klier@lakecountyca.gov)
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