

REGISTRATION NUMBER

AGREEMENT NUMBER

18-95362

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

STATE AGENCY'S NAME

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

Department of Health Care Services

CONTRACTOR'S NAME

CMU

(Also referred to as Contractor)

Health Management Associates, Inc.

MASTER COPY

2. The term of this Agreement is: July 1, 2018
through June 30, 2019

3. The maximum amount of this Agreement is: [REDACTED]

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

Exhibit A – Scope of Work	13 pages
Exhibit B – Budget Detail and Payment Provisions	4 pages
Exhibit B – Attachment I – Budget (Year 1)	22 pages
Exhibit B – Attachment II – Schedule I – Subcontractor Budget (Year 1)	1 page
Exhibit C – General Terms and Conditions	GTC 04/2017
Exhibit D(F) – Special Terms and Conditions (Attached hereto as part of this agreement)	26 pages
Exhibit E – Additional Provisions	2 pages
Exhibit F – HIPAA Business Associate Addendum	15 pages
Exhibit G – Contractor's Release	1 page
Exhibit H – Travel Reimbursement Information	2 pages
Exhibit I – Resume	3 pages

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


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

CONTRACTOR

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

Health Management Associates, Inc.

BY (Authorized Signature)



DATE SIGNED (Do not type)

9/17/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Kelly Johnson, Vice President

ADDRESS

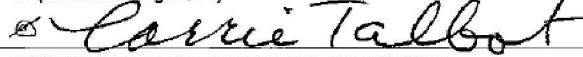
120 North Washington Square, Suite 705
Lansing, MI 48933

STATE OF CALIFORNIA

AGENCY NAME

Department of Health Care Services

BY (Authorized Signature)



DATE SIGNED (Do not type)

10/11/18

PRINTED NAME AND TITLE OF PERSON SIGNING

Carrie Talbot, Chief, Contract Management Unit

ADDRESS

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

California Department of
General Services Use Only

☒ Exempt per: WIC 14124.13(a)(b)

Exhibit A
Scope of Work

1. Services Overview

As described in this Scope of Work, the Contractor agrees to provide to the California Department of Health Care Services (DHCS) the services described herein.

1. Outreach
2. Application Packets
3. Selection of County Teams
4. Subcontracting
5. Advisory Group
6. Conferences
7. Monthly Coaching Calls
8. Resource Library and Group Mailing Lists/Discussion Groups
9. Webinars
10. Podcasts
11. Naloxone Distribution
12. Data Collection
13. Quarterly Reports
14. Final Report

On April 21, 2017, the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded the State Targeted Response to the Opioid Crisis (Opioid STR) Grant to DHCS. The purpose of the grant is to address the opioid crisis by improving access to treatment, reducing unmet treatment need, and reducing opioid overdose related deaths through the provision of prevention, treatment, and recovery activities for opioid use disorder (OUD). California's Opioid STR grant project is the California Medication Assisted Treatment (MAT) Expansion Project.

The Contractor shall implement the following services as part of the California MAT Expansion Project: develop an outreach plan; generate and release an application soliciting county MAT stakeholders to develop County Teams to increase the use of MAT in local jails, drug courts, and/or diversion programs; assist DHCS in selecting County Teams for participation; subcontract with County Teams selected for participation; provide MAT technical assistance and training to County Teams; convene an Advisory Group; schedule and host three conferences; host monthly MAT coaching calls with each county team; host MAT technical assistance and training webinars; host MAT technical assistance and training podcasts; create a Resource Library; distribute resources for local procurement of naloxone kits; provide technical assistance and training on local data collection to track overdoses following incarceration; and submit to DHCS a final report of all Contract activities.

2. Service Location

The Contractor shall perform all services in California statewide.

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3. Service Hours

The Contractor shall provide services during normal Contractor working days and hours.

4. Project Representatives

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

Department of Health Care Services	Health Management Associates, Inc.
Contract Manager: Ivan Bhardwaj Telephone: (916) 552-9642 Fax: (916) 440-5230 Email: Ivan.Bhardwaj@dhcs.ca.gov	Contract Manager: Donna Strugar-Fritsch Telephone: (415) 489-2027 Fax: (866) 328-6201 Email: dstrugarfritsch@healthmanagement.com

B. Direct all inquiries to:

Department of Health Care Services	Health Management Associates, Inc.
P.O. Box 997413, MS 2600 Sacramento, CA 95899-7413 Contract Manager: Ivan Bhardwaj Telephone: (916) 552-9642 Fax: (916) 440-5230 Email: Ivan.Bhardwaj@dhcs.ca.gov	120 N. Washington Square, Suite 705, Lansing, MI 48933 Contract Manager: Donna Strugar-Fritsch Telephone: (415) 489-2027 Fax: (866) 328-6201 Email: dstrugarfritsch@healthmanagement.com

C. Either party may make changes to the information in Section 4 (A) and (B) above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

5. Services to be Performed

A. Outreach.

1. The Contractor shall develop an outreach plan for the purpose of distributing information regarding services available under the Contract with the goal of increasing treatment to communities and individuals in need. The outreach plan shall include the following minimum elements:
 - a. **Communication Plan.** A communication plan shall notify local entities, stakeholders, and individuals regarding the project and selection and participation requirements. The plan shall include target audiences including county stakeholders, local criminal justice entities, Local Opioid Coalitions, local OUD treatment providers, and other stakeholders, as determined by the Contractor and in collaboration with DHCS.

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- b. **Engagement Plan for Statewide Stakeholders.** An engagement plan shall specify statewide associations, advocacy organizations, and other entities that will provide information about the services available under the Contract, including a web-based link to application materials.
 - c. **Contact List.** The Contractor shall develop a contact list of persons and organizations to whom electronic notice of this project shall be delivered.
 - d. **Website.** The Contractor shall develop a website for this project. The website shall include DHCS logos and links to other California Opioid STR grant activities and relevant MAT resources. The website shall provide a link to the community team application and also serve as a portal for team members selected for project participation. The website shall be activated within forty-five (45) days following Contract execution.
 - e. **Timeframes.** A description of timeframes for notifying impacted individuals and entities of services available in the Contract.
 - f. **Additional Elements.** The Contractor may include additional elements in the outreach plan to address unique local or regional concerns.
2. The Contractor shall submit to DHCS a draft of the outreach plan no later than thirty (30) calendar days following Contract execution. The outreach plan shall be no longer than ten (10) typewritten pages. Within fifteen (15) calendar days from receipt of the Contractor's outreach plan, DHCS shall either approve the plan as submitted or provide the Contractor written notice requiring modifications to the plan. The Contractor shall re-submit the revised outreach plan within five (5) calendar days of receiving notice from DHCS. Within fifteen (15) calendar days from receipt of the Contractor's revised outreach plan, DHCS shall either approve the revised plan as submitted or provide the Contractor written notice requiring additional modifications to the plan.

B. Applications.

1. The Contractor shall develop an application package to solicit stakeholders for purposes of developing a minimum of ten (10) county-based County Teams.
- a. Application requirements will be developed in collaboration with DHCS and will include the following:
 - i. Description of a county-based County Team with no more than eight (8) members, which shall represent local jails, jail reentry programs, drug courts, diversion programs, and other county stakeholders, and comprise of, at minimum, one individual from each of the following:
 - a. Mandatory participants
 - b. Optional participants
 - ii. Description of at least one individual who will serve as an MAT Champion to promote MAT, keep electronic and/or physical records of stakeholders communicated with, schedule stakeholder outreach, and serve as the primary project point of contact.
 - iii. Letters of commitment

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- iv. Description of current and planned activities to provide MAT through drug courts, county jail, and in reentry planning for prisoners with OUD;
 - v. Description of how applicant County Teams must commit to implementing, at a minimum, naloxone and other MAT prior to the end of the Contract as identified in Section 5(K);
 - vi. Description of how the Services to be Performed in this Contract will interface with Local Opioid Coalitions, if one exists; and
 - vii. Description of processes and efforts to be used in providing OUD prevention and treatment services for special populations, to include Tribal and Urban Indian, youth, and pregnant patients.
- b. Other application materials will be developed in collaboration with DHCS and will include the following:
- i. Background on MAT and project requirements for at least two forms of MAT
 - ii. Project funding categories and disbursement schedule
 - a. For participation
 - b. For naloxone procurement
2. The Contractor shall submit the draft application packet to DHCS within thirty (30) calendar days of Contract execution. DHCS shall either approve or deny the application packet within fifteen (15) calendar days of receipt.
3. The Contractor shall post the approved electronic application packet on its project website within forty-five (45) calendar days of Contract execution.

C. Selection of County Teams.

- 1. The Contractor shall develop an application scoring instrument and submit to DHCS within sixty (60) calendar days of Contract execution. DHCS shall either approve or deny the application scoring instrument within fifteen (15) calendar days of receipt.
- 2. The Contractor shall score applications and submit a written summary of scores and award recommendations DHCS within fourteen (14) calendar days of the application deadline.
- 3. DHCS will confer final award decisions within fourteen (14) calendar days of receipt of the scoring summary.

D. Subcontracting.

- 1. The Contractor shall notify County Teams of award within seven (7) calendar days of DHCS' award decisions.
- 2. The Contractor shall serve as the primary contact to selected County Teams upon application award;

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3. The Contractor shall notify County Teams who did not receive awards within fourteen (14) calendar days of DHCS' award decisions.
4. The Contractor will issue subcontracts to the awardees within fourteen (14) calendar days of the award notice.
5. The Contractor shall ensure Subcontractors adhere to requirements set forth in their awarded applications.
6. The Contractor shall disburse funds to subcontractors in accordance with the schedule set forth in section B.1.b.ii.

E. Advisory Group.

1. The Contractor shall develop an Advisory Group within one hundred twenty (120) calendar days of Contract execution to provide MAT expertise and technical assistance to County Teams, local jails, jail reentry programs, drug courts, and/or diversion programs.
2. Advisory Group members shall include, at minimum, one member from each of the following organizations:
 - a. California Health Care Foundation;
 - b. California Rural Indian Health Board;
 - c. California Consortium for Urban Indian Health;
 - d. California Board of State and Community Corrections;
 - e. California State Association of Counties; and
 - f. California State Sheriffs' Association.

The Contractor shall submit to DHCS a list of members to be appointed to the Advisory Group within ninety (90) calendar days of Contract execution. DHCS shall either approve or deny the Contractor's request within fifteen (15) calendar days of receipt.

3. The Advisory Group shall provide guidance and expertise regarding the development of the application process, application requirements, and evaluation criteria for County Team selection.
4. Up to two members from each represented organization in the Advisory Group may attend each scheduled Conference. Any member from each represented organization may attend each Webinar and Podcast.

F. Conferences.

1. The Contractor shall develop and schedule three in-person conferences for County Teams, Advisory Group members, and other stakeholders to discuss project status, facilitate networking and peer learning, and provide a discussion forum for the rapid deployment of strategies and tools. The Contractor shall:

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- a. Submit to DHCS a schedule setting forth the dates of Conferences during the Contract within sixty (60) calendar days of Contract execution. DHCS shall either approve or deny the Contractor's request within fifteen (15) calendar days of receipt.
- b. Engage speakers and presenters to cover technical content.
- c. Develop conference materials to include PowerPoint slides, outlines, and digital and physical handouts provided to attendees. The Contractor shall provide to DHCS a request for approval of the materials a minimum of thirty (30) calendar days prior to each scheduled conference. DHCS shall either approve or deny the request within fifteen (10) calendar days of receiving the Contractor's materials.

G. Monthly Coaching Calls.

1. The Contractor shall schedule Monthly Coaching Calls to each County Team to provide the following:
 - a. Assist with the development of an implementation plan to include goals, measures, key changes, and using the Plan-Do-Study-Act to test and continuously improve processes;
 - b. Share technical content and evidence-based practices for integrating OUD treatment services;
 - c. Assist with the identification, testing, and implementation of workflow changes;
 - d. Provide technical assistance; and
 - e. Monitoring project progress.

The Contractor shall begin Monthly Coaching Calls to County Teams within thirty (30) calendar days following the first conference and held monthly for the duration of the Contract.

H. Resource Library and Group Mailing Lists/Discussion Groups.

1. The Contractor shall develop a Resource Library and host it on the project website. It shall include documentation to be shared with stakeholders, sample policies and procedures, MAT literature, MAT research, and the Contractor's webinars and podcasts. All project stakeholders shall have access to the website for the duration of the Contract. The Contractor shall develop and implement the Resource Library
2. The Contractor shall develop and host an application on the project website to distribute messages to stakeholders, as well as allowing team members to communicate with one another to discuss the selection of Webinar, Podcast, and technical assistance and training topics.
3. The Contractor shall implement the Resource Library and Group Mailing Lists/Discussion Forums within one hundred twenty (120) calendar days of Contract execution.

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I. Webinars.

1. The Contractor shall produce a minimum of eight (8) MAT specific webinars. Webinars shall address topics to include content on general MAT best practices, as well as clinical and programmatic issues stakeholders encounter. Topics will be responsive to County Team needs. The Contractor shall submit to DHCS two to three topics to be addressed in webinars within fourteen (14) calendar days following each Conference. DHCS shall approve or deny the topics within ten (10) calendar days of receipt. DHCS reserves the option to suggest topics for MAT webinars. The first webinar shall be developed, hosted, and published on the Contractor's Resource Library website within forty-five (45) calendar days following the first Conference.

J. Podcasts.

1. The Contractor shall produce a minimum of three MAT specific podcasts. Podcasts shall address topics to include content on general MAT best practices, as well as clinical and programmatic issues County Teams and other stakeholders encounter. Topics will be responsive to county team needs and will be developed each quarter. The Contractor shall submit to DHCS topics to be addressed in podcasts within fourteen (14) calendar days following each Conference.
2. DHCS shall approve or deny the topics within ten (10) calendar days of receipt. DHCS reserves the option to suggest topics for MAT podcasts. The first podcast shall be developed, hosted, and published on the Contractor's Resource Library website within forty five (45) calendar days following the first Conference.

K. Naloxone Distribution.

1. Contract funds shall be used to pay for medication costs to include naloxone, where no other funding source exists. Naloxone purchased for distribution to uninsured and underinsured patients using Contract funds shall be purchased from Adapt Pharma at the discounted Public Interest Pricing of \$37.50 per dose (\$75 for a 2-pack carton).
2. In collaboration with DHCS, the Contractor will develop a Naloxone Distribution Plan that will be implemented in project quarters three and four. The Naloxone Distribution Plan shall include, at a minimum:
 - a. Content provided in conferences, podcasts, and/or webinars on naloxone use and best practices
 - b. Requirements for County Teams to qualify for Naloxone
 - c. Naloxone purchase/distribution plan
3. The County Teams shall, at their discretion, submit a Naloxone Distribution Plan, which outlines the following:
 - a. Distributing naloxone to stakeholder recipients, naloxone distribution schedules, naloxone distribution methods,

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- b. Includes information regarding distributing other non-naloxone MAT to stakeholder recipients, non-naloxone MAT distribution schedules, non-naloxone MAT distribution methods, and non-naloxone MAT pricing.
 - c. Contract funds shall be used to pay for medication costs to include naloxone and other MAT, where no other funding source exists.
4. The Contractor shall provide the County Team Naloxone Distribution Plans to DHCS. DHCS shall either approve or deny the request within fifteen (15) calendar days of receiving the Contractor's MAT Distribution Plan.
5. The Contractor shall ensure County Teams disseminate MAT to stakeholders according to the MAT Distribution Plan and begin purchasing and distribution of MAT upon receiving DHCS approval and according to the schedule set forth in the MAT Distribution Plan.

L. Data Collection.

1. The Contractor shall provide County Teams with technical assistance and training regarding how to develop and implement local data collection measures, which shall include the following:
 - a. Overdose deaths for persons who have recently been incarcerated, and those who received MAT through jail or drug courts;
 - b. Participation rates in community-based OUD treatment for persons who received MAT in jail or through drug courts; and
 - c. Recidivist rates by county for persons with OUD, and for those who received MAT in jail or through drug courts.

M. Quarterly Reporting.

1. The Contractor shall submit quarterly reports to DHCS. Reports shall consist of summaries of project progress, project successes, project challenges, and project innovations. The Contractor shall submit quarterly reports via email to DHCS on the following dates:

Quarter	Period	Due Date to DHCS
Initial Quarter	07/01/2018 - 07/31/2018	08/15/2018
2 nd Quarter	08/01/2018- 10/31/2018	11/15/2018
3 rd Quarter	11/01/2018 - 01/31/2019	02/15/2019
4 th Quarter	02/01/2018 - 04/30/2019	05/15/2019

N. Final Report.

1. The Contractor shall submit a Final Report to DHCS. The Final Report shall be due sixty (60) calendar days prior to the expiration of the Contract and shall include:
 - a. Templates, documents, and materials developed for services performed as part of the Contract. This includes drafts of the MAT Distribution

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Plan, outreach documents, draft applications, and other resources generated during the Contract;

- b. Any evaluation, general data, or auditing information collected during the Contract; and
- c. A summary of challenges encountered in implementing services during the Contract; and
- d. A summary of successful strategies and procedures utilized by the Contractor in implementing services.

6. Americans with Disabilities Act

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

7. Contractor Designation as a Federal Award Subrecipient

- A. The State Targeted Response to the Opioid Crisis Grant (STR grant) is a federal award within the meaning of Title 45, Code of Federal Regulations (CFR), Part 75. This Agreement is a subaward of the federal award to DHCS. The Contractor is a subrecipient and subject to all applicable provisions of 45 CFR Part 75 addressing administrative requirements, cost principles, and audit requirements.
- B. DHCS discloses the following information in accordance with 45 CFR section 75.352:

- 1. Federal Award Identification: TI080222
- 2. Health Management Associates, Inc.
- 3. Subrecipient's unique entity identifier: TBD upon CMU contract execution
- 4. Federal Award Identification Number (FAIN): TI080222
- 5. Federal Award Date: April 21, 2017
- 6. Subaward Period of Performance May 1, 2018 to April 30, 2019
- 7. Amount of Federal Funds Obligated by this action by DHCS to the Contractor:
[REDACTED]
- 8. Total Amount of Federal Funds Obligated to the Contractor by DHCS including the current obligation: [REDACTED]
- 9. Total Amount of the Federal Award committed to the Contractor by DHCS:
[REDACTED]
- 10. Federal award project description: The program aims to address the opioid crisis by increasing access to treatment, reducing unmet treatment need, and reducing opioid overdose related deaths through the provision of prevention, treatment and recovery activities for opioid use disorder (OUD) (including prescription opioids as well as illicit drugs such as heroin).

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11. Name and contact information of Federal awarding agency:
Odessa Crocker
Office of Financial Resources, Division of Grants Management
Substance Abuse and Mental Health Services Administration
240-276-1078
foacsat@samhsa.hhs.gov
12. CFDA Number and Name: 93.788

C. As a subrecipient, the Contractor shall:

1. Maintain effective internal control over contract funds;
 2. The Contractor may shift funds between expenditure categories identified in the budget by providing written notice to DHCS in the form of a revised budget. Any proposed shifts require written approval from DHCS.
 3. Comply with federal statutes, regulations, including 45 CFR Part 75, and the terms and conditions of the grant;
 4. Evaluate and monitor its activities and the activities of all of its subcontractors for compliance with applicable statutes, regulations, and terms and conditions of the award;
 5. Address any instances of noncompliance promptly, including noncompliance identified in audit findings; and
 6. Oversee the operations of the federal award supported activities.
- D. The Contractor shall disclose, in writing to DHCS, any potential conflict of interest in accordance with Health and Human Services' (HHS) grant policy. (See, <https://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf>).
- E. The Contractor shall timely disclose, in writing to DHCS all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the grant. If Contractor fails to make a required disclosure the DHCS may seek any of the remedies described in Exhibit A, Section 9 of this Agreement "Contractor Non-compliance."

8. Records and Record Keeping

- A. The Contractor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the grant in accordance with 45 CFR section 75.361.
- B. SAMHSA, the Inspector General, the Comptroller General, and DHCS, or any of its authorized representatives, have the right to access any documents, papers, or other records of the Contractor which are pertinent to the grant, for the purpose of performing audits, examinations, excerpts, and transcripts. The right to access records also includes timely and reasonable access to the Contractor's personnel for the purpose of interview and discussion related to the requested documents.

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- C. The right to access records is not limited to the required retention period but lasts as long as the records are retained by the Contractor.

9. Monitoring and Audits

- A. The Contractor shall be subject to monitoring by DHCS for compliance with the provisions of this Agreement. Such monitoring activities shall include, but are not limited to, inspection and auditing of the Contractor's treatment services, patient files, management procedures, books, and records, as DHCS deems appropriate. DHCS may conduct monitoring activities at any time during the Contractor's normal business hours.
- B. DHCS shall conduct a review of the Contractor's records to determine if any of the claimed expenditures were an improper use of grant funds.
- C. The refusal of the Contractor to permit access to physical facilities and/or inspection of any documents, files, books, or records necessary for DHCS to complete its monitoring and auditing activities constitutes an express and immediate material breach of this Agreement and will be a sufficient basis to terminate the Agreement for cause.

10. Contractor Non-Compliance

- A. If the Contractor fails to comply with Federal statutes, regulations, or the terms and conditions of the grant, DHCS may impose additional conditions on the subaward, including:
1. Withholding authority to proceed to the next phase until receipt of evidence acceptable performance within a given performance period;
 2. Requiring additional or more detailed financial reports;
 3. Requiring technical or management assistance; and/or
 4. Establishing additional prior approvals.
- B. If DHCS determines that the Contractor's noncompliance cannot be remedied by imposing additional conditions, DHCS may take one or more of the following actions:
1. Temporarily withhold cash payments pending correction of the deficiency by the Contractor.
 2. Disallow all or part of the cost of the activity or action not in compliance.
 3. Wholly or partly suspend the award activities or terminate the Contractor's subaward.
 4. Recommend that suspension or debarment proceedings be initiated by the Federal awarding agency.
 5. Withhold further Federal awards.
 6. Take other remedies that may be legally available.

11. Federal Requirements

The Contractor shall comply with the following Federal laws:

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- A. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended.
- B. Age Discrimination Act of 1975 (45 CFR Part 90).
- C. Section 1557 of the Affordable Care Act.
- D. Title II of the Americans with Disabilities Act of 1990 (28 CFR Part 35).
 - 1. California Government Code Section 11135 codifies the protections of Title II of the Americans with Disabilities Act.
- E. Section 504 of the Rehabilitation Act of 1973.
- F. Trafficking Victims Protection Act of 2000 (22 USC 7104(G), as amended, and 2 CFR Part 175.
- G. Clean Air Act (42 USC 7401 – 7671q) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended.
- H. Byrd Anti-Lobbying Amendment (31 USC 1352).
 - 1) The Contractor shall certify to DHCS that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. The Contractor shall also disclose to DHCS any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.
- I. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).
 - 1) The Contractor shall comply with the regulations set forth in 42 CFR Part 2, including the responsibility for assuring the security and confidentiality of all electronically transmitted patient material.

12. Definitions

The following definitions shall apply to this Agreement:

Advisory Group: Advisory Group means a group of individuals representing several organizations to provide MAT expertise and technical assistance to County Teams, local jails, jail reentry programs, drug courts, and/or diversion programs.

Contractor: Contractor means Health Management Associates, Inc.

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Counseling: Counseling means individual and group sessions provided by a licensed professional or an individual registered or certified pursuant to Title 9, CCR, Division 4, Chapter 8. Counseling provided at a NTP shall conform to Title 9, CCR, Division 4, Chapter 4.

County Team: County Team means a county-based team to expand MAT access to patients with OUD. County Teams shall provide MAT technical assistance and training to local jails, drug courts, and/or diversion programs.

Grant: Grant means the State Targeted Response to the Opioid Crisis Grant.

Medication Assisted Treatment: Medication Assisted Treatment means a combination of medications utilized to treat an OUD in conjunction with counseling services.

MAT Champion: MAT Champion means an individual promoting MAT, keeping electronic and/or physical records of stakeholders communicated with, spearheading stakeholder outreach, and serving as the primary project point of contact.

Naloxone Distribution Plan: Naloxone Distribution Plan means a strategy outlining stakeholder recipients of naloxone, as well as the methods and schedule for delivering naloxone to stakeholders.

Subcontractor: Subcontractor means the individual or entity that contracts and performs services for the Contractor.

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, DHCS agrees to compensate the Contractor for actual expenditures incurred in accordance with the budget(s) attached hereto.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears to:

Ivan Bhardwaj
Department of Health Care Services
Substance Use Disorder Compliance Division
MS 2600
P.O. Box 997413
Sacramento, CA 95899-7413

DHCS, at its discretion, may designate an alternate invoice submission address. A change in the invoice address shall be accomplished via a written notice to the Contractor by DHCS and shall not require an amendment to this Agreement.

C. Invoices shall:

- 1) Be prepared on Contractor letterhead. If invoices are not on produced letterhead invoices must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent actual expenses for the service performed under this Agreement.
- 2) Bear the Contractor's name as shown on the Agreement.
- 3) Identify the billing and/or performance period covered by the invoice.
- 4) Itemize costs for the billing period in the same or greater level of detail as indicated in this Agreement. Subject to the terms of this Agreement, reimbursement may only be sought for those costs and/or cost categories expressly identified as allowable in this Agreement and approved by DHCS.

2. Budget Contingency Clause

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

Exhibit B
Budget Detail and Payment Provisions

3. Prompt Payment Clause

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

4. Amounts Payable

A. The amounts payable under this Agreement shall not exceed:

1) [REDACTED] for the budget period of July 1, 2018 through June 30, 2019.

B. Reimbursement shall be made for allowable expenses up to the amount annually encumbered commensurate with the state fiscal year in which services are performed and/or goods are received.

5. Timely Submission of Final Invoice

A. A final undisputed invoice shall be submitted for payment no more than ninety (90) calendar days following the expiration or termination date of this Agreement, unless a later or alternate deadline is agreed to in writing by the Program Contract Manager. Said invoice should be clearly marked "Final Invoice", thus indicating that all payment obligations of DHCS under this Agreement have ceased and that no further payments are due or outstanding.

B. DHCS may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written DHCS approval of an alternate final invoice submission deadline. Written DHCS approval shall be sought from the Program Contract Manager prior to the expiration or termination date of this Agreement.

C. The Contractor is hereby advised of its obligation to submit, with the final invoice, a "**Contractor's Release (Exhibit G)**" acknowledging submission of the final invoice to DHCS and certifying the approximate percentage amount, if any, of recycled products used in performance of this Agreement.

6. Expense Allowability / Fiscal Documentation

A. Invoices, received from a Contractor and accepted and/or submitted for payment by DHCS, shall not be deemed evidence of allowable agreement costs.

B. The Contractor shall maintain for review and audit and supply to DHCS upon request, adequate documentation of all expenses claimed pursuant to this Agreement to permit a determination of expense allowability.

C. If the allowability or appropriateness of an expense cannot be determined by DHCS because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be withheld by DHCS. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.

Exhibit B
Budget Detail and Payment Provisions

- D. If travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. For more information on allowable travel and per diem expenses and required documentation, see Exhibit H entitled, "Travel Reimbursement Information".
- E. Costs and/or expenses deemed unallowable are subject to recovery by DHCS. See provision 7 in this exhibit entitled, "Recovery of Overpayments" for more information.

7. Recovery of Overpayments

- A. Contractor agrees that claims based upon a contractual agreement or an audit finding and/or an audit finding that is appealed and upheld, will be recovered by DHCS by one of the following options:
 - 1) Contractor's remittance to DHCS of the full amount of the audit exception within 30 days following DHCS' request for repayment;
 - 2) A repayment schedule which is agreeable to the both DHCS and the Contractor.
- B. DHCS reserves the right to select which option will be employed and the Contractor will be notified by DHCS in writing of the claim procedure to be utilized.
- C. Interest on the unpaid balance of the audit finding or debt will accrue at a rate equal to the monthly average of the rate received on investments in the Pooled Money Investment Fund commencing on the date that an audit or examination finding is mailed to the Contractor, beginning 30 days after the Contractor's receipt of DHCS' demand for repayment.
- D. If the Contractor has filed a valid appeal regarding the report of audit findings, recovery of the overpayments will be deferred until a final administrative decision on the appeal has been reached. If the Contractor loses the final administrative appeal, the Contractor shall repay, to DHCS, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Contractor's first receipt of DHCS' notice requesting reimbursement of questioned audit costs or disallowed expenses.

8. Funding Restrictions

- A. The Contractor shall not use any grant funds made available under this Agreement to:
 - 1) Pay for any lease beyond the project period.
 - 2) Provide services to incarcerated populations (defined as those persons in jail, prison, detention facilities, or in custody where they are not free to move about in the community).
 - 3) Pay for purchase or construction of any building or structure to house any part of the program.
 - 4) Pay for housing other than residential mental health and/or substance abuse treatment.
 - 5) Provide residential or outpatient treatment services when the facility has not yet been acquired, sited, approved, and met all requirements for human habitation and services provision. (Expansion or enhancement of existing residential services is permissible.)
 - 6) Only allowable costs associated with the use of federal funds are permitted to fund evidence-based practices (EBPs). Other sources of funds may be used for unallowable costs (e.g., meals, sporting events, entertainment). Other support is defined as funds or resources, whether federal, non-federal or institutional, in direct support of activities through fellowships, gifts, prizes, or in-kind contributions.

Exhibit B
Budget Detail and Payment Provisions

- 7) Make direct payments to individuals to induce them to enter prevention or treatment services. However, SAMHSA grant funds may be used for non-clinical support services (e.g. bus tokens, child care) designed to improve access and retention in prevention and treatment programs.
 - 8) Make direct payments to individuals to encourage attendance and/or attainment of prevention or treatment goals. Meals are generally unallowable unless they are an integral part of a conference grant or specifically stated as an allowable expense in the FOA. Grant funds may be used for light snacks, not to exceed \$3.00 per person.
 - 9) Outside individuals or companies that prepare or participate in the preparation of grant applications may not be contractors on those grants per 45 CFR 75.328, which addresses full and open competition.
- B. Grant funds shall not be used for services that can be paid through other accessible sources of funding such as Title XIX of the Social Security Act, other federal discretionary and formula grant funds, non-federal funds, third party insurance, and sliding scale self-pay, among others.
- C. Grant funds shall not supplant current funding of existing activities.

9. Benefit Eligibility Limitations

- A. Grant funds made available under this Agreement shall only pay for services: (1) to individuals who are not covered by public or commercial health insurance plans, (2) to individuals whose coverage has been formally determined to be unaffordable, or (3) that are not sufficiently covered by an individual's health insurance plan.

10. Additional Terms and Conditions

- A. Grant funds shall be subject to any restrictions, limitations, or requirements set forth in Division A, Title I, Section 1003 of the 21st Century Cures Act.
- B. As a result of the decision in *United States v. Windsor*, the Contractor shall treat as valid the marriages of same-sex couples whose marriage was legal when entered into. This applies regardless of whether the couple now lives in a jurisdiction that recognizes same-sex marriage or a jurisdiction that does not recognize same-sex marriages.
- C. The Contractor shall ensure that services are accessible to persons with limited English proficiency.
- D. The Contractor shall obtain a Data Universal Number System (DUNS) number and register with the System for Award Management (SAM) prior to beginning work under this Agreement. The Contractor shall keep its DUNS number and SAM registration current and up to date at all times during the term of this Agreement.
- E. The Contractor may shift funds between expenditure categories identified on Exhibit B, Attachment I up to 5% by providing written notice to DHCS in the form of a revised budget. Any proposed shift of funds greater than 5% of the total projected expenditures identified on the budget requires written approval from DHCS.

Exhibit B Attachment I – Budget

Project Start Up (Year 1)

07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Director – Travel time	1			\$
Project Specialist – Consulting	1			\$
Project Specialist – Travel time	1			\$
Graphics Specialist	1			\$
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

Total Travel \$

Subcontracts

Angelyne Arrelano

Personnel

Operating Expenses

Travel

Subcontracts

Indirect Costs

Total Costs

\$0

\$0

\$0

\$0

Total Subcontracts \$

Other Costs

None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 1 PROJECT START UP

This deliverable encompasses all activities and expenses required to complete the following project task specified in the scope of work:

- Develop an outreach plan
- Develop and release project application packet including program description, application form, and Frequently Asked Questions
- Develop a proposal scoring tool
- Conduct an informational webinar before applications are due
- Collect, summarize and score applications
- Work with DHCS to determine project awards
- Develop a charter and duties description for the Advisory Committee
- Invite members to participate on Advisory Committee

The budget is [REDACTED] to be paid in full when documents for all activities above are finalized and submitted to DHCS.

1. PERSONNEL

Consulting hours for Project Director and Project Specialist will be used to complete the activities noted above.

Graphics Specialist hours will be used to design the program materials that will be released to the public in similar "look and feel" to other DHCS CURES-funded projects.

Travel time is allows for two trips to Sacramento to meet face to face with DHCS to determine project details and guidance to applicants, and to conduct the scoring of applications and determine awards. Allows for two hours travel time each way from San Mateo/Oakland to Sacramento, for the Project Director and Project Specialist.

2. TRAVEL

Expense covers mileage reimbursement at \$0.545 per mile for 264 miles, for two round trips to Sacramento at 264 miles each for two people (528 miles X \$0.545)

3. SUBCONTRACTOR

Subcontractor Angelyne Arrelano is a subject matter expert who will contribute [REDACTED] hours of labor to the tasks in this deliverable, at [REDACTED] per hour and will travel to Sacramento from Oakland for one face-to-face meeting incurring four hours of travel time at [REDACTED] per hour. Total subcontractor cost = [REDACTED].

Exhibit B Attachment I – Budget
Subcontracting Template (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Specialist – Consulting	1			
Accounting Specialist	1			
Total Salary				\$ 7,643
Fringe Benefits (NA)				\$ 0
Total Personnel				\$ [REDACTED]

County Teams

Teams from 20 selected counties

Total County Teams \$ [REDACTED]

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

Total Travel \$ 0

Subcontracts

None

Total Subcontracts \$ 0

Other Costs

None

Total Other Costs \$

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$ [REDACTED]

Budget Narrative - Year 1

DELIVERABLE No. 2 SUBCONTRACTING TEMPLATE

This deliverable covers activities required to establish a subcontracting template that is approved by DHCS, HMA's Chief Financial Officer, and HMA's Contracting Director, and to issue and track awarded amounts directed to County teams over the course of the project.

The budget is [REDACTED] to be paid in full when the sample subcontract is approved and county teams have been selected.

1. Personnel

Consulting hours cover labor to develop and obtain approval of a subcontracting template for the project's county teams, and to customize the template to each of the 20 lead agencies from the county teams.

Accounting specialist hours cover the cost of accounting activities required to disburse awards to the lead agencies over the course of the project.

2. County Teams

This line item is for [REDACTED] provided to each of 20 county teams over the course of the project.

Exhibit B Attachment I - Budget
Conferences (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Director - Travel time	1			
Project Specialist - Consulting	1			
Project Specialits - Travel time	1			
Project Assistant - Support	1			
Project Assistant - Travel time	1			
Total Salary				
Fringe Benefits (NA)				\$ 0
Total Personnel				\$ 0

Operating Expenses
None

Total Operating Expenses \$ 0

Equipment
None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

Air fare
Meals
Parking
Car rental
Lodging

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0		\$0	\$0	

Total Subcontracts \$ 0

Other Costs

Conferencing fees
Conference speaker fees and expenses
Conference materials

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$ 0

Budget Narrative - Year 1

DELIVERABLE 3 CONFERENCES

This deliverable covers all activities and costs associated with developing and hosting three Learning Collaborative conference sessions in which all county teams and Advisory Committee members participate. They will be held in locations around the state, determined by the location of the awarded counties and will be either one-day or two half-day sessions. Project Director, Project Specialist, Subcontractor, and Project Assistant will attend all three sessions.

The budget is [REDACTED] and will be paid in three equal payments of [REDACTED] upon submittal of each conference date and location.

1. Personnel

Personnel is divided into three components as follows

Subject matter expertise and consulting provided by Project Director, Project Specialist, and Subcontractor and utilized to plan and provide program content and engage guest speakers.

Conference planning provided by Subcontractor and Project Assistant and utilized to engage the conference venue, prepare materials for conference participants, and provide support at the conference for registration and on-site operations.

2. Travel

Travel expenses cover HMA staff expenses:

Airfare: plane ticket to venue for 3 people, three sessions, [REDACTED] per ticket = [REDACTED]

Meals: four meals per session for 3 people, three sessions, @ average [REDACTED] per meal = [REDACTED]

Parking: [REDACTED] for airport parking per person x 3 people x 3 trips = [REDACTED]

Car rental: one car rental per session @ [REDACTED] each = [REDACTED]

Lodging: 2 nights per session for 3 people, 3 sessions @ [REDACTED] per night = [REDACTED]

3. Subcontract

Subcontractor Angelyne Arrelano is a subject matter expert who will contribute [REDACTED] hours of consulting labor to the tasks in this deliverable at [REDACTED] per hour. She will also contribute [REDACTED] hours of conference planning assistance at [REDACTED] per hour. She will travel to all three events and her travel expenses will be identical to those for HMA staff noted above.

4. Other Costs

Conferencing fees, including large conference room, three breakout rooms, audio-visual equipment, continental breakfast, lunch, and water service for [REDACTED] participants, are budgeted at [REDACTED] per session, for three sessions.

Speaker fees are budgeted at [REDACTED] per conference to allow for honorarium and travel expenses of [REDACTED] per person for two nationally known speakers to travel to each session.

Materials are budgeted at [REDACTED] or [REDACTED] per session to cover name tags, folders, and printed conference materials for 180 participants, or [REDACTED] per person.

Exhibit B Attachment I –Budget
Resource Library (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Specialist – Consulting	1			
Webmaster – Technical work	1			\$ —
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

None

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs

None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 4 RESOURCE CENTER

This deliverable covers all activities and expenses associated with designing, launching, hosting, and maintaining a project website/resource center that will allow open access to program information and application materials, webinars, and podcasts and restricted access to county team members for email threads, program information, and resources.

The budget is [REDACTED] and will be paid in one lump sum upon submittal of an active link to the website/resource center.

1. Personnel

Project Director will oversee website/resource center design and launch and contribute to posted materials.

Project Specialist will contribute to posted materials on a regular basis.

Webmaster will oversee technical components of website design, launch, maintenance, access, and hosting.

2. Subcontractor

Subcontractor Angelyne Arrelano will provide [REDACTED] hours of consulting time ([REDACTED]) to post updates, information, and oversee participant communication on the website/resource center.

Exhibit B Attachment I – Budget
Coaching Calls (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Specialist – Consulting	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

None

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs

None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 5 COACHING CALLS

This deliverable covers all activities related to providing monthly coaching calls to each county team. This includes scheduling calls, preparing for calls with project team, eight one hour-long call with each team commencing the month after the first Learning Collaborative, and writing notes/tracking team progress after each call. Two hours per call is allocated for 160 calls (20 team calls per month x 8 months).

The budget is [REDACTED]. Calls will be invoiced at an average rate of [REDACTED], on a monthly basis for calls competed during prior month. Invoice will include a log noting date of each call, the Coach, and the county team.

1. Personnel

The Project Director will follow two teams and cover 16 calls.

The Project Specialist will follow nine teams and cover 72 calls.

2. Subcontract

Subcontractor Angelyne Arrelano will follow nine teams and cover 72 calls.

Exhibit B Attachment I – Budget
Webinars (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Specialist – Consulting	1			
Media Specialist	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses
None

Total Operating Expenses \$ 0

Equipment
None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)
None

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs
None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 6 WEBINARS

This deliverable covers all activities related to producing nine topic-specific webinars of no more than one hour each, and advertising, recording, and posting them.

The budget is [REDACTED] and will be invoiced monthly at a rate of [REDACTED] per webinar. The invoice will include a log noting the date and title of each webinar and a link to the webinar.

1. Personnel

The Project Director will contribute [REDACTED] hours to the content development and oversee processes to advertise, host and record the sessions.

The Project Specialist will contribute [REDACTED] hours to content development, engaging external subject matter experts, and hosting.

The Media Specialist will manage registration, technical facilitation, recording the sessions and posting links on the website/resource center.

2. Subcontract

Subcontractor Angel Arrelano will contribute [REDACTED] hours to developing content and engaging external subject matter experts.

Exhibit B Attachment I - Budget
Podcasts (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Specialist – Consulting	1			
Media Specialist	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses
None

Total Operating Expenses \$ 0

Equipment
None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)
None

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs
None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 7 PODCASTS

This deliverable covers all activities related to producing five topic-specific podcasts webinars of no more than 30 minutes each, and advertising, recording, and posting them.

The budget is [REDACTED] and will be invoiced monthly at a rate of [REDACTED] per podcast webinar. The invoice will include a log noting the date and title of each podcast and a link to the podcast.

1. Personnel

The Project Director will contribute eight hours to the content development and oversee processes to advertise, host and record the podcasts.

The Project Specialist will contribute six hours to content development, engaging external subject matter experts, and hosting.

The Media Specialist will contribute ten hours to manage technical facilitation, record the sessions and post links on the website/resource center.

2. Subcontract

Subcontractor Angel Arrelano will contribute six hours to developing content and engaging external subject matter experts.

Exhibit B Attachment I – Budget
Naloxone Distribution (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Accounting Specialist	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses
None

Total Operating Expenses \$ 0

Equipment
None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)
None

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs
Naloxone

Total Other Costs \$

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 8 NALOXONE DISTRIBUTION

This deliverable covers all activities to devise a methodology for county teams to be eligible for naloxone acquired at the state's discounted rate through its contracted provider, communicate eligibility to the county teams, develop and issue instructions for requests, and process requests to distribute at least [REDACTED] of naloxone.

The budget is [REDACTED] and will be paid in a lump sum upon submittal of a naloxone distribution plan.

1. Personnel

The Project Director will spend 16 hours in consultation with the state on the eligibility plan and distribution plan, will oversee the processes to implement both plans, and approve payments for naloxone by county.

The Accounting Assistant will contribute five hours to process all payments for naloxone.

2. Subcontract

Subcontractor Angel Arrelano will prepare documents describing eligibility and for applications, will review and tabulate the funding requests, and will communicate with county teams and the naloxone distributor to implement the processes.

3. Other – Naloxone

The state will provide at least [REDACTED] for the purpose of procuring naloxone and/or making it available to the approved county teams, through the established processes.

Exhibit B Attachment I – Budget
Data Collection Framework (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Specialist - Consulting	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

None

Total Travel \$ 0

Subcontracts

Angelyne Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs

None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 9 DATA COLLECTION FRAMEWORK

This deliverable covers all activities to support county teams in developing a feasible and effective means of tracking opioid overdose, opioid death, incarceration, use of MAT, engagement in community SUD treatment, recidivism and other related factors. Activities will include confer with organizations and researchers responsible for policy and operations regarding data collection and reporting of data of interest, diagramming options, creating a training framework, and supporting counties in devising local options.

The budget is [REDACTED] and will be paid in a lump sum upon submittal of a data collection training framework.

1. Personnel

The Project Specialist will contribute [REDACTED] hours to the tasks noted above.

2. Subcontract

Subcontractor Angel Arrelano will contribute [REDACTED] hours to the tasks noted above.

Exhibit B Attachment I - Budget
Quarterly Reports (Year 1)
07/01/2018 through 06/30/2019

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

None

Total Travel \$ 0

Subcontracts

None

Personnel Operating Expenses Travel Subcontracts Indirect Costs Total Costs

Total Subcontracts \$ 0

Other Costs

None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 10 QUARTERLY REPORTS AND PROJECT MANAGEMENT

This deliverable includes all related to client reporting and project management. HMA will provide written reports within 30 days of end of first, second, and third project quarters and will execute all project management functions to assure that project is conducted in accordance with the budget, scope of work, and timelines, and to the satisfaction of DHCS.

The budget is [REDACTED] and will be invoiced following the submittal of each report at a rate of [REDACTED].

1. Personnel

The Project Director will contribute [REDACTED] hours to writing the reports and conducting project management.

2. Subcontract

None

**Exhibit B Attachment I – Budget
Final Report (Year 1)
07/01/2018 through 06/30/2019**

Personnel

Position Title	# of Staff	Hourly Rate	Number of Hours	Annual Cost
Project Director - Consulting	1			
Project Specialist - Consulting	1			
Project Assistant	1			
Total Salary				\$
Fringe Benefits (NA)				\$ 0
Total Personnel				\$

Operating Expenses

None

Total Operating Expenses \$ 0

Equipment

None

Total Equipment Expenses \$ 0

Travel (At CalHR reimbursement rates)

None

Total Travel \$ 0

Subcontracts

Angel Arrelano

Personnel	Operating Expenses	Travel	Subcontracts	Indirect Costs	Total Costs
	\$0	\$0	\$0	\$0	

Total Subcontracts \$

Other Costs

None

Total Other Costs \$ 0

Indirect Costs

Indirect Costs \$ 0

Annual Budget Total \$

Budget Narrative - Year 1

DELIVERABLE 11 FINAL REPORT

This deliverable covers all activities and processes related to preparing and submitting a final report to DHCS. The final report will be submitted no later than 60 days after the project end date. It will summarize project activities, accomplishments, challenges, and lessons learned by HMA, the County teams (in general terms, not as a formal evaluation), Advisory Committee members, and other stakeholders.

The budget is [REDACTED] and will be invoiced as a lump sum upon submittal of the report.

1. Personnel

The Project Director will contribute [REDACTED] hours to the framing, writing, and final review of the report.

The Project Specialist will contribute [REDACTED] hours to the writing of the report.

The Project Assistant will contribute [REDACTED] hours to graphic enhancements, formatting, and proof reading of the report.

2. Subcontract

Subcontractor Angel Arrelano will contribute [REDACTED] hours to the writing of the report.

Exhibit B Attachment II – Schedule 1
Subcontractor Budget
07/01/2018 through 06/30/2019

Name of Subcontractor: Angel Arrelano

[Personnel – Working Titles (List Position titles & # of staff)]	% of Time, FTE, or # of Hours	Mo. Salary Range or Hourly Rate	Amount Budgeted
Angel Arrelano - Consulting		\$	\$
Angel Arrelano – Conference Planning		\$	\$
Angel Arrelano – Travel time		\$	\$
			\$
			\$
			\$
Personnel Subtotal			\$

Fringe Benefits \$ 0

Total Personnel \$

General or Operating Expenses

Disposable supplies	\$0
Telecommunications	\$ 0
Printing/Reproduction	\$ 0

Gen. Expense Total \$ 0

Travel Costs (at CalHR rates) \$

Subcontracts \$

Reprographic services	\$ 0
Outreach services	\$ 0

Indirect Costs \$ 0

TOTAL COSTS \$

This subcontractor expense schedule is provided for informational purposes only and is subject to change.

GENERAL TERMS AND CONDITIONS

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

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

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

10. NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

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

11. CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

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

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

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

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

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

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

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

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

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

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

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

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support

enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

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

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

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

19. SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

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

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

20. LOSS LEADER:

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

Special Terms and Conditions

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

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

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

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

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

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1. Federal Equal Opportunity Requirements

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

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

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

2. Travel and Per Diem Reimbursement

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

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

3. Procurement Rules

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

a. Equipment/Property definitions

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

- (1) **Major equipment/property:** A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.
 - (2) **Minor equipment/property:** A tangible item having a base unit cost of less than \$5,000 with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement.
- b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 shall also apply, if equipment/property purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.
- c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment/property and services related to such purchases for performance under this Agreement.

- (1) Equipment/property purchases shall not exceed \$50,000 annually.

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

make arrangements through the appropriate DHCS Program Contract Manager, to have all remaining equipment/property purchased through DHCS' Purchasing Unit. The cost of equipment/property purchased by or through DHCS shall be deducted from the funds available in this Agreement. Contractor shall submit to the DHCS Program Contract Manager a list of equipment/property specifications for those items that the State must procure. DHCS may pay the vendor directly for such arranged equipment/property purchases and title to the equipment/property will remain with DHCS. The equipment/property will be delivered to the Contractor's address, as stated on the face of the Agreement, unless the Contractor notifies the DHCS Program Contract Manager, in writing, of an alternate delivery address.

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

4. Equipment/Property Ownership / Inventory / Disposition

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

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

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

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

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

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

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

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

g. **Motor Vehicles**

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

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

Automobile Liability Insurance

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

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

5. Subcontract Requirements

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

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

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

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

6. Income Restrictions

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

7. Audit and Record Retention

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

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

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

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

8. Site Inspection

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

9. Federal Contract Funds

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

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

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

10. Intellectual Property Rights

a. Ownership

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

b. Retained Rights / License Rights

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

c. Copyright

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

d. Patent Rights

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

e. Third-Party Intellectual Property

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

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

f. Warranties

(1) Contractor represents and warrants that:

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

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

g. Intellectual Property Indemnity

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

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

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

h. Federal Funding

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

i. Survival

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

11. Air or Water Pollution Requirements

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

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

12. Prior Approval of Training Seminars, Workshops or Conferences

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

13. Confidentiality of Information

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

14. Documents, Publications and Written Reports

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

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

15. Dispute Resolution Process

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

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

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

16. Financial and Compliance Audit Requirements

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

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

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

17. Human Subjects Use Requirements

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

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

18. Novation Requirements

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

19. Debarment and Suspension Certification

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

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

20. Smoke-Free Workplace Certification

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

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

21. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

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

22. Payment Withholds

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

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

23. Performance Evaluation

(Not applicable to grant agreements.)

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

24. Officials Not to Benefit

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

25. Four-Digit Date Compliance

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

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

26. Prohibited Use of State Funds for Software

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

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

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

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

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

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

28. Alien Ineligibility Certification

(Applicable to sole proprietors entering federally funded agreements.)

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

29. Union Organizing

(Applicable only to grant agreements.)

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

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

30. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

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

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

f. Earned/Accrued Compensation

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

(a) Example No. 1:

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

(b) Example No. 2:

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

(c) Example No. 3:

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

31. Suspension or Stop Work Notification

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

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

32. Lobbying Restrictions and Disclosure Certification

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

a. Certification and Disclosure Requirements

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

b. Prohibition

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

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

CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

Name of Contractor

Printed Name of Person Signing for Contractor

Health Management Associates, Inc.

Contract / Grant Number

Signature of Person Signing for Contractor

18-95362

Date

Title

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

California Department of Health Care Services

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

Attachment 2

CERTIFICATION REGARDING LOBBYING

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

Approved by OMB
0348-0046

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

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

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

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

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

Exhibit E
Additional Provisions

1. Amendment Process

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

2. Cancellation / Termination

- A. This Agreement may be cancelled by DHCS without cause upon 30 calendar days advance written notice to the Contractor.
- B. DHCS reserves the right to cancel or terminate this Agreement immediately for cause. The Contractor may submit a written request to terminate this Agreement only if DHCS substantially fails to perform its responsibilities as provided herein.
- C. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this Agreement.
- D. Agreement termination or cancellation shall be effective as of the date indicated in DHCS' notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
- E. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.
- F. In the event of early termination or cancellation, the Contractor shall be entitled to payment for all allowable costs authorized under this Agreement and incurred up to the date of termination or cancellation, including authorized non-cancelable obligations, provided such expenses do not exceed the stated maximum amounts payable.

3. Avoidance of Conflicts of Interest by Contractor

- A. DHCS intends to avoid any real or apparent conflict of interest on the part of the Contractor, subcontractors, or employees, officers and directors of the Contractor or subcontractors. Thus, DHCS reserves the right to determine, at its sole discretion, whether any information, assertion or claim received from any source indicates the existence of Contractor to submit additional information or a plan for resolving the conflict, subject to DHCS review and prior approval.
- B. Conflicts of interest include, but are not limited to:
 - 1) An instance where the Contractor or any of its subcontractors, or any employee, officer, or director of the Contractor or any subcontractors, has an interest, financial or otherwise, whereby the use or disclosure of information obtained while performing services under the Agreement would allow for private or personal benefit or for any purpose that is contrary to the goals and objectives of the Agreement.
 - 2) An instance where the Contractor's or any subcontractors' employees, officers, or directors use their positions for purposes that are, or give the appearance of being, motivated by a

Exhibit E
Additional Provisions

desire for private gain for themselves or others, such as those with whom they have family, business or other ties.

- C. If DHCS is or becomes aware of a known or suspected conflict of interest, the Contractor will be given an opportunity to submit additional information or to resolve the conflict. A Contractor with a suspected conflict of interest will have five (5) working days from the date of notification of the conflict by DHCS to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by DHCS and cannot be resolved to the satisfaction of DHCS, the conflict will be grounds for terminating the Agreement. DHCS may, at its discretion upon receipt of a written request from the Contractor, authorize an extension of the timeline indicated herein.

4. Domestic Partners

This provision supersedes and replaces Provision 7 (Domestic Partners) in the Department of General Services' Contractor Certification Clauses incorporated by reference within the General Terms and Conditions (GTC) cited on the face of the Agreement. Based upon an existing program exemption from Chapter 2 of Part 2 of Division 2 of the Public Contract Code that applies to this Agreement, DHCS concludes that this Agreement is not subject to the requirements of Public Contract Code Section 10295.3 governing domestic partners.

Contractor's Release

Instructions to Contractor:

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

Submission of Final Invoice

Pursuant to **contract number** 18-95362 entered into between the Department of Health Care Services (DHCS) and the Contractor (identified below), the Contractor does acknowledge that final payment has been requested via **invoice number(s)** _____, in the **amount(s) of \$** _____ and **dated** _____.
If necessary, enter "See Attached" in the appropriate blocks and attach a list of invoice numbers, dollar amounts and invoice dates.

Release of all Obligations

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

Repayments Due to Audit Exceptions / Record Retention

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

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

Recycled Product Use Certification

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

Reminder to Return State Equipment/Property (If Applicable)

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

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

Patents / Other Issues

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

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

Contractor's Legal Name (as on contract): Health Management Associates, Inc.

Signature of Contractor or Official Designee: _____ Date: _____

Printed Name/Title of Person Signing: Donna Strugar-Fritsch

Distribution: Accounting (Original) Program

Travel Reimbursement Information
(Lodging and Per Diem Reimbursement Increase – Effective for travel on/after January 1, 2018)

1. The following rate policy is to be applied for reimbursing the travel expenses of persons under contract. The terms "contract" and/or "subcontract" have the same meaning as "grantee" and/or "subgrantee" where applicable.
 - a. Reimbursement for travel and/or per diem shall be at the rates established for nonrepresented/excluded state employees. Exceptions to California Department of Human Resources (CalHR) lodging rates may be approved by the Department of Health Care Services (DHCS) upon the receipt of a statement on/with an invoice indicating that State employee travel rates are not available.
 - b. Short Term Travel is defined as a 24-hour period, and less than 31 consecutive days, and is at least 50 miles from the main office, headquarters or primary residence. Starting time is whenever a contract or subcontract employee leaves his or her home or headquarters. "Headquarters" is defined as the place where the contracted personnel spends the largest portion of their working time and returns to upon the completion of assignments. Headquarters may be individually established for each traveler and approved verbally or in writing by the program funding the agreement. Verbal approval shall be followed up in writing or email.
 - c. Contractors on travel status for more than one 24-hour period and less than 31 consecutive days may claim a fractional part of a period of more than 24 hours. Consult the chart appearing on Page 2 of this document to determine the reimbursement allowance. All lodging reimbursement claims must be supported by a receipt*. If a contractor does not or cannot present receipts, lodging expenses will not be reimbursed.

(1) Lodging (with receipts*):

Travel Location / Area	Reimbursement Rate
All counties (except the counties identified below)	\$ 90.00 plus tax
Counties of Sacramento, Napa, Riverside	\$ 95.00 plus tax
Marin	\$110.00 plus tax
Counties of Los Angeles (except City of Santa Monica), Orange, Ventura and Edwards AFB	\$120.00 plus tax
Counties of Monterey and San Diego	\$125.00 plus tax
Counties of Alameda, San Mateo, and Santa Clara	\$140.00 plus tax
City of Santa Monica	\$150.00 plus tax
San Francisco	\$250.00 plus tax

Reimbursement for actual lodging expenses that exceed the above amounts may be allowed with the advance approval of the Deputy Director of DHCS or his or her designee. Receipts are required.

*Receipts from Internet lodging reservation services such as Priceline.com which require prepayment for that service, ARE NOT ACCEPTABLE LODGING RECEIPTS and are not reimbursable without a valid lodging receipt from a lodging establishment.

- (2) Meal/Supplemental Expenses: With substantiating receipts, a contractor may claim actual expenses incurred up to the following maximum reimbursement rates for each full 24-hour period of travel.

Meal / Expense	Reimbursement Rate
Breakfast	\$ 7.00
Lunch	\$ 11.00
Dinner	\$ 23.00
Incidental expenses	\$ 5.00

- d. Out-of-state travel may only be reimbursed if such travel is necessitated by the scope or statement of work and has been approved in advance by the program with which the contract is held. For out-of-state travel, contractors may be reimbursed actual lodging expenses, supported by a receipt, and may be reimbursed for meals and supplemental expenses for each 24-hour period computed at the rates listed in c. (2) above. For all out-of-state travel, contractors/subcontractors must have prior DHCS written or verbal approval. Verbal approval shall be confirmed in writing (email or memo).

- e. In computing allowances for continuous periods of travel of less than 24 hours, consult the chart appearing on Page 2 of this document.
 - f. No meal or lodging expenses will be reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from headquarters.
2. If any of the reimbursement rates stated herein is changed by CalHR, no formal contract amendment will be required to incorporate the new rates. However, DHCS shall inform the contractor, in writing, of the revised travel reimbursement rates and the applicable effective date of any rate change.
- At DHCS' discretion, changes or revisions made by DHCS to this exhibit, excluding travel reimbursement policies established by CalHR may be applied retroactively to any agreement to which a Travel Reimbursement Information exhibit is attached, incorporated by reference, or applied by DHCS program policy. Changes to the travel reimbursement rates stated herein may not be applied earlier than the date a rate change is approved by CalHR.
3. For transportation expenses, the contractor must retain receipts for parking; taxi, airline, bus, or rail tickets; car rental; or any other travel receipts pertaining to each trip for attachment to an invoice as substantiation for reimbursement. Reimbursement may be requested for commercial carrier fares; private car mileage; parking fees; bridge tolls; taxi, bus, or streetcar fares; and auto rental fees when substantiated by a receipt.
4. **Auto mileage reimbursement:** If a contractor uses his/her or a company car for transportation, the rate of reimbursement will be **0.545 cents** maximum per mile. If a contractor uses his/her or a company car "in lieu of" airfare, the air coach fare will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the State. Gasoline and routine automobile repair expenses are not reimbursable.
5. The contractor is required to furnish details surrounding each period of travel. Travel expense reimbursement detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc. Reimbursement for travel expenses may be withheld pending receipt of adequate travel documentation.
6. Contractors are to consult with the program funding the contract to obtain specific invoicing procedures.

Per Diem Reimbursement Guide

Length of travel period	And this condition exists...	Meal allowed with receipt
Less than 24 hours	<p>▶ Trip begins at or before 6:00 a.m. and ends at or after 9:00 a.m.</p> <p>▶ Trip ends at least one hour after the regularly scheduled workday ends or begins at or before 4:00 p.m. and ends after 7:00 p.m.</p> <p><i>Lunch or incidentals cannot be claimed on one-day trips.</i></p>	<p>Breakfast</p> <p>Dinner</p>
24 hours or more	<p>▶ Trip begins at or before 6:00 a.m.</p> <p>▶ Trip begins at or before 11:00 a.m.</p> <p>▶ Trip begins at or before 5:00 p.m.</p>	<p>Breakfast</p> <p>Lunch</p> <p>dinner</p>
More than 24 hours	<p>▶ Trip ends at or after 8:00 a.m.</p> <p>▶ Trip ends at or after 2:00 p.m.</p> <p>▶ Trip ends at or after 7:00 p.m.</p>	<p>Breakfast</p> <p>Lunch</p> <p>Dinner</p>
<p>The following meals may not be claimed for reimbursement: meals provided by the State, meals included in hotel expenses or conference fees, meals included in transportation costs such as airline tickets, or meals that are otherwise provided. Snacks and/or continental breakfasts such as rolls, juice, and coffee are not considered to be a meal.</p> <p>No meal expense may be claimed for reimbursement more than once in any given 24-hour period.</p>		

Exhibit I
Resume

This exhibit contains the resumes of Contractor staff, independent consultants, or individual subcontractors that are known or expected to be assigned to perform work under this Agreement. If the identity of any person expected to hold an administrative, policy, or consultative role under this Agreement was unknown and whose resume was excluded from this exhibit and is identified/selected after contract execution, the resume of said individual(s) shall be collected, attached to the funding program's contract copy, and incorporated herein by this reference.

It is understood that the Contractor's employment or contractual relationship with the individuals whose resumes are included herein may change during the course of the contract term and these individuals may be replaced by alternate persons approved by DHCS and whose resumes shall be collected, attached to the funding Program's contract copy, and incorporated herein by this reference.

Donna Strugar-Fritsch, MPA, BSN, CCHP

Position

Principal, Health Management Associates, Inc., San Francisco, California

Education

MPA, Western Michigan University, 1992

BSN, Michigan State University, 1974

Range of Experience

Broad experience in health policy including government programs, managed care, rural health, public health, program development and administration of clinical services, grant-funded demonstrations, and public-private-academic partnerships in all realms of health care and other human services. Extensive experience in all aspects of correctional health care, transition of detainees from prison/jail to community, and access to Medicaid and insurance resources during and following incarceration. Administration of senior-level leadership training, and graduate-level instruction in health and human service curricula. Advanced writing and communication experience in corporate, academic, and community venues. Broad experience in governance and management of professional associations and other non-profit organizations.

Extensive experience in all aspects of correctional health care, interface of criminal justice system and Affordable Care Act, and treatment of addictions in correctional settings.

Professional Experience

HEALTH MANAGEMENT ASSOCIATES, INC., February 2003-present.

Working with a wide variety of clients to develop and operationalize strategic plans and strategic projects. Facilitating statewide health commissions and task forces. Extensive consulting with state correctional departments, city/county jails, policy makers, and correctional health providers on methods to address health care for inmates, claim federal Medicaid matching funds, bring innovations in health care to corrections, and integrate correctional health care with health care reform, treat addictions in prisons and

Exhibit I
Resume

jails and establish effective diversion and reentry programs for persons with addictions. Conducting analyses for foundations and associations to advance their efforts to influence health policy and to develop programs for the uninsured. Providing analytic and consultative services to government employers as they develop and administer medical, dental and pharmacy benefits and policies.

INDEPENDENT CONSULTANT, June 2000-February 2003.

Operated full-time consulting practice, provided a variety of planning, leadership, policy analysis, facilitation and program development services to clients in health care and other non-profit organizations.

MICHIGAN PUBLIC HEALTH INSTITUTE

Director of Planning and Development, January 1998-June 2002.

Responsible for strategic corporate initiatives for non-profit research and policy think-tank with \$19 million budget and 170 FTEs. Served as principal investigator/grant manager on sensitive projects. Oversaw corporate internal and external communications, member of corporate management team.

Director of Planning and Operations, September 1996-December 1997.

Developed internal functions for human resources, business operations, facilities, staff training, and communications. Oversaw design and building of new facility, its communication and computer infrastructure, and its videoconferencing center.

MICHIGAN HEALTH CARE INSTITUTE, Director, January 1994-August 1996.

Directed operations of grant and policy-related activities of non-profit subsidiary of the Michigan Health & Hospital Association. Principal Investigator of 3-year, \$1.5 million grant-funded initiative to advance delivery of health services in seven rural multi-county sites in Michigan.

MICHIGAN HOSPITAL ASSOCIATION, Division of Health Delivery and Finance, January 1990 to December 1993.

Progressive responsibility for policy research and development, advocacy and education related to health delivery for 180 Michigan hospitals. Directed state-wide member task forces on health care quality, utilization, behavioral health services, and rural health. Analyzed Medicaid provider appeal process to rectify claims backlog of \$10 million.

BLUE CARE NETWORK – HEALTH CENTRAL, 1981-1990.

Held a variety of staff and contracted positions to develop managed care services, deliver patient care, and manage HMO resources. Developed home care division including policies and operations to deliver home care services and medical equipment to 63,000 members.

Publications

New Models of Care in Correctional Health: The California Prison System's Complete Care Model, Strugar-Fritsch, D., Dunlap, J., Gomes, G., CorrectCare, Winter 2017, Volume 31, Issue 1.

Exhibit I
Resume

A Call for New Models of Care in Correctional Health, Strugar-Fritsch, D., Follenweider, L., CorrectCare, Dec 10, 2014 - Spring 2016,| Volume 30, Issue 2.

Health Care Reform: What's Next for Corrections? Strugar-Fritsch, D., CorrectCare, Vol 26: 4, 10-12.

Facilitating the Development of a County Health Coverage Plan with Data from a Community-Based Health Survey, Kruger, D., Hamacher, L., Strugar-Fritsch, D., Shirey, L., Renda, E., Zimmerman, M.; Journal of Public Health Policy, Vol 31, 2, 199-211

A Model Plan for the Uninsured: Delivering Quality and Affordability in a Limited Benefit Managed Care Safety Net Program in Flint, Michigan, Creech, C., Kornblau, B., Strugar-Fritsch, D., Journal of Health Care for the Poor and Underserved 23 (2012): 339-346.

Out of the Box and Over the Barriers: Community –Driven Strategies for Addressing the Uninsured, Woodbury, Strugar-Fritsch, Shaheen, 1st Books Press, 2003.

Professional Credentials

Registered Nurse, State of Michigan, # 118918

Certified Correctional Healthcare Professional, 2011 - current

Fellow, National Public Health Leadership Institute, 1998 - 1999

STATE OF CALIFORNIA
AGREEMENT SUMMARY

STD 215 (Rev. 08/2017)

AGREEMENT NUMBER

18-95362

AMENDMENT NUMBER

☒ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED

1. CONTRACTOR'S NAME Health Management Associates, Inc.		2. FEDERAL I.D. NUMBER 38-2599727
3. AGENCY TRANSMITTING AGREEMENT Department of Health Care Services	4. DIVISION, BUREAU, OR OTHER UNIT Substance Use Disorder Compliance Division	5. AGENCY BILLING CODE 085519
6a. CONTRACT ANALYST NAME Phil Miller	6b. EMAIL philip.miller@dhcs.ca.gov	6c. PHONE NUMBER (916) 345-7418

7. HAS YOUR AGENCY CONTRACTED FOR THESE SERVICES BEFORE?

☒ No ☐ Yes (If Yes, enter prior Contractor Name and Agreement Number)

PRIOR CONTRACTOR NAME

PRIOR AGREEMENT NUMBER

8. BRIEF DESCRIPTION OF SERVICES

The contractor will provide technical assistance and resources for county-based teams in a Learning Collaborative format to a minimum of 10 California counties, with the goal of building capacity for California jails and drug court systems to maintain Medication Assisted Treatment (MAT) prescribed in the community for detainees who become incarcerated and ensure best practices and approaches to MAT are used throughout the corrections process.

9. AGREEMENT OUTLINE (Include reason for Agreement: Identify specific problem, administrative requirement, program need or other circumstances making the Agreement necessary; Include special or unusual terms and conditions.)

The Substance Abuse and Mental Health Services Administration (SAMHSA) has awarded the State Targeted Response to the Opioid Crisis Grant to California's Department of Health Care Services (DHCS). California's project is titled the MAT Expansion Project. The services provided by the contractor will fulfill a focus of the MAT Expansion Project by expanding MAT services in criminal justice settings.

10. PAYMENT TERMS (More than one may apply)

☐ Monthly Flat Rate ☐ Quarterly ☐ One-Time Payment ☐ Progress Payment
☒ Itemized Invoice ☐ Withhold _____ % ☐ Advanced Payment Not To Exceed _____
☐ Reimbursement / Revenue _____ or _____ %
☒ Other (Explain) Not more frequently than monthly

11. PROJECTED EXPENDITURES

FUND TITLE	ITEM	FISCAL YEAR	CHAPTER	STATUTE	PROJECTED EXPENDITURES
Fed Fund/Local Assistance	4260-116-0890	18/19	29	2018	


OBJECT CODE 18-55129-9912-706	AGREEMENT TOTAL
----------------------------------	-----------------

OPTIONAL USE	AMOUNT ENCUMBERED BY THIS DOCUMENT
	PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$0.00

I certify upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.

TOTAL AMOUNT ENCUMBERED TO DATE

ACCOUNTING OFFICER'S SIGNATURE ACCOUNTING OFFICER'S NAME (Print or Type) DATE SIGNED

 Xingyu Wang 9/26/18

STATE OF CALIFORNIA
AGREEMENT SUMMARY

STD 215 (Rev. 08/2017)

AGREEMENT NUMBER

18-95362

AMENDMENT NUMBER

12. AGREEMENT

AGREEMENT	TERM FROM	TERM THROUGH	TOTAL COST OF THIS TRANSACTION	BID, SOLE SOURCE, EXEMPT
Original	7/1/2018	6/30/2019		Exempt. See item #13
Amendment 1				
Amendment 2				
TOTAL				

13. BIDDING METHOD USED

- ☐ Request for Proposal (RFP) (Attach justification if secondary method is used)
 ☐ Use of Master Service Agreement
☐ Invitation for Bid (IFB)
 ☒ Exempt from Bidding (Give authority for exempt status)
 ☐ Sole Source Contract (Attach STD. 821)
☒ Other (Explain) WIC 14124.13. (a)(b)

Note: Proof of advertisement in the State Contracts Register or an approved form STD. 821, Contract Advertising Exemption Request, must be attached

14. SUMMARY OF BIDS (List of bidders, bid amount and small business status) (If an amendment, sole source, or exempt, leave blank)

N/A exempt from bidding. See item #13

15. IF AWARD OF AGREEMENT IS TO OTHER THAN THE LOWER BIDDER, EXPLAIN REASON(S) (If an amendment, sole source, or exempt, leave blank)

N/A exempt from bidding. See item #13

16. WHAT IS THE BASIS FOR DETERMINING THAT THE PRICE OR RATE IS REASONABLE?

Fund negotiated – expense justification on file.

17a. JUSTIFICATION FOR CONTRACTING OUT (Check one)

- ☐ Contracting out is based on cost savings per Government Code 19130(a). The State Personnel Board has been so notified.
 ☐ Contracting out is justified based on Government Code 19130(b). When this box is checked, a completed JUSTIFICATION - CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 547.60 must be attached to this document.
☒ Not Applicable (Interagency / Public Works / Other Direct Service)

17b. EMPLOYEE BARGAINING UNIT NOTIFICATION

- ☒ By checking this box, I hereby certify compliance with Government Code section 19132(b)(1).

AUTHORIZED SIGNATURE

[Signature]

SIGNER'S NAME (Print or Type)

Chiranj Wong
Chief
Contracts Section

DATE SIGNED

10-8-18

18. FOR AGREEMENTS IN EXCESS OF \$5,000: Has the letting of the agreement been reported to the Department of Fair Employment and Housing?

☐ No ☒ Yes ☐ N/A

19. HAVE CONFLICT OF INTEREST ISSUES BEEN IDENTIFIED AND RESOLVED AS REQUIRED BY THE STATE CONTRACT MANUAL SECTION 7.10?

☐ No ☒ Yes ☐ N/A

20. FOR CONSULTING AGREEMENTS: Did you review any contractor evaluations on file with the DGS Legal Office?

☐ None on file ☐ No ☐ Yes ☒ N/A

21. IS A SIGNED COPY OF THE FOLLOWING ON FILE AT YOUR AGENCY FOR THIS CONTRACTOR?

A. Contractor Certification Clauses

B. STD 204 Vendor Data Record

☐ No ☒ Yes ☐ N/A

☐ No ☒ Yes ☐ N/A

22. REQUIRED RESOLUTIONS ARE ATTACHED

☐ No ☐ Yes ☒ N/A

23. IS THIS A SMALL BUSINESS AND/OR A DISABLED VETERAN BUSINESS CERTIFIED BY DGS?

☒ No ☐ Yes

SB/DVBE Certification Number:

24. ARE DISABLED VETERANS BUSINESS ENTERPRISE GOALS REQUIRED? (If an amendment, explain changes if any)

N/A -- PCC Exempt

☒ No (Explain below) ☐ Yes _____ % of Agreement

25. IS THIS AGREEMENT (WITH AMENDMENTS) FOR A PERIOD OF TIME LONGER THAN THREE YEARS?

☒ No ☐ Yes (If Yes, provide justification below)

I certify that all copies of the referenced Agreement will conform to the original agreement sent to the Department of General Services.

SIGNATURE

[Signature]

NAME/TITLE (Print or Type)

Maksim Lyulkin, Contract Analyst

DATE SIGNED

10-8-18

AGREEMENT SUMMARY

STD 215 (Rev. 08/2017)

AGREEMENT NUMBER

18-95362

AMENDMENT NUMBER

JUSTIFICATION - CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 547.60

In the space provided below, the undersigned authorized state representative documents, with specificity and detailed factual information, the reasons why the contract satisfies one or more of the conditions set forth in Government Code section 19130(b). Please specify the applicable subsection. Attach extra pages if necessary.


N/A -- Direct Service-Subvention

2018 SEP 17 AM 10:11

2018 SEP 24 P 1:20

RECEIVED BY DHCS
1000 N. MC
KINLEY
SACRAMENTO

The undersigned represents that, based upon his or her personal knowledge, information or belief the above justification correctly reflects the reasons why the contract satisfies Government Code section 19130(b).

SIGNATURE 	NAME/TITLE(Print or Type) Michael Freeman, Staff Services Manager II	DATE SIGNED Sep 17, 2018
PHONE NUMBER (916) 345-7590	STREET ADDRESS 1501 Capitol Avenue, MS 2603	
EMAIL michael.freeman@dhcs.ca.gov	CITY Sacramento	STATE CA
		ZIP 95817