



# AGENDA

## BOARD OF SUPERVISORS, COUNTY OF MONO STATE OF CALIFORNIA

Regular Meetings: The First, Second, and Third Tuesday of each month. Location of meeting is specified just below.

MEETING LOCATION Mammoth Lakes BOS Meeting Room, 3rd Fl. Sierra Center Mall, Suite 307, 452 Old Mammoth Rd., Mammoth Lakes, CA 93546

### Regular Meeting December 16, 2014

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**TELECONFERENCE LOCATIONS:** 1) First and Second Meetings of Each Month: Mammoth Lakes CAO Conference Room, 3rd Floor Sierra Center Mall, 452 Old Mammoth Road, Mammoth Lakes, California, 93546; 2) Third Meeting of Each Month: Mono County Courthouse, 278 Main, 2nd Floor Board Chambers, Bridgeport, CA 93517. Board Members may participate from a teleconference location. Note: Members of the public may attend the open-session portion of the meeting from a teleconference location, and may address the board during any one of the opportunities provided on the agenda under Opportunity for the Public to Address the Board.

**NOTE:** In compliance with the Americans with Disabilities Act if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (760) 932-5534. Notification 48 hours prior to the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting (See 42 USCS 12132, 28CFR 35.130).

Full agenda packets are available for the public to review in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517), and in the County Offices located in Minaret Mall, 2nd Floor (437 Old Mammoth Road, Mammoth Lakes CA 93546). Any writing distributed less than 72 hours prior to the meeting will be available for public inspection in the Office of the Clerk of the Board (Annex I - 74 North School Street, Bridgeport, CA 93517). **ON THE WEB:** You can view the upcoming agenda at [www.monocounty.ca.gov](http://www.monocounty.ca.gov) . If you would like to receive an automatic copy of this agenda by email, please send your request to Bob Musil, Clerk of the Board: [bmusil@mono.ca.gov](mailto:bmusil@mono.ca.gov) .

***UNLESS OTHERWISE SPECIFIED BY TIME, ITEMS SCHEDULED FOR EITHER THE MORNING OR AFTERNOON SESSIONS WILL BE HEARD ACCORDING TO AVAILABLE TIME AND PRESENCE OF INTERESTED PERSONS. PUBLIC MAY COMMENT ON AGENDA ITEMS AT THE TIME THE ITEM IS HEARD.***

9:00 AM Call meeting to Order

Pledge of Allegiance

**1. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

on items of public interest that are within the subject matter jurisdiction of the Board.

(Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)

**2. APPROVAL OF MINUTES**

**A. Board Minutes**

Approve minute of the Regular Meeting held on December 2, 2014

**3. RECOGNITIONS**

**A. Resolution for Honoring Linda Arcularius**

Departments: County Administrator's Office

10 minutes (5 minute presentation/5 minutes Board/Public comments)

(Stacie Klemm) - Proposed resolution honoring Inyo County Linda Arcularius for her years of service to the people of the Eastern Sierra.

**Recommended Action:** Adopt proposed resolution. Provide any desired direction to staff.

**Fiscal Impact:** There is no Fiscal Impact.

**B. Resolution honoring Sheriff Ralph Obenberger for his Years of Service to Mono County**

Departments: Board of Supervisors/County Administrator's Office

10 minutes (5 minutes presentation/10 minute Board and public comments)

(Stacie Klemm) - Proposed resolution honoring Sheriff Ralph Obenberger for his 29 years of service to the people of Mono County.

**Recommended Action:** Adopt proposed resolution. Provide any desired direction to staff.

**Fiscal Impact:** There is no fiscal impact.

**C. Resolution of Appreciation for Peter Pumphrey**

Departments: Board of Supervisors

10 minutes

(Supervisor Stump) - Resolution of Appreciation honoring Peter Pumphrey and his years of service on the Chalfant Valley Fire Department (a Community Services District).

**Recommended Action:** Approve Resolution honoring Peter Pumphrey.

**Fiscal Impact:** None.

**D. Resolution Honoring Byng Hunt for his Years of Service on the Board of Supervisors**

Departments: Board of Supervisors

10 minutes

(Chairman Johnston) - Resolution of appreciation for Supervisor Byng Hunt for his many years of service on the Mono County Board of Supervisors.

**Recommended Action:** Approve Resolution of appreciation for Supervisor Byng Hunt.

**Fiscal Impact:** None.

**4. BOARD MEMBER REPORTS**

The Board may, if time permits, take Board Reports at any time during the meeting and not at a specific time.

**5. COUNTY ADMINISTRATIVE OFFICE**

CAO Report regarding Board Assignments  
Receive brief oral report by County Administrative Officer (CAO) regarding work activities.

**6. DEPARTMENT/COMMISSION REPORTS**

**7. CONSENT AGENDA**

(All matters on the consent agenda are to be approved on one motion unless a board member requests separate action on a specific item.)

**A. Multi-Year Contract for Substance Use Disorder Services, Fiscal Years 2014/2015 and 2016/2017**

Departments: Behavioral Health

Proposed contract with California Department of Health Care Services pertaining to multi year contract for Substance Use Disorder Services.

**Recommended Action:** Approve County entry into proposed contract and authorize Robin K. Roberts to execute said contract on behalf of the County. Provide any desired direction to staff.

**Fiscal Impact:** No impact to the Mono County General Fund. Maximum amount of this agreement is \$1,198,029.

**B. ShareCare Visual Health Record Software Upgrade**

Departments: Behavioral Health

Proposed contract with The Echo Group to upgrade our Electronic Health Record (EHR) to a Visual Health Record (VHR) in order to meet Meaningful Use requirements set forth by the Department of Health Care Services.

**Recommended Action:** Approve County entry into proposed contract and authorize Robin Roberts to execute said contract on behalf of the County. Provide any desired direction to staff.

**Fiscal Impact:** No fiscal impact to the County General Fund. \$65,513 was allocated and approved for the 2014/2015 Behavioral Health budget.

**C. Mono County Children's Medical Services (CMS) Plan Fiscal Year 2014-2015**

Departments: Health Department

The Children's Medical Services (CMS) Plan for Fiscal Year 2014-2015.

**Recommended Action:** That the Board of Supervisors approve and authorize the Chairman to sign the Mono County Children's Medical Services (CMS) Plan for fiscal year 2014-2015.

**Fiscal Impact:**

These programs are funded with a mix of Federal Title XIX (Medicaid), Federal Title XXI funds, State General Fund, and Social Services Realignment dollars. The funding mix is different for each program, based on factors such as MediCal caseload and staff time studies. The chart below shows the breakdown, by program, of this funding. These figures are included in the 2014-2015 County Budget already approved.

Program	Medi-Cal- (State and Title XIX)	Federal Title XXI	State	Realignment
CHDP	\$ 84,768.00		\$98.00	\$13,917.00
CCS-Admin	\$113,944.00		\$87,795.00	\$26,682.00
HPCFC	-	\$4,142.00	\$ 2,000.00	\$ 1,184.00
MTP	\$12,000.00			\$ 3,200.00

These programs provide the funding for 1 FTE Health Program Manager, 1 FTE Community Health Outreach Specialist position, .36 Clerical/Accounting positions, .17 Case Management and .08 of the Public Health Director position.

**D. Rudolph Employment Agreement**

Departments: CAO, Board of Supervisors

Resolution approving an employment agreement with Marshall Rudolph in the position of County Counsel, at a continued salary of \$14,029 per month and reappointing him for a term of four years effective from December 16<sup>th</sup>, 2014 to December 16, 2018. (There is no change in Mr. Rudolph's current compensation or benefits.)

**Recommended Action:** Adopt Resolution R14-\_\_\_, approving an employment agreement with Marshall Rudolph and prescribing the compensation, appointment, and conditions of said employment.

**Fiscal Impact:** The cost of this position for the remainder of FY 2014-2015

(December 16, 2014 to June 30, 2015) is approximately \$137,289 of which \$ 91,469 salary; \$19,627 is the employer portion of PERS, and \$26,193 is the cost of the benefits and is included in the approved budget. Total cost for a full fiscal year (2015-2016) would be \$252,679 of which \$168,348 is annual salary; \$36,123 is the employer portion of PERS, and \$48,208 is the cost of the benefits.

**E. CalPERS DSA Contract Amendment - 2nd reading**

Departments: Finance

An Ordinance of the Board of Supervisors, County of Mono Authorizing An Amendment To The Contract Between The Board of Supervisors, County of Mono, And The Board of Administration Of The California Public Employees' Retirement System.

**Recommended Action:** Adopt proposed ordinance.

**Fiscal Impact:** The increases to both salaries and PERS contributions will offset each other resulting in no immediate fiscal impact to the County. It is expected that increases to PERSable wages will be absorbed in the actualial estimates and will not have a noticeable impact on the County's PERS rates.

**8. CORRESPONDENCE RECEIVED (INFORMATIONAL) - NONE**

All items listed are located in the Office of the Clerk of the Board, and are available for review.

**9. REGULAR AGENDA - MORNING**

**A. Eastern Sierra Waterways Project Presentation and State Grant Funding Opportunities**

Departments: Board of Supervisors

30 minutes (15 minutes presentation/15 minutes Board discussion)

(Commissioner Randy Short) - Presentation by State of California Department of Boating and Waterways Commission Member Randy Short regarding The Eastern Sierra Waterways Project and state grant funding opportunities.

**Recommended Action:**

1. Receive presentation from Commissioner Randy Short.
2. Direct Staff to support efforts on accessing funding for interested Mono County based eligible facilities.
3. Direct staff, as appropriate, to support collaborative efforts with other jurisdictions to advance access and use of this funding.

**Fiscal Impact:** There is no fiscal impact from receiving presentation.

**B. Presentation of the Eastern Sierra Transit Authority's Annual Report**

Departments: County Administrator's Office

20 minutes (10 minute presentation;10 minute discussion)

(John Helm, Executive Director of the Eastern Sierra Transit ) - Presentation by John Helm regarding Eastern Sierra Transit Authorities Annual Report.

**Recommended Action:** None (informational only). Provide any desired direction to staff.

**Fiscal Impact:** There is no fiscal impact.

**C. 2014-15 Property Tax Distribution**

Departments: Finance

15 minutes

(Roberta Reed) - Presentation by Roberta Reed regarding 2014-15 property tax distribution and trends.

**Recommended Action:** None (informational only). Provide any desired direction to staff.

**Fiscal Impact:** None.

**D. Potential Appointment of Mono County Sheriff**

Departments: County Administrator's Office

5 minutes (2 minute presentation; 3 minute discussion)

(Jim Leddy) - Potential appointment to fill an anticipated vacancy in the county office of Sheriff-Coroner upon the retirement of the incumbent (Ralph Obenberger) on December 29, 2014.

**Recommended Action:**

Pursuant to Government Code section 25304, appoint Ingrid Braun as Sheriff-Coroner, effective on December 29, 2014, if and when the office of Sheriff becomes vacant due to the retirement of the current office holder (Ralph Obenberger). Said appointment is for the unexpired remainder of the current term of office, and until Ms. Braun assumes office for the new, full term to which she was elected, on January 5th, 2015.

**Fiscal Impact:** There would be no change to the adopted Sheriff's Department budget if recommended action taken.

**E. Rock Creek Home Owners Association request RE: Rock Creek Trailhead Bathrooms**

Departments: Board of Supervisors

25 minutes (5 minute presentation; 20 minute discussion)

(Supervisor Fred Stump and Jim Leddy) - Discussion of the request from the Rock Creek Homeowners Association for the County to assume the cost of maintaining

the restrooms at the Rock Creek Trailhead.

**Recommended Action:** 1) The Board direct staff to work with the existing maintenance company of the restroom facilities and bring back to the Board a contract for services along with needed budget adjustments; or 2) Board directs staff to deny request.

**Fiscal Impact:** 1) \$1,500 annually which would be added to the Public Works Facilities budget (recommended at midyear) and be an ongoing expense; 2) No change in Budget.

**F. Rock Creek Road Highway Easement Deed**

Departments: Public Works

10 minutes (5 minute presentation; 5 minute discussion)

(Garrett Higerd) -

The Highway Easement Deed documents the County's easement over Rock Creek Road, describes the physical geometry of Rock Creek Road, and sets forth the operations and maintenance roles and responsibilities of Mono County and the Inyo National Forest.

**Recommended Action:**

Adopt resolution #R14-\_\_\_\_\_, authorizing the Assistant Public Works Director to accept and consent to recordation of a Highway Easement Deed offered by the United States of America for Rock Creek Road to satisfy conditions of the Rehabilitation Project funded by the Federal Lands Access Program (FLAP). Provide any desired direction to staff.

**Fiscal Impact:** Acceptance of the easement will have a negligible long term fiscal impact on the Road Fund because Mono County is already responsible to maintain Rock Creek Road.

**G. Public Defender Contract Extension**

Departments: CAO

10 minutes (5 minute presentation; 5 minute Board discussion)

(Jim Leddy, Marshall Rudolph) - Proposed three month extension of current contracts for indigent defense (public defender) services with Gerald F. Mohun, David D. Hammon, and Randall. L. Gephart.

**Recommended Action:** Approve County entry into, and authorize the Board Chair to sign the following three Agreements and Second Amendments: (1) Proposed Agreement and Second Amendment to Agreement with Gerald F. Mohun, Jr. and Liebersbach, Mohun, Carney & Reed for the provision of indigent defense services; (2) Proposed Agreement and Second Amendment to Agreement with David D. Hammon for the provision of indigent defense services; and (3) Proposed Agreement and Second Amendment to Agreement with Randall L. Gephart for the provision of indigent defense services.

**Fiscal Impact:** No additional cost by this contract extension. Total annual cost of

these three contracts is \$542,538. Each contract pays \$15,070.50 per month.

**H. Economic Development Strategic Plan Update**

Departments: Economic Development

60 Minutes

(Alicia Vennos/Jeff Simpson; Jeff Lucas, Cummunity Development Services) - Presentation by Alicia Vennos, Jeff Simpson and Jeff Lucas from Community Development Services regarding the Economic Development Strategic Plan Update.

**Recommended Action:**

Receive presentation, discuss proposed next steps, and provide direction to staff regarding the pursuit of small business loan programs through federal funding sources.

**Fiscal Impact:** None at this time.

**10. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

on items of public interest that are within the subject matter jurisdiction of the Board. (Speakers may be limited in speaking time dependent upon the press of business and number of persons wishing to address the Board.)

**ADJOURN**



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**TIME REQUIRED**

**SUBJECT** Board Minutes

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Approve minute of the Regular Meeting held on December 2, 2014

### RECOMMENDED ACTION:

### FISCAL IMPACT:

**CONTACT NAME:** Shannon Kendall

**PHONE/EMAIL:** /

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

[December 2 Minutes](#)

#### History

Time	Who	Approval
12/10/2014 10:59 AM	County Administrative Office	Yes
12/10/2014 2:08 PM	County Counsel	Yes
12/9/2014 3:57 PM	Finance	Yes



**DRAFT MEETING MINUTES  
BOARD OF SUPERVISORS, COUNTY OF MONO  
STATE OF CALIFORNIA**

Regular Meetings: The First, Second, and Third Tuesday of each month. Location of meeting is specified just below.

MEETING LOCATION Board Chambers, 2nd Fl., County Courthouse, 278 Main St.,  
Bridgeport, CA 93517

**Regular Meeting  
December 2, 2014**

Flash Drive	#1003
Minute Orders	M14-232 to M14-242
Resolutions	R14-72 to R14-75
Ordinance	Ord14-05 NOT USED

9:01 AM Meeting Called to Order by Chairman Johnston.

*Supervisors present: Alpers, Fesko, Hunt, Johnston and Stump.  
Supervisors absent: None.*

*Break: 9:55 a.m.  
Reconvene: 10:00 a.m.  
Lunch/Closed Session: 11:50 a.m.  
Reconvene: 1:00 p.m.  
Break: 2:23 p.m.  
Reconvene: 2:32 p.m.  
Adjourn: 3:30 p.m.*

Pledge of Allegiance led by Supervisor Stump.

1. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD  
*No one spoke.*

2. APPROVAL OF MINUTES

A. Board Minutes

Departments: Clerk of the Board

**ACTION:** Approve minutes of the Regular Meeting held on November 12, 2014,

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

as corrected.

**Alpers moved; Stump seconded**

**Vote: 3 yes; 0 no; 2 abstain: Hunt and Fesko**

**M14-232**

**Supervisor Johnston:**

- On p. 2 of draft minutes, under item #2a, the vote should read: 3 yes, 0 no; 2 absent: Fesko and Hunt.
- On p. 5 of draft minutes, under item #7e, under his comments, first bullet point, add the words....."regarding AT&T issues in other parts of the county". Also add that Supervisor Stump agreed with Supervisor Johnston.
- On p. 7 of draft minutes, under item #9a, under his comments, first bullet point, should say "Veterans" without an apostrophe.
- On p. 9 of draft minutes, under item #9e, asked that last names be added to Gerald (Frank), Joanne (Werthwein) and Roberta (Reed).

### 3. PRESENTATIONS - NONE

### 4. BOARD MEMBER REPORTS

**Supervisor Alpers:**

- Spent time out of County over Thanksgiving; 86 degrees in San Fernando Valley.
- 11/18 – June Lake CAC had special meeting hosted by Scott Burns, Wendy Sugimura and Courtney Weiche regarding potential upgrades to downtown area. Scott Burns will give an update on this.
- 11/21 – Attended ESTA Board Meeting; will let Supervisor Hunt report on that.
- Dealt with phone calls, emails, and text messages regarding issues throughout the Mono Basin.

**Supervisor Fesko:**

- Postponed report today due to having no voice.

**Supervisor Hunt:**

- Conway Ranch Easement Conservation closed escrow yesterday; a press release will go out. A lot of people need to be recognized.
- Spent last month traveling a lot; gave a bit of family history on their Thanksgiving celebrations.
- 11/7 – Great Basin meeting. Discussion of Unification Agreement; he was honored with a special lamp for his duty on the board over the years.
- 11/19 – ESTA meeting: business as usual; tri-annual performance audit – went very well; set new drug/alcohol policy; shuttle report; 12/19 next meeting in Bishop.

**Supervisor Johnston:**

- Attended ARC meetings.
- IMAACA meeting in Bishop; new chairman is Carolyn Balliet.
- AG building dedication; very nice affair.
- CSAC Annual Conference – went to couple committees; went to concurrent sessions; attended the Land Use Transportation Policy meeting; CSAC Board of Directors meeting: general session with keynote addresses; a lot of exhibits in the hall dealing with county government; Rural County Caucus; Thursday concurrent policy sessions; new officers elected; well attended conference.
- Last night – attended Mammoth Lakes Housing meeting, gave brief update.
- A reminder about the annual gift exchange traditionally done - confirmed everyone wanted to do it; it will be at the December 16th meeting.

**Supervisor Stump:**

- Received emails from Swall Meadows/Paradise residents: striping on Lower Rock Creek Road; thanked the Town. Signage issues also addressed.

**Note**

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- Attended south county employee roundtable before Thanksgiving.
- Worked on constituent issues ranging from Chalfant park to holdover issues on Rock Creek Canyon subdivision.
- Today Inyo approves EIR on their Trails System; issues about possible spillover into our county.

## 5. COUNTY ADMINISTRATIVE OFFICE

### CAO Report regarding Board Assignments

Receive brief oral report by County Administrative Officer (CAO) regarding work activities.

#### **Jim Leddy:**

- November North County employee roundtable; 15 people consistently turn out for this; big topic was the employee commute survey. Thanked John Helm for helping lower prices for potential van pool.
- 11/13 – Steering committee for Strategic Planning; next meeting 12/4.
- Attended Ag Commissioner's new building celebration.
- Met with Dick Knolls and Randy Short regarding the Waterways Grant program; item coming to board on 12/16.
- CSAC conference: a presentation on the future of voting equipment by Kammi Foote of Inyo; attended policy meetings.
- 11/22 – Attended Search and Rescue fundraiser.
- 11/25 – South County employee roundtable; then met with Kevin Carunchio of Inyo regarding groundwater legislation – what can we do to make sure we comply?
- ADA task force meeting; meeting with Rick McCoy (how to repower our off-road vehicles to make them carb compliant), hope to have some information by February.
- Flew out of Mammoth to L.A. then on to Santa Rosa to meet family for Thanksgiving.
- This week doing the North County employee roundtable one hour later at 9:00 a.m., location to be determined.
- Supervisor Alpers: Quarterly meetings with MMSA – he thinks it might be appropriate to invite Rusty and staff to come and do another presentation, maybe in January?
- Supervisor Johnston: on voting issue: was the issue of all mail ballots brought up?

## 6. DEPARTMENT/COMMISSION REPORTS

#### **Bob Musil:**

- Item brought later this morning for certification of elections;
- California Association of clerk's and Elections Officials are holding a conference all next week in Sacramento; Bob and Shannon will be going; Stacie Klemm will cover the board on 12/9.

#### **Marshall Rudolph:**

- They made the December 1<sup>st</sup> date to close escrow on Conway Ranch Conservation Easement.
- A lot of people had to come together to get everything done in time including Leslie Chapman and her team and Tony Dublino, Dan Lyster, the Board especially Supervisors Alpers and Hunt; the Land Trust; CalTrans.
- There are joint press releases in the works.
- Supervisor Johnston: the board is very appreciative of all work done on this.
- Supervisor Alpers: after close to 20 years of contemplation, we can finally see what can be done there; government gets beat up all the time – we can forge agreements that we can move forward with; it's a good day for local government as well as all individuals involved. Recognized all groups of people involved in this.

#### **Note**

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## 7. CONSENT AGENDA

(All matters on the consent agenda are to be approved on one motion unless a board member requests separate action on a specific item.)

### A. Resolution Authorizing Application for a Community Service Recycling Program

Departments: Public Works; Solid Waste Division

Proposed Resolution authorizing County application to create a Community Recycling Program to redeem California Redemption Value of recyclables collected through County programs.

**Action:** Adopt proposed resolution #R14-72, authorizing County application to create a Community Recycling Program to redeem California Redemption Value of recyclables collected through County programs. Provide any desired direction to staff.

**Hunt moved; Alpers seconded**

**Vote: 5 yes; 0 no**

**R14-72**

### B. Appointment in Lieu of Election of Julie Weier to the Chalfant Valley Fire Department

Departments: Clerk of the Board

Appointment of Julie Weier in lieu of election to the board of commissioners of the Chalfant Valley Fire Department (A Community Service District) governed by Elections Code section 10515 and by Board Resolution R12-64 (see attached staff report for additional information). This item is being supported by Supervisor Stump.

**Action:** Appoint Julie Weier to the board of commissioners of the Chalfant Valley Fire Department (a Community Services District). Her term will expire on November 30, 2018.

**Hunt moved; Alpers seconded**

**Vote: 5 yes; 0 no**

**M14-233**

### C. Employment Agreement with Kathryn Peterson as Director of Social Services

Departments: County Administrator's Office

Proposed resolution approving an employment agreement with Kathryn Peterson as Director of Social Services, and prescribing the compensation, appointment and conditions of said employment.

**Action:** Approve Resolution #R14-73, approving an employment agreement with Kathryn Peterson and prescribing the compensation, appointment and conditions of said employment. Authorize the Board Chair to execute said contract on behalf of the County.

**Hunt moved; Alpers seconded**

**Vote: 5 yes; 0 no**

#### Note

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**R14-73**

D. Amendment to Contract with Inyo County for Additional Funds

Departments: Dept of Social Services

Amendment #4 to Contract with Inyo County for an increase of funds, and minor modifications to contract language, pertaining to the Senior Services Program.

**Action:** Approve the County to enter into the proposed contract Amendment and authorize the County Administrative Officer for Mono County to execute such Amendment on behalf of the County.

**Hunt moved; Alpers seconded**

**Vote: 5 yes; 0 no**

**M14-234**

8. CORRESPONDENCE RECEIVED (INFORMATIONAL)

All items listed are located in the Office of the Clerk of the Board, and are available for review.

A. Southern California Edison

Departments: Clerk of the Board

Correspondence from Southern California Edison regarding proposed rate increase to cover costs associated with the company's Charge Ready and Market Education Program.

B. Correspondence from Fish and Game Commission

Departments: Clerk of the Board

California Fish and Game Commission notice of proposed regulatory action relating to petitions for regulatory changes.

**Pulled by Supervisor Alpers:**

- Would like to defer this letter to the Fisheries Commission and have them update us on this issue; Assistant Clerk Shannon Kendall to email to the Commission.

C. Antelope Valley RPAC Correspondence

Departments: Clerk of the Board

Correspondence from the Antelope Valley Regional Planning Advisory Committee regarding Combined Use roads.

**Pulled by Supervisor Fesko:**

- Would like an item to be later brought back to board later if there is a consensus.
- There is current code not referencing Inyo; we're at a point in economic times where we need to keep things going.
- Only thing this does is access what the law already allows.

**Supervisor Stump:**

- John Vallejo has already had conversation with the CHP; he's continuing to address this.

**Supervisor Johnston:**

- He doesn't think we should spend staff time right now; we need to wait to see what

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happens in Inyo County.

- This is a budget issue; it's not appropriate to have staff work on it now.
- He feels it's the wrong direction for Mono County.
- What will have to be sacrificed in order to do this work?

**Supervisor Stump:**

- He thinks staff time should be spent on this.
- How about deferring to the new year?
- He'd support Scott Burns giving us a brief report on what his estimate is.

**Supervisor Hunt:**

- Feels conversation needs to take place to understand issue.

**John Vallejo:**

- There are questions about interpretation of the code.
- He'd be hesitant to have Scott Burns come back in the next couple weeks; not enough information yet.

**Marshall Rudolph:**

- The only reason he had John look at this was because Supervisor Fesko requested it.
- Need to know what the code allows you to do; we're pretty much on top of that answer.
- Next part going forward will be policy.
- When we have information to give Board estimate, we'll come back.

\*\*\*\*\*

*The Board acknowledged receipt of the correspondence.*

9. REGULAR AGENDA - MORNING

A. General Plan Amendment 14-002(a) Rosas Transient Rental Overlay District

Departments: Community Development Department

(Courtney Weiche) - Public hearing regarding proposed amendment of the General Plan Designated Land Use Map to establish a Transient Rental Overlay District to allow for nightly rentals at 155 Washington Street (APN 016-102-052) in June Lake and approval of associated Addendum to General Plan EIR.

**Action:** Approve Resolution #R14-74, accepting Addendum #14-02 to the Mono County General Plan EIR; and (2) approve a Transient Rental Overlay District for one parcel in June Lake (APN 016-102-052).

**Alpers moved; Fesko seconded**

**Vote: 4 yes; 1 no: Johnston**

**R14-74**

**Courtney Weiche (Powerpoint):**

- Project Overlay
- Project Location
- Background
- Noticing
- Environmental Review
- 10-09-14 Planning Commission
- Planning Commission Recommendation

Additional Comments:

- She has not received any comments from the neighbors, the Stewarts. She had initial conversation with them but nothing for today.

**Public Hearing Opened: 10:18 a.m.**

**Note**

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**Mike Rosas:**

- Feels this transient overlay is an extremely good idea economically.
- The neighbors concerns were addressed one by one; came down to having somebody there with a number that's local that renters can call.
- They are interested in renting to families; not renters that will make late night noise. His neighbors are also a priority to him.

**Supervisor Fesko:**

- How were the neighbors concerns dealt with?

**Supervisor Stump:**

- Has there been follow up contact with the Stewarts? Was there a resolution?

**Supervisor Alpers:**

- Asked that applicant introduce the property manager to the neighbors, keep them in the loop.

**Supervisor Hunt:**

- Asked Scott Burns how these transient overlays have been working? There are committees in Mammoth, both pro and con.

**Scott Burns:**

- Asked Nick Criss, down in Mammoth, to address how these have been working.
- Went over specific rules and need for compliance.

**Nick Criss:**

- No, there have been no complaints with rentals that have gone through this process.

**B. General Plan Amendment 14-002(b) Victory Lodge, LLC Transient Rental Overlay District**

Departments: Community Development Department

(Courtney Weiche) - Public hearing to amend the General Plan Designated Land Use Map to establish a Transient Rental Overlay District to allow for nightly rentals on two parcels on Leonard Avenue in June Lake (APNs 015-010-080 and 015-300-004) and approval of associated Addendum to General Plan EIR.

**Action:** Approve Resolution #R14-75, accepting Addendum #14-02 to the Mono County General Plan EIR; and (2) approve a Transient Rental Overlay District for two parcels on Leonard Avenue in June Lake (APNs 015-010-080 and 015-300-004).

**Alpers moved; Hunt seconded**

**Vote: 5 yes; 0 no**

**R14-75**

**Courtney Weiche (power point):**

- Project overlay
- Project location
- Background
- Noticing
- 10-09-14 Planning Commission
- Planning Commission Recommendation

**Supervisor Stump:**

- Which property owners was David Baumwohl representing?

**Public Hearing opened: 10:40 a.m.**

**Mike Rosas:**

- He's familiar with this property and he thinks it would be a premiere vacation property.
- He is in support of this.

**Ron Ordman (Baumwohl's office):**

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

- Owner feels this is highest and best use of this property.
- Urging the Board to approve the recommendation that's been made.
- They will definitely comply with rules and regulations.

**Public Hearing Closed: 10:43 am.**

**Supervisor Stump:**

- Does County Counsel expect any exposure to the county?
- Pointed out that Planning Commissioner supported this in June and he has been doing this a long time.

**Stacey Simon:**

- Feels the county has complied.

**Supervisor Johnston:**

- Could they rent to 20, even though it's only permitted for 10?
- The problem with transient properties is compliance. It's nearly impossible to enforce.
- Could someone hold a wedding there? Some other big event?
- His main concern are the effects on the neighborhood. The opposition related to this one is in a different context so he can support it.

**Scott Burns:**

- Primary concern of law office was just minimizing the impacts.
- Use as a wedding place would be handled through special events permitting process, not transient overlay.

**Supervisor Alpers**

- This property has been featured as a premiere vacation property.
- This property easily handles ten people.

#### C. Certification of General Election Held on November 4, 2014

Departments: Elections

20 minutes (10 minute presentation; 10 minute discussion)

(Bob Musil, Renn Nolan) - Certification of Results of the Canvass of the November 4, 2014 General Election.

**Action:** Receive and approve as correct the Statement of Votes for the November 4, 2014 General Election.

**Hunt moved; Fesko seconded**

**Vote: 5 yes; 0 no**

**M14-235**

**Taken before public hearings:**

**Bob Musil:**

- Asked the Board to approve the Certification of the General Election.
- Gave some general statistics.
- Asked Renn Nolan to go over the additional details.

**Renn Nolan:**

- She explained what was done to reach certification of election.

**Supervisor Stump:**

- Thanked her for stepping in and for her commitment to the process.

#### D. Employee Recognition

Departments: Board of Supervisors

(Board Members) - Recognition of County employee for recent outstanding

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

service to Mono County.

**Action:** Adopt and present resolution of appreciation to Renn Nolan for her service.

**Fesko moved; Stump seconded**

**Vote: 5 yes; 0 no**

**M14-236**

E. California State Association of Counties End of 2013-2014 Legislative Session Report

Departments: County Administrator's Office

(Farrah McDaid Ting) - Presentation by Farrah McDaid Ting of the California State Association of Counties regarding the 2013-2014 Legislative Session.

**Action:** None.

**Farah McDaid Ting:**

- Here to give an update of 2014 and know what to expect in 2015.
- She went over her staff report, giving additional details.
- Asked for questions.
- Sales tax was not a state software issue; it was a personnel issue.
- ERAF issue can eventually be addressed.
- At staff level, CSAC works closely with RCRC staff.
- Prop 47: Sheriff's are scrambling right now. Several counties releasing up to 50 inmates due to the approval of this. Unclear what impacts down the road will be. At county level, concern is possible increase in costs. She can loop Sheriff-Elect into this.
- Cap and Trade: Increase in gas tax passed. Will be noticeable. A repeal is in progress. There are 9 different pots of money to possibly draw from.
- There is a turn-about regarding the issue of vote by mail; it's a possibility. There is an opportunity.

**Supervisor Stump:**

- Study about gas tax, mileage – he'd like to give a plug for rural residents who have no alternatives but to drive. Asked that message be relayed about transportation in rural environments.
- Sales tax: state software issue?
- Water bill – reassessing all water basins? There's no money in this for the county to do what the law is asking us to do. There are holes, lack of clarity at ground level.
- ERAF – in chart, funding for counties that fail to meet ERAF: is ERAF going to be a permanent circumstance?

**Supervisor Johnston:**

- How much money this year? We had \$100,000 million this past year.
- Asked about PILT reimbursements; what is status of that?
- Prop 47? Can she comment on this? How about a contact source?
- Cap and Trade?
- Asked about all vote by mail, a possibility?
- Thanked her for coming.

**Supervisor Hunt:**

- In past years he has seen RCRC and CSAC interact more? Does she see that building?

F. Proposed Directive for Commercial Filming in Wilderness

Departments: Economic Development

(Alicia Vennos) - On Wednesday, November 19, 2014, the Mono County

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

Tourism & Film Commission approved a comment letter regarding the Forest Service's proposed directive for filming and special uses in Wilderness.

Although the directive has been in place on an interim basis for four years, the Service recently announced it proposes to incorporate the directive -- (ID) 2709.11-2013.1 -- into the Forest Service Handbook -- (FSH) 2709.11, chapter 40 -- to establish permanent guidance for the evaluation of proposals for still photography and commercial filming on National Forest System Lands, including congressionally-designated Wilderness. Public comment period was extended by 30 days to December 3, 2014.

**Action:** Review, discuss, and approve a letter to the U.S. Forest Service requesting clarification on the proposed directive (79 FR 52626) for filming and special uses in Wilderness.

**Alpers moved; Hunt seconded**

**Vote: 5 yes; 0 no**

**M14-237**

**Stacey Simon:**

- Here on behalf of Alicia Vennos who got called away unexpectedly.
- Gave some background on the item.
- There are five comments listed in letter as problem areas.
- Letter is due tomorrow.

**Supervisor Johnston:**

- He feels letter looks good; maybe something will be done.

**Supervisor Fesko:**

- He thinks the premise of what they are trying to do is wrong.
- He thinks it's sad that we have to accept the whole package and try to make corrections or clarifications.

**Supervisor Hunt:**

- Have we coordinated with other agencies on this?

**Jeff Simpson:**

- There is coordination going on with other agencies. Plans to do more collaborating.

10. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

*No one spoke.*

11. CLOSED SESSION

*There was nothing to discuss out of closed session.*

A. Conference with Legal Counsel

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION. Paragraph (1) of subdivision (d) of Government Code section 54956.9. Name of case: People et al. v. Los Angeles DWP et al. (Mono County Sup. Ct. Case No. 10088).

B. Closed Session--Human Resources

CONFERENCE WITH LABOR NEGOTIATORS. Government Code Section

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

54957.6. Agency designated representative(s): Marshall Rudolph, John Vallejo, Leslie Chapman, and Jim Leddy. Employee Organization(s): Mono County Sheriff's Officers Association (aka Deputy Sheriff's Association), Local 39--majority representative of Mono County Public Employees (MCPE) and Deputy Probation Officers Unit (DPOU), Mono County Paramedic Rescue Association (PARA), Mono County Public Safety Officers Association (PSO), and Mono County Sheriff Department's Management Association (SO Mgmt).  
Unrepresented employees: All.

C. Closed Session - Conference with Legal Counsel

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.  
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Government Code section 54956.9. Number of potential cases: one. Facts and circumstances: Claim for Damages presented by Cornell Agee.

D. Closed Session - Public Employment Performance Evaluation

PUBLIC EMPLOYEE PERFORMANCE EVALUATION. Government Code section 54957. Title: County Counsel.

REGULAR AFTERNOON SESSION COMMENCES AT 1:00 P.M.

12. OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD

*No one spoke.*

13. REGULAR AGENDA - AFTERNOON

A. Claim for Damages

Departments: County Counsel

(Marshall Rudolph) - Claim for damages presented on or about October 27, 2014, by Cornell Agee (through his legal counsel).

**Action:** Reject claim for damages presented on or about October 27, 2014, by Cornell Agee (through his legal counsel). Direct County Counsel to notify claimant's legal counsel of the Board's action.

**Fesko moved; Hunt seconded**

**Vote: 5 yes; 0 no**

**M14-238**

**Marshall Rudolph:**

- Already discussed in closed session; recommendation is to reject claim.

B. Innoprise Software Contract Amendment

Departments: Finance

(Leslie Chapman) - Presentation to the Board regarding Innoprise Software Contract Amendment for ERP software.

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

- Action:** 1. Hear Innoprise software upgrade presentation and provide feedback.  
2. Approve a Treasury Loan not to exceed \$379,131 plus interest at 1.25% over a term not to exceed five years to be repaid with project savings  
3. Authorize CAO, in consultation with County Counsel, to approve and execute an amendment to the County's existing agreement with Harris Systems USA Inc. (formerly GEMS) to license and receive maintenance services for the Innoprise Finance, Payroll/Human Resources, Tax, Community Development and Work Order Applications and related hardware, if any, from Harris Systems for a cost not to exceed \$379,131 for implementation and licenses, plus annual maintenance fees of \$62,794 through fiscal year 2017-18, \$65,934 for FY 2018-19, and \$65,934 plus CPI increase for each year thereafter that the Agreement is in effect.

**Fesko moved; Alpers seconded**

**Vote: 5 yes; 0 no**

**M14-239**

**Gerald Frank (Powerpoint):**

**HARRIS – ENTERPRISE RESOURCE PLANNING - INNOPRISE:**

- What is Innoprise?
- Software – Current
- Software – Proposed
- Employee Portal
  - Timekeeping
  - Profile
  - Pay Checks
- Citizen Access
  - License
  - Building Permits
  - Applicants
  - TOT Return
  - Bill Pay
- Project Timeline – go live date September 2015
- Project Costs
- Loan Compared to Savings
- Annual Maintenance Fee Savings
- Total Annual Savings
- Increased Efficiency
- Increased Productivity
- Increased Citizen Access
- Saves Money

**ADDITIONAL COMMENTS:**

- Doesn't handle California Property Tax.
- Savings begins with salary savings.
- May not be able to phase out CAMS, still worth it to move forward.
- Employees will have security measures for their personal information and access to it.
- This company is located back east.

**Supervisor Alpers:**

- Do we have the ability to make this work for us?
- If we moved into a professional loan program with districts, how would that impact Leslie's office and staff?

**Note**

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**Supervisor Fesko:**

- Handles most of the County function?
- Asked questions about savings?
- Asked about fees associated with paying TOT online.
- Are we borrowing it from the treasury or our portion of the treasury?
- Why are we not using available monies?
- Thanked Leslie and her staff for the forward thinking on this.
- How about 1 ¼% interest on loan?

**Supervisor Stump:**

- We'd make sure we're compliant with all state requirements?
- Asked about money being spent.
- Modules for employee access: would each employee have security?
- How easy to learn? Will training be provided?
- If we do this at 1%, something happens and the remainder of the pool is earning 1.5% - what's mechanism to restrict county money to just the 1%?
- If we're going to experiment, how about 1% to 1.25%?

**Supervisor Johnston:**

- Where is this company located? We shouldn't be enriching people out of the county; one of the goals of Digital 395 is to bring things here but apparently this can't be done due to lack of expertise.
- Security question: is this hack proof?
- Loan – this is a first, we need to get off on the right foot here. Asked about interest rate?
- Thinks other entities should be able to apply for a loan. There should be a limit on what each jurisdiction can apply for.
- We need to have the treasury process nailed down first before continuing on with this process.

**Supervisor Hunt:**

- Take to oversight committee and maybe have them bring back recommendation to the board?

**Nate Greenberg:**

- This would be within our network, not accessible from the outside.
- Public access would be different types of portals.
- This is on premise, not posted which is very important for security.

**Leslie Chapman:**

- Explained processing fees that may be associated with paying fees online.
- Training will be provided.
- Interest rate is .9% at the moment; for this analysis we did 1% - this is the board's discretion, however.
- We'd be borrowing from the treasury; it's a safe loan.
- She would have to look at the Government Code to answer some of the questions.
- We don't have money; we'll be using the loan to make periodic draw downs. Explained how payments will be made by saving a position in her office.

**Stacey Simon:**

- This is just an amendment to the existing contract for the new software.
- Could have discussion with HARRIS about negotiating fees.

**C. HOME Grant Award and RFP**

Departments: Finance

(Leslie Chapman/Megan Mahaffey) - First Time Homebuyer Program funded by Home Investment Partnership Program (HOME)

**Action:** None.

**Note**

These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors

**Leslie Chapman:**

- Introduced item.
- Megan did most of the legwork on this; she'll present staff report.
- Explained recommended action, what legal requirements are.

**Megan Mahaffey:**

- Went over staff report.
- There's confusion about how grant runs; she agrees the County shouldn't run the first time homeowner program but she does think that the County needs to administer it.
- Her impression is that we have to go through RFP because we don't have a contract at the moment.
- Sub-contractor is contracted with the county to perform certain portions; a sub-recipient performs all aspect of the grant.

**Supervisor Johnston:**

- Suggested that the county should indeed get some of the administration money for this.
- Mammoth Lakes Housing is the place we should put our risk; let them do the administration of this. Not a good idea for us to administer this, we should oversee this.
- Not in favor of this as presented.
- Can we postpone this until we have someone from Mammoth Lakes Housing here?
- What is timeframe?
- Also wants to know obligations whether it's a sub-recipient or a sub-contractor.

**Supervisor Fesko:**

- We shouldn't give Mammoth Lakes Housing an unfair advantage; if we need an RFP, we should get that.
- Can you explain the difference between sub-recipient and sub-contractor?
- ALL interested parties need to be invited to the next meeting.

**Supervisor Stump:**

- If we're supposed to put out RFP then we should and see who applies.
- He'd like to defer this item. He'd like Stacey to answer the question she posed.

**Jennifer Hafferty?:**

- She subscribes to the Supervisor's agenda, that's how she knew of the item.
- If you sent application specifying a sub-recipient, you don't have to go with an RFP.
- In this application the county indicated they'd be using a sub-recipient. Can go either route.

**Stacey Simon:**

- She made sure the RFP complied with the law but not the issue of whether the RFP was required or not.
- Sounds like if a sub-recipient contract is drafted with the county then no RFP is required. This is currently set up as a sub-contractor right now.
- She can check the regulations.

**Marshall Rudolph:**

- This item can be retooled with varying recommendations to avoid multiple meetings.

**D. Crowley Lake Ball Park Water Agreement**

Departments: Public Works/Facilities; County Counsel

(Joe Blanchard) - Proposed contract with Mountain Meadows Mutual Water Company pertaining to provision of water at the Crowley Lake Ball Field.

**Action:** Approve County entry into proposed contract and authorize Jim Leddy to execute said contract on behalf of the County. Provide any desired direction to staff.

**Alpers moved; Hunt seconded**

**Note**

These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors

**Vote: 4 yes; 0 no; 1 abstain: Stump**  
**M14-240**

**Supervisor Stump recused himself due to conflict.**

**Joe Blanchard:**

- Explained item, gave staff report.
- Amount is the same.
- He believes this is what's best for the county.

**Supervisor Fesko:**

- Asked whether it was always \$5,000?
- Total fees \$1180 per year to be paid by CSA?
- He's glad to see it back again.

**Supervisor Alpers:**

- This appears to be in the best interests of the county.

**Supervisor Johnston:**

- The fly in the ointment for the original item was the waiver of the fee but that has been taken care of.

**E. Permit Activity and Housing Mitigation Ordinance Review**

Departments: Community Development Department

(Brent Calloway, Megan Mahaffey, Scott Burns) - Review of permit activity and Housing Mitigation Ordinance status

**Action:** 1. Review permit activity and status of Housing Mitigation Ordinance (Chapter 15 of Mono County Code); 2. Introduce, read title, and waive further reading of proposed ordinance amending section 15.40.170 of the Mono County Code, pertaining to a temporary suspension of all housing mitigation requirements.

**Hunt moved; Fesko seconded**

**Vote: 4 yes; 1 no: Johnston**

**M14-241**

**Brent Calloway:**

**Review Permit Activity and Status of Housing Mitigation Ordinance:**

- Went over recommended action.
- Fiscal impact.
- Units permitted 1992 – 2014.
- 2010 – 2014 annual cumulative value permitted
- 2014 – Permits issued by type.
- Average Square Footage / SFR.
- Total permits issued by month 2010 – 2014.
- Housing mitigation fees collected and waived.
- Trustee's Deed upon Sale 2008 – 2014.
- Average sale price 2004 – 2014.

**Additional Comments:**

- We're doing this now due to timing with Housing Ordinance.
- Up to 2400 square feet, fee is \$0, above that \$314, etc.

**Supervisor Johnston:**

- We are doing this now because it's related to the Housing Ordinance change?
- Asked fee question.
- Average sales price slide – questions.

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

- We are going to need to re-enact this at some point, especially when June Lake activity takes off. We don't want to be caught off guard.
- One other item: we have \$270,000 sitting doing nothing. We need to develop a set of alternatives to use that money.

**Supervisor Stump:**

- He mentioned in 2013 that the threshold of sales needed to be addressed.
- He's in favor of continuing suspension; if a discussion about modifying the ordinance needs to be brought up, he's willing to entertain that.
- Not sure that June Lake is going to see a lot of activity right now.

**Supervisor Alpers:**

- Agrees that June Lake won't see much activity yet for awhile.
- He supports continuing this.

**Supervisor Hunt:**

- We're still living in a depressed market.
- Supports continuing this for another 18 months.

**Supervisor Fesko:**

- He's always had a problem with the Ordinance and "penalties".
- He could go for the recommended action.

**F. Temporary Urgency Change Petition - Bridgeport Reservoir**

Departments: County Counsel

(Stacey Simon) - Presentation by staff regarding Temporary Urgency Change Petition filed by the Walker River Irrigation District for the Bridgeport Reservoir.

**Action:** Approve Chairman's signature on the comment letter to the State Water Resources Control Board regarding the Temporary Urgency change Petition.

**Fesko moved; Hunt seconded**

**Vote: 5 yes; 0 no**

**M14-242**

**Stacey Simon:**

- Gave handout of draft letter (to be posted to the web)
- Explained item; recommended chair sign a letter.
- Detailed the points in the letter.
- Her recommendation is to maintain the county's presence on these types of matters.
- There are a lot of farmers involved.
- The Reservoir can fill in one season.

**Supervisor Johnston:**

- How many farmers are involved with the irrigation water?
- Is it possible for the Bridgeport Reservoir to refill in one season?

**Supervisor Fesko:**

- Asked about past agreement.
- We have the ability to have reservoir sitting here but now they want to control what's down below.
- We do need to keep involved.
- He's in support to send letter from the Board.

ADJOURN 3:30 p.m.

ATTEST

**Note**

**These draft meeting minutes have not yet been approved by the Mono County Board of Supervisors**

---

LARRY K. JOHNSTON  
CHAIRMAN

---

SHANNON KENDALL  
ASSISTANT CLERK OF THE BOARD



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** December 16, 2014

**Departments: County Administrator's Office**

**TIME REQUIRED** 10 minutes (5 minute presentation/5 minutes Board/Public comments)

**PERSONS APPEARING BEFORE THE BOARD**

Stacie Klemm

**SUBJECT** Resolution for Honoring Linda Arcularius

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed resolution honoring Inyo County Linda Arcularius for her years of service to the people of the Eastern Sierra.

**RECOMMENDED ACTION:**

Adopt proposed resolution. Provide any desired direction to staff.

**FISCAL IMPACT:**

There is no Fiscal Impact.

**CONTACT NAME:** Stacie Klemm

**PHONE/EMAIL:** 760-932-5408 / sklemm@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF THE COUNTY ADMINISTRATOR **PRIOR TO 5:00 P.M. ON THE FRIDAY 32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**  
Inyo County Board of Supervisors

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download

[Resolution Honoring Linda Arcularius](#)

**History**

Time	Who	Approval
12/11/2014 10:42 AM	County Administrative Office	Yes
12/10/2014 2:08 PM	County Counsel	Yes
12/10/2014 4:45 PM	Finance	Yes

**RESOLUTION OF THE BOARD OF SUPERVISORS  
COUNTY OF MONO  
IN APPRECIATION OF LINDA ARCULARIUS**

**WHEREAS**, Linda Arcularius grew up in Tonopah, Nevada and graduated from Tonopah High School in 1967 where she was an excellent student and was named Outstanding Homemaker; and

**WHEREAS**, Linda attended the University of Nevada-Reno where she was a college dormitory RA and served as President of The Crescents, the little sister organization of the Lambda Chi Alpha Fraternity of which her future husband, Howard, was a member; and

**WHEREAS**, Linda was appointed by past California Governor Pete Wilson to serve an unexpired term on the Inyo County Board of Supervisors – First District in 1993; and

**WHEREAS**, during Linda’s tenure she served National Association of Counties as a Board Delegate, Public Lands Steering Committee Member and Delegate to the United States Forest Service Centennial Congress; and

**WHEREAS**, regionally Linda served Rural County Representatives of California Board of Directors and Past Chairperson, Western Counties Alliance Board of Directors and Central Nevada Regional Water Authority Delegate; and

**WHEREAS**, Linda also served as California State Association of Counties Agriculture and Natural Resource Committee Member, Administration of Justice Committee Member, Sierra Nevada Conservancy Board Member, California Invasive Species Council Member, Continuing Resource Investment Strategy Project Committee Member, Pacific Forest and Watershed Lands Stewardship Council Member, and California Statewide Watershed Committee Member; and

**WHEREAS**, for Inyo County Linda is currently serving or has previously served as an appointed member of the Financial Advisory Committee, Inyo-Los Angeles Standing Committee, Inyo-Mono Area on Aging Governing Board, Great Basin Unified Air Pollution Control District, Northern Inyo Airport Advisory Board, Yucca Mountain Delegate, Juvenile Justice Coordinating Team, Focused Court Planning Team, Council of Governments, Children Services Council, Law Library Board; and

**WHEREAS**, Linda was active in her community as a member of the 4-H Community Leaders for the Pine Creek 4-H Club; member and president of the Round Valley Joint Elementary School Board; member of the Owens Valley Junior Livestock Auction Committee where she was recognized for her services from 1985 through 2014; and

**WHEREAS**, Linda and her husband Howard have been married for forty-five years, they share three children; Ben, Christy, and Brett, and six grandchildren, she has been an advocate for the rural ranching way of life throughout her tenure on the Inyo County Board of Supervisors along with everything else she has done; and

**WHEREAS**, While Linda has worked tirelessly and effectively for the betterment of Inyo County, Mono County anticipates that in retirement her passion for local government will be redirected north to her sister County.

**NOW, THEREFORE BE IT RESOLVED**, that the Mono County Board of Supervisors, hereby extend a most sincere “THANK YOU” in appreciation for Linda’s dedicated service to the Eastern Sierra; and

**BE IT FURTHER RESOLVED**, Linda Arcularius is hereby extended our best wishes as she moves into the next chapter of her life, and congratulations and in retirement. APPROVED AND ADOPTED this 16<sup>th</sup> day of December, 2014, by the Mono County Board of Supervisors.

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Larry Johnston, Supervisor District #1

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Fred Stump, Supervisor District #2

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Tim Alpers, Supervisor District #3

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Timothy Fesko, Supervisor District #4

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Byng Hunt, Supervisor District #5



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Board of Supervisors/County Administrator's Office**

**TIME REQUIRED** 10 minutes (5 minutes presentation/10 minute Board and public comments)

**PERSONS APPEARING BEFORE THE BOARD**

Stacie Klemm

**SUBJECT** Resolution honoring Sheriff Ralph Obenberger for his Years of Service to Mono County

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed resolution honoring Sheriff Ralph Obenberger for his 29 years of service to the people of Mono County.

### RECOMMENDED ACTION:

Adopt proposed resolution. Provide any desired direction to staff.

### FISCAL IMPACT:

There is no fiscal impact.

**CONTACT NAME:** Stacie Klemm

**PHONE/EMAIL:** 760-932-5408 / sklemm@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY  
32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**  
Sheriff Ralph Obenberger.

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

[Resolution for Sheriff Ralph Obenberger](#)

History

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/10/2014 1:48 PM	County Administrative Office	Yes
12/10/2014 2:08 PM	County Counsel	Yes
12/10/2014 4:45 PM	Finance	Yes

**RESOLUTION OF THE BOARD OF SUPERVISORS  
COUNTY OF MONO  
IN APPRECIATION OF SHERIFF RALPH "OB" OBENBERGER**

**WHEREAS,** Ralph Obenberger began his career in Law Enforcement in 1985 with the Los Angeles County Sheriff Department; and

**WHEREAS,** Ralph along with his family moved to Mono County in the year 2000, he began his career as a June Lake resident Deputy; and

**WHEREAS,** Ralph worked a variety of assignments such as, Field Training Officer, Dispatcher, Special Assignment Deputy, Helicopter Observer, Sergeant, Lieutenant, and then promoted to Undersheriff in January of 2008 ; and

**WHEREAS,** after serving nearly four years as Undersheriff, Ralph was appointed as Mono County's 24<sup>th</sup> Sheriff-Coroner by the Mono County Board of Supervisors and took office on December 21, 2012; and

**WHEREAS,** Ralph has served the Mono County Sheriff Department with honesty and a tremendous amount of integrity, he is hardworking and has earned a great deal of respect from his department throughout his entire career with Mono County; and

**WHEREAS,** Ralph has always been an advocate for personal and professional improvement within his department, providing support for his co-workers and staff, and helping them continually seek to advance in their career; and

**WHEREAS,** Ralph and his wife Ellen married in 1982 and share three children together, Ellen has been a great support to his Law Enforcement career, especially to his career with Mono County;

**NOW, THEREFORE BE IT RESOLVED,** that the Mono County Board of Supervisors, hereby extend a most sincere "THANK YOU" in appreciation for Ralph's dedicated service; and

**BE IT FURTHER RESOLVED,** Sheriff Ralph Obenberger is hereby extended our best wishes as he moves into the next chapter of his life, and congratulations and in retirement. APPROVED AND ADOPTED this 16<sup>th</sup> day of December, 2014, by the Mono County Board of Supervisors.

---

Larry Johnston, Supervisor District #1

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Fred Stump, Supervisor District #2

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Tim Alpers, Supervisor District #3

---

Timothy Fesko, Supervisor District #4

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Byng Hunt, Supervisor District #5



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Board of Supervisors**

**TIME REQUIRED** 10 minutes

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Supervisor Stump

**SUBJECT** Resolution of Appreciation for Peter  
Pumphrey

---

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Resolution of Appreciation honoring Peter Pumphrey and his years of service on the Chalfant Valley Fire Department (a Community Services District).

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### RECOMMENDED ACTION:

Approve Resolution honoring Peter Pumphrey.

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### FISCAL IMPACT:

None.

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**CONTACT NAME:** Stacie Klemm

**PHONE/EMAIL:** x1724 / sklemm@mono.ca.gov

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SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

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### MINUTE ORDER REQUESTED:

YES  NO

---

### ATTACHMENTS:

Click to download

[Resolution honoring Peter Pumphrey](#)

---

History

Time

Who

Approval

12/10/2014 4:04 PM	County Administrative Office	Yes
12/11/2014 10:10 AM	County Counsel	Yes
12/10/2014 4:45 PM	Finance	Yes

**RESOLUTION OF THE BOARD OF SUPERVISORS  
COUNTY OF MONO  
IN APPRECIATION OF PETER PUMPHREY**

**WHEREAS,** Peter Pumphrey has served the Chalfant Valley Fire Department's Firefighters, Officers and Board of Directors since November of 2006; and

**WHEREAS,** Pete has shared his intellect, quiet demeanor, levelheadedness, and perceptiveness as Chairman of the Board, thereby assuring positive outcomes on a consistent basis; and

**WHEREAS,** Pete has served the citizens of the District of Chalfant Valley Fire Department with honesty, integrity, and vision to bring the Fire Department into the twenty-first century; and

**WHEREAS,** Pete has brought forth professionalism within the everyday proceedings of volunteer firefighting, safety, fiscal responsibility, and standards set forth for the betterment of both the fire department and the community at large; and

**WHEREAS,** Pete has remained a loyal and steadfast friend to every officer and firefighter to pass through the ranks, and has gone above and beyond to be available to help solve problems and pass on ideas to further Chalfant Fire Department's Mission Statement; and

**WHEREAS,** Pete will be truly missed by all in the community and Chalfant Valley has been made a better place because of his endless hours of volunteerism;

**NOW, THEREFORE BE IT RESOLVED,** that the Mono County Board of Supervisors, hereby extend a most sincere "THANK YOU" in appreciation for Pete's dedicated service to the Chalfant Valley Fire Department and Chalfant Valley Community; and

**BE IT FURTHER RESOLVED,** Peter Pumphrey is hereby extended our best wishes as he moves into the next chapter of his life. APPROVED AND ADOPTED this 16<sup>th</sup> day of December, 2014, by the Mono County Board of Supervisors.

\_\_\_\_\_  
Larry Johnston, Supervisor District #1

\_\_\_\_\_  
Fred Stump, Supervisor District #2

\_\_\_\_\_  
Tim Alpers, Supervisor District #3

\_\_\_\_\_  
Timothy Fesko, Supervisor District #4

\_\_\_\_\_  
Byng Hunt, Supervisor District #5



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE**      December 16, 2014

**Departments: Board of Supervisors**

**TIME REQUIRED**      10 minutes

**PERSONS APPEARING BEFORE THE BOARD**      Chairman Johnston

**SUBJECT**              Resolution Honoring Byng Hunt for his Years of Service on the Board of Supervisors

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Resolution of appreciation for Supervisor Byng Hunt for his many years of service on the Mono County Board of Supervisors.

**RECOMMENDED ACTION:**

Approve Resolution of appreciation for Supervisor Byng Hunt.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Stacie Klemm

**PHONE/EMAIL:** x1724 / sklemm@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF THE COUNTY ADMINISTRATOR **PRIOR TO 5:00 P.M. ON THE FRIDAY 32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download

[Resolution honoring Supervisor Hunt for his years of service](#)

**History**

Time	Who	Approval
12/10/2014 4:04 PM	County Administrative Office	Yes
12/11/2014 10:10 AM	County Counsel	Yes
12/10/2014 4:45 PM	Finance	Yes

**RESOLUTION OF THE BOARD OF SUPERVISORS  
COUNTY OF MONO  
IN APPRECIATION OF SUPERVISOR BYNG HUNT**

**WHEREAS,** Byng Hunt’s ongoing love for the Mountains brought him to Mono County in 1976, where he spent 27 years working as a health care professional, and has resided full time; and

**WHEREAS,** Byng’s passion for the Mountains led him to be interested in local planning issues, he was appointed to Mammoth Lakes Planning Commission in 1989 which became the start his political career; and

**WHEREAS,** Byng became Planning Commissioner for the Town of Mammoth Lakes in 1989 and served through 1992, in 1992 he was elected Town Councilman and served until 1998, also serving as Mayor from 1995 to 1996; and

**WHEREAS,** Byng was elected District 5 Supervisor for the Mono County Board of Supervisors, he took office in January of 1999 and has served on the Board of Supervisors for the past sixteen years; and

**WHEREAS,** during Byng’s tenure on the Board of Supervisors he has played an important role in passing a major wilderness legislation in 2009, reorganization of the Mono County Financial Department, the completion of Digital 395, and a Conservation Easement for long term use and preservation of Conway Ranch; and

**WHEREAS,** On September 1, 2009, a Resolution for the approval of the establishment of a Mono County Medical Marijuana Card Program was brought before the Board of Supervisors. Supervisor Hunt commemorated this event by bringing large plates of brownies to be distributed during the discussion. The Resolution was quickly and cheerfully approved, although, everyone was still hungry.

**WHEREAS,** Byng owns many clothing items embroidered with the Mono County Logo, the Board of Supervisors would like to encourage him to continue to wear these items that show his dedication, support and love for Mono County; and

**WHEREAS,** Byng has shared his Mono County life experiences with wife Joanne Hunt, three daughters and six grandchildren, all residing in the Eastern Sierra’s;

**NOW, THEREFORE BE IT RESOLVED,** that the Mono County Board of Supervisors, hereby extend a most sincere “THANK YOU” in appreciation for Byng’s many years of dedicated service; and

**BE IT FURTHER RESOLVED,** Supervisor Byng Hunt is hereby extended our best wishes as he moves into the next chapter of his life, and congratulations and in retirement. APPROVED AND ADOPTED this 16<sup>th</sup> day of December, 2014, by the Mono County Board of Supervisors.

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Larry Johnston, Supervisor District #1

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Fred Stump, Supervisor District #2

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Tim Alpers, Supervisor District #3

---

Timothy Fesko, Supervisor District #4

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Byng Hunt, Supervisor District #5



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** December 16, 2014

**Departments: Behavioral Health**

**TIME REQUIRED**

**SUBJECT** Multi-Year Contract for Substance  
Use Disorder Services, Fiscal Years  
2014/2015 and 2016/2017

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed contract with California Department of Health Care Services pertaining to multi year contract for Substance Use Disorder Services.

**RECOMMENDED ACTION:**

Approve County entry into proposed contract and authorize Robin K. Roberts to execute said contract on behalf of the County. Provide any desired direction to staff.

**FISCAL IMPACT:**

No impact to the Mono County General Fund. Maximum amount of this agreement is \$1,198,029.

**CONTACT NAME:** Robin Roberts

**PHONE/EMAIL:** 760-924-1740 / rroberts@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

Click to download

- [Staff Report--Substance Use Agreement](#)
- [contract pt 1](#)
- [contract pt 2](#)

- [contract pt 3](#)
- [contract pt 4](#)
- [contract pt 5](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/8/2014 3:18 PM	County Administrative Office	Yes
12/8/2014 2:21 PM	County Counsel	Yes
12/8/2014 3:14 PM	Finance	Yes



Office Of The ...

MONO COUNTY MENTAL HEALTH, ALCOHOL AND DRUG PROGRAMS

# COUNTY OF MONO

P.O. BOX 2619 • MAMMOTH LAKES, CA 93546 (760) 924-1740 • FAX (760) 924-1741

TO: Mono County Board of Supervisors  
FROM: Robin Roberts, Behavioral Health Director  
DATE: December 8, 2014  
SUBJECT: Approval of Substance Use Services Contract with Department of Health and Human Services

## DISCUSSION:

This contract is for the purpose of identifying and providing services for Drug Medi-Cal services for substance use treatment. The objective is to make substance use treatment services available to Medi-Cal beneficiaries through the utilization of federal and state funds.

The services covered by this Agreement are provided by Mono County Behavioral Health.

## FISCAL IMPACT:

There is no fiscal impact to the County General Fund.

The maximum amount of this Agreement is \$1,198,029 over the Fiscal Year's 2014/15, 2015/16, and 2016/17.

Submitted by: \_\_\_\_\_

Date: \_\_\_\_\_

December 8, 2014

Robin Roberts, Director of Behavioral Health

Phone: 760-924-1740

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
 STD 213\_DHCS (Rev. 01/13)

REGISTRATION NUMBER	AGREEMENT NUMBER 14-90073
---------------------	------------------------------

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

STATE AGENCY'S NAME <b>Department of Health Care Services</b>	(Also known as DHCS, CDHS, DHS or the State)
CONTRACTOR'S NAME <b>County of Mono</b>	(Also referred to as Contractor)
- The term of this Agreement is: **July 1, 2014**  
**through June 30, 2017**
- The maximum amount of this Agreement is: **\$ 1,198,029**  
**One Million, One Hundred Ninety-Eight Thousand, Twenty-Nine Dollars**
- 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	2 pages
Exhibit A, Attachment I – Program Specifications	39 pages
Exhibit B – Budget Detail and Payment Provisions	20 pages
Exhibit B, Attachment I – Funding Amounts	1 page
Exhibit C * – General Terms and Conditions (GTC-610)	<u>GTC 610</u>
Exhibit D (F) – Special Terms and Conditions	26 pages
Exhibit E – Additional Provisions	4 pages
Exhibit G – Privacy and Information Security Provisions	31 pages
Exhibit G, Attachment I – Social Security Administration Agreement	66 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.**

<b>CONTRACTOR</b>		<b>California Department of General Services Use Only</b>
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) <b>County of Mono</b>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
<b>STATE OF CALIFORNIA</b>		<input checked="" type="checkbox"/> Exempt per: DGS memo dated 07/10/96 and Welfare and Institutions Code 14087.4
AGENCY NAME <b>Department of Health Care Services</b>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Christina Soares, Chief, Contracts and Purchasing Section</b>		
ADDRESS <b>1501 Capitol Avenue, Suite 71.5195, MS 1403, P.O. Box 997413, Sacramento, CA 95899-7413</b>		

**Exhibit A**  
Scope of Work

**1. Service Overview**

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

State and the Contractor enter into this contract by authority of Chapter 3 of Part 1, Division 10.5 of the Health and Safety Code (HSC) and with approval of Contractor's County Board of Supervisors (or designee) for the purpose of providing alcohol and drug services. State and the Contractor identified in the Standard Agreement are the only parties to this Contract. This Contract is not intended, nor shall it be construed, to confer rights on any third party.

State and the Contractor enter into this contract for the purpose of identifying and providing for covered Drug Medi-Cal (DMC) services for substance use treatment in the Contractor's service area pursuant to Sections 11848.5(a) and (b) of the Health and Safety Code (hereinafter referred to as HSC), Sections 14124.20, 14021.51 – 14021.53, and 14124.20 – 14124.25 of the Welfare and Institutions Code (hereinafter referred to as W&I), and Title 22 of the California Code of Regulations (hereinafter referred to as Title 22), Sections 51341.1, 51490.1, and 51516.1.

State and the Contractor enter into this contract by authority of Title 45 of the Code of Federal Regulations Part 96 (45 CFR Part 96), Substance Abuse Prevention and Treatment Block Grants (SAPT Block Grant) for the purpose of planning, carrying out, and evaluating activities to prevent and treat substance abuse. Block Grant recipients must adhere to SAMHSA's National Outcome Measures (NOMs).

The objective is to make substance use treatment services available to Medi-Cal beneficiaries through utilization of federal and state funds available pursuant to Title XIX and Title XXI of the Social Security Act for reimbursable covered services rendered by certified DMC providers.

**2. Service Location**

The services shall be performed at applicable facilities in the County of Mono.

**3. Service Hours**

The services shall be provided during the working hours and days as defined by the Contractor.

**4. Project Representatives**

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

<b>Department of Health Care Services</b>	<b>Contractor's/Grantee's Name</b>
Contract/Grant Manager: Mike Reeves Telephone: (916) 327-4886 Fax: (916) 323-0653 Email: <a href="mailto:Michael.reeves@dhcs.ca.gov">Michael.reeves@dhcs.ca.gov</a>	County Administrator Telephone: (760) 924-1740 Fax: (760) 924-1741

B. Direct all inquiries to:

<b>Department of Health Care Services</b>	<b>Contractor's/Grantee's Name</b>
Department of Health Care Services SUD PTRSD - FMAB Attention: Irma Nieves Mail Station Code 2629 P.O. Box 997413 Sacramento, CA, 95899-7777  Telephone: (916) 323-2087 Fax: (916) 323-0653 Email: <a href="mailto:Irma.nieves@dhcs.ca.gov">Irma.nieves@dhcs.ca.gov</a>	Mono County Behavioral Health Attention: County Administrator P.O. Box 2619 Mammoth Lakes, CA 93546  Telephone: (760) 924-1740 Fax: (760) 924-1741

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

5. See Exhibit A, Attachment I, for a detailed description of the services to be performed.

**Exhibit A, Attachment I  
Program Specifications**

**Part I - General**

**A. Additional Contract Restrictions**

This Contract 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 Contract in any manner.

**B. Nullification of Drug Medi-Cal (DMC) Treatment Program substance use disorder services (if applicable)**

The parties agree that if the Contractor fails to comply with the provisions of Welfare and Institutions Code (W&I) Section 14124.24, all areas related to the DMC Treatment Program substance use disorder services shall be null and void and severed from the remainder of this Contract.

In the event the Drug Medi-Cal Treatment Program Services component of this Contract becomes null and void, an updated Exhibit B, Attachment I will take effect reflecting the removal of federal Medicaid funds and DMC State General Funds from this Contract. All other requirements and conditions of this Contract will remain in effect until amended or terminated.

**C. Hatch Act**

Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

**D. No Unlawful Use or Unlawful Use Messages Regarding Drugs**

Contractor agrees that information produced through these funds, and which pertains to drug and alcohol- related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol- related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC Section 11999-11999.3). By signing this Contract, Contractor agrees that it will enforce, and will require its Subcontractors to enforce, these requirements.

E. Noncompliance with Reporting Requirements

Contractor agrees that the State has the right to withhold payments until Contractor has submitted any required data and reports to the State, as identified in Exhibit A, Attachment I, Part III – Reporting Requirements, or as identified in Document 1F(a), Reporting Requirements Matrix for Counties.

F. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

G. Restriction on Distribution of Sterile Needles

No funds made available through this Contract shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug unless the State chooses to implement a demonstration syringe services program for injecting drug users with Substance Abuse Prevention and Treatment Block Grant funds.

H. Health Insurance Portability and Accountability Act (HIPAA) of 1996

If any of the work performed under this Contract is subject to the HIPAA, then Contractor shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Exhibit G, the State and County shall cooperate to assure mutual agreement as to those transactions between them, to which this Provision applies. Refer to Exhibit G for additional information.

1. Trading Partner Requirements

- (a) No Changes. Contractor hereby agrees that for the personal health information (Information), it will not change any definition, data condition or use of a data element or segment as proscribed in the federal HHS Transaction Standard Regulation. (45 CFR Part 162.915 (a))
- (b) No Additions. Contractor hereby agrees that for the Information, it will not add any data elements or segments to the maximum data set as proscribed in the HHS Transaction Standard Regulation. (45 CFR Part 162.915 (b))
- (c) No Unauthorized Uses. Contractor hereby agrees that for the Information, it will not use any code or data elements that either are marked “not used” in the HHS Transaction’s Implementation specification or are not in the HHS Transaction Standard’s implementation specifications. (45 CFR Part 162.915 (c))

- (d) No Changes to Meaning or Intent. Contractor hereby agrees that for the Information, it will not change the meaning or intent of any of the HHS Transaction Standard's implementation specification. (45 CFR Part 162.915 (d))

2. Concurrence for Test Modifications to HHS Transaction Standards

Contractor agrees and understands that there exists the possibility that the State or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, Contractor agrees that it will participate in such test modifications.

3. Adequate Testing

Contractor is responsible to adequately test all business rules appropriate to their types and specialties. If the Contractor is acting as a clearinghouse for enrolled providers, Contractor has obligations to adequately test all business rules appropriate to each and every provider type and specialty for which they provide clearinghouse services.

4. Deficiencies

Contractor agrees to cure transactions errors or deficiencies identified by the State, and transactions errors or deficiencies identified by an enrolled provider if the Contractor is acting as a clearinghouse for that provider. When County is a clearinghouse, Contractor agrees to properly communicate deficiencies and other pertinent information regarding electronic transactions to enrolled providers for which they provide clearinghouse services.

5. Code Set Retention

Both Parties understand and agree to keep open code sets being processed or used in this Agreement for at least the current billing period or any appeal period, whichever is longer.

6. Data Transmission Log

Both Parties shall establish and maintain a Data Transmission Log, which shall record any and all Data Transmission taking place between the Parties during the term of this Contract. Each Party will take necessary and reasonable steps to ensure that such Data Transmission Logs constitute a current, accurate, complete, and unaltered record of any and all Data Transmissions between the Parties, and shall be retained by each Party for no less than twenty-four (24) months following the date of the Data Transmission. The Data Transmission Log may be maintained on computer media or other suitable means provided that, if it is necessary to do so, the information contained in the Data Transmission Log may be retrieved in a timely manner and presented in readable form.

I. Nondiscrimination and Institutional Safeguards for Religious Providers

Contractor shall establish such processes and procedures as necessary to comply with the provisions of Title 42, USC, Section 300x-65 and Title 42, CFR, Part 54, (Reference Document 1B).

J. Counselor Certification

Any counselor providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS licensed or certified program is required to be certified as defined in Title 9, CCR, Division 4, Chapter 8. (Document 3H)

K. Cultural and Linguistic Proficiency

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this contract shall adopt the federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V).

L. Intravenous Drug Use (IVDU) Treatment

Contractor shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo alcohol and other drug (AOD) treatment (42 USC 300x-23(b) of PHS Act).

M. Tuberculosis Treatment

Contractor shall ensure the following related to Tuberculosis (TB):

1. Routinely make available TB services to each individual receiving treatment for alcohol and other drug use and/or abuse;
2. Reduce barriers to patients' accepting TB treatment; and,
3. Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance.

N. Trafficking Victims Protection Act of 2000

Contractor and its Subcontractors that provide services covered by this Contract shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C. 7104). For full text of the award term, go to:  
<http://www.samhsa.gov/grants/trafficking.aspx>

O. Tribal Communities and Organizations

Contractor shall regularly assess (e.g. review population information available through Census, compare to information obtained in CalOMS Treatment to determine whether population is being reached, survey Tribal representatives for insight in potential barriers)

the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the County geographic area and shall engage in regular and meaningful consultation and collaboration with elected officials of the tribe, Rancheria, or their designee for the purpose of identifying issues/barriers to service delivery and improvement of the quality, effectiveness and accessibility of services available to AI/NA communities within the County.

P. Participation of County Alcohol and Drug Program Administrators Association of California.

Pursuant to HSC Section 11801(g), the AOD administrator shall participate and represent the county in meetings of the County Alcohol and Drug Program Administrators Association of California for the purposes of representing the counties in their relationship with the state with respect to policies, standards, and administration for alcohol and other drug abuse services.

Pursuant to HSC Section 11811.5(c), the county alcohol and drug program administrator shall attend any special meetings called by the Director of DHCS.

Q. Youth Treatment Guidelines

Contractor will follow the guidelines in Document 1V, incorporated by this reference, "Youth Treatment Guidelines," in developing and implementing youth treatment programs funded under this Exhibit, until such time new Youth Treatment Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.

R. Restrictions on Grantee Lobbying – Appropriations Act Section 503

No part of any appropriation contained in this Act shall be used, other than for formal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support defeat legislation pending before the Congress, except in presentation to the Congress itself or any State legislature, except in presentation to the Congress or any State legislative body itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent during for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

S. Nondiscrimination in Employment and Services

By signing this Contract, Contractor certifies that under the laws of the United States and the State of California, incorporated into this Contract by reference and made a part hereof as if set forth in full, Contractor will not unlawfully discriminate against any person.

T. Federal Law Requirements:

1. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in federally funded programs.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
4. Age Discrimination in Employment Act (29 CFR Part 1625)
5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment
6. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities
7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access
8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of handicap
9. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance
10. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency
11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse
12. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.

U. State Law Requirements:

1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.).
2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.

3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 10800
  4. No state or federal funds shall be used by the Contractor or its Subcontractors for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or its Subcontractors to provide direct, immediate, or substantial support to any religious activity.
  5. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.
- V. This Contract is subject to any additional restrictions, limitations, or conditions enacted by the federal or state governments after affect the provisions, terms, or funding of this Contract in any manner.
- W. Subcontract Provisions

Contractor shall include all of the foregoing provisions in all of its subcontracts.

**Exhibit A, Attachment I  
Program Specifications**

**Part II – Definitions**

**Section 1 - General Definitions.**

The words and terms of this Contract are intended to have their usual meanings unless a particular or more limited meaning is associated with their usage pursuant to Division 10.5 of HSC, Section 11750 et seq., and Title 9, CCR, Section 9000 et seq.

- A. **"Available Capacity"** means the total number of units of service (bed days, hours, slots, etc.) that a Contractor actually makes available in the current fiscal year.
- B. **"Contractor"** means the county identified in the Standard Agreement or the department authorized by the County Board of Supervisors to administer substance use disorder programs.
- C. **"Corrective Action Plan" (CAP)** means the written plan of action document which the Contractor or its subcontracted service provider develops and submits to DHCS to address or correct a deficiency or process that is non-compliant with laws, regulations or standards.
- D. **"County"** means the county in which the Contractor physically provides covered substance use treatment services.
- E. **"County Realignment Funds"** means Behavioral Health Subaccount funds received by the county as per California Code Section 30025.
- F. **"Days"** means calendar days, unless otherwise specified.
- G. **"Dedicated Capacity"** means the historically calculated service capacity, by modality, adjusted for the projected expansion or reduction in services, which the Contractor agrees to make available to provide non-Drug Medi-Cal substance use disorder services to persons eligible for Contractor services.
- H. **"Final Allocation"** means the amount of funds identified in the last allocation letter issued by the State for the current fiscal year.
- I. **"Final Settlement"** means permanent settlement of the Contractor's actual allowable costs or expenditures as determined at the time of audit, which shall be completed within three years of the date the year-end cost settlement report was accepted for interim settlement by the State. If the audit is not completed within three years, the interim settlement shall be considered as the final settlement.
- J. **"Interim Settlement"** means temporary settlement of actual allowable costs or expenditures reflected in the Contractor's year-end cost settlement report.

- K. **"Maximum Payable"** means the encumbered amount reflected on the Standard Agreement of this Contract and supported by Exhibit B, Attachment I.
- L. **"Modality"** means those necessary overall general service activities to provide substance use disorder services as described in Division 10.5 of the HSC.
- M. **"Non-Drug Medi-Cal Amount"** means the contracted amount of SAPT Block Grant funds for services agreed to by the State and the Contractor.
- N. **"Performance"** means providing the dedicated capacity in accordance with Exhibit B, Attachment I, and abiding by the terms of this Exhibit A, including all applicable state and federal statutes, regulations, and standards, including Alcohol and/or Other Drug Certification Standards (Document 1P), in expending funds for the provision of alcohol and drug services hereunder.
- O. **"Preliminary Settlement"** means the settlement of only SAPT funding for counties that do include DMC funding.
- P. **"Revenue"** means Contractor's income from sources other than the State allocation.
- Q. **"Service Area"** means the geographical area under Contractor's jurisdiction.
- R. **"Service Element"** is the specific type of service performed within the more general service modalities. A list of the service modalities and service elements and service elements codes is incorporated into this Contract as Document 1H(a) "Service Code Descriptions".
- S. **"State"** means the Department of Health Care Services or DHCS.
- T. **"Unit of Service"** means the type of unit used to quantify the service modalities/elements. The units of services are listed below:

Support Services		staff hours
Primary Prevention Services	N/A	
Secondary Prevention Services		staff hours
Nonresidential Services (Outpatient and Aftercare)		staff hours
Intensive Outpatient Services		visit days
Residential Treatment Services		bed days
Narcotic Treatment Program		
Inpatient Detoxification		bed days
Outpatient Detoxification		slot days
Narcotic Replacement Therapy		slot days
Methadone		
Ancillary Services		staff hours
Driving Under-the-Influence		persons served

- U. **"Utilization"** means the total actual units of service used by clients and participants.

## **Section 2 – Definitions Specific to Drug Medi-Cal**

The words and terms of this Contract are intended to have their usual meaning unless a specific or more limited meaning is associated with their usage pursuant to the HSC, Title 9, and/or Title 22. Definitions of covered treatment modalities and services are found in Title 22 (Document 2C) and are incorporated by this reference.

- A. **"Administrative Costs"** means the Contractor's actual direct costs, as recorded in the Contractor's financial records and supported by source documentation, to administer the program or an activity to provide service to the DMC program. Administrative costs do not include the cost of treatment or other direct services to the beneficiary. Administrative costs may include, but are not limited to, the cost of training, programmatic and financial audit reviews, and activities related to billing. Administrative costs may include Contractor's overhead per the approved indirect cost rate proposal pursuant to OMB Circular A-87 and the State Controller's Office Handbook of Cost Plan Procedures.
- B. **"Authorization"** is the approval process for DMC Services prior to the submission of a DMC claim.
- C. **"Beneficiary"** means a person who: (a) has been determined eligible for Medi-Cal; (b) is not institutionalized; (c) has a substance-related disorder per the "Diagnostic and Statistical Manual of Mental Disorders III Revised (DSM)," and/or DSM IV criteria; and (d) meets the admission criteria to receive DMC covered services.
- D. **"Certified Provider"** means a substance use disorder clinic and/or satellite clinic location that has received certification to be reimbursed as a DMC clinic by the State to provide services as described in Title 22, California Code of Regulations, Section 51341.1.
- E. **"Covered Services"** means those DMC services authorized by Title XIX or Title XXI of the Social Security Act; Title 22 Section 51341.1; W&I Section 14124.24; and California's Medicaid State Plan.
- F. **"Direct Provider Contract"** means a contract established between the State and a Drug Medi-Cal certified provider entered into pursuant to this Agreement for the provision of Drug Medi-Cal services.
- G. **"Drug Medi-Cal Program"** means the state system wherein beneficiaries receive covered services from DMC-certified substance use disorder treatment providers.
- H. **"Drug Medi-Cal Termination of Certification"** means the provider is no longer certified to participate in the Drug Medi-Cal program upon the State's issuance of a Drug Medi-Cal Termination of Certification Termination notice.
- I. **"Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT)"** means the federally mandated Medicaid benefit that entitles full-scope Medi-Cal-covered beneficiaries less than 21 years of age to receive any Medicaid service necessary to correct or ameliorate a defect, mental illness, or other condition, such as a substance-related disorder, that is discovered during a health screening.

- J. **“EPSDT (Supplemental Service)”** means the supplemental individual outpatient drug-free (ODF) counseling services provided to beneficiaries eligible for the EPSDT program. Supplemental individual ODF counseling consists of any necessary individual substance use disorder counseling not otherwise included in the ODF counseling modality under the DMC program.
- K. **“Provider Certification”** means the provider must be certified in order to participate in the Medi-Cal program.
- L. **“Federal Financial Participation (FFP)”** means the share of federal Medicaid funds for reimbursement of DMC services.
- M. **“Medical Necessity”** means those substance use treatment services that are reasonable and necessary to protect life, prevent significant illness or disability, or alleviate severe pain through the diagnosis and treatment of a disease, illness, or injury or, in the case of EPSDT, services that meet the criteria specified in Title 22, Sections 51303 and 51340.1.
- N. **“Minor Consent DMC Services”** are those covered services that, pursuant to Family Code Section 6929, may be provided to persons 12-20 years old without parental consent.
- O. **“Narcotic Treatment Program”** means an outpatient clinic licensed by the State to provide narcotic replacement therapy directed at stabilization and rehabilitation of persons who are opiate-addicted and have a substance use diagnosis.
- P. **“Payment Suspension”** means the Drug Medi-Cal certified provider has been issued a notice pursuant to W&I 14107.11 and is not authorized to receive payments after the payment suspension date for DMC services, regardless of when the service was provided.
- Q. **“Perinatal DMC Services”** means covered services as well as mother/child habilitative and rehabilitative services; services access (i.e., provision or arrangement of transportation to and from medically necessary treatment); education to reduce harmful effects of alcohol and drugs on the mother and fetus or infant; and coordination of ancillary services (Title 22, Section 51341.1(c) 4).
- R. **“Postpartum”**, as defined for DMC purposes, means the 60-day period beginning on the last day of pregnancy, regardless of whether other conditions of eligibility are met. Eligibility shall end on the last day of the calendar month in which the 60<sup>th</sup> day occurs.
- S. **“Post Service Post Payment (PSPP) Utilization Review”** means the review for program compliance and medical necessity conducted by the State after service was rendered and paid. State may recover prior payments of Federal and State funds if such review determines that the services did not comply with the applicable statutes, regulations, or standards (Cal. Code Regs. Tit. 22, Section 51341.1).
- T. **“Projected Units of Service”** means the number of reimbursable DMC units of service, based on historical data and current capacity, the Contractor expects to provide on an annual basis.

- U. **"Provider of DMC Services"** means any person or entity that provides direct substance use treatment services and has been certified by State as meeting the standards for participation in the DMC program set forth in the "DMC Certification Standards for Substance Abuse Clinics", Document 2E and "Standards for Drug Treatment Programs (October 21, 1981)", Document 2F.
- V. **"Re-certification"** means the process by which the certified clinic and/or satellite program is required to submit an application and specified documentation, as determined by DHCS, to remain eligible to participate in and be reimbursed in through the DMC program. Re-certification shall occur no less than every five years from date of previous DMC certification or re-certification.
- W. **"Satellite Site"** has the same meaning as defined in the DMC Certification Standards for Substance Abuse Clinics.
- X. **"Statewide Maximum Allowances (SMA)"** means the maximum amount authorized to be paid by DMC for each covered unit of service for outpatient drug free, intensive outpatient treatment, perinatal residential, and Naltrexone treatment services. While the rates are approved by the State, they are subject to change through the regulation process. The SMA for FY 2014-15 is listed in the "Unit of Service" table in Exhibit B, Part V.
- Y. **"Subcontract"** means an agreement between the Contractor and its Subcontractors. A Subcontractor shall not delegate its obligation to provide covered services or otherwise subcontract for the provision of direct patient/client services.
- Z. **"Subcontractor"** means an individual or entity that is DMC certified and has entered into an agreement with the Contractor to be a provider of covered services. It may also mean a vendor who has entered into a procurement agreement with the Contractor to provide any of the administrative functions related to fulfilling the Contractor's obligations under the terms of this Exhibit A, Attachment I.
- AA. **"Temporary Suspension"** means the provider is temporarily suspended from participating in the DMC program as authorized by W&I Section 14043.36(a). The provider cannot bill for DMC services from the effective date of the temporary suspension.

**Exhibit A, Attachment I  
Program Specifications**

**Part III – Reporting Requirements**

Contractor agrees that the State has the right to withhold payments until Contractor has submitted any required data and reports to the State, as identified in this Exhibit A, Attachment I or as identified in Document 1F(a), Reporting Requirement Matrix for Counties.

**A. Quarterly Federal Financial Management Report (QFFMR)**

The QFFMR must be submitted to reflect quarterly SAPTBG expenditures.

For the beginning of each federal award year, the due dates are:

March 1 for the period October through December  
June 1 for the period January through March  
September 1 for the period April through June  
December 1 for the period July through September

**B. Year-End Cost Settlement Reports**

Pursuant to W&I Section 14124.24 Contractor shall submit to the State, on November 1 of each year, the following year-end cost settlement documents by paper or electronic submission for the previous fiscal year:

1. Document 2P, County Certification Year-End Claim for Reimbursement
2. Document 2P(a) and 2P(b), Drug Medi-Cal Cost Report Forms for Intensive Outpatient Treatment for Non-Perinatal or Perinatal (if applicable)
3. Document 2P(c) and 2P(d), Drug Medi-Cal Cost Report Forms for Outpatient Drug Free Individual Counseling for Non-Perinatal or Perinatal (if applicable)
4. Document 2P(e) and 2P(f), Drug Medi-Cal Cost Report Forms for Outpatient Drug Free Group Counseling for Non-Perinatal or Perinatal (if applicable)
5. Document 2P(g), Drug Medi-Cal Cost Report Forms for Residential for Perinatal (if applicable)
6. Document 2P(h) and 2P(i), Drug Medi-Cal Expenditure Forms for Narcotic Treatment Programs for Non-Perinatal or Perinatal (if applicable)

Electronic program as prescribed by the State that contains the detailed cost report data

C. Drug Medi-Cal Claims and Reports

Contractors or providers that bill the State or the County for services identified in Section 51516.1 of Title 22 shall submit claims in accordance with the Department of Health Care Services DMC Provider Billing Manual.

Claims for DMC reimbursement shall include only those services covered under Title 22, Section 51341.1(c-d) and administrative charges that are allowed under W&IC, Sections 14132.44 and 14132.47.

1. Contractor shall certify the public expenditure was made prior to submitting a claim for reimbursement. Contractor shall submit the "Certified Public Expenditure" form at the time of submitting the electronic Drug Medi-Cal claim, 42 CFR Section 433.51. Contractor shall submit to the State the Drug Medi-Cal Certification Form DHCS Form DHCS 100224A (Document 4D) for each claim file submitted for reimbursement of the federal Medicaid funds.
2. DMC service claims shall be submitted electronically in a Health Insurance Portability and Accountability Act (HIPAA) compliant format (837P). All adjudicated claim information must be retrieved by the Contractor via an 835 HIPAA compliant format (Health Care Claim Payment/Advice).
3. The following forms shall be prepared as needed and retained by the provider for review by State staff:
  - (a) Multiple Billing Override Certification (MC 6700), Document 2K
  - (b) Good Cause Certification (MC 6065A), Document 2L(a)
  - (c) Good Cause Certification (MC 6065B), Document 2L(b)

In the absence of good cause documented on the Good Cause Certification (MC 6065A or 6065B) form, claims that are not submitted within 30 days of the end of the month of service shall be denied. The existence of good cause shall be determined by the State in accordance with Title 22, CCR, Sections 51008 and 51008.5.

4. Certified Public Expenditure County Administration

Separate from direct service claims as identified in #2 above, county may submit an invoice for administrative costs for administering the DMC program on a quarterly basis. The form requesting reimbursement shall be submitted to DHCS.

5. If while completing the Utilization Review and Quality Assurance requirements of this Exhibit A, Attachment I, Part V, Section 4 any of the Contractor's skilled professional medical and personnel and directly supporting staff meet the criteria set forth in 42 C.F.R. 432.50(d)(1), then the Contractor shall submit a written request that specifically demonstrates how the skilled professional medical personnel and directly supporting staff meet all of the applicable criteria set forth in 42 C.F.R.

432.50(5)(1) and outlines the duties they will perform to assist the Department, or the Department's skilled professional medical personnel, in activities that are directly related to the administration of the Drug Medi-Cal Program. The Department shall respond to the Contractor's written request within 20 days with either a written agreement pursuant to 42 C.F.R. 432.50(d)(2) approving the request or a written explanation as to why the Department does not agree that the Contractor's skilled professional medical personnel and directly supporting staff do not meet the criteria set forth in 42 C.F.R. 432.50(d)(1).

D. California Outcomes Measurement System (CalOMS) for Treatment (CalOMS-Tx)

The CalOMS-Tx business rules and requirements are:

1. Contractor contracts with a software vendor that complies with the CalOMS-Tx data collection system requirements for submission of CalOMS-Tx data. A Business Associate Agreement (BAA) must be established between the Contractor and the software vendor. The BAA must state that DHCS is allowed to return the processed CalOMS-Tx data to the vendor that supplied the data to DHCS.
2. Contractor shall conduct information technology (IT) systems testing and pass State certification testing before commencing submission of CalOMS-Tx data. If the Contractor subcontracts with vendor for IT services, Contractor is responsible for ensuring that the subcontracted IT system is tested and certified by the DHCS prior to submitting CalOMS-Tx data. If Contractor changes or modifies the CalOMS-Tx IT system, then Contractor shall re-test and pass state re-certification prior to submitting data from new or modified system.
3. Electronic submission of CalOMS-Tx data is due 45 days from the end of the last day of the report month.
4. Contractor shall comply with data collection and reporting requirements established by the DHCS CalOMS-Tx Data Collection Guide (Document 3J) and all former Department of Alcohol and Drug Programs Bulletins and DHCS Information Notices relevant to CalOMS-Tx data collection.
5. Contractor shall submit CalOMS-Tx admission, discharge, annual update, resubmissions of records containing errors or in need of correction, and "provider no activity" report records in an electronic format approved by DHCS.
6. Contractor shall comply with the CalOMS-Tx Data Compliance Standards established by DHCS identified in Document 3S for reporting data content, data quality, data completeness, reporting frequency, reporting deadlines, and reporting method.
7. Contractor shall participate in CalOMS-Tx informational meetings, trainings, and conference calls.
8. Contractor shall implement and maintain a system for collecting and electronically submitting CalOMS-Tx data.

9. Contractor shall meet the requirements as identified in Exhibit G, Privacy and Information Security Provisions and Exhibit G, Attachment I – SSA Agreement 2014.

E. California Outcomes Measurement System (CalOMS) for Prevention (CalOMS-Pv)

The CalOMS-Pv Business Rules and Requirements are:

1. By utilization of the CalOMS Prevention User Manual, Contractor shall comply with requirements which address the collection of information required in the SAPT Block Grant.
2. Prevention services/activity data is to be reported by CalOMS-Pv by all funded primary prevention providers. Services are to be reported by the date of occurrence on a monthly basis. No more than one week's data shall be aggregated into one reported service.
3. All CalOMS-Pv service/activity data shall be reviewed by each county and released to the State no later than 30 days following the close of each quarter. The reporting quarters are: July through September; October through December; January through March; and April through June.
4. Reporting progress on prevention goals and objectives via the Evaluation Module within CalOMS-Pv shall be done on an annual basis. This information is due no later than September 30<sup>th</sup> of each fiscal year.
5. If the Contractor cannot submit CalOMS-Pv data by the established due dates, the Contractor shall submit a written request for an extension. The DHCS will make a decision and issue a written response on the request for an extension prior to the established due date.
6. Contractor shall participate in CalOMS-Pv informational meetings, trainings, and conference calls.

F. CalOMS-Tx and CalOMS-Pv General Information

1. If the Contractor experiences system or service failure or other extraordinary circumstances that affect its ability to timely submit CalOMS-Tx and/or CalOMS-Pv data, and or meet other CalOMS-Tx and/or CalOMS-Pv data compliance requirements, Contractor shall report the problem in writing before the established data submission deadlines. The written notice shall include a remediation plan that is subject to review and approval by the State. A grace period of up to sixty (60) days may be granted, at the State's sole discretion, for the Contractor to resolve the problem before non-DMC payments are withheld.

2. If the State experiences system or service failure, no penalties will be assessed to the Contractor for late data submission.
3. Contractor shall comply with the treatment and prevention data quality standards established by the State. Failure to meet these standards on an ongoing basis may result in withholding non-DMC funds.
4. If the Contractor submits data after the established deadlines, due to a delay or problem, Contractor is still responsible for collecting and reporting data from time of delay or problem.

G. Drug and Treatment Access Report (DATAR)

The DATAR business rules and requirements are:

1. The Contractor shall be responsible for ensuring that the Contractor-operated treatment services and all treatment providers with whom Contractor makes a contract or otherwise pays for the services, submit a monthly DATAR report in an electronic copy format as provided by the State.

In those instances where the Contractor maintains, either directly or indirectly, a central intake unit or equivalent which provides intake services including a waiting list, the Contractor shall identify and begin submitting monthly DATAR reports for the central intake unit by a date to be specified by the State.

2. The Contractor shall ensure that all DATAR reports are submitted by either Contractor-operated treatment services and by each subcontracted treatment provider to the State by the 10<sup>th</sup> of the month following the report activity month.
3. The Contractor shall ensure that all applicable providers are enrolled in the State's web-based DATARWeb program for submission of data, accessible on the DHCS website when executing the subcontract.
4. If the Contractor or its subcontractor experiences system or service failure or other extraordinary circumstances that affect its ability to timely submit a monthly DATAR report, and/or to meet data compliance requirements, the Contractor shall report the problem in writing before the established data submission deadlines. The written notice shall include a corrective action plan that is subject to review and approval by the State. A grace period of up to sixty (60) days may be granted, at the State's sole discretion, for the Contractor to resolve the problem before non-DMC payments are withheld (See Exhibit B, Part II, Section 2).
5. If the State experiences system or service failure, no penalties will be assessed to Contractor for late data submission.
6. The Contractor shall be considered compliant if a minimum of 95% of required DATAR reports from the Contractor's treatment providers are received by the due date.

H. Charitable Choice

Contractor shall submit annually the total number of referrals necessitated by religious objection to other alternative substance abuse providers. This information must be submitted to DHCS in a format prescribed by DHCS and at time required by DHCS (reference ADP Bulletin 04-5).

I. Subcontractor Documentation

Contractor shall require its Subcontractors that are not licensed or certified by the State to submit organizational documents to the State within thirty (30) days of its execution of an initial subcontract, within ninety (90) days of the renewal or continuation of an existing subcontract or when there has been a change in Subcontractor name or ownership. Organizational documents shall include the Subcontractor's Articles of Incorporation or Partnership Agreements (as applicable), and business licenses, fictitious name permits, and such other information and documentation as may be requested by the State.

J. Failure to meet required reporting requirements shall result in:

1. The DHCS will issue a Notice of Deficiency (Deficiencies) to Contractor regarding specified providers with a deadline to submit the required data and a request for a Corrective Action Plan (CAP) to ensure timely reporting in the future. The State will approve or reject the CAP or request revisions to the CAP which shall be resubmitted to the State within thirty (30) days.
2. If the Contractor has not ensured compliance with the data submission or CAP request within the designated timeline, then the State may withhold funds until all data is submitted. The State shall inform the Contractor when funds will be withheld.

**Exhibit A, Attachment I  
Program Specifications**

**PART IV – Non-Drug Medi-Cal Substance Use Disorder Treatment Services**

**Section 1. General Provisions**

**A. Restrictions on Salaries**

Contractor agrees that no part of any federal funds provided under this Contract shall be used by the Contractor or its Subcontractors to pay the salary and wages of an individual at a rate in excess of Level I of the Executive Schedule. Salary and wages schedules may be found at <http://www.opm.gov/oca>. SAPT Block Grant funds used to pay a salary in excess of the rate of basic pay for Level I of the Executive Schedule shall be subject to disallowance. The amount disallowed shall be determined by subtracting the individual's actual salary from the Level I rate of basic pay and multiplying the result by the percentage of the individual's salary that was paid with SAPT Block Grant funds (Reference: Terms and Conditions of the SAPT Block Grant award.)

**B. Primary Prevention**

1. The SAPT Block Grant regulation defines "Primary Prevention Programs" as those programs directed at "individuals who have not been determined to require treatment for substance abuse" (45 CFR 96.121). Primary Prevention includes strategies, programs and initiatives which reduce both direct and indirect adverse personal, social, health, and economic consequences resulting from problematic AOD availability, manufacture, distribution, promotion, sales, and use. The desired result of primary prevention is to promote safe and healthy behaviors and environments for individuals, families and communities. The Contractor shall expend not less than its allocated amount of the Substance Abuse Prevention and Treatment (SAPT) Block Grant on primary prevention as described in the SAPT Block Grant requirements (45 CFR 96.125). Inappropriate use of these funds for non-primary prevention services will require repayment of SAPT Block Grant funds.
2. This contract and any subcontract shall meet data reporting requirements for capacity, process and outcome as required by federal grant requirements. In addition to the Center for Substance Abuse Prevention (CSAP's) six strategies of Information Dissemination, Education, Alternative, Problem Identification and Referral, Community-Based Process, and Environmental, the data for the Institute of Medicine prevention categories of Universal, Selective and Indicated must be reported.
3. Use of the Strategic Prevention Framework (SPF) is mandatory for all counties and SPF-required data must be submitted via CalOMS Prevention as evidence of engagement and use of the practices. Adherence to the SPF by subcontractors is at the discretion of the subcontracting county.

4. No later than January 31 of each year, contractor shall submit a Prevention Mid-Year Budget to DHCS indicating how the SAPT Block Grant 20% Primary Prevention Set-Aside shall be spent. Examples of a Prevention Mid-Year Budget and supporting documentation can be viewed at <https://caprev.kithost.net/caprevent2013/pLandKB.aspx> (select Library, Fiscal - Prevention Mid-Year Budget Example for FY XX-XX).

C. Perinatal Services Network Guidelines 2014

Contractor shall comply with the requirements for perinatal programs funded under Exhibit A, Attachment I, contained in Document 1G, incorporated by this reference, "Perinatal Services Network Guidelines 2014" until such time new Perinatal Services Network Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.

- D. Funds identified in this contract shall be used exclusively for county alcohol and drug abuse services to the extent activities meet the requirements for receipt of federal block grant funds for prevention and treatment of substance abuse described in subchapter XVII of Chapter 6A of Title 42 of the United State Code. (Health and Safety Code section 18100 et. seq.)

**Section 2 – Formation and Purpose**

A. Authority

State and the Contractor enter into this Exhibit A, Attachment I, Part IV, by authority of Chapter 3 of Part 1, Division 10.5 of the Health and Safety Code (HSC) and with approval of Contractor's County Board of Supervisors (or designee) for the purpose of providing alcohol and drug services, which will be reimbursed pursuant to Exhibit A, Attachment I. State and the Contractor identified in the Standard Agreement are the only parties to this Contract. This Contract is not intended, nor shall it be construed, to confer rights on any third party.

B. Control Requirements

1. Performance under the terms of this Exhibit A, Attachment I, Part IV, is subject to all applicable federal and state laws, regulations, and standards. In accepting the State drug and alcohol combined program allocation pursuant to HSC Sections 11814(a) and (b), Contractor shall: (i) establish, and shall require its Subcontractors to establish, written procedures consistent with the following requirements; (ii) monitor for compliance with the written procedures; and (iii) be held accountable for audit exceptions taken by the State against the Contractor and its Subcontractors for any failure to comply with these requirements:
  - (a) HSC, Division 10.5, commencing with Section 11760;
  - (b) Title 9, California Code of Regulations (CCR) (herein referred to as Title 9), Division 4, commencing with Section 9000;

- (c) Government Code Section 16367.8;
- (d) Government Code, Article 7, Federally Mandated Audits of Block Grant Funds Allocated to Local Agencies, Chapter 1, Part 1, Division 2, Title 5, commencing at Section 53130;
- (e) Title 42 United State Code (USC), Sections 300x-21 through 300x-31, 300x-34, 300x-53, 300x-57, and 330x-65 and 66;
- (f) The Single Audit Act Amendments of 1996 (Title 31, USC Sections 7501-7507) and the Office of Management and Budget (OMB) Circular A-133 revised June 27, 2003;
- (g) Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137;
- (h) Title 42, CFR, Sections 8.1 through 8.34;
- (i) Title 21, CFR, Sections 1301.01 through 1301.93, Department of Justice, Controlled Substances; and,
- (j) State Administrative Manual (SAM), Chapter 7200 (General Outline of Procedures).

Contractor shall be familiar with the above laws, regulations, and guidance and shall assure that its Subcontractors are also familiar with such requirements.

- 2. The provisions of this Exhibit A, Attachment I, Part IV, are not intended to abrogate any provisions of law or regulation, or any standards existing or enacted during the term of this Contract.
- 3. Contractor shall adhere to the applicable provisions of Title 45, CFR, Part 96, Subparts C and L, as applicable, in the expenditure of the SAPTBG funds. Document 1A, 45 CFR 96, Subparts C and L, is incorporated by reference.
- 4. Documents 1C and 1D(b), incorporated by this reference, contain additional requirements that shall be adhered to by those Contractors that receive the types of funds specified by each document. These exhibits and documents are:
  - (a) Document 1C, Driving-Under-the-Influence Program Requirements;
  - (b) Document 1D(b), SAPT Female Offender Treatment Project (FOTP).

5. In accordance with the Fiscal Year 2011-12 State Budget Act and accompanying law (Chapter 40, Statutes of 2011 and Chapter 13, Statutes of 2011, First Extraordinary Session), contractors that provide Women and Children's Residential Treatment Services shall comply with the program requirements (Section 2.5, Required Supplemental/Recovery Support Services) of the Substance Abuse and Mental Health Services Administration's Grant Program for Residential Treatment for Pregnant and Postpartum Women, RFA found at [http://www.samhsa.gov/Grants/2008/ti\\_08\\_009.doc](http://www.samhsa.gov/Grants/2008/ti_08_009.doc)

### **Section 3 - Performance Provisions**

#### **A. Monitoring**

1. Contractor's performance under this Exhibit A, Attachment I, Part IV, shall be monitored by the State during the term of this Contract. Monitoring criteria shall include, but not be limited to:
  - (a) Whether the quantity of work or services being performed conforms to Exhibit B;
  - (b) Whether the Contractor has established and is monitoring appropriate quality standards;
  - (c) Whether the Contractor is abiding by all the terms and requirements of this Contract;
  - (d) Whether the Contractor is abiding by the terms of the Perinatal Services Network Guidelines (Document 1G); and
  - (e) Contractor shall conduct annual onsite monitoring reviews of services and subcontracted services for programmatic and fiscal requirements. Contractor shall submit copy of their monitoring and audit reports to DHCS within two weeks of issuance.
2. Failure to comply with the above provisions shall constitute grounds for the State to suspend or recover payments, subject to the Contractor's right of appeal, or may result in termination of the Contract or both.

#### **B. Performance Requirements**

1. Contractor shall provide services based on funding set forth in Exhibit B, Attachment I, and under the terms of this Contract.
2. Contractor shall provide services to all eligible persons in accordance with federal and state statutes and regulations. Contractor shall assure that in planning for the provision of services, the following barriers to services are considered and addressed:

- (a) Lack of educational materials or other resources for the provision of services;
  - (b) Geographic isolation and transportation needs of persons seeking services or remoteness of services;
  - (c) Institutional, cultural, and/or ethnicity barriers;
  - (d) Language differences;
  - (e) Lack of service advocates;
  - (f) Failure to survey or otherwise identify the barriers to service accessibility; and,
  - (g) Needs of persons with a disability.
3. Contractor shall comply with any additional requirements of the documents that have been incorporated herein by reference, including, but not limited to, those on the "List of Exhibit A, Attachment I Documents incorporate by Reference for Fiscal Year 2014-15" which is attached to Exhibit A, Attachment I.
4. Amounts awarded pursuant to Exhibit A, Attachment I shall be used exclusively for providing alcohol and/or drug program services consistent with the purpose of the funding.
5. DHCS shall issue a report to Contractor after conducting monitoring, utilization, or auditing reviews of county or county subcontracted providers. When the DHCS report identifies non-compliant services or processes, it shall require a CAP. The Contractor, or in coordination with its subcontracted provider, shall submit a CAP to DHCS within the designated timeframe specified by DHCS.
6. The CAP shall include a statement of the problem and the goal of the actions the Contractor and or its sub-contracted provider will take to correct the deficiency or non-compliance. The CAP shall:
- (a) Address the specific actions to correct deficiency or non-compliance
  - (b) Identify who/which unit(s) will act; who/which unit(s) are accountable for acting; and
  - (c) Provide a timeline to complete the actions.

**Exhibit A, Attachment I  
Program Specifications**

**Part V: Drug Medi-Cal Treatment Program Substance Use Disorder Services**

**Section 1. Formation and Purpose**

- A. This Exhibit A, Attachment I, Part V of the Contract is entered into by and between the State and the Contractor for the purpose of identifying and providing for covered DMC services for substance use disorder treatment in the Contractor's service area pursuant to Sections 11848.5(a) and (b) of the Health and Safety Code (hereinafter referred to as HSC), Sections 14124.20, 14021.51 – 14021.53, and 14124.20 – 14124.25 of the W&I , and Title 22 of the California Code of Regulations (hereinafter referred to as Title 22), Sections 51341.1, 51490.1, and 51516.1.
- B. It is further agreed this Contract is controlled by applicable provisions of: (a) the W&I, Chapter 7, Sections 14000, et seq., in particular, but not limited to, Sections 14100.2, 14021, 14021.5, 14021.6, 14043, et seq., (b) Title 22, including but not limited to Sections 51490.1, 51341.1 and 51516.1; and (c) Division 4 of Title 9 of the California Code of Regulations (hereinafter referred to as Title 9).
- C. It is understood and agreed that nothing contained in this contract shall be construed to impair the single state agency authority of DHCS.
- D. The objective of this contract is to make substance use disorder treatment services available to Medi-Cal beneficiaries through utilization of federal and state funds available pursuant to Title XIX or Title XXI of the Social Security Act for reimbursable covered services rendered by certified DMC providers.
- E. Awards under the Medical Assistance Program (CFDA 93.778) are no longer excluded from coverage under the HHS implementation of the A-102 Common Rule, 45 CFR part 92 (*Federal Register*, September 8, 2003, 68 FR 52843-52844). This change is effective for any grant award under this program made after issuance of the initial awards for the second quarter of Federal Fiscal Year 2004. This program also is subject to the requirements of 45 CFR part 95 and the cost principles under Office of Management and Budget Circular A-87 (as provided in *Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government*, HHS Publication ASMB C-10, available on the Internet at <http://rates.psc.gov/fms/dca/asmb%20c-10.pdf>).

**Section 2: Covered Services**

A. Covered Services

1. Contractor shall establish assessment and referral procedures and shall arrange, provide, or subcontract for covered services in the Contractor's service area. Covered services include:

- (a) Outpatient drug-free treatment;
- (b) Narcotic replacement therapy;
- (c) Naltrexone treatment;
- (d) Intensive Outpatient Treatment and,
- (e) Perinatal Residential Substance Abuse Services (excluding room and board).

2. Narcotic treatment program services per W&IC 14124.22:

In addition to narcotic treatment program services, a narcotic treatment program provider who is also enrolled as a Medi-Cal provider may provide medically necessary treatment of concurrent health conditions within the scope of the provider's practice, to Medi-Cal beneficiaries who are not enrolled in managed care plans. Medi-Cal beneficiaries enrolled in managed care plans shall be referred to those plans for receipt of medically necessary medical treatment of concurrent health conditions.

Diagnosis and treatment of concurrent health conditions of Medi-Cal beneficiaries not enrolled in managed care plans by a narcotic treatment program provider may be provided within the Medi-Cal coverage limits. When the services are not part of the substance use disorder treatment reimbursed pursuant to Section 14021.51, services shall be reimbursed in accordance with the Medi-Cal program. Services reimbursable under this section shall include, but not limited to, all of the following:

- (a) Medical treatment visits
- (b) Diagnostic blood, urine, and X-rays
- (c) Psychological and psychiatric tests and services
- (d) Quantitative blood and urine toxicology assays
- (e) Medical supplies

A narcotic treatment provider, who is enrolled as a Medi-Cal fee-for-service provider, shall not seek reimbursement from a beneficiary for substance abuse treatment services, if services for treatment of concurrent health conditions are billed to the Medi-Cal fee-for-service program.

3. In the event of a conflict between the definition of services contained in this Section of the Contract, and the definition of services in Title 22, Sections 51341.1, 51490.1, and 51516.1, the provisions of Title 22 shall govern.
4. Contractor, to the extent applicable, shall comply with "Sobky v. Smoley" (Document 2A), 855 F. Supp. 1123 (E.D. Cal 1994), incorporated by this reference.
5. Contractor shall comply with federal and state mandates to provide alcohol and other drug treatment services deemed medically necessary for Medi-Cal eligible: (1) pregnant and postpartum women, and (2) youth under age 21 who are eligible under the EPSDT Program
  - (a) If Drug Medi-Cal services are provided to Minor Consent beneficiaries, Contractor shall comply with California Family Code Section 6929, and California Code of Regulations, Title 22, Sections 50147.1, 50030, 50063.5, 50157(f)(3), 50167(a)(6)(D), and 50195(d).

B. Access to Services

1. Subject to DHCS provider enrollment certification requirements, Contractor shall maintain continuous availability and accessibility of covered services and facilities, service sites, and personnel to provide the covered services through use of DMC certified providers. Such services shall not be limited due to budgetary constraints.
  - (a) When a request for covered services is made by a beneficiary, Contractor shall require services to be initiated with reasonable promptness. Contractor shall have a documented system for monitoring and evaluating accessibility of care, including a system for addressing problems that develop regarding waiting times and appointments.
  - (b) The contractor shall authorize residential services in accordance with the medical necessity criteria specified in Title 22, Section 51303 and the coverage provisions of the approved state Medi-Cal Plan. Room and board are not reimbursable DMC service. If services are denied, the provider shall inform the beneficiary in accordance with Title 22, Section 51341.1 (p).
  - (c) Contractor shall require that treatment programs are accessible to people with disabilities in accordance with Title 45, Code of Federal Regulations (hereinafter referred to as CFR), Part 84 and the Americans with Disabilities Act.
2. Covered services, whether provided directly by the Contractor or through subcontractors with DMC certified and enrolled programs, shall be provided to beneficiaries without regard to the beneficiaries' county of residence.

3. The failure of the Contractor or its Subcontractors to comply with Section B of this Part will be deemed a breach of this Contract sufficient to terminate this Contract for cause. In the event the Contract is terminated, the provision of this Exhibit, Attachment I, Part I, Section B, shall apply.

C. Payment For Services

1. The Department shall make the appropriate payments set forth in Exhibit B and take all available steps to secure and pay FFP and State General Funds (SGF) to the Contractor, once the Department receives FFP and SGF, for claims submitted by the Contractor. The Department shall notify Contractor and allow Contractor an opportunity to comment to the Department when questions are posed by CMS, or when there is a federal deferral, withholding, or disallowance with respect to claims made by the Contractor.
2. Contractor shall amend its subcontracts for covered services in order to provide sufficient funds to match allowable federal Medicaid reimbursements for any increase in provider DMC services to beneficiaries.
3. In the event that the Contractor fails to provide covered services in accordance with the provisions of this Contract, at the discretion of the State, Contractor may be required to forfeit its county realignment funds pursuant to Government Code Section 30027.10 (a) through (d) from the Behavioral Health Subaccount that is set aside for Drug Medi-Cal services and surrender its authority to function as the administrator of covered services in its service area.

**Section 3: Drug Medi-Cal Certification and Continued Certification**

A. DMC Certification and Enrollment

1. The State will certify eligible providers to participate in the DMC program.
2. The Department shall certify any county operated or non-governmental providers. This certification shall be performed prior to the date on which the Contractor begins to deliver services under this contract at these sites.
3. Contractor shall require that providers of perinatal DMC services are properly certified to provide these services and comply with the requirements contained in Title 22, Section 51341.1, Services for Pregnant and Postpartum Women.
4. Contractor shall require all the subcontracted providers of services to be licensed, registered, DMC certified and/or approved in accordance with applicable laws and regulations. Contractor's subcontracts shall require that providers comply with the following regulations and guidelines:
  - (a) Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8;

- (b) Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Document 2E);
- (c) Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1, (Document 2C);
- (d) Standards for Drug Treatment Programs (October 21, 1981) (Document 2F);
- (e) Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et seq. ;  
and
- (f) Title 22, CCR, sections 51000 et. seq.

In the event of conflicts, the provisions of Title 22 shall control if they are more stringent.

- 5. The Contractor shall report to the state within 35 days of any addition or change in the information previously submitted in the application package for certification. The Contractor shall report the addition or change by submitting a complete application package for enrollment.
- 6. Contractor shall notify the State in writing prior to reducing the provision of covered services. In addition, any proposal to change the location where covered services are provided, or to reduce their availability, shall be submitted in an application to the State sixty (60) days prior to the proposed effective date. Contractor shall not implement proposed changes prior to receiving written approval from the State. Contractor shall not implement the proposed changes if the State denies the Contractor's proposal.
- 7. If, at any time, a Subcontractor's license, registration, certification, or approval to operate a substance use treatment program or provide a covered service is revoked, suspended, modified, or not renewed, the Contractor must notify DHCS within two business days.
  - (a) A provider's certification to participate in the DMC program shall automatically terminate in the event that the provider or its owners, officers or directors are convicted of Medi-Cal fraud, abuse or malfeasance. For purposes of this section, a conviction shall include a plea of guilty or nolo contendere.

**B. Continued Certification**

- 1. All DMC certified providers shall be subject to continuing certification requirements at least once every five years.
- 2. The Department may allow the Contractor to continue delivering covered services to beneficiaries at a site subject to on-site review by the Department as part of the recertification process prior to the date of the on-site review, provided the site is operational, the certification remains valid, and has all required fire clearances.

3. State will conduct recertification on-site visits at clinics for circumstances identified in the "Drug Medi-Cal Certification Standards for Substance Abuse Clinics" (Document 2E). Document 2E contains the appeal process in the event the State disapproves a provider's request for certification or recertification and shall be included in the Contractor's subcontracts.

#### **Section 4: Monitoring**

##### A. State Monitoring

##### 1. DHCS Monitoring Reviews and Financial Audits of Contractor

The Department shall monitor the Contractor's operations for compliance with the provisions of this contract, and applicable federal and state law and regulations. Such monitoring activities shall include, but not be limited to, inspection and auditing of Contractor services, management systems and procedures, and books and records, as the Department deems appropriate, at any time during the Contractor's or facility's normal business hours. When monitoring activities identify areas of non-compliance, the Department shall issue reports to the Contractor detailing findings, recommendations, and corrective action.

##### 2. Post Service Post Payment Utilization Reviews

- (a) The Department shall conduct Post Service Post Payment Utilization Reviews of claims for DMC services. The DHCS shall issue the PSPP report to the Contractor with a copy to subcontracted DMC provider. The Contractor shall be responsible to ensure any deficiencies are remediated pursuant to Sections 1 and 2 herein. The Contractor shall certify the deficiencies have been remediated and are complete, pursuant to Section 4(A), Paragraph (C), herein.
- (b) State shall conduct Post Service Post Payment (PSPP) utilization reviews in accordance with Title 22 Section 51341.1. Any claimed DMC service may be reviewed for compliance with all applicable standards, regulations and program coverage after services are rendered and the claim paid.
- (c) State shall take appropriate steps in accordance with Title 22, CCR, Section 51341.1 to recover payments made if subsequent investigation uncovers evidence that the claim(s) should not have been paid or that DMC services have been improperly utilized, and/or shall take the corrective action as appropriate. If programmatic or fiscal deficiencies are identified, the Provider shall be required to submit a Corrective Action Plan to DHCS via the Contractor for approval.

- i. Pursuant to CCR, Title 22, Section 51341.1(o), all deficiencies identified by the Post Service Post Payment (PSPP) review, whether or not a recovery of funds results, must be corrected and a Corrective Action Plan (CAP) must be submitted to the DMC PSPP Unit within 60 days of the date of the report.
  - (1) The plan shall:
    - a. Address each demand for recovery of payment and/or programmatic deficiency;
    - b. Provide a specific description of how the deficiency shall be corrected; and
    - c. Specify the date of implementation of the corrective action.
  - (2) DHCS will provide written approval of the CAP to the Contractor with a copy to the Provider. If DHCS does not approve the CAP submitted by the Provider via the Contractor, DHCS will provide guidance on the deficient areas and request an updated CAP from the Contractor with a copy to the Provider with a new deadline for submission.
  - (3) If the Provider, via the Contractor, does not submit a CAP, or, does not implement the approved CAP provisions within the designated timeline, then DHCS may withhold funds until the Contractor brings the Provider into compliance. The State shall inform the Contractor when funds will be withheld.
- (d) Contractor and/or Subcontractor may appeal DMC dispositions concerning demands for recovery of payment and/or programmatic deficiencies of specific claims. Such appeals shall be handled pursuant to Title 22, CCR, Section 51341.1(q). This section shall not apply to those grievances or complaints arising from the financial findings of an audit or examination made by or on behalf of the State pursuant to Exhibit B, Part II, Section 3, of this Contract.
- (e) State shall monitor the Subcontractor's compliance with PSPP utilization review requirements in accordance with Title 22. Counties are also required to monitor of the subcontractor's compliance pursuant to Section 4, Paragraph A.2, of this contract. The federal government may also review the existence and effectiveness of the State's utilization review system.
- (f) Contractor shall implement and maintain compliance with the system of review described in Title 22, Section 51341.1, for the purposes of reviewing the utilization, quality, and appropriateness of covered services and ensuring that all applicable Medi-Cal requirements are met.

- (g) Contractor shall assure that subcontractor sites must keep a record of the clients/patients being treated at that location. Contractor shall retain client records for a minimum of three (3) years from the date of the last face-to-face contact. When an audit by the Federal Government or the State has been started before the expiration of the three-year period, the client records shall be maintained until completion of the audit and the final resolution of all issues as a result of the audit.

3. Training

- (a) DHCS Substance Use Disorder Prevention, Treatment, and Recover Services (SUD PTRS) shall provide mandatory annual training to the Contractor on the requirements of Title 22 and the Drug Medi-Cal program requirements.
- (b) Contractor may request additional Technical Assistance or training from SUD PTRS on an ad hoc basis.

B. Contractor Monitoring

1. Program Integrity: Contractor is responsible for ensuring program integrity of its services and its subcontracted providers through a system of oversight, which shall include at least the following:

- (a) Compliance with state and federal law and regulations, including, but not limited to, 42 CFR 433.32, 42 CFR 433.51, 42 CFR 431.800 et. seq., 42 CFR 440.230, 42 CFR 440.260, 42 CFR 455 et. seq., 42 CFR 456 et. seq., 42 CFR 456.23, 22 CCR 51490, 22 CCR 51490.1, 22 CCR 51341.1, 22 CCR 51159, WIC 14124.1, and WIC 14124.2;
- (b) Contractor shall conduct, at least annually, a programmatic and fiscal audit of DMC providers to assure covered services are being appropriately rendered. The annual audit must include an on-site visit of the service provider. Reports of the annual audit shall be provided to the Department's DMC PSPP unit at:

Substance Use Disorder - Prevention, Treatment and Recovery Services  
Division, PSPP Unit  
Department of Health Care Services  
PO Box 997413, MS-2621  
Sacramento, CA 95899-7413;

Or by secure, encrypted email to: [SUDCountyReports@dhcs.ca.gov](mailto:SUDCountyReports@dhcs.ca.gov)

Audit reports shall be provided within 2 weeks of completion by the Contractor.

Technical assistance is available to counties from DHCS SUD PTRS.

- (c) Contractor shall ensure that DATAR submissions, detailed in Part III, Paragraph G of this contract are complied with by all treatment providers and subcontracted treatment providers. Contractor shall certify that each subcontracted provider is enrolled in DATAR at the time of execution of the subcontract.
- (d) Contractor must monitor and certify compliance and/or completion by Providers with CAP requirements (detailed in Section 4, Paragraph (A)(2)(c)) as required by any PSPP review. Contractor shall certify to DHCS, using the form developed by DHCS that the requirements in the CAP have been completed by the Contractor and/or the Provider. Submission of form by Contractor must be accomplished within the timeline specified in the approved CAP, as noticed by DHCS.
- (e) Contractor shall certify that DMC claims submitted to the state have been subject to review and verification process for accuracy and legitimacy. (45 CFR 430.30, 433.32, 433.51). Contractors shall not submit claims for services rendered to any beneficiary after the beneficiary's date of death, or from uncertified or decertified providers.

2. Training to DMC Subcontractors

- (a) Contractor shall provide training on the requirements of Title 22 regulations and DMC requirements at least annually to all subcontracted providers. Attendance of any subcontracted provider at the annual trainings offered by DHCS (specified in Section 4, paragraph (A)(3) of this contract) shall suffice to meet the requirements of this provision. Contractor shall report compliance with this section to DHCS annually as part of the DHCS County monitoring process.

3. Monthly Monitoring

- (a) Contractor shall check the status of all providers monthly to ensure that they are continuing active participation in the DMC program. Any subcontracted provider who surrenders their certification or closes their facility must be reported by the Contractor to the Department within two (2) business days of notification or discovery.
- (b) During the monthly status check, the Contractor shall monitor for a triggering recertification event (change in ownership, change in scope of services, remodeling of facility, or change in location) and report any triggering events to the state within two (2) business days of notification or discovery.

4. Program Complaints

- (a) All complaints received by Contractor regarding a DMC certified facility shall be forwarded to the SUD Compliance Division, Complaints Unit within two (2) business days of receipt as follows.

Complaints are to be submitted to:  
Department of Health Care Services  
Substance Use Disorder Services – Compliance Division  
P.O. Box 997413, MS# 2601  
Sacramento, CA 95899-7413

The Complaint Form is available and can also be submitted online at  
<http://www.dhcs.ca.gov/individuals/Pages/Sud-Complaints.aspx>

Complaints can also be sent by FAX to:

Fax form to: (916) 445-5084

Complaints for Residential Adult Alcoholism or Drug Abuse Recovery or Treatment Facilities may also be made by telephoning the appropriate licensing branch listed below:

SUD Compliance Division:

Public Number: (916) 322-2911  
Toll Free Number: (877) 685-8333

Counties shall be responsible for investigating complaints and providing the results of all investigations to the Department's SUD Complaint Compliance Division within two (2) business days of completion;

5. Record Retention

- (a) Contractor shall include instructions on record retention and include in any subcontract with providers the mandate to keep and maintain records for each service rendered, to whom it was rendered, and the date of service, pursuant to W&I Section 14214.1 and 42 CFR 433.32; and 22 CCR section 51341.1.

6. Subcontract Termination

- (a) The Contractor must notify DHCS of the termination of any contract with a certified subcontracted provider, and the basis for termination of the contract, within two (2) business days.

7. Corrective Action Plan

- (a) If the Contractor fails to ensure any of the foregoing oversight through an adequate system of monitoring, utilization review, and fiscal and programmatic controls, the Department may request a CAP from the Contractor to address these deficiencies and a timeline for implementation. Failure to submit a CAP or adhere to the provisions in the CAP can result in a withhold of SAPT funds allocated to Contractor for the provision of services, and/or termination of this contract for cause
- (b) Failure to comply with Monitoring requirements shall result in:
  - i. DHCS shall issue a report to Contractor after conducting monitoring, utilization, or fiscal auditing reviews of a county. When the DHCS report identifies non-compliant services or processes, it shall require a CAP. The Contractor shall submit a CAP to DHCS within the following timeframes of receipt of the DHCS report.
    - a. The CAP shall include a statement of the problem and the goal of the actions the Contractor or its subcontracted provider will take to correct the deficiency or non-compliance. The CAP shall:
      - (1) Address the specific actions to correct deficiency or non-compliance;  
  
Identify who/which unit(s) will act; who/which unit(s) are accountable for acting; and
      - (2) Provide a timeline to complete the actions.
  - ii. DHCS will provide written approval of the CAP to the Contractor and the subcontracted provider. If DHCS does not approve the CAP submitted by the Contractor, DHCS will provide guidance on the deficient areas and request an updated CAP from the Contractor with a new deadline for submission.
  - iii. If the Contractor does not submit a CAP, or, does not implement the approved CAP provisions within the designated timeline, then the State may withhold funds until the Contractor is in compliance. The State shall inform the Contractor when funds will be withheld.

**Section 5: Investigations and Confidentiality of Administrative Actions**

- A. Contractor acknowledges that if a DMC provider is under investigation by the State or any other state, local or federal law enforcement agency for fraud or abuse, the State may temporarily suspend the provider from the DMC program, pursuant to W&I Section 14043.36(a). Information about a provider's administrative sanction status is confidential

until such time as the action is either completed or resolved. The DHCS may also issue a Payment Suspension to a provider pursuant to W&I Section 14107.11 and Code of Federal Regulations, Title 42, section 455.23. The Contractor is to withhold payments from a DMC provider during the time a Payment Suspension is in effect.

- B. Contractor shall execute the Confidentiality Agreement, attached as Document 5A. The Confidentiality Agreement permits DHCS to communicate with Contractor concerning subcontracted providers that are subject to administrative sanctions.

**EXHIBIT A, ATTACHMENT I**

**DOCUMENTS INCORPORATED BY REFERENCE  
FOR FISCAL YEAR 2014-2015**

The following documents are hereby incorporated by reference into the County contract though they may not be physically attached to the contract but will be issued in a CD under separate cover:

- Document 1A: Title 45, Code of Federal Regulations 96, Subparts C and L, Substance Abuse Prevention and Treatment Block Grant Requirements  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_04/45cfr96\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/45cfr96_04.html)
- Document 1B: Title 42, Code of Federal Regulations, Charitable Choice Regulations  
[http://www.access.gpo.gov/nara/cfr/waisidx\\_04/42cfr54\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/42cfr54_04.html)
- Document 1C: Driving-Under-the-Influence Program Requirements
- Document 1D(b): SAPT Female Offender Treatment Project (FOTP)
- Document 1F(a): Reporting Requirement Matrix – County Submission Requirements for the Department of Health Care Services
- Document 1G: Perinatal Services Network Guidelines 2014 (for Non-DMC Perinatal Programs)
- Document 1H(a): Service Code Descriptions
- Document 1H(b): Program Code Listing
- Document 1H(c) : Funding Line Descriptions
- Document 1J(a): Non-Drug Medi-Cal Audit Appeals Process
- Document 1J(b): DMC Audit Appeals Process
- Document 1K: Drug and Alcohol Treatment Access Report (DATAR)  
<http://www.dhcs.ca.gov/provgovpart/Pages/DATAR.aspx>
- Document 1P: Alcohol and/or Other Drug Program Certification Standards (March 15, 2004)  
[http://www.dhcs.ca.gov/provgovpart/Pages/Facility\\_Certification.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/Facility_Certification.aspx)
- Document 1T: CalOMS Prevention User Manual

- Document 1V: Youth Treatment Guidelines  
[http://www.dhcs.ca.gov/individuals/Documents/Youth\\_Treatment\\_Guidelines.pdf](http://www.dhcs.ca.gov/individuals/Documents/Youth_Treatment_Guidelines.pdf)
- Document 2A: Sobky v. Smoley, Judgment, Signed February 1, 1995
- Document 2C: Title 22, California Code of Regulations  
<http://ccr.oal.ca.gov>
- Document 2E: Drug Medi-Cal Certification Standards for Substance Abuse Clinics (Updated July 1, 2004)  
<http://www.dhcs.ca.gov/provgovpart/Documents/DMC%20Documents%20for%20PED%20webpage/Drug%20Medi-Cal%20Certification%20Standards.pdf>
- Document 2F: Standards for Drug Treatment Programs (October 21, 1981)  
<http://www.dhcs.ca.gov/provgovpart/Documents/DMC%20Documents%20for%20PED%20webpage/DMC%20Standards%20for%20Drug%20Treatment%20Programs.pdf>
- Document 2K: Multiple Billing Override Certification (MC 6700)
- Document 2L(a): Good Cause Certification (MC 6065A)
- Document 2L(b): Good Cause Certification (MC 6065B)
- Document 2P: County Certification - Cost Report Year-End Claim For Reimbursement
- Document 2P(a): Drug Medi-Cal Cost Report Forms – Intensive Outpatient Treatment – Non-Perinatal (form and instructions)
- Document 2P(b): Drug Medi-Cal Cost Report Forms – Intensive Outpatient Treatment – Perinatal (form and instructions)
- Document 2P(c): Drug Medi-Cal Cost Report Forms – Outpatient Drug Free Individual Counseling – Non-Perinatal (form and instructions)
- Document 2P(d): Drug Medi-Cal Cost Report Forms – Outpatient Drug Free Individual Counseling – Perinatal (form and instructions)
- Document 2P(e): Drug Medi-Cal Cost Report Forms – Outpatient Drug Free Group Counseling – Non-Perinatal (form and instructions)

- Document 2P(f): Drug Medi-Cal Cost Report Forms – Outpatient Drug Free Group Counseling – Perinatal (form and instructions)
- Document 2P(g): Drug Medi-Cal Cost Report Forms – Residential – Perinatal (form and instructions)
- Document 2P(h): Drug Medi-Cal Cost Report Forms – Narcotic Treatment Program – County – Non-Perinatal (form and instructions)
- Document 2P(i): Drug Medi-Cal Cost Report Forms – Narcotic Treatment Program – County – Perinatal (form and instructions)
- Document 3G: California Code of Regulations, Title 9 – Rehabilitation and Developmental Services, Division 4 – Department of Alcohol and Drug Programs, Chapter 4 – Narcotic Treatment Programs  
  
<http://www.calregs.com>
- Document 3H: California Code of Regulations, Title 9 – Rehabilitation and Developmental Services, Division 4 – Department of Alcohol and Drug Programs, Chapter 8 – Certification of Alcohol and Other Drug Counselors  
  
<http://www.calregs.com>
- Document 3J: CalOMS Treatment Data Collection Guide  
  
[http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS Tx Data Collection Guide JAN%202014.pdf](http://www.dhcs.ca.gov/provgovpart/Documents/CalOMS_Tx_Data_Collection_Guide_JAN%202014.pdf)
- Document 3O: Quarterly Federal Financial Management Report (QFFMR) 2014-15  
  
[http://www.dhcs.ca.gov/provgovpart/Pages/SUD\\_Forms.aspx](http://www.dhcs.ca.gov/provgovpart/Pages/SUD_Forms.aspx)
- Document 3S: CalOMS Treatment Data Compliance Standards
- Document 3T: Non-Drug Medi-Cal and Drug Medi-Cal Local Assistance Funding Matrix
- Document 3T(a): SAPT Authorized and Restricted Expenditures Information (Nov 2012)
- Document 3V: Culturally and Linguistically Appropriate Services (CLAS) National Standards  
  
<http://minorityhealth.hhs.gov/templates/browse.aspx?lvl=2&lvlID=15>
- Document 4A : Drug Medi-Cal Claim Submission Certification – County Contracted Provider – DHCS Form MC 8186 with Instructions
- Document 4B : Drug Medi-Cal Claim Submission Certification – County Operated Provider – DHCS Form MC 8187 with Instructions

- Document 4D : Drug Medi-Cal Certification for Federal Reimbursement (DHCS 100224A)
- Document 4E : Treatment Standards for Substance Use Diagnosis: A Guide for Services (Spring 2010)
- Document 4F : Drug Medi-Cal (DMC) Services Quarterly Claim for Reimbursement of County Administrative Expenses (Form #MC 5312)
- Document 5A : Confidentiality Agreement

**Exhibit B**  
Budget Detail and Payment Provisions  
Fiscal Year 2014-15

**Part I – General Fiscal Provisions**

**Section 1 – General Fiscal Provisions**

A. Fiscal Provisions

For services satisfactorily rendered, and upon receipt and approval of documentation as identified in Exhibit A, Attachment I, Part III, DHCS agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates and/or allowable costs specified herein.

B. Use of State Funds

Contractor may not use allocated Drug Medi-Cal State General Funds to pay for any non-Drug Medi-Cal services.

C. Funding Authorization

Contractor shall bear the financial risk in providing any substance use disorder services covered by this Contract.

D. Availability of Funds

It is understood that, for the mutual benefit of both parties, this Contract may have been written before ascertaining the availability of congressional appropriation of funds in order to avoid program and fiscal delays that would occur if this Contract were not executed until after that determination. If so, State may amend the amount of funding provided for in this Contract based on the actual congressional appropriation.

E. Subcontractor Funding Limitations

Pursuant to HSC Section 11818(2)(A), Contractor shall reimburse its Subcontractors that receive a combination of Medi-Cal funding and other federal or county realignment funding for the same service element and location based on the Subcontractor's actual costs in accordance with Medicaid reimbursement requirements as specified in Title XIX or Title XXI of the Social Security Act; Title 22, and the State's Medicaid Plan. Payments at negotiated rates shall be settled to actual cost at year-end.

F. Budget Contingency Clause

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.

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.

G. Expense Allowability / Fiscal Documentation

1. Invoices, received from a Contractor and accepted and/or submitted for payment by DHCS, shall not be deemed evidence of allowable agreement costs.
2. 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.
3. 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, and generally accepted governmental audit standards, 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.
4. Costs and/or expenses deemed unallowable are subject to recovery by DHCS.

H. Maintenance of Effort for SAPT Block Grant

1. Notwithstanding any other provision in this contract, the Director may reduce federal funding allocations, on a dollar-for-dollar basis, to a county that has a reduced or anticipates reduced expenditures in a way that would result in a decrease in the federal Substance Abuse Prevention and Treatment Block Grant funds (42 U.S.C. Sect 300x-30).
2. Prior to making any reductions pursuant to this subdivision, the Director shall notify all counties that county underspending will reduce the federal Substance Abuse Prevention and Treatment Block Grant maintenance of effort (MOE). Upon receipt of notification, a county may submit a revision to the county budget initially submitted pursuant to subdivision (a) of Section 11978 in an effort to maintain the statewide SAPT Block Grant MOE.

3. Pursuant to subdivision (b) of Section 11978.1, a county shall notify the Department in writing of proposed local changes to the county's expenditure of funds. The Department shall review and may approve the proposed local changes depending on the level of expenditures needed to maintain the statewide SAPT Block Grant MOE.
- I. Effective the date of execution of this Contract, nothing in this Contract waives the protections provided to Contractor under Section 36 of article XIII of the California Constitution ("Proposition 30"). Except where specifically stated in the terms of this contract, Contractor's performance of any additional legal requirements, including, but not limited to court-ordered requirements and statutory or regulatory amendments, is subject to Proposition 30's funding requirements.

### **Section 2 – General Fiscal Provisions – Non-Drug Medi-Cal**

#### **A. Revenue Collection**

Contractor shall conform to revenue collection requirements in Division 10.5 of the HSC, Sections 11841, by raising revenues in addition to the funds allocated by the State. These revenues include, but are not limited to, fees for services, private contributions, grants, or other governmental funds. These revenues shall be used in support of additional alcohol and other drug services or facilities. Each alcohol and drug program shall set and collect client fees based on the client's ability to pay. The fee requirement shall not apply to prevention and early intervention services. Contractor shall identify in its annual cost report the types and amounts of revenues collected.

#### **B. Cost Efficiencies**

It is intended that the cost to the Contractor in maintaining the dedicated capacity and units of service shall be met by the non-DMC funds allocated to the Contractor and other Contractor or Subcontractor revenues. Amounts awarded pursuant to Exhibit A, Attachment I, Part IV, shall not be used for services where payment has been made, or can reasonably be expected to be made under any other state or federal compensation or benefits program, or where services can be paid for from revenues.

### **Section 3 – General Fiscal Provisions – Drug Medi-Cal**

#### **A. Return of Unexpended Funds**

Contractor assumes the total cost of providing covered services on the basis of the payments delineated in this Exhibit B, Part II. Any State General Funds or federal Medicaid funds paid to the Contractor, but not expended for DMC services shall be returned to the State.

#### **B. Amendment or Cancellation Due to Insufficient Appropriation**

This Contract is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the purpose of the DMC program. It is mutually

agreed that if the Congress does not appropriate sufficient funds for this program, State has the option to void this contract or to amend the Contract to reflect any reduction of funds.

C. Exemptions

Exemptions to the provisions of Item B above, of this Exhibit, may be granted by the California Department of Finance provided that the Director of DHCS certifies in writing that federal funds are available for the term of the contract.

D. Allowable costs

Allowable costs, as used in Section 51516.1 of Title 22 shall be determined in accordance with Title 42, CFR Parts 405 and 413, and Centers for Medicare and Medicaid Services (CMS), "Medicare Provider Reimbursement Manual (Publication Number 15)," which can be obtained from the Centers for Medicare & Medicaid Services, or [www.cms.hhs.gov](http://www.cms.hhs.gov)." In accordance with W&IC Sections 14132.44 and 14132.47, funds allocated to the Contractor for DMC services, including funding for alcohol and other drug services for pregnant and postpartum women pursuant to Title 22, Section 51341.1(c), may not be used as match for targeted case management services or for Medi-Cal administrative activities.

**Exhibit B**  
Budget Detail and Payment Provisions  
Fiscal Year 2014-15

**Part II – Reimbursements**

**Section 1. General Reimbursement**

A. 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.

B. Amounts Payable

1. The amount payable under this Agreement shall not exceed the amount identified on the Standard Agreement.
2. 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.
3. The funds identified for the fiscal years covered by under this Section, within this Exhibit, are subject to change depending on the availability and amount of funds appropriated by the Legislature and the Federal Government. The amount of funds available for expenditure by the Contractor shall be limited to the amount identified in the final allocations issued by the State for that fiscal year or the non-DMC amount, whichever is less. Changes to allocated funds will require written amendment to the Contract.
4. For each fiscal year, the State may settle costs for services based on each fiscal year year-end cost settlement report as the final amendment for the specific fiscal year cost settlement report to the approved single state/county contract.

**Section 2. Non-Drug Medi-Cal**

A. Amounts Payable for Non-Drug Medi-Cal

1. State shall reimburse the Contractor monthly in arrears an amount equal to one-twelfth of the maximum amount allowed pursuant to Exhibit B of the contract or the most recent allocation based on the Budget Act Allocation, whichever is less. Final allocations will reflect any increases or reductions in the appropriations as reflected in the State Budget Act allocation and any subsequent allocation revisions.
2. Monthly disbursement to the Contract at the beginning of each fiscal year of the Contract shall be based on the preliminary allocation of funds, as detailed in this Exhibit.

3. However, based on the expenditure information submitted by the counties in the Quarterly Federal Financial Management Report (QFFMR) (Document 30), State may adjust monthly payments of encumbered block grant federal funds to extend the length of time (not to exceed 21 months) over which payments of federal funds will be made.
4. Monthly disbursements to the Contractor at the beginning of each fiscal year of the Contract shall be based on the preliminary allocation of funds, as detailed in Exhibit B.
5. State may withhold monthly non-DMC payments if the Contractor fails to:
  - (a) timely submit reports and data required by the State, including but not limited to, reports required pursuant to Exhibit A, Attachment I, Part III.
  - (b) submit the contract amendment within 90 days from issuance from the State to the Contractor.
  - (c) submit and certify the completion of Corrective Action Plans for services provided pursuant to this contract.
6. Upon the State's receipt of the complete and accurate reports, data, or signed contract, the Contractor's monthly payment shall commence with the next scheduled monthly payment, and shall include any funds withheld due to late submission of reports, data and/or signed contract.
7. Adjustments may be made to the total of the Contract and amounts may be withheld from payments otherwise due to the Contractor hereunder, for nonperformance to the extent that nonperformance involves fraud, abuse, or failure to achieve the objectives of the provisions of Exhibit A, Attachment I, Part IV.

**B. Payment Provisions**

For each fiscal year, the total amount payable by the State to the Contractor for services provided under Exhibit A, Attachment I, Part IV, shall not exceed the encumbered amount. The funds identified for the fiscal years covered by Exhibit A, Attachment I, Part IV, are subject to change depending on the availability and amount of funds appropriated by the Legislature and the Federal Government. Changes to encumbered funds will require written amendment to the Contract. State may settle costs for non-DMC services based on the year-end cost settlement report as the final amendment to the approved single state/county contract.

- C. In the event a contract amendment is required pursuant to the preceding paragraph, Contractor shall submit to the State information as identified in Exhibit E, Section 1.D. To the extent the Contractor is notified of the State Budget Act allocation prior to the execution of the Contract, the State and the Contractor may agree to amend the contract after the issuance of the first revised allocation.

D. Accrual of Interest

Any interest accrued from State-allocated funds and retained by the Contractor must be used for the same purpose as the State allocated funds from which the interest was accrued.

E. Expenditure Period

Substance Abuse Prevention and Treatment (SAPT) Block Grant funds are allocated based upon the Federal Grant award period. These funds must be expended for activities authorized pursuant to 42 USC Sections 300x-21(b) through 300x-66; and Title 45, CFR, Subpart L, within the availability period of the grant award. Any SAPT Block Grant funds that have not been expended by a Contractor at the end of the expenditure period identified below shall be returned to the State for subsequent return to the Federal government.

1. The expenditure period of the FFY 2014 award is October 1, 2013 through June 30, 2015.
2. The expenditure period of the FFY 2015 award is October 1, 2014 through June 30, 2016.
3. The expenditure period of the FFY 2016 award is October 1, 2015 through June 30, 2017.
4. The expenditure period of the FFY 2017 award is October 1, 2016 through June 30, 2018.
5. The expenditure period of the FFY 2018 award is October 1, 2017 through June 30, 2019.

F. Contractors receiving SAPT Block Grant funds shall comply with the financial management standards contained in Title 45, CFR, Part 92, Sections 92.20(b)(1) through (6), and Title 45, CFR, Part 96, Section 96.30.

G. Non-profit Subcontractors receiving SAPT Block Grant funds shall comply with the financial management standards contained in Title 45, CFR, Part 74, Sections 74.21(b)(1) through (4) and (b)(7), and Part 96, Section 96.30.

H. Contractors receiving SAPT Block Grant funds shall track obligations and expenditures by individual SAPT Block Grant award, including, but not limited to, obligations and expenditures for primary prevention, services to pregnant women and women with dependent children. "Obligation" shall have the same meaning as used in Title 45, CFR, Part 92, Section 92.3."

Additionally, Contractors expending SAPT Block Grant HIV Set Aside funds for HIV Early Intervention Services are required to collect data regarding their use of HIV Set-Aside funds and to report this data to the State.

I. Restrictions on the Use of Federal Block Grant Funds

Pursuant to 42 U.S.C. 300x-31, Contractor shall not use SAPT Block Grant funds provided by the Agreement ~~to~~ on the following activities:

1. Provide inpatient services;
2. Make cash payment to intended recipients of health services;
3. Purchase or improve land, purchase, construct or permanently improve (other than minor remodeling) any building or other facility or purchase major medical equipment;
4. Satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;
5. Provide financial assistance to any entity other than a public or nonprofit private entity;
6. Pay the salary of an individual through a grant or other extramural mechanism at a rate in excess of level I of the Executive Salary Schedule for the award year: see [http://grants.nih.gov/grants/policy/salcap\\_summary.htm](http://grants.nih.gov/grants/policy/salcap_summary.htm);
7. Purchase treatment services and penal or correctional institutions of this State of California; and
8. Supplant state funding of programs to prevent and treat substance abuse and related activities.

**Section 3. Drug Medi-Cal**

- A. To the extent that the Contractor provides the covered services in a satisfactory manner and in accordance with the terms and conditions of this Contract, the State agrees to pay the Contractor federal Medicaid funds according to Exhibit A, Attachment I, Part III. Subject to the availability of such funds, Contractor shall receive federal Medicaid funds and/or State General Funds for allowable expenditures as established by the federal government and approved by the State, for the cost of services rendered to beneficiaries.
- B. Any payment for covered services rendered pursuant to Exhibit A, Attachment I, Part V, shall only be made pursuant to applicable provisions of Title XIX or Title XXI of the Social Security Act; the W&IC; the HSC; California's Medicaid State Plan; and Sections 51341.1, 51490.1, 51516.1, and 51532 of Title 22.
- C. It is understood and agreed that failure by the Contractor or its Subcontractors to comply with applicable federal and state requirements in rendering covered services shall be sufficient cause for the State to deny payments to and/or recover payments from the Contractor and/or terminate the Contractor or its Subcontractor from DMC program participation. If the State or the Department of Health and Human Services (DHHS) disallows or denies payments for any claim, Contractor shall repay to the State the federal

Medicaid funds and/or State General Funds it received for all claims so disallowed or denied. The overpayment shall be recovered by any of the methods allowed in Title 22, CCR, Sections 51047(a) and (b).

- D. Before such denial, recoupment, or disallowances are made, State shall provide the Contractor with written notice of its proposed action. Such notice shall include the reason for the proposed action and shall allow the Contractor sixty (60) days to submit additional information before the proposed action is taken, as required in Title 22, CCR, Section 51047(a). This requirement does not apply to the DMC Post Service Post Payment Utilization Reviews.
- E. The State shall refund to the Contractor any recovered Federal Drug Medi-Cal overpayment that is subsequently determined to have been erroneously collected, together with interest, in accordance with Title 22, CCR, Section 51047(e).
- F. Contractor shall be reimbursed by the State on the basis of its actual net reimbursable cost, not to exceed the unit of service maximum rate.
- G. Claims submitted to the contractor by a sub-contracted provider that is not certified or whose certification has been suspended pursuant to the Welfare and Institutions Code section 14107.11, and Code of Federal Regulations, Title 42, section 455.23 shall not be certified or processed for federal or state reimbursement by the contractor. Payments for any DMC services shall be held by the Contractor until the payment suspension is resolved.
- H. In the event a contract amendment is required pursuant to the preceding paragraph, Contractor shall submit to the State information as identified in Exhibit E, Section 1.D. To the extent the Contractor is notified of the State Budget Act allocation prior to the execution of the Contract, the State and the Contractor may agree to amend the contract after the issuance of the first revised allocation.
- I. Reimbursement for covered services, other than NTP services, shall be limited to the lower of:
  - 1. the provider's usual and customary charges to the general public for the same or similar services;
  - 2. the provider's actual allowable costs; or
  - 3. the DMC SMA for the modality.
- J. Reimbursement to NTP's shall be limited to the lower of either the USDR rate, pursuant to W&IC Section 14021.51(h), or the provider's usual and customary charge to the general public for the same or similar service. However, reimbursement paid by a county to an NTP provider for services provided to any person subject to Penal Code Sections 1210.1 or 3063.1 and for which the individual client is not liable to pay, does not constitute a usual or customary charge to the general public. (W&IC Section 14021.51(h)(2)(A)).

- K. State shall reimburse the Contractor the State General Funds and/or federal Medicaid amount of the approved DMC claims and documents submitted in accordance with Exhibit A, Attachment I, Part III.
- L. State will adjust subsequent reimbursements to the Contractor to actual allowable costs. Actual allowable costs are defined in the Medicare Provider Reimbursement Manual (CMS-Pub.15), which can be obtained from the Centers for Medicare & Medicaid Services, Baltimore, Maryland, or [www.cms.hhs.gov](http://www.cms.hhs.gov).
- M. Contractors and Subcontractors must accept, as payment in full, the amounts paid by the State in accordance with Title 22, CCR, Section 51516.1, plus any cost sharing charges (deductible, coinsurance, or copayment) required to be paid by the client. However, Contractors and Subcontractors may not deny services to any client eligible for DMC services on account of the client's inability to pay or location of eligibility. Contractors and Subcontractors may not demand any additional payment from the State, client, or other third party payers.

**Section 4. Drug Medi-Cal Direct Provider Contracts**

- A. Pursuant to W&IC 14124.21, DHCS shall contract with qualified DMC providers within the county when a county does not contract to operate DMC services, in whole or in part.
- B. The State will invoice the Contractor for the county realignment share of approved DMC claims received by the State from the State's subcontractor. Contractor shall reimburse the State for the county realignment share of the approved DMC claims within 30 days of receipt of the invoice. If Contractor does not reimburse the State within 30 days of receipt of the invoice, the State may offset the amount owed from any other funding owed to Contractor by the State or any other State agency. The parties acknowledge that the State's subcontractor shall be responsible for repayment of any disallowed claims. However, in no event shall the State be liable for Medicaid reimbursement for any disallowed claims.
  - 1. Any Contractor contracting with the State for the provision of services through NTP providers may receive reimbursement of the NTP administrative rate.
  - 2. As a result of the direct contract provider's settled cost report, any County Realignment funds owed to the direct contract provider will be handled through an invoice process to the Contractor. Additionally, as a result of the direct contract provider's settled cost report, any County Realignment funds owed to the State will be returned to the Contractor.

**Exhibit B**  
Budget Detail and Payment Provisions  
Fiscal Year 2014-15

**Part III - Financial Audit Requirements**

**Section 1. General Fiscal Audit Requirements**

- A. In addition to the requirements identified below, the Contractor and its Subcontracts are required to meet the audit requirements as delineated in Exhibit C, General Terms and Conditions, and Exhibit D(F), Special Terms and Conditions, of this Contract.
- B. All expenditures of county realignment funds, state and federal funds furnished to the Contractor and its Subcontractors pursuant to this Contract are subject to audit by the State. Such audits shall consider and build upon external independent audits performed pursuant to audit requirements of the Office of Management and Budget (OMB) Circular A-133 (Revised December 2013). Objectives of such audits may include, but not limited to, the following:
1. To determine whether units of service claimed/reported are properly documented by service records and accurately accumulated for claiming/reporting;
  2. To validate data reported by the Contractor for prospective contract negotiations;
  3. To provide technical assistance in addressing current year activities and providing recommendation on internal controls, accounting procedures, financial records, and compliance with laws and regulations;
  4. To determine the cost of services, net of related patient and participant fees, third-party payments, and other related revenues and funds;
  5. To determine that expenditures are made in accordance with applicable state and federal laws and regulations and contract requirements, and/or;
  6. To determine the facts in relation to analysis of data, complaints, or allegations, which may be indicative of fraud, abuse, willful misrepresentation, or failure to achieve the Contract objectives of Exhibit C and D(F).
- C. Unannounced visits may be made at the discretion of the State.
- D. The refusal of the Contractor or its Subcontractors to permit access to and inspection of electronic or print books and records, physical facilities, and/or refusal to permit interviews with employees, as described in this part constitutes an express and immediate material breach of this Contract and will be sufficient basis to terminate the Contract for cause or default.
- E. Reports of audits conducted by the State shall reflect all findings, recommendations, adjustments and corrective action as a result of it's finding in any areas.

**Section 2. Non-Drug Medi-Cal Financial Audits**

- A. Pursuant to OMB Circular A-133 §\_\_\_.400(d)(3), Contractor shall monitor the activities of all of its Subcontractors to ensure that:
1. Subcontractors are complying with program requirements and achieving performance goals
  2. Subcontractors are complying with fiscal requirements, such as having appropriate fiscal controls in place, and are using awards for authorized purposes.
- B. Contractor can use a variety of monitoring mechanism, including limited scope audits, on-site visits, progress reports, financial reports, and review of documentation support requests for reimbursement, to meet the Contractor's monitoring objectives. The Contractor may charge federal awards for the cost of these monitoring procedures as outlined in OMB Circular A-133.
- C. The Contractor shall submit to the State a copy of the procedures and any other monitoring mechanism used to monitor non-profit Subcontracts at the time of the County's annual site visit or within 60 days thereafter. Contractor shall state the frequency that non-profit Subcontracts are monitored.
- D. Limited scope audits, as defined in the OMB Circular A-133, only include agreed-upon engagements that are (1) conducted in accordance with either the American Institute of Certified Public Accountants generally accepted auditing standards or attestation standards; (2) paid for and arranged by pass-through entities (counties); and (3) address one or more of the following types of compliance requirements: (i) activities allowed or unallowed; (ii) allowable costs/cost principals; (iii) eligibility; (9v) matching, level of effort and earmarking; and (v) reporting.
- E. On-site visits focus on compliance and controls over compliance areas. The reviewer must make site visits to the subcontractor locations(s), and can use a variety of monitoring mechanism to document compliance requirements. The finding and the corrective action will require follow-up by the Contractor.
- F. Contractor shall be responsible for any disallowance taken by the Federal Government, the State, or the California State Audit, as a result of any audit exception that is related to the Contractor's responsibilities herein. Contractor shall not use funds administered by the State to repay one federal funding source with funds provided by another federal funding source, to repay federal funds with state funds, or to repay state funds with federal funds. State shall invoice Contractor 60 days after issuing the final audit report or upon resolution of an audit appeal. Contractor agrees to develop and implement any corrective action plans in a manner acceptable to the State in order to comply with recommendations contained in any audit report. Such corrective action plans shall include time-specific objectives to allow for measurement of progress and are subject to verification by the state within one year from the date of the plan.

If differences cannot be resolved between the State and Contractor regarding the terms of the financial audit settlements for funds expended under Exhibit A, Attachment I, Part IV, Contractor may request an appeal in accordance with the appeal process described in Document 1J(a), "Non-DMC Audit Appeal Process," incorporated by this reference. When a financial audit is conducted by the Federal Government, the State, or the California State Auditor directly with a Subcontractor of the Contractor, and if the Subcontractor disagrees with audit disallowances related to its programs, claims or services, Contractor shall, at the Subcontractor's request, request an appeal to the State in accordance with Document 1J(a). Contractor shall include a provision in its subcontracts regarding the process by which its Subcontractors may file an appeal via the Contractors.

- G. Contractors that conduct financial audits of Subcontractors, other than a Subcontractor whose funding consists entirely of non-Department funds, shall develop a process to resolve disputed financial findings and notify Subcontractors of their appeal rights pursuant to that process. This section shall not apply to those grievances or compliances arising from the financial findings of an audit or examination made by or on behalf of the State pursuant to Article IV of this Contract.
- H. Pursuant to OMB Circular A-133, State may impose sanctions against the Contractor for not submitting single or program-specific audit reports, or failure to comply with all other audit requirements. The sanctions shall include:
  - 1. Withholding a percentage of federal awards until the audit is completed satisfactorily
  - 2. Withhold or disallowing overhead costs
  - 3. Suspending federal awards until the audit is conducted; or
  - 4. Terminating the federal award

### **Section 3. Drug Medi-Cal Financial Audits**

- A. In addition to the audit requirements set forth in Exhibit D(F), State may also conduct financial audits of DMC programs, exclusive of NTP services, to accomplish any of, but not limited to, the following audit objectives:
  - 7. To review reported costs for validity, appropriate allocation methodology, and compliance with Medicaid laws and regulations;
  - 8. To ensure that only the cost of allowable DMC activities are included in reported costs;
  - 9. To determine the provider's usual and customary charge to the general public in accordance with CMS (The Medicare Provider Reimbursement Manual) (CMS-Pub.15), which can be obtained from the Centers for Medicare & Medicaid Services, Baltimore, Maryland, or [www.cms.hhs.gov](http://www.cms.hhs.gov), for comparison to the DMC cost per unit;
  - 10. To review documentation of units of service and determine the final number of approved units of service;

11. To determine the amount of clients' third-party revenue and Medi-Cal share of cost to offset allowable DMC reimbursement; and,
  12. To compute final settlement based on the lower of actual allowable cost, the usual and customary charge, or the maximum allowance, in accordance with Title 22, Section 51516.1.
- B. In addition to the audit requirements set forth in Exhibit D(F), State may conduct financial audits of NTP programs. For NTP services, the audits will address items A(3) through A(5) above, except that the comparison of the provider's usual and customary charge in A(3) will be to the DMC USDR rate in lieu of DMC cost per unit. In addition, these audits will include, but not be limited to:
1. For those NTP providers required to submit a cost report pursuant to W&IC Section 14124.24, a review of cost allocation methodology between NTP and other service modalities, and between DMC and other funding sources;
  2. A review of actual costs incurred for comparison to services claimed;
  3. A review of counseling claims to ensure that the appropriate group or individual counseling rate has been used and that counseling sessions have been billed appropriately;
  4. A review of the number of clients in group sessions to ensure that sessions include no less than four and no more than ten clients at the same time, with at least one Medi-Cal client in attendance;
  5. Computation of final settlement based on the lower of USDR rate or the provider's usual and customary charge to the general public; and,
  6. A review of supporting service, time, financial, and patient records to verify the validity of counseling claims.
- C. Contractor shall be responsible for any disallowances taken by the Federal Government, the State, or the Bureau of State Audits as a result of any audit exception that is related to its responsibilities. Contractor shall not use funds administered by the State to repay one federal funding source with funds provided by another federal funding source, or to repay federal funds with state funds, or to repay state funds with federal funds
- D. Contractor agrees to promptly develop and implement any corrective action plans in a manner acceptable to the State in order to comply with recommendations contained in any audit report. Such corrective action plans shall include time-specific objectives to allow for measurement of progress and are subject to verification by the State within six months from the date of the plan.
- E. Contractor, in coordination with the State, must provide follow-up on all significant findings in the audit report, including findings relating to a Subcontractor, and submit the results to the State.

If differences cannot be resolved between the State and the Contractor regarding the terms of the final financial audit settlements for funds expended under Exhibit B, Contractor may request an appeal in accordance with the appeal process described in the "DMC Audit Appeal Process," Document 1J(b), incorporated by this reference. When a financial audit is conducted by the Federal Government, the State, or the Bureau of State Audits directly with a Subcontractor of the Contractor, and if the Subcontractor disagrees with audit disallowances related to its programs, claims or services, Contractor shall, at the Subcontractor's request, request an appeal to the State in accordance with Document 1J(b). Contractor shall include a provision in its subcontracts regarding the process by which a Subcontractor may file an audit appeal via the Contractor.

- F. Providers of DMC services shall, upon request, make available to the State their fiscal and other records to assure that such provider have adequate recordkeeping capability and to assure that reimbursement for covered DMC services are made in accordance with Title 22, CCR, Section 51516.1. These records include, but are not limited to, matters pertaining to:
1. Provider ownership, organization, and operation;
  2. Fiscal, medical, and other recordkeeping systems;
  3. Federal income tax status;
  4. Asset acquisition, lease, sale, or other action;
  5. Franchise or management arrangements;
  6. Patient service charge schedules;
  7. Costs of operation;
  8. Cost allocation methodology;
  9. Amounts of income received by source and purpose; and,
  10. Flow of funds and working capital.
- G. Contractor shall retain records of utilization review activities required in Article VI herein for a minimum of three (3) years.

**Exhibit B**  
Budget Detail and Payment Provisions  
Fiscal Year 2014-15

**Part IV – Records**

**Section 1. General Provisions**

A. Maintenance of Records

Contractor shall maintain sufficient books, records, documents, and other evidence necessary for the State to audit contract performance and contract compliance. Contractor shall make these records available to the State, upon request, to evaluate the quality and quantity of services, accessibility and appropriateness of services, and to ensure fiscal accountability. Regardless of the location or ownership of such records, they shall be sufficient to determine if costs incurred by contractor are reasonable, allowable and allocated appropriately. All records must be capable of verification by qualified auditors.

1. Contractor shall include in any contract with an audit firm a clause to permit access by the State to the working papers of the external independent auditor, and require that copies of the working papers shall be made for the State at its request.
2. Contractor shall keep adequate and sufficient financial records and statistical data to support the year-end documents filed with the State. All records must be capable of verification by qualified auditors.
3. Accounting records and supporting documents shall be retained for a three-year period from the date the year-end cost settlement report was approved by the State for interim settlement. When an audit by the Federal Government, the State, or the California State Auditor has been started before the expiration of the three-year period, the records shall be retained until completion of the audit and final resolution of all issues that arise in the audit. Final settlement shall be made at the end of the audit and appeal process. If an audit has not been completed within three years, the interim settlement shall be considered as the final settlement.
4. Financial records shall be kept so that they clearly reflect the source of funding for each type of service for which reimbursement is claimed. These documents include, but are not limited to, all ledgers, books, vouchers, time sheets, payrolls, appointment schedules, client data cards, and schedules for allocating costs. All records must be capable of verification by qualified auditors.
5. Contractor's subcontracts shall require that all Subcontractors comply with the requirements of Exhibit A, Attachment I, Part V, Section 2.

6. Should a Subcontractor discontinue its contractual agreement with the Contractor, or cease to conduct business in its entirety, Contractor shall be responsible for retaining the Subcontractor's fiscal and program records for the required retention period. The State Administrative Manual (SAM) contains statutory requirements governing the retention, storage, and disposal of records pertaining to state funds. Contractor shall follow SAM requirements located at <http://sam.dgs.ca.gov/TOC/1600.aspx>.

The Contractor shall retain all records required by Welfare and Institutions Code section 14124.1, 42 CFR 433.32, and California Code of Regulations, Title 22, Section 51341.1 et seq. for reimbursement of services and financial audit purposes.

7. In the expenditure of funds hereunder, and as required by 45 CFR Part 96, Contractor shall comply with the requirements of SAM and the laws and procedures applicable to the obligation and expenditure of federal and state funds.

#### B. Dispute Resolution Process

1. In the event of a dispute under this Exhibit A, Attachment I, Part IV, other than an audit dispute, Contractor shall provide written notice of the particulars of the dispute to the State before exercising any other available remedy. Written notice shall include the contract number. The Director (or designee) of the State and the County Drug or Alcohol Program Administrator (or designee) shall meet to discuss the means by which they can effect an equitable resolution to the dispute. Contractor shall receive a written response from the State within sixty (60) days of the notice of dispute. The written response shall reflect the issues discussed at the meeting and state how the dispute will be resolved.
2. In the event of a dispute over financial audit findings between the State and the Contractor, Contractor may appeal the audit in accordance with the "non- DMC Audit Appeal Process" (Document 1J(a)). When a financial audit by the Federal Government, the State, or the California State Auditor is conducted directly with a Subcontractor of the Contractor, and if the Subcontractor disagrees with audit disallowances related to its programs, claims or services, Contractor shall, at the Subcontractor's request, request an appeal to the State in accordance with Document 1J(a). Contractor shall include a provision in its subcontracts regarding the process by which a Subcontractor may file an audit appeal via the Contractor.
3. As stated in Part III, Section 3, of this Exhibit, in the event of a dispute over financial audit findings between the State and the Contractor, Contractor may appeal the audit in accordance with DMC Audit Appeal Process" (Document 1J(b)). When a financial audit by the Federal Government, the State, or the California State Auditor is conducted directly with a Subcontractor of the Contractor, and if the Subcontractor disagrees with audit disallowances related to its programs, claims or services, Contractor shall, at the Subcontractor's request, request an appeal to the State in accordance with DMC Audit Appeal Process" (Document 1J(b)). Contractor shall include a provision in its subcontracts regarding the process by which a Subcontractor may file an audit appeal via the Contractor.

4. Contractors that conduct financial audits of Subcontractors, other than a Subcontractor whose funding consists entirely of non-Department funds, shall develop a process to resolve disputed financial findings and notify Subcontractors of their appeal rights pursuant to that process. This section shall not apply to those grievances or complaints arising from the financial findings of an audit or examination made by or on behalf of the State pursuant to Part II of this Exhibit.
5. To ensure that necessary corrective actions are taken, financial audit findings are either uncontested or upheld after appeal may be used by the State during prospective contract negotiations.

**Exhibit B**  
 Budget Detail and Payment Provisions  
 Fiscal Year 2014-15

**Part V. Drug Medi-Cal Reimbursement Rates**

- A. **"Uniform Statewide Daily Reimbursement (USDR) Rate"** means the rate for NTP services based on a unit of service that is a daily treatment service provided pursuant to Title 22, Sections 51341.1 and 51516.1 and Title 9, commencing with Section 10000 (Document 3G), or the rate for individual or group counseling. The following table shows the proposed Fiscal Year (FY) 2014-15 USDR rates.

<b>Service</b>	<b>Type of Unit of Service (UOS)</b>	<b>Non-Perinatal (Regular) Rate Per UOS</b>	<b>Perinatal Rate Per UOS</b>
NTP-Methadone Dosing	Daily	\$10.80	\$11.79
NTP-Individual Counseling (*)	One 10-minute increment	\$13.48	\$21.06
NTP Group Counseling (*)	One 10-minute increment	\$2.91	\$7.03

(\*) The NTP contractors may be reimbursed for up to 200 minutes (20-10 minute increments) of individual and/or group counseling per calendar month per beneficiary. If medical necessity is met that requires additional NTP counseling beyond 200 minutes per calendar month, NTP contractors may bill and be reimbursed for additional counseling (in 10 minute increments). Medical justification for the additional counseling must be clearly documented in the patient record.

Reimbursement for covered NTP services shall be limited to the lower of the NTP's usual and customary charge to the general public for the same or similar services or the USDR rate.

**B.** “Unit of Service” means a face-to-face contact on a calendar day for outpatient drug free, intensive outpatient treatment, perinatal residential, and Naltrexone treatment services. Only one face-to-face service contact per day is covered by DMC except in the case of emergencies when an additional face-to-face contact may be covered for intake crisis intervention or collateral service. To count as a unit of service, the second contact shall not duplicate the services provided on the first contact, and each contact shall be clearly documented in the beneficiary’s record. While the rates are approved by the State, they are subject to change through the regulation process. Units of service and proposed SMA for FY 2014-15 are identified in the following table.

<b>Service</b>	<b>Type of Unit of Service (UOS)</b>	<b>Non-Perinatal (Regular) Rate Per UOS</b>	<b>Perinatal Rate Per UOS</b>
Intensive Outpatient Treatment	Face-to-Face Visit	\$56.44	\$80.78
Naltrexone Treatment	Face-to-Face Visit	\$19.06	NA
Outpatient Drug Free	Face-to Face Visit – Individual (per person)	\$67.38	\$105.32
	Face-to-Face Visit – Group (per person)	\$26.23	\$63.33
Perinatal Residential	Daily – Residential Day	NA	\$99.43

**Exhibit B, Attachment I - Funding for Fiscal Year 2014-15 through FY 2016-17**

County: Mono

Contract Number: 14-90073

Version:	Original
Date:	7/1/2014

Fiscal Year 2014-15	2014-15 Funding Amount
<b>State General Funds (7/1/14 to 6/30/15)</b>	4,042
Drug Medi-Cal SGF	4,042
<b>TOTAL</b>	<b>4,042</b>
<b>SAPT Block Grant - FFY 2015 Award (10/1/14 to 6/30/16)</b>	
- Discretionary	313,366
- Adolescent/Youth	0
- Prevention Set-Aside	73,185
- Friday Night Live/Club Live	0
- HIV Set Aside	7,500
- Perinatal	0
<b>TOTAL</b>	<b>394,051</b>
<b>Drug Medi-Cal Federal Share (7/1/14 to 6/30/15)</b>	
- Non Perinatal Federal Share	1,250
- Perinatal Federal Share	0
<b>TOTAL</b>	<b>1,250</b>
<b>GRAND TOTAL</b>	<b>399,343</b>

Fiscal Year 2015-16	2015-16 Funding Amount
<b>State General Funds (7/1/15 to 6/30/16)</b>	4,042
Drug Medi-Cal SGF	4,042
<b>TOTAL</b>	<b>4,042</b>
<b>SAPT Block Grant - FFY 2016 Award (10/1/15 to 6/30/17)</b>	
- Discretionary	313,366
- Adolescent/Youth	0
- Prevention Set-Aside	73,185
- Friday Night Live/Club Live	0
- HIV Set Aside	7,500
- Perinatal	0
<b>TOTAL</b>	<b>394,051</b>
<b>Drug Medi-Cal Federal Share (7/1/15 to 6/30/16)</b>	
- Non Perinatal Federal Share	1,250
- Perinatal Federal Share	0
<b>TOTAL</b>	<b>1,250</b>
<b>GRAND TOTAL</b>	<b>399,343</b>

Fiscal Year 2016-17	2016-17 Funding Amount
<b>State General Funds (7/1/16 to 6/30/17)</b>	4,042
Drug Medi-Cal SGF	4,042
<b>TOTAL</b>	<b>4,042</b>
<b>SAPT Block Grant - FFY 2017 Award (10/1/16 to 6/30/18)</b>	
- Discretionary	313,366
- Adolescent/Youth	0
- Prevention Set-Aside	73,185
- Friday Night Live/Club Live	0
- HIV Set Aside	7,500
- Perinatal	0
<b>TOTAL</b>	<b>394,051</b>
<b>Drug Medi-Cal Federal Share (7/1/16 to 6/30/17)</b>	
- Non Perinatal Federal Share	1,250
- Perinatal Federal Share	0
<b>TOTAL</b>	<b>1,250</b>
<b>GRAND TOTAL</b>	<b>399,343</b>

<b>THREE-YEAR TOTAL</b>	<b>1,198,029</b>
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**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.

**Index of Special Terms and Conditions**

1. Federal Equal Employment Opportunity Requirements	17. Human Subjects Use Requirements
2. Travel and Per Diem Reimbursement	18. Novation Requirements
3. Procurement Rules	19. Debarment and Suspension Certification
4. Equipment Ownership / Inventory / Disposition	20. Smoke-Free Workplace Certification
5. Subcontract Requirements	21. Covenant Against Contingent Fees
6. Income Restrictions	22. Payment Withholds
7. Audit and Record Retention	23. Performance Evaluation
8. Site Inspection	24. Officials Not to Benefit
9. Federal Contract Funds	25. Four-Digit Date Compliance
10. Intellectual Property Rights	26. Prohibited Use of State Funds for Software
11. Air or Water Pollution Requirements	27. Use of Small, Minority Owned and Women's Businesses
12. Prior Approval of Training Seminars, Workshops or Conferences	28. Alien Ineligibility Certification
13. Confidentiality of Information	29. Union Organizing
14. Documents, Publications, and Written Reports	30. Contract Uniformity (Fringe Benefit Allowability)
15. Dispute Resolution Process (Revised 2/2012)	31. Suspension or Stop Work Notification
16. Financial and Compliance Audit Requirements	32. Lobbying Restrictions and Disclosure Certification

## 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 Personnel Administration (DPA), for nonrepresented state employees as stipulated in DHCS' Travel Reimbursement Information Exhibit. If the DPA 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 DPA 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.3. 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
Contract / Grant Number	Signature of Person Signing for Contractor
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.



**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**

- A. Both the Contractor and the State may agree to amend or renegotiate the Contract.
- B. 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.
- C. Contract amendments will be required to change encumbered amounts for each year of a multi-year contract period, of which the first amendment will be based on the Governor's Budget Act allocation of that specific fiscal year. The signed contract from the Contractor will be due to the Department of Health Care Services within 90 days from the issuance to the County. If the signed Contract from the Contractor is not received within 90 days from the issuance to the County, DHCS may withhold all non-DMC payments under Exhibit B of this Contract until the required amendment is received by the State.
- D. Contract amendments may be requested by the Contractor until May 1 of each of the contract's fiscal years. An amendment proposed by either the Contractor or the State shall be forwarded in writing to the other party.
  - 1) The proposed amendment submitted by Contractor shall include the proposed changes, and a statement of the reason and basis for the proposed change.
  - 2) Amendments shall be duly approved by the County Board of Supervisors or its authorized designee, and signed by a duly authorized representative.
- E. Contractor acknowledges that any newly allocated funds that are in excess of the initial amount for each fiscal year may be forfeited if DHCS does not receive a fully executable contract amendment on or before June 30, 2015.
- F. State may settle costs for substance use disorder services based on the year-end cost settlement report as the final amendment to the approved single State/County contract.

**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.
- G. In the event of changes in law that affect provisions of this Contract, the parties agree to amend the affected provisions to conform to the changes in law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Contract are severable and in the event that changes in law render provisions of the Contract void, the unaffected provisions and obligations of this Contract will remain in full force and effect.
- H. The following additional provisions regarding termination apply only to Exhibit A, Attachment I, Part V, of this Contract:
  - 1) In the event the federal Department of Health and Human Services (hereinafter referred to as DHHS), or State determines Contractor does not meet the requirements for participation in the DMC Treatment Program, State will terminate payments for services provided pursuant to Exhibit A, Attachment I, Part V, of this Contract for cause.
  - 2) All obligations to provide covered services under this Contract will automatically terminate on the effective date of any termination of this Contract. Contractor will be responsible for providing or arranging for covered services to beneficiaries until the effective date of termination or expiration of the Contract.

Contractor will remain liable for processing and paying invoices and statements for covered services and utilization review requirements prior to the expiration or termination until all obligations have been met.
  - 3) In the event Exhibit A, Attachment I, Part V, of this Contract is nullified, Contractor shall refer DMC clients to providers who are certified to provide the type(s) of services the client has been receiving.
- I. In the event this Contract is terminated, Contractor shall deliver its entire fiscal and program records pertaining to the performance of this Contract to the State, which will retain the records for the required retention period.

**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 a real or apparent conflict of interest; and, if a conflict is found to exist, to require the 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 subcontractor 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 subcontractor's employees, officers, or directors use their positions for purposes that are, or give the appearance of being, motivated by a 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.
- D. Contractor acknowledges that state laws on conflict of interest, found in the Political Reform Act, Public Contract Code Section 10365.5, and Government Code Section 1090, apply to this Contract.

**4. Freeze Exemptions**

(Applicable only to local government agencies.)

- A. Contractor agrees that any hiring freeze adopted during the term of this Agreement shall not be applied to the positions funded, in whole or part, by this Agreement.
- B. Contractor agrees not to implement any personnel policy, which may adversely affect performance or the positions funded, in whole or part, by this Agreement.

- C. Contractor agrees that any travel freeze or travel limitation policy adopted during the term of this Agreement shall not restrict travel funded, in whole or part, by this Agreement.
- D. Contractor agrees that any purchasing freeze or purchase limitation policy adopted during the term of this Agreement shall not restrict or limit purchases funded, in whole or part, by this Agreement.

**5. Domestic Partners**

Pursuant to Public Contract Code 10295.3, no state agency may enter into any contract executed or amended after January 1, 2007, for the acquisition of goods or services in the amount of \$100,000 or more with a contractor who, in the provision of benefits, discriminates between employees with spouses and employees with domestic partners, or discriminates between domestic partners and spouses of those employees.

**6. Force Majeure**

Neither party shall be responsible for delays or failures in performance resulting from acts beyond the control of the offending party. Such acts shall include but not be limited to acts of God, fire, flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight, embargo, public related utility, or governmental statutes or regulations super-imposed after the fact. If a delay or failure in performance by the Contractor arises out of a default of its Subcontractor, and if such default of its Subcontractor, arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for damages of such delay or failure, unless the supplies or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule.

**EXHIBIT G**

**PRIVACY AND INFORMATION SECURITY PROVISIONS**

This Exhibit G is intended to protect the privacy and security of specified Department information that Contractor may access, receive, or transmit under this Agreement. The Department information covered under this Exhibit G consists of: (1) Protected Health Information as defined under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA")(PHI); and (2) Personal Information (PI) as defined under the California Information Practices Act (CIPA), at California Civil Code Section 1798.3. Personal Information may include data provided to the Department by the Social Security Administration.

Exhibit G consists of the following parts:

1. Exhibit G-1, HIPAA Business Associate Addendum, which provides for the privacy and security of PHI.
2. Exhibit G-2, which provides for the privacy and security of PI in accordance with specified provisions of the Agreement between the Department and the Social Security Administration, known as the Information Exchange Agreement (IEA) and the Computer Matching and Privacy Protection Act Agreement between the Social Security Administration and the California Health and Human Services Agency (Computer Agreement) to the extent Contractor access, receives, or transmits PI under these Agreements. Exhibit G-2 further provides for the privacy and security of PI under Civil Code Section 1798.3(a) and 1798.29.
3. Exhibit G-3, Miscellaneous Provision, sets forth additional terms and conditions that extend to the provisions of Exhibit G in its entirety.

**EXHIBIT G-1**

**HIPAA Business Associate Addendum**

**1. Recitals.**

- A. A business associate relationship under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), 42 U.S.C. Section 17921 et seq., and their implementing privacy and security regulations at 45 CFR Parts 160 and 164 ("the HIPAA regulations") between Department and Contractor arises only to the extent that Contractor creates, receives, maintains, transmits, uses or discloses PHI or ePHI on the Department's behalf, or provides services, arranges, performs or assists in the performance of functions or activities on behalf of the Department that are included in the definition of "business associate" in 45 C.F.R. 160.103 where the provision of the service involves the disclosure of PHI or ePHI from the Department, including but not limited to, utilization review, quality assurance, or benefit management. To the extent Contractor performs these services, functions, and activities on behalf of Department, Contractor is the Business Associate of the Department, acting on the Department's behalf. The Department and Contractor are each a party to this Agreement and are collectively referred to as the "parties."
- B. The Department wishes to disclose to Contractor certain information pursuant to the terms of this Agreement, some of which may constitute Protected Health Information ("PHI"), including protected health information in electronic media ("ePHI"), under federal law, to be used or disclosed in the course of providing services and activities as set forth in Section 1.A. of Exhibit G-1 of this Agreement. This information is hereafter referred to as "Department PHI".
- C. The purpose of this Exhibit G-1 is to protect the privacy and security of the PHI and ePHI that may be created, received, maintained, transmitted, used or disclosed pursuant to this Agreement, and to comply with certain standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations, including, but not limited to, the requirement that the Department must enter into a contract containing specific requirements with Contractor prior to the disclosure of PHI to Contractor, as set forth in 45 CFR Parts 160 and 164 and the HITECH Act. To the extent that data is both PHI or ePHI and Personally Identifying Information, both Exhibit G-2 (including Attachment I, the SSA Agreement between SSA, CHHS and DHCS, referred to in Exhibit G-2) and this Exhibit G-1 shall apply.
- D. The terms used in this Exhibit G-1, but not otherwise defined, shall have the same meanings as those terms have in the HIPAA regulations. Any reference

to statutory or regulatory language shall be to such language as in effect or as amended.

**2. Definitions.**

- A. Breach shall have the meaning given to such term under HIPAA, the HITECH Act, and the HIPAA regulations.
- B. Business Associate shall have the meaning given to such term under HIPAA, the HITECH Act, and the HIPAA regulations.
- C. Covered Entity shall have the meaning given to such term under HIPAA, the HITECH Act, and the HIPAA regulations.
- D. Department PHI shall mean Protected Health Information or Electronic Protected Health Information, as defined below, accessed by Contractor in a database maintained by the Department, received by Contractor from the Department or acquired or created by Contractor in connection with performing the functions, activities and services on behalf of the Department as specified in Section 1.A. of Exhibit G-1 of this Agreement. The terms PHI as used in this document shall mean Department PHI.
- E. Electronic Health Records shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921 and implementing regulations.
- F. Electronic Protected Health Information (ePHI) means individually identifiable health information transmitted by electronic media or maintained in electronic media, including but not limited to electronic media as set forth under 45 CFR section 160.103.
- G. Individually Identifiable Health Information means health information, including demographic information collected from an individual, that is created or received by a health care provider, health plan, employer or health care clearinghouse, and relates to the past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, that identifies the individual or where there is a reasonable basis to believe the information can be used to identify the individual, as set forth under 45 CFR Section 160.103.
- H. Privacy Rule shall mean the HIPAA Regulations that are found at 45 CFR Parts 160 and 164, subparts A and E.
- I. Protected Health Information (PHI) means individually identifiable health information that is transmitted by electronic media, maintained in electronic

media, or is transmitted or maintained in any other form or medium, as set forth under 45 CFR Section 160.103 and as defined under HIPAA.

- J. Required by law, as set forth under 45 CFR Section 164.103, means a mandate contained in law that compels an entity to make a use or disclosure of PHI that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
- K. Secretary means the Secretary of the U.S. Department of Health and Human Services ("HHS") or the Secretary's designee.
- L. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of Department PHI, or confidential data utilized by Contractor to perform the services, functions and activities on behalf of Department as set forth in Section 1.A. of Exhibit G-1 of this Agreement; or interference with system operations in an information system that processes, maintains or stores Department PHI.
- M. Security Rule shall mean the HIPAA regulations that are found at 45 CFR Parts 160 and 164.
- N. Unsecured PHI shall have the meaning given to such term under the HITECH Act, 42 U.S.C. Section 17932(h), any guidance issued by the Secretary pursuant to such Act and the HIPAA regulations.

### **3. Terms of Agreement.**

#### **A. Permitted Uses and Disclosures of Department PHI by Contractor.**

Except as otherwise indicated in this Exhibit G-1, Contractor may use or disclose Department PHI only to perform functions, activities or services specified in Section 1.A of Exhibit G-1 of this Agreement, for, or on behalf of the Department, provided that such use or disclosure would not violate the HIPAA regulations or the limitations set forth in 42 CFR Part 2, or any other applicable law, if done by the Department. Any such use or disclosure, if not for purposes of treatment activities of a health care provider as defined by the Privacy Rule, must, to the extent practicable, be limited to the limited data set, as defined in 45 CFR Section 164.514(e)(2), or, if needed, to the minimum necessary to accomplish the intended purpose of such use or disclosure, in compliance with the HITECH

Act and any guidance issued pursuant to such Act, and the HIPAA regulations.

- B. **Specific Use and Disclosure Provisions.** Except as otherwise indicated in this Exhibit G-1, Contractor may:
- 1) **Use and Disclose for Management and Administration.** Use and disclose Department PHI for the proper management and administration of the Contractor's business, provided that such disclosures are required by law, or the Contractor obtains reasonable assurances from the person to whom the information is disclosed, in accordance with section D(7) of this Exhibit G-1, that it will remain confidential and will be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Contractor of any instances of which it is aware that the confidentiality of the information has been breached.
  - 2) **Provision of Data Aggregation Services.** Use Department PHI to provide data aggregation services to the Department to the extent requested by the Department and agreed to by Contractor. Data aggregation means the combining of PHI created or received by the Contractor, as the Business Associate, on behalf of the Department with PHI received by the Business Associate in its capacity as the Business Associate of another covered entity, to permit data analyses that relate to the health care operations of the Department
- C. **Prohibited Uses and Disclosures**
- 1) Contractor shall not disclose Department PHI about an individual to a health plan for payment or health care operations purposes if the Department PHI pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full and the individual requests such restriction, in accordance with 42 U.S.C. Section 17935(a) and 45 CFR Section 164.522(a).
  - 2) Contractor shall not directly or indirectly receive remuneration in exchange for Department PHI.
- D. **Responsibilities of Contractor**
- Contractor agrees:
- 1) **Nondisclosure.** Not to use or disclose Department PHI other than as permitted or required by this Agreement or as required by law, including but not limited to 42 CFR Part 2.
  - 2) **Compliance with the HIPAA Security Rule.** To implement administrative, physical, and technical safeguards that reasonably and appropriately

protect the confidentiality, integrity, and availability of the Department PHI, including electronic PHI, that it creates, receives, maintains, uses or transmits on behalf of the Department, in compliance with 45 CFR Sections 164.308, 164.310 and 164.312, and to prevent use or disclosure of Department PHI other than as provided for by this Agreement. Contractor shall implement reasonable and appropriate policies and procedures to comply with the standards, implementation specifications and other requirements of 45 CFR Section 164, subpart C, in compliance with 45 CFR Section 164.316. Contractor shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities, and which incorporates the requirements of section 3, Security, below. Contractor will provide the Department with its current and updated policies upon request.

- 3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
  - a. Complying with all of the data system security precautions listed in Attachment A, Data Security Requirements;
  - b. Achieving and maintaining compliance with the HIPAA Security Rule (45 CFR Parts 160 and 164), as necessary in conducting operations on behalf of DHCS under this Agreement; and
  - c. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies.
- 4) **Security Officer.** Contractor shall designate a Security Officer to oversee its data security program who shall be responsible for carrying out the requirements of this section and for communicating on security matters with the Department.
- 5) **Mitigation of Harmful Effects.** To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Department PHI by Contractor or its subcontractors in violation of the requirements of this Exhibit G.
- 6) **Reporting Unauthorized Use or Disclosure.** To report to Department any use or disclosure of Department PHI not provided for by this Exhibit G of which it becomes aware.

7) **Contractor's Agents and Subcontractors.**

- a. To enter into written agreements with any agents, including subcontractors and vendors to whom Contractor provides Department PHI, that impose the same restrictions and conditions on such agents, subcontractors and vendors that apply to Contractor with respect to such Department PHI under this Exhibit G, and that require compliance with all applicable provisions of HIPAA, the HITECH Act and the HIPAA regulations, including the requirement that any agents, subcontractors or vendors implement reasonable and appropriate administrative, physical, and technical safeguards to protect such PHI. As required by HIPAA, the HITECH Act and the HIPAA regulations, including 45 CFR Sections 164.308 and 164.314, Contractor shall incorporate, when applicable, the relevant provisions of this Exhibit G-1 into each subcontract or subaward to such agents, subcontractors and vendors, including the requirement that any security incidents or breaches of unsecured PHI be reported to Contractor.
- b. In accordance with 45 CFR Section 164.504(e)(1)(ii), upon Contractor's knowledge of a material breach or violation by its subcontractor of the agreement between Contractor and the subcontractor, Contractor shall:
  - i) Provide an opportunity for the subcontractor to cure the breach or end the violation and terminate the agreement if the subcontractor does not cure the breach or end the violation within the time specified by the Department; or
  - ii) Immediately terminate the agreement if the subcontractor has breached a material term of the agreement and cure is not possible.

8) **Availability of Information to the Department and Individuals to Provide Access and Information:**

- a. To provide access as the Department may require, and in the time and manner designated by the Department (upon reasonable notice and during Contractor's normal business hours) to Department PHI in a Designated Record Set, to the Department (or, as directed by the Department), to an Individual, in accordance with 45 CFR Section 164.524. Designated Record Set means the group of records maintained for the Department health plan under this Agreement that includes medical, dental and billing records about individuals;

enrollment, payment, claims adjudication, and case or medical management systems maintained for the Department health plan for which Contractor is providing services under this Agreement; or those records used to make decisions about individuals on behalf of the Department. Contractor shall use the forms and processes developed by the Department for this purpose and shall respond to requests for access to records transmitted by the Department within fifteen (15) calendar days of receipt of the request by producing the records or verifying that there are none.

- b. If Contractor maintains an Electronic Health Record with PHI, and an individual requests a copy of such information in an electronic format, Contractor shall provide such information in an electronic format to enable the Department to fulfill its obligations under the HITECH Act, including but not limited to, 42 U.S.C. Section 17935(e) and the HIPAA regulations.
- 9) **Confidentiality of Alcohol and Drug Abuse Patient Records.** Contractor agrees to comply with all confidentiality requirements set forth in Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2. Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.
- 10) **Amendment of Department PHI.** To make any amendment(s) to Department PHI that were requested by a patient and that the Department directs or agrees should be made to assure compliance with 45 CFR Section 164.526, in the time and manner designated by the Department, with the Contractor being given a minimum of twenty (20) days within which to make the amendment.
- 11) **Internal Practices.** To make Contractor's internal practices, books and records relating to the use and disclosure of Department PHI available to the Department or to the Secretary, for purposes of determining the Department's compliance with the HIPAA regulations. If any information needed for this purpose is in the exclusive possession of any other entity or person and the other entity or person fails or refuses to furnish the information to Contractor, Contractor shall provide written notification to the Department and shall set forth the efforts it made to obtain the information.
- 12) **Documentation of Disclosures.** To document and make available to the Department or (at the direction of the Department) to an individual such disclosures of Department PHI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of such PHI, in accordance with the HITECH Act and its implementing regulations, including but not limited to 45 CFR Section

164.528 and 42 U.S.C. Section 17935(c). If Contractor maintains electronic health records for the Department as of January 1, 2009 and later, Contractor must provide an accounting of disclosures, including those disclosures for treatment, payment or health care operations. The electronic accounting of disclosures shall be for disclosures during the three years prior to the request for an accounting.

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

- a. **Initial Notice to the Department.** (1) To notify the Department **immediately by telephone call or email or fax** upon the discovery of a breach of unsecured PHI in electronic media or in any other media if the PHI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person. (2) To notify the Department **within 24 hours (one hour if SSA data) by email or fax** of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI in violation of this Agreement or this ExhibitG-1; or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor.

Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic PHI, notice shall be provided by calling the Information Protection Unit (916.445.4646, 866-866-0602) or by emailing [privacyofficer@dhcs.ca.gov](mailto:privacyofficer@dhcs.ca.gov). Notice shall be made using the DHCS "Privacy Incident Report" form, including all information known at the time. Contractor shall use the most current version of this form, which is posted on the DHCS Information Security Officer website ([www.dhcs.ca.gov](http://www.dhcs.ca.gov), then select "Privacy" in the left column and then "Business Partner" near the middle of the page) or use this link: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/DHCSBusinessAssociatesOnly.aspx>

Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PHI, Contractor shall take:

- i) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
  - ii) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- b. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI . Within 72 hours of the discovery, Contractor shall submit an updated "Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the Information Protection Unit.
- c. **Complete Report.** To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the "Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred under applicable provisions of HIPAA, the HITECH Act, and the HIPAA regulations. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the "Privacy Incident Report" form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten (10) working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.
- d. **Responsibility for Reporting of Breaches.** If the cause of a breach of Department PHI is attributable to Contractor or its agents, subcontractors or vendors, Contractor is responsible for all

required reporting of the breach as specified in 42 U.S.C. section 17932 and its implementing regulations, including notification to media outlets and to the Secretary (after obtaining prior written approval of DHCS). If a breach of unsecured Department PHI involves more than 500 residents of the State of California or under its jurisdiction, Contractor shall first notify DHCS, then the Secretary of the breach immediately upon discovery of the breach. If a breach involves more than 500 California residents, Contractor shall also provide, after obtaining written prior approval of DHCS, notice to the Attorney General for the State of California, Privacy Enforcement Section. If Contractor has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to the Department in addition to Contractor, Contractor shall notify the Department, and the Department and Contractor may take appropriate action to prevent duplicate reporting.

- e. **Responsibility for Notification of Affected Individuals.** If the cause of a breach of Department PHI is attributable to Contractor or its agents, subcontractors or vendors and notification of the affected individuals is required under state or federal law, Contractor shall bear all costs of such notifications as well as any costs associated with the breach. In addition, the Department reserves the right to require Contractor to notify such affected individuals, which notifications shall comply with the requirements set forth in 42U.S.C. section 17932 and its implementing regulations, including, but not limited to, the requirement that the notifications be made without unreasonable delay and in no event later than 60 calendar days after discovery of the breach. The Department Privacy Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made. The Department will provide its review and approval expeditiously and without unreasonable delay.
- f. **Department Contact Information.** To direct communications to the above referenced Department staff, the Contractor shall initiate contact as indicated herein. The Department reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

<b>Department Program Contract Manager</b>	<b>DHCS Privacy Officer</b>	<b>DHCS Information Security Officer</b>
See the Exhibit A, Scope of Work for Program Contract Manager information	Information Protection Unit c/o: Office of HIPAA Compliance Department of Health Care Services P.O. Box 997413, MS 4722 Sacramento, CA 95899-7413 (916) 445-4646; (866) 866-0602  Email: <u><a href="mailto:privacyofficer@dhcs.ca.gov">privacyofficer@dhcs.ca.gov</a></u>  Fax: (916) 440-7680	Information Security Officer DHCS Information Security Office P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413  Email: <u><a href="mailto:iso@dhcs.ca.gov">iso@dhcs.ca.gov</a></u>  Telephone: ITSD Service Desk (916) 440-7000; (800) 579-0874  Fax: (916)440-5537

- 14) **Termination of Agreement.** In accordance with Section 13404(b) of the HITECH Act and to the extent required by the HIPAA regulations, if Contractor knows of a material breach or violation by the Department of this Exhibit G-1, it shall take the following steps:
- a. Provide an opportunity for the Department to cure the breach or end the violation and terminate the Agreement if the Department does not cure the breach or end the violation within the time specified by Contractor; or
  - b. Immediately terminate the Agreement if the Department has breached a material term of the Exhibit G-1 and cure is not possible.
- 15) **Sanctions and/or Penalties.** Contractor understands that a failure to comply with the provisions of HIPAA, the HITECH Act and the HIPAA regulations that are applicable to Contractors may result in the imposition of sanctions and/or penalties on Contractor under HIPAA, the HITECH Act and the HIPAA regulations.

**E. Obligations of the Department.**

The Department agrees to:

- 1) **Permission by Individuals for Use and Disclosure of PHI.** Provide the Contractor with any changes in, or revocation of, permission by an Individual

to use or disclose Department PHI, if such changes affect the Contractor's permitted or required uses and disclosures.

- 2) **Notification of Restrictions.** Notify the Contractor of any restriction to the use or disclosure of Department PHI that the Department has agreed to in accordance with 45 CFR Section 164.522, to the extent that such restriction may affect the Contractor's use or disclosure of PHI.
- 3) **Requests Conflicting with HIPAA Rules.** Not request the Contractor to use or disclose Department PHI in any manner that would not be permissible under the HIPAA regulations if done by the Department.
- 4) **Notice of Privacy Practices.** Provide Contractor with the web link to the Notice of Privacy Practices that DHCS produces in accordance with 45 CFR Section 164.520, as well as any changes to such notice. Visit the DHCS website to view the most current Notice of Privacy Practices at: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/NoticeofPrivacyPractices.aspx> or the DHCS website at [www.dhcs.ca.gov](http://www.dhcs.ca.gov) (select "Privacy in the right column and "Notice of Privacy Practices" on the right side of the page).

#### F. Audits, Inspection and Enforcement

If Contractor is the subject of an audit, compliance review, or complaint investigation by the Secretary or the Office for Civil Rights, U.S. Department of Health and Human Services, that is related to the performance of its obligations pursuant to this HIPAA Business Associate Exhibit G-1, Contractor shall immediately notify the Department. Upon request from the Department, Contractor shall provide the Department with a copy of any Department PHI that Contractor, as the Business Associate, provides to the Secretary or the Office of Civil Rights concurrently with providing such PHI to the Secretary. Contractor is responsible for any civil penalties assessed due to an audit or investigation of Contractor, in accordance with 42 U.S.C. Section 17934(c).

#### G. Termination.

- 1) **Term.** The Term of this Exhibit G-1 shall extend beyond the termination of the Agreement and shall terminate when all Department PHI is destroyed or returned to the Department, in accordance with 45 CFR Section 164.504(e)(2)(ii)(J).
- 2) **Termination for Cause.** In accordance with 45 CFR Section 164.504(e)(1)(iii), upon the Department's knowledge of a material breach or violation of this Exhibit G-1 by Contractor, the Department shall:
  - a. Provide an opportunity for Contractor to cure the breach or end the violation and terminate this Agreement if Contractor does not cure the breach or end the violation within the time specified by the Department; or

- b. Immediately terminate this Agreement if Contractor has breached a material term of this Exhibit G-1 and cure is not possible.

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**EXHIBIT G-2**

**Privacy and Security of Personal Information and Personally Identifiable Information Not Subject to HIPAA**

**1. Recitals.**

- A. In addition to the Privacy and Security Rules under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) the Department is subject to various other legal and contractual requirements with respect to the personal information (PI) and personally identifiable information (PII) it maintains. These include:
- 1) The California Information Practices Act of 1977 (California Civil Code §§1798 et seq.),
  - 2) The Agreement between the Social Security Administration (SSA) and the Department, known as the Information Exchange Agreement (IEA), which incorporates the Computer Matching and Privacy Protection Act Agreement (CMPPA) between the SSA and the California Health and Human Services Agency. The IEA, including the CMPPA is attached to this Exhibit G as Attachment I and is hereby incorporated in this Agreement.
  - 3) Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2.
- B. The purpose of this Exhibit G-2 is to set forth Contractor's privacy and security obligations with respect to PI and PII that Contractor may create, receive, maintain, use, or disclose for or on behalf of Department pursuant to this Agreement. Specifically this Exhibit applies to PI and PII which is not Protected Health Information (PHI) as defined by HIPAA and therefore is not addressed in Exhibit G-1 of this Agreement, the HIPAA Business Associate Addendum; however, to the extent that data is both PHI or ePHI and PII, both Exhibit G-1 and this Exhibit G-2 shall apply.
- C. The IEA Agreement referenced in A.2) above requires the Department to extend its substantive privacy and security terms to subcontractors who receive data provided to DHCS by the Social Security Administration. If Contractor receives data from DHCS that includes data provided to DHCS by the Social Security Administration, Contractor must comply with the following specific sections of the IEA Agreement: E. Security Procedures, F. Contractor/Agent Responsibilities, and G. Safeguarding and Reporting Responsibilities for Personally Identifiable Information ("PII"), and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the Social Security Administration. Contractor must also ensure that any agents, including a

subcontractor, to whom it provides DHCS data that includes data provided by the Social Security Administration, agree to the same requirements for privacy and security safeguards for such confidential data that apply to Contractor with respect to such information.

- D. The terms used in this Exhibit G-2, but not otherwise defined, shall have the same meanings as those terms have in the above referenced statute and Agreement. Any reference to statutory, regulatory, or contractual language shall be to such language as in effect or as amended.

**2. Definitions.**

- A. "Breach" shall have the meaning given to such term under the IEA and CMPPA. It shall include a "PII loss" as that term is defined in the CMPPA.
- B. "Breach of the security of the system" shall have the meaning given to such term under the California Information Practices Act, Civil Code section 1798.29(f).
- C. "CMPPA Agreement" means the Computer Matching and Privacy Protection Act Agreement between the Social Security Administration and the California Health and Human Services Agency (CHHS).
- D. "Department PI" shall mean Personal Information, as defined below, accessed in a database maintained by the Department, received by Contractor from the Department or acquired or created by Contractor in connection with performing the functions, activities and services specified in this Agreement on behalf of the Department.
- E. "IEA" shall mean the Information Exchange Agreement currently in effect between the Social Security Administration (SSA) and the California Department of Health Care Services (DHCS).
- F. "Notice-triggering Personal Information" shall mean the personal information identified in Civil Code section 1798.29 whose unauthorized access may trigger notification requirements under Civil Code section 1798.29. For purposes of this provision, identity shall include, but not be limited to, name, address, email address, identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print, a photograph or a biometric identifier. Notice-triggering Personal Information includes PI in electronic, paper or any other medium.
- G. "Personally Identifiable Information" (PII) shall have the meaning given to such term in the IEA and CMPPA.
- H. "Personal Information" (PI) shall have the meaning given to such term in California Civil Code Section 1798.3(a).

- I. "Required by law" means a mandate contained in law that compels an entity to make a use or disclosure of PI or PII that is enforceable in a court of law. This includes, but is not limited to, court orders and court-ordered warrants, subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or an administrative body authorized to require the production of information, and a civil or an authorized investigative demand. It also includes Medicare conditions of participation with respect to health care providers participating in the program, and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing public benefits.
- J. "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PI, or confidential data utilized in complying with this Agreement; or interference with system operations in an information system that processes, maintains or stores PI.

### 3. Terms of Agreement

#### A. Permitted Uses and Disclosures of Department PI and PII by Contractor

Except as otherwise indicated in this Exhibit G-2, Contractor may use or disclose Department PI only to perform functions, activities or services for or on behalf of the Department pursuant to the terms of this Agreement provided that such use or disclosure would not violate the California Information Practices Act (CIPA) if done by the Department.

#### B. Responsibilities of Contractor

Contractor agrees:

- 1) **Nondisclosure.** Not to use or disclose Department PI or PII other than as permitted or required by this Agreement or as required by applicable state and federal law.
- 2) **Safeguards.** To implement appropriate and reasonable administrative, technical, and physical safeguards to protect the security, confidentiality and integrity of Department PI and PII, to protect against anticipated threats or hazards to the security or integrity of Department PI and PII, and to prevent use or disclosure of Department PI or PII other than as provided for by this Agreement. Contractor shall develop and maintain a written information privacy and security program that include administrative, technical and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities, which incorporate the requirements of section 3, Security, below. Contractor will provide DHCS with its current policies upon request.

- 3) **Security.** Contractor shall take any and all steps necessary to ensure the continuous security of all computerized data systems containing PHI and/or PI, and to protect paper documents containing PHI and/or PI. These steps shall include, at a minimum:
- a. Complying with all of the data system security precautions listed in Attachment A, Business Associate Data Security Requirements;
  - b. Providing a level and scope of security that is at least comparable to the level and scope of security established by the Office of Management and Budget in OMB Circular No. A-130, Appendix III- Security of Federal Automated Information Systems, which sets forth guidelines for automated information systems in Federal agencies; and
  - c. If the data obtained by Contractor from DHCS includes PII, Contractor shall also comply with the substantive privacy and security requirements in the Computer Matching and Privacy Protection Act Agreement between the SSA and the California Health and Human Services Agency (CHHS) and in the Agreement between the SSA and DHCS, known as the Information Exchange Agreement, which are attached as Attachment I and incorporated into this Agreement. The specific sections of the IEA with substantive privacy and security requirements to be complied with are sections E, F, and G, and in Attachment 4 to the IEA, Electronic Information Exchange Security Requirements, Guidelines and Procedures for Federal, State and Local Agencies Exchanging Electronic Information with the SSA. Contractor also agrees to ensure that any agents, including a subcontractor to whom it provides DHCS PII, agree to the same requirements for privacy and security safeguards for confidential data that apply to Contractor with respect to such information.
- 4) **Mitigation of Harmful Effects.** To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of Department PI or PII by Contractor or its subcontractors in violation of this Exhibit G-2.
- 5) **Contractor's Agents and Subcontractors.** To impose the same restrictions and conditions set forth in this Exhibit G-2 on any subcontractors or other agents with whom Contractor subcontracts any activities under this Agreement that involve the disclosure of Department PI or PII to the subcontractor.
- 6) **Availability of Information to DHCS.** To make Department PI and PII available to the Department for purposes of oversight, inspection, amendment, and response to requests for records, injunctions, judgments, and orders for production of Department PI and PII. If

Contractor receives Department PII, upon request by DHCS, Contractor shall provide DHCS with a list of all employees, contractors and agents who have access to Department PII, including employees, contractors and agents of its subcontractors and agents.

- 7) **Cooperation with DHCS.** With respect to Department PI, to cooperate with and assist the Department to the extent necessary to ensure the Department's compliance with the applicable terms of the CIPA including, but not limited to, accounting of disclosures of Department PI, correction of errors in Department PI, production of Department PI, disclosure of a security breach involving Department PI and notice of such breach to the affected individual(s).
- 8) **Confidentiality of Alcohol and Drug Abuse Patient Records.** Contractor agrees to comply with all confidentiality requirements set forth in Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2. Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.
- 9) **Breaches and Security Incidents.** During the term of this Agreement, Contractor agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:
  - a. **Initial Notice to the Department.** (1) To notify the Department **immediately by telephone call or email or fax** upon the discovery of a breach of unsecured Department PI or PII in electronic media or in any other media if the PI or PII was, or is reasonably believed to have been, accessed or acquired by an unauthorized person, or upon discovery of a suspected security incident involving Department PII. (2) To notify the Department **within one (1) hour by email or fax** if the data is data subject to the SSA Agreement; and **within 24 hours by email or fax** of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of Department PI or PII in violation of this Agreement or this Exhibit G-1 or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Contractor as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Contractor.
  - b. Notice shall be provided to the Information Protection Unit, Office of HIPAA Compliance. If the incident occurs after business hours or on a weekend or holiday and involves electronic Department PI or PII, notice shall be provided by calling the Department Information Security Officer. Notice shall be made using the DHCS

"Privacy Incident Report" form, including all information known at the time. Contractor shall use the most current version of this form, which is posted on the DHCS Information Security Officer website ([www.dhcs.ca.gov](http://www.dhcs.ca.gov), then select "Privacy" in the left column and then "Business Partner" near the middle of the page) or use this link: <http://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/DHCSBusinessAssociatesOnly.aspx> .

- c. Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of Department PI or PII, Contractor shall take:
  - i. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
  - ii. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- d. **Investigation and Investigation Report.** To immediately investigate such suspected security incident, security incident, breach, or unauthorized access, use or disclosure of PHI. Within 72 hours of the discovery, Contractor shall submit an updated "Privacy Incident Report" containing the information marked with an asterisk and all other applicable information listed on the form, to the extent known at that time, to the Department Information Security Officer.
- e. **Complete Report.** To provide a complete report of the investigation to the Department Program Contract Manager and the Information Protection Unit within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall be submitted on the "Privacy Incident Report" form and shall include an assessment of all known factors relevant to a determination of whether a breach occurred. The report shall also include a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure. If the Department requests information in addition to that listed on the "Privacy Incident Report" form, Contractor shall make reasonable efforts to provide the Department with such information. If, because of the circumstances of the incident, Contractor needs more than ten (10) working days from the discovery to submit a complete report, the Department may grant a reasonable extension of time, in which case Contractor shall submit periodic updates until the complete report is submitted. If necessary, a Supplemental Report may be used to submit revised or additional information after the

completed report is submitted, by submitting the revised or additional information on an updated "Privacy Incident Report" form. The Department will review and approve the determination of whether a breach occurred and whether individual notifications and a corrective action plan are required.

- f. **Responsibility for Reporting of Breaches.** If the cause of a breach of Department PI or PII is attributable to Contractor or its agents, subcontractors or vendors, Contractor is responsible for all required reporting of the breach as specified in CIPA, section 1798.29 and as may be required under the IEA. Contractor shall bear all costs of required notifications to individuals as well as any costs associated with the breach. The Privacy Officer shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made. The Department will provide its review and approval expeditiously and without unreasonable delay.
- g. If Contractor has reason to believe that duplicate reporting of the same breach or incident may occur because its subcontractors, agents or vendors may report the breach or incident to the Department in addition to Contractor, Contractor shall notify the Department, and the Department and Contractor may take appropriate action to prevent duplicate reporting.
- h. **Department Contact Information.** To direct communications to the above referenced Department staff, the Contractor shall initiate contact as indicated herein. The Department reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Addendum or the Agreement to which it is incorporated.

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

**10) Designation of Individual Responsible for Security**

Contractor shall designate an individual, (e.g., Security Officer), to oversee its data security program who shall be responsible for carrying out the requirements of this Exhibit G-2 and for communicating on security matters with the Department.

### EXHIBIT G-3

#### Miscellaneous Terms and Conditions

##### Applicable to Exhibit G

- 1) **Confidentiality of Alcohol and Drug Abuse Patient Records.** Contractor agrees to comply with all confidentiality requirements set forth in Title 42 Code of Federal Regulations, Chapter I, Subchapter A, Part 2. Contractor is aware that criminal penalties may be imposed for a violation of these confidentiality requirements.
  
- 2) **Disclaimer.** The Department makes no warranty or representation that compliance by Contractor with this Exhibit G, HIPAA or the HIPAA regulations will be adequate or satisfactory for Contractor's own purposes or that any information in Contractor's possession or control, or transmitted or received by Contractor, is or will be secure from unauthorized use or disclosure. Contractor is solely responsible for all decisions made by Contractor regarding the safeguarding of the Department PHI, PI and PII.
  
- 3) **Amendment.** The parties acknowledge that federal and state laws relating to electronic data security and privacy are rapidly evolving and that amendment of this Exhibit G may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations, and other applicable state and federal laws. Upon either party's request, the other party agrees to promptly enter into negotiations concerning an amendment to this Exhibit G embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, and the HIPAA regulations, and other applicable state and federal laws. The Department may terminate this Agreement upon thirty (30) days written notice in the event:
  - a) Contractor does not promptly enter into negotiations to amend this Exhibit G when requested by the Department pursuant to this section;  
or
  - b) Contractor does not enter into an amendment providing assurances regarding the safeguarding of Department PHI that the Department deems is necessary to satisfy the standards and requirements of HIPAA and the HIPAA regulations.
  
- 4) **Judicial or Administrative Proceedings.** Contractor will notify the Department if it is named as a defendant in a criminal proceeding for a violation of HIPAA or other security or privacy law. The Department may terminate this Agreement if Contractor is found guilty of a criminal violation of

HIPAA. The Department may terminate this Agreement if a finding or stipulation that the Contractor has violated any standard or requirement of HIPAA, or other security or privacy laws is made in any administrative or civil proceeding in which the Contractor is a party or has been joined. DHCS will consider the nature and seriousness of the violation in deciding whether or not to terminate the Agreement.

- 5) **Assistance in Litigation or Administrative Proceedings.** Contractor shall make itself and any subcontractors, employees or agents assisting Contractor in the performance of its obligations under this Agreement, available to the Department at no cost to the Department to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Department, its directors, officers or employees based upon claimed violation of HIPAA, or the HIPAA regulations, which involves inactions or actions by the Contractor, except where Contractor or its subcontractor, employee or agent is a named adverse party.
- 6) **No Third-Party Beneficiaries.** Nothing express or implied in the terms and conditions of this Exhibit G is intended to confer, nor shall anything herein confer, upon any person other than the Department or Contractor and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.
- 7) **Interpretation.** The terms and conditions in this Exhibit G shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, and the HIPAA regulations. The parties agree that any ambiguity in the terms and conditions of this Exhibit G shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act and the HIPAA regulations, and, if applicable, any other relevant state and federal laws.
- 8) **Conflict.** In case of a conflict between any applicable privacy or security rules, laws, regulations or standards the most stringent shall apply. The most stringent means that safeguard which provides the highest level of protection to PHI, PI and PII from unauthorized disclosure. Further, Contractor must comply within a reasonable period of time with changes to these standards that occur after the effective date of this Agreement.
- 9) **Regulatory References.** A reference in the terms and conditions of this Exhibit G to a section in the HIPAA regulations means the section as in effect or as amended.
- 10) **Survival.** The respective rights and obligations of Contractor under Section 3, Item D of Exhibit G-1, and Section 3, Item B of Exhibit G-2, Responsibilities of Contractor, shall survive the termination or expiration of this Agreement.
- 11) **No Waiver of Obligations.** No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver

of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

- 12) **Audits, Inspection and Enforcement.** From time to time, and subject to all applicable federal and state privacy and security laws and regulations, the Department may conduct a reasonable inspection of the facilities, systems, books and records of Contractor to monitor compliance with this Exhibit G. Contractor shall promptly remedy any violation of any provision of this Exhibit G. The fact that the Department inspects, or fails to inspect, or has the right to inspect, Contractor's facilities, systems and procedures does not relieve Contractor of its responsibility to comply with this Exhibit G. The Department's failure to detect a non-compliant practice, or a failure to report a detected non-compliant practice to Contractor does not constitute acceptance of such practice or a waiver of the Department's enforcement rights under this Agreement, including this Exhibit G.
- 13) **Due Diligence.** Contractor shall exercise due diligence and shall take reasonable steps to ensure that it remains in compliance with this Exhibit G and is in compliance with applicable provisions of HIPAA, the HITECH Act and the HIPAA regulations, and other applicable state and federal law, and that its agents, subcontractors and vendors are in compliance with their obligations as required by this Exhibit G.
- 14) **Term.** The Term of this Exhibit G-1 shall extend beyond the termination of the Agreement and shall terminate when all Department PHI is destroyed or returned to the Department, in accordance with 45 CFR Section 164.504(e)(2)(ii)(I), and when all Department PI and PII is destroyed in accordance with Attachment A.
- 14) **Effect of Termination.** Upon termination or expiration of this Agreement for any reason, Contractor shall return or destroy all Department PHI, PI and PII that Contractor still maintains in any form, and shall retain no copies of such PHI, PI or PII. If return or destruction is not feasible, Contractor shall notify the Department of the conditions that make the return or destruction infeasible, and the Department and Contractor shall determine the terms and conditions under which Contractor may retain the PHI, PI or PII. Contractor shall continue to extend the protections of this Exhibit G to such Department PHI, PI and PII, and shall limit further use of such data to those purposes that make the return or destruction of such data infeasible. This provision shall apply to Department PHI, PI and PII that is in the possession of subcontractors or agents of Contractor.

**Attachment A**  
Data Security Requirements

**1. Personnel Controls**

- A. **Employee Training.** All workforce members who assist in the performance of functions or activities on behalf of the Department, or access or disclose Department PHI or PI must complete information privacy and security training, at least annually, at Contractor's expense. Each workforce member who receives information privacy and security training must sign a certification, indicating the member's name and the date on which the training was completed. These certifications must be retained for a period of six (6) years following termination of this Agreement.
- B. **Employee Discipline.** Appropriate sanctions must be applied against workforce members who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment where appropriate.
- C. **Confidentiality Statement.** All persons that will be working with Department PHI or PI must sign a confidentiality statement that includes, at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the workforce member prior to access to Department PHI or PI. The statement must be renewed annually. The Contractor shall retain each person's written confidentiality statement for Department inspection for a period of six (6) years following termination of this Agreement.
- D. **Background Check.** Before a member of the workforce may access Department PHI or PI, a background screening of that worker must be conducted. The screening should be commensurate with the risk and magnitude of harm the employee could cause, with more thorough screening being done for those employees who are authorized to bypass significant technical and operational security controls. The Contractor shall retain each workforce member's background check documentation for a period of three (3) years.

**2. Technical Security Controls**

- A. **Workstation/Laptop encryption.** All workstations and laptops that store Department PHI or PI either directly or temporarily must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved by the Department Information Security Office.

- B. **Server Security.** Servers containing unencrypted Department PHI or PI must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- C. **Minimum Necessary.** Only the minimum necessary amount of Department PHI or PI required to perform necessary business functions may be copied, downloaded, or exported.
- D. **Removable media devices.** All electronic files that contain Department PHI or PI data must be encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies, CD/DVD, Blackberry, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES.
- E. **Antivirus software.** All workstations, laptops and other systems that process and/or store Department PHI or PI must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.
- F. **Patch Management.** All workstations, laptops and other systems that process and/or store Department PHI or PI must have critical security patches applied, with system reboot if necessary. There must be a documented patch management process which determines installation timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable patches must be installed within 30 days of vendor release. Applications and systems that cannot be patched within this time frame due to significant operational reasons must have compensatory controls implemented to minimize risk until the patches can be installed. Applications and systems that cannot be patched must have compensatory controls implemented to minimize risk, where possible.
- G. **User IDs and Password Controls.** All users must be issued a unique user name for accessing Department PHI or PI. Username must be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee with knowledge of the password. Passwords are not to be shared. Passwords must be at least eight characters and must be a non-dictionary word. Passwords must not be stored in readable format on the computer. Passwords must be changed at least every 90 days, preferably every 60 days. Passwords must be changed if revealed or compromised. Passwords must be composed of characters from at least three of the following four groups from the standard keyboard:
- 1) Upper case letters (A-Z)
  - 2) Lower case letters (a-z)
  - 3) Arabic numerals (0-9)
  - 4) Non-alphanumeric characters (punctuation symbols)
- H. **Data Destruction.** When no longer needed, all Department PHI or PI must be wiped using the Gutmann or US Department of Defense (DoD) 5220.22-M (7 Pass) standard, or by degaussing. Media may also be physically destroyed in accordance with NIST

Special Publication 800-88. Other methods require prior written permission of the Department Information Security Office.

- I. **System Timeout.** The system providing access to Department PHI or PI must provide an automatic timeout, requiring re-authentication of the user session after no more than 20 minutes of inactivity.
- J. **Warning Banners.** All systems providing access to Department PHI or PI must display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only by authorized users. User must be directed to log off the system if they do not agree with these requirements.
- K. **System Logging.** The system must maintain an automated audit trail which can identify the user or system process which initiates a request for Department PHI or PI, or which alters Department PHI or PI. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If Department PHI or PI is stored in a database, database logging functionality must be enabled. Audit trail data must be archived for at least 3 years after occurrence.
- L. **Access Controls.** The system providing access to Department PHI or PI must use role based access controls for all user authentications, enforcing the principle of least privilege.
- M. **Transmission encryption.** All data transmissions of Department PHI or PI outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm which is 128bit or higher, such as AES. Encryption can be end to end at the network level, or the data files containing Department PHI can be encrypted. This requirement pertains to any type of Department PHI or PI in motion such as website access, file transfer, and E-Mail.
- N. **Intrusion Detection.** All systems involved in accessing, holding, transporting, and protecting Department PHI or PI that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

### 3. **Audit Controls**

- A. **System Security Review.** Contractor must ensure audit control mechanisms that record and examine system activity are in place. All systems processing and/or storing Department PHI or PI must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews should include vulnerability scanning tools.

- B. **Log Reviews.** All systems processing and/or storing Department PHI or PI must have a routine procedure in place to review system logs for unauthorized access.
- C. **Change Control.** All systems processing and/or storing Department PHI or PI must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

**4. Business Continuity / Disaster Recovery Controls**

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

**5. Paper Document Controls**

- A. **Supervision of Data.** Department PHI or PI in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not being observed by an employee authorized to access the information. Department PHI or PI in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- B. **Escorting Visitors.** Visitors to areas where Department PHI or PI is contained shall be escorted and Department PHI or PI shall be kept out of sight while visitors are in the area.
- C. **Confidential Destruction.** Department PHI or PI must be disposed of through confidential means, such as cross cut shredding and pulverizing.
- D. **Removal of Data.** Only the minimum necessary Department PHI or PI may be removed from the premises of the Contractor except with express written permission of the Department. Department PHI or PI shall not be considered "removed from the premises" if it is only being transported from one of Contractor's locations to another of Contractor's locations.

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

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**Attachment I**

Information Exchange Agreement between the  
Social Security Administration (SSA) and the  
California Department of Health Care Services

**INFORMATION EXCHANGE AGREEMENT  
BETWEEN  
THE SOCIAL SECURITY ADMINISTRATION (SSA)  
AND  
THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (STATE AGENCY)**

- A. PURPOSE:** The purpose of this Information Exchange Agreement ("IEA") is to establish terms, conditions, and safeguards under which SSA will disclose to the State Agency certain information, records, or data (herein "data") to assist the State Agency in administering certain federally funded state-administered benefit programs (including state-funded state supplementary payment programs under Title XVI of the Social Security Act) identified in this IEA. By entering into this IEA, the State Agency agrees to comply with:
- the terms and conditions set forth in the Computer Matching and Privacy Protection Act Agreement ("CMPPA Agreement") attached as **Attachment 1**, governing the State Agency's use of the data disclosed from SSA's Privacy Act System of Records; and
  - all other terms and conditions set forth in this IEA.
- B. PROGRAMS AND DATA EXCHANGE SYSTEMS:** (1) The State Agency will use the data received or accessed from SSA under this IEA for the purpose of administering the federally funded, state-administered programs identified in **Table 1** below. In **Table 1**, the State Agency has identified: (a) each federally funded, state-administered program that it administers; and (b) each SSA data exchange system to which the State Agency needs access in order to administer the identified program. The list of SSA's data exchange systems is attached as **Attachment 2**:

**TABLE 1**

<b>FEDERALLY FUNDED BENEFIT PROGRAMS</b>	
Program	SSA Data Exchange System(s)
<input checked="" type="checkbox"/> Medicaid	BENDEX/SDX/EVS/SVES/SOLQ/SVES I-Citizenship /Quarters of Coverage/Prisoner Query
<input type="checkbox"/> Temporary Assistance to Needy Families (TANF)	
<input type="checkbox"/> Supplemental Nutrition Assistance Program (SNAP- formally Food Stamps)	
<input type="checkbox"/> Unemployment Compensation (Federal)	
<input type="checkbox"/> Unemployment Compensation (State)	
<input type="checkbox"/> State Child Support Agency	
<input type="checkbox"/> Low-Income Home Energy Assistance Program (LI-HEAP)	
<input type="checkbox"/> Workers Compensation	
<input type="checkbox"/> Vocational Rehabilitation Services	



<input type="checkbox"/> Foster Care (IV-E)	
<input type="checkbox"/> State Health Insurance Program (S-CHIP)	
<input type="checkbox"/> Women, Infants and Children (W.I.C.)	
<input checked="" type="checkbox"/> Medicare Savings Programs (MSP)	LIS File
<input checked="" type="checkbox"/> Medicare 1144 (Outreach)	Medicare 1144 Outreach File
<input type="checkbox"/> Other Federally Funded, State-Administered Programs (List Below)	
Program	SSA Data Exchange System(s)

(2) The State Agency will use each identified data exchange system *only* for the purpose of administering the specific program for which access to the data exchange system is provided. SSA data exchange systems are protected by the Privacy Act and federal law prohibits the use of SSA's data for any purpose other than the purpose of administering the specific program for which such data is disclosed. In particular, the State Agency will use: (a) the **tax return data** disclosed by SSA only to determine individual eligibility for, or the amount of, assistance under a state plan pursuant to Section 1137 programs and child support enforcement programs in accordance with 26 U.S.C. § 6103(1)(8); and (b) the **citizenship status data** disclosed by SSA under the Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. 111-3, only for the purpose of determining entitlement to Medicaid and CHIP program for new applicants. The State Agency also acknowledges that SSA's citizenship data may be less than 50 percent current. Applicants for SSNs report their citizenship data at the time they apply for their SSNs; there is no obligation for an individual to report to SSA a change in his or her immigration status until he or she files a claim for benefits.

C. **PROGRAM QUESTIONNAIRE:** Prior to signing this IEA, the State Agency will complete and submit to SSA a program questionnaire for each of the federally funded, state-administered programs checked in Table 1 above. SSA will not disclose any data under this IEA until it has received and approved the completed program questionnaire for each of the programs identified in Table 1 above.



**D. TRANSFER OF DATA:** SSA will transmit the data to the State Agency under this IEA using the data transmission method identified in **Table 2** below:

**TABLE 2**

TRANSFER OF DATA
<input type="checkbox"/> Data will be transmitted directly between SSA and the State Agency.
<input checked="" type="checkbox"/> Data will be transmitted directly between SSA and the California Office of Technology (State Transmission/Transfer Component ("STC")) by the File Transfer Management System, a secure mechanism approved by SSA. The STC will serve as the conduit between SSA and the State Agency pursuant to the State STC Agreement.
<input type="checkbox"/> Data will be transmitted directly between SSA and the Interstate Connection Network ("ICON"). ICON is a wide area telecommunications network connecting state agencies that administer the state unemployment insurance laws. When receiving data through ICON, the State Agency will comply with the "Systems Security Requirements for SSA Web Access to SSA Information Through the ICON," attached as <b>Attachment 3</b> .

**E. SECURITY PROCEDURES:** The State Agency will comply with limitations on use, treatment, and safeguarding of data under the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988, related Office of Management and Budget guidelines, the Federal Information Security Management Act of 2002 (44 U.S.C. § 3541, et seq.), and related National Institute of Standards and Technology guidelines. In addition, the State Agency will comply with SSA's "Information System Security Guidelines for Federal, State and Local Agencies Receiving Electronic Information from the Social Security Administration," attached as **Attachment 4**. For any tax return data, the State Agency will also comply with the "Tax Information Security Guidelines for Federal, State and Local Agencies," Publication 1075, published by the Secretary of the Treasury and available at the following Internal Revenue Service (IRS) website: <http://www.irs.gov/pub/irs-pdf/p1075.pdf>. This IRS Publication 1075 is incorporated by reference into this IEA.

**F. CONTRACTOR/AGENT RESPONSIBILITIES:** The State Agency will restrict access to the data obtained from SSA to only those authorized State employees, contractors, and agents who need such data to perform their official duties in connection with purposes identified in this IEA. At SSA's request, the State Agency will obtain from each of its contractors and agents a current list of the employees of its contractors and agents who have access to SSA data disclosed under this IEA. The State Agency will require its contractors, agents, and all employees of such contractors or agents with authorized access to the SSA data disclosed under this IEA, to comply with the terms and conditions set forth in this IEA, and not to duplicate, disseminate, or disclose such data without obtaining SSA's prior written approval. In addition, the State Agency will comply with the limitations on use, duplication, and redisclosure of SSA data set forth in Section IX. of the CMPPA Agreement, especially with respect to its contractors and agents.



**G. SAFEGUARDING AND REPORTING RESPONSIBILITIES FOR PERSONALLY IDENTIFIABLE INFORMATION ("PII"):**

1. The State Agency will ensure that its employees, contractors, and agents:
  - a. properly safeguard PII furnished by SSA under this IEA from loss, theft or inadvertent disclosure;
  - b. understand that they are responsible for safeguarding this information at all times, regardless of whether or not the State employee, contractor, or agent is at his or her regular duty station;
  - c. ensure that laptops and other electronic devices/media containing PII are encrypted and/or password protected;
  - d. send emails containing PII only if encrypted or if to and from addresses that are secure; and
  - e. limit disclosure of the information and details relating to a PII loss only to those with a need to know.
  
2. If an employee of the State Agency or an employee of the State Agency's contractor or agent becomes aware of suspected or actual loss of PII, he or she must immediately contact the State Agency official responsible for Systems Security designated below or his or her delegate. That State Agency official or delegate must then notify the SSA Regional Office Contact and the SSA Systems Security Contact identified below. If, for any reason, the responsible State Agency official or delegate is unable to notify the SSA Regional Office or the SSA Systems Security Contact within 1 hour, the responsible State Agency official or delegate must call SSA's Network Customer Service Center ("NCSC") at 410-965-7777 or toll free at 1-888-772-6661 to report the actual or suspected loss. The responsible State Agency official or delegate will use the worksheet, attached as Attachment 5, to quickly gather and organize information about the incident. The responsible State Agency official or delegate must provide to SSA timely updates as any additional information about the loss of PII becomes available.
  
3. SSA will make the necessary contact within SSA to file a formal report in accordance with SSA procedures. SSA will notify the Department of Homeland Security's United States Computer Emergency Readiness Team if loss or potential loss of PII related to a data exchange under this IEA occurs.
  
4. If the State Agency experiences a loss or breach of data, it will determine whether or not to provide notice to individuals whose data has been lost or breached and bear any costs associated with the notice or any mitigation.



**H. POINTS OF CONTACT:**

**FOR SSA**

**San Francisco Regional Office:**

Ellery Brown  
Data Exchange Coordinator  
Frank Hagel Federal Building  
1221 Nevin Avenue  
Richmond CA 94801  
Phone: (510) 970-8243  
Fax: (510) 970-8101  
Email: [Ellery.Brown@ssa.gov](mailto:Ellery.Brown@ssa.gov)

**Systems Issues:**

Pamela Riley  
Office of Earnings, Enumeration &  
Administrative Systems  
DIVES/Data Exchange Branch  
6401 Security Boulevard  
Baltimore, MD 21235  
Phone: (410) 965-7993  
Fax: (410) 966-3147  
Email: [Pamela.Riley@ssa.gov](mailto:Pamela.Riley@ssa.gov)

**FOR STATE AGENCY**

**Agreement Issues:**

Manuel Urbina  
Chief, Security Unit  
Policy Operations Branch  
Medi-Cal Eligibility Division  
1501 Capitol Avenue, MS 4607  
Sacramento, CA 95814  
Phone: (916) 650-0160  
Email: [Manuel.Urbina@dhcs.ca.gov](mailto:Manuel.Urbina@dhcs.ca.gov)

**Data Exchange Issues:**

Guy Fortson  
Office of Electronic Information Exchange  
GD10 East High Rise  
6401 Security Boulevard  
Baltimore, MD 21235  
Phone: (410) 597-1103  
Fax: (410) 597-0841  
Email: [guy.fortson@ssa.gov](mailto:guy.fortson@ssa.gov)

**Systems Security Issues:**

Michael G. Johnson  
Acting Director  
Office of Electronic Information Exchange  
Office of Strategic Services  
6401 Security Boulevard  
Baltimore, MD 21235  
Phone: (410) 965-0266  
Fax: (410) 966-0527  
Email: [Michael.G.Johnson@ssa.gov](mailto:Michael.G.Johnson@ssa.gov)

**Technical Issues:**

Fei Collier  
Chief, Application Support Branch  
Information Technology Services Division  
1615 Capitol Ave, MS 6100  
Sacramento, CA 95814  
Phone: (916) 440-7036  
Email: [Fei.Collier@dhcs.ca.gov](mailto:Fei.Collier@dhcs.ca.gov)

- I. DURATION:** The effective date of this IEA is January 1, 2010. This IEA will remain in effect for as long as: (1) a CMPPA Agreement governing this IEA is in effect between SSA and the State or the State Agency; and (2) the State Agency submits a certification in accordance with Section J. below at least 30 days before the expiration and renewal of such CMPPA Agreement.



**J. CERTIFICATION AND PROGRAM CHANGES:** At least 30 days before the expiration and renewal of the State CMPPA Agreement governing this IEA, the State Agency will certify in writing to SSA that: (1) it is in compliance with the terms and conditions of this IEA; (2) the data exchange processes under this IEA have been and will be conducted without change; and (3) it will, upon SSA's request, provide audit reports or other documents that demonstrate review and oversight activities. If there are substantive changes in any of the programs or data exchange processes listed in this IEA, the parties will modify the IEA in accordance with Section K. below and the State Agency will submit for SSA's approval new program questionnaires under Section C. above describing such changes prior to using SSA's data to administer such new or changed program.

**K. MODIFICATION:** Modifications to this IEA must be in writing and agreed to by the parties.

**L. TERMINATION:** The parties may terminate this IEA at any time upon mutual written consent. In addition, either party may unilaterally terminate this IEA upon 90 days advance written notice to the other party. Such unilateral termination will be effective 90 days after the date of the notice, or at a later date specified in the notice.

SSA may immediately and unilaterally suspend the data flow under this IEA, or terminate this IEA, if SSA, in its sole discretion, determines that the State Agency (including its employees, contractors, and agents) has: (1) made an unauthorized use or disclosure of SSA-supplied data; or (2) violated or failed to follow the terms and conditions of this IEA or the CMPPA Agreement.

**M. INTEGRATION:** This IEA, including all attachments, constitutes the entire agreement of the parties with respect to its subject matter. There have been no representations, warranties, or promises made outside of this IEA. This IEA shall take precedence over any other document that may be in conflict with it.

#### **ATTACHMENTS**

- 1 - CMPPA Agreement
- 2 - SSA Data Exchange Systems
- 3 - Systems Security Requirements for SSA Web Access to SSA Information Through ICON
- 4 - Information System Security Guidelines for Federal, State and Local Agencies Receiving Electronic Information from the Social Security Administration
- 5 - PII Loss Reporting Worksheet



N. **SSA AUTHORIZED SIGNATURE:** The signatory below warrants and represents that he or she has the competent authority on behalf of SSA to enter into the obligations set forth in this IEA.

**SOCIAL SECURITY ADMINISTRATION**

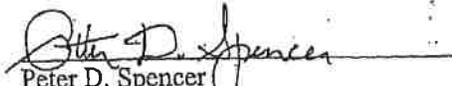
  
\_\_\_\_\_  
Michael G. Gallagher  
Assistant Deputy Commissioner  
for Budget, Finance and Management

5/13/05  
Date



**O. REGIONAL AND STATE AGENCY SIGNATURES:**

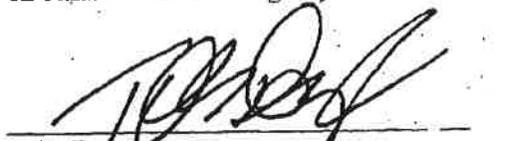
SOCIAL SECURITY ADMINISTRATION  
REGION IX

  
Peter D. Spencer  
San Francisco Regional Commissioner

10/26/09  
Date

THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

The signatory below warrants and represents that he or she has the competent authority on behalf of the State Agency to enter into the obligations set forth in this IEA.

  
Toby Douglas  
Chief Deputy Director, Health Care Programs

10/11/09  
Date



**CERTIFICATION OF COMPLIANCE  
FOR  
THE INFORMATION EXCHANGE AGREEMENT  
BETWEEN  
THE SOCIAL SECURITY ADMINISTRATION (SSA)  
AND  
THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (STATE  
AGENCY)  
(State Agency Level)**

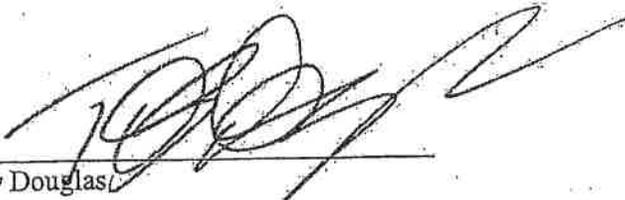
In accordance with the terms of the Information Exchange Agreement (IEA/F) between SSA and the State Agency, the State Agency, through its authorized representative, hereby certifies that, as of the date of this certification:

1. The State Agency is in compliance with the terms and conditions of the IEA/F;
2. The State Agency has conducted the data exchange processes under the IEA/F without change, except as modified in accordance with the IEA/F;
3. The State Agency will continue to conduct the data exchange processes under the IEA/F without change, except as may be modified in accordance with the IEA/F;
4. Upon SSA's request, the State Agency will provide audit reports or other documents that demonstrate compliance with the review and oversight activities required under the IEA/F and the governing Computer Matching and Privacy Protection Act Agreement; and
5. In compliance with the requirements of the "Electronic Information Exchange Security Requirements, Guidelines, and Procedures for State and Local Agencies Exchanging Electronic Information with the Social Security Administration," Attachment 4 to the IEA/F, as periodically updated by SSA, the State Agency has not made any changes in the following areas that could potentially affect the security of SSA data:
  - General System Security Design and Operating Environment
  - System Access Control
  - Automated Audit Trail
  - Monitoring and Anomaly Detection
  - Management Oversight
  - Data and Communications Security

The State Agency will submit an updated Security Design Plan at least 30 days prior to making any changes to the areas listed above.

The signatory below warrants and represents that he or she is a representative of the State Agency duly authorized to make this certification on behalf of the State Agency.

**DEPARTMENT OF HEALTH CARE SERVICES OF CALIFORNIA**

  
\_\_\_\_\_  
Toby Douglas  
Director

4/12/12  
\_\_\_\_\_  
Date

**ATTACHMENT 1**

**COMPUTER MATCHING AND PRIVACY  
PROTECTION ACT AGREEMENT**

Model CMPPA Agreement

COMPUTER MATCHING AND PRIVACY PROTECTION ACT AGREEMENT  
BETWEEN  
THE SOCIAL SECURITY ADMINISTRATION  
AND  
THE HEALTH AND HUMAN SERVICES AGENCY  
OF CALIFORNIA

**I. Purpose and Legal Authority**

**A. Purpose.**

This Computer Matching and Privacy Protection Act (CMPPA) Agreement between the Social Security Administration (SSA) and the California Health and Human Services Agency (State Agency), sets forth the terms and conditions governing disclosures of records, information, or data (collectively referred to herein "data") made by SSA to the State Agency that administers federally funded benefit programs under various provisions of the Social Security Act (Act), such as section 1137 (42 U.S.C. § 1320b-7), including the state-funded state supplementary payment programs under title XVI of the Act. The terms and conditions of this Agreement ensure that SSA makes such disclosures of data, and the State Agency uses such disclosed data, in accordance with the requirements of the Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, 5 U.S.C. § 552a.

Under section 1137 of the Act, the State Agency is required to use an income and eligibility verification system to administer specified federally funded benefit programs, including the state-funded state supplementary payment programs under title XVI of the Act. To assist the State Agency in determining entitlement to and eligibility for benefits under those programs, as well as other federally funded benefit programs, SSA discloses certain data about applicants for state benefits from SSA Privacy Act Systems of Records (SOR) and verifies the Social Security numbers (SSN) of the applicants.

**B. Legal Authority**

SSA's authority to disclose data and the State Agency's authority to collect, maintain, and use data protected under SSA SORs for specified purposes is:

- Sections 1137, 453, and 1106(b) of the Act (42 U.S.C. §§ 1320b-7, 653, and 1306(b)) (income and eligibility verification data);
- 26 U.S.C. § 6103(l)(7) and (8) (tax return data);
- Section 202(x)(3)(B)(iv) of the Act (42 U.S.C. § 401(x)(3)(B)(iv)) (prisoner data);
- Section 1611(e)(1)(I)(iii) of the Act (42 U.S.C. § 1382(e)(1)(I)(iii)) (SSI);

- Section 205(r)(3) of the Act (42 U.S.C. § 405(r)(3)) and the Intelligence Reform and Terrorism Prevention Act of 2004, Pub. L. 108-458, § 7213(a)(2) (death data);
- Sections 402, 412, 421, and 435 of Pub. L. 104-193 (8 U.S.C. §§ 1612, 1622, 1631, and 1645) (quarters of coverage data);
- Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. 111-3 (citizenship data); and
- Routine use exception to the Privacy Act, 5 U.S.C. § 552a(b)(3) (data necessary to administer other programs compatible with SSA programs).

This Agreement further carries out section 1106(a) of the Act (42 U.S.C. § 1306), the regulations promulgated pursuant to that section (20 C.F.R. Part 401), the Privacy Act of 1974 (5 U.S.C. § 552a), as amended by the CMPPA, related Office of Management and Budget (OMB) guidelines, the Federal Information Security Management Act of 2002 (FISMA) (44 U.S.C. § 3541, et seq.), and related National Institute of Standards and Technology (NIST) guidelines, which provide the requirements that the State Agency must follow with regard to use, treatment, and safeguarding of data.

## II. Scope

- A. The State Agency will comply with the terms and conditions of this Agreement and the Privacy Act, as amended by the CMPPA.
- B. The State Agency will execute one or more Information Exchange Agreements (IEA) with SSA, documenting additional terms and conditions applicable to those specific data exchanges, including the particular benefit programs administered by the State Agency, the data elements that will be disclosed, and the data protection requirements implemented to assist the State Agency in the administration of those programs.
- C. The State Agency will use the SSA data governed by this Agreement to determine entitlement and eligibility of individuals for one or more of the following programs:
  1. Temporary Assistance to Needy Families (TANF) program under Part A of title IV of the Act;
  2. Medicaid provided under an approved State plan or an approved waiver under title XIX of the Act;
  3. State Children's Health Insurance Program (CHIP) under title XXI of the Act, as amended by the Children's Health Insurance Program Reauthorization Act of 2009;
  4. Supplemental Nutritional Assistance Program (SNAP) under the Food Stamp Act of 1977 (7 U.S.C. § 2011, et seq.);

5. Women, Infants and Children Program (WIC) under the Child Nutrition Act of 1966 (42 U.S.C. § 1771, et seq.);
  6. Medicare Savings Programs (MSP) under 42 U.S.C. § 1396a(10)(E);
  7. Unemployment Compensation programs provided under a state law described in section 3304 of the Internal Revenue Code of 1954;
  8. Low Income Heating and Energy Assistance (LIHEAP or home energy grants) program under 42 U.S.C. § 8621;
  9. State-administered supplementary payments of the type described in section 1616(a) of the Act;
  10. Programs under a plan approved under titles I, X, XIV or XVI of the Act;
  11. Foster Care and Adoption Assistance under title IV of the Act;
  12. Child Support Enforcement programs under section 453 of the Act (42 U.S.C. § 653);
  13. Other applicable federally funded programs administered by the State Agency under titles I, IV, X, XIV, XVI, XVIII, XIX, XX and XXI of the Act; and
  14. Any other federally funded programs administered by the State Agency that are compatible with SSA's programs.
- D. The State Agency will ensure that SSA data disclosed for the specific purpose of administering a particular federally funded benefit program is used only to administer that program.

### III. Justification and Expected Results

#### A. Justification

This Agreement and related data exchanges with the State Agency are necessary for SSA to assist the State Agency in its administration of federally funded benefit programs by providing the data required to accurately determine entitlement and eligibility of individuals for benefits provided under these programs. SSA uses computer technology to transfer the data because it is more economical, efficient, and faster than using manual processes.

#### B. Expected Results

The State Agency will use the data provided by SSA to improve public service and program efficiency and integrity. The use of SSA data expedites the application process and ensures that benefits are awarded only to applicants that satisfy the State Agency's program criteria. A cost-benefit analysis for the exchange made under this Agreement is not required in accordance with the determination by the SSA Data Integrity Board (DIB) to waive such analysis pursuant to 5 U.S.C. § 552a(u)(4)(B).

#### IV. Record Description

##### A. Systems of Records

SSA SORs used for purposes of the subject data exchanges include:

- 60-0058 -- Master Files of SSN Holders and SSN Applications (accessible through EVS, SVES, or Quarters of Coverage Query data systems);
- 60-0059 -- Earnings Recording and Self-Employment Income System (accessible through BENDEX, SVES, or Quarters of Coverage Query data systems);
- 60-0090 -- Master Beneficiary Record (accessible through BENDEX or SVES data systems);
- 60-0103 -- Supplemental Security Income Record (SSR) and Special Veterans Benefits (SVB) (accessible through SDX or SVES data systems);
- 60-0269 -- Prisoner Update Processing System (PUPS) (accessible through SVES or Prisoner Query data systems);
- 60-0321 -- Medicare Part D and Part D Subsidy File

The State Agency will only use the tax return data contained in SOR 60-0059 (Earnings Recording and Self-Employment Income System) in accordance with 26 U.S.C. § 6103.

##### B. Data Elements

Data elements disclosed in computer matching governed by this Agreement are Personally Identifiable Information (PII) from specified SSA SORs, including names, SSNs, addresses, amounts, and other information related to SSA benefits, and earnings information. Specific listings of data elements are available at:

<http://www.ssa.gov/qix/>

##### C. Number of Records Involved

The number of records for each program covered under this Agreement is equal to the number of title II, title XVI, or title XVIII recipients resident in the State as recorded in SSA's Annual Statistical Supplement found on the Internet at:

<http://www.ssa.gov/policy/docs/statcomps/>

This number will fluctuate during the term of this Agreement, corresponding to the number of title II, title XVI, and title XVIII recipients added to, or deleted from, SSA databases during the term of this Agreement.

V. Notice and Opportunity to Contest Procedures

A. Notice to Applicants

The State Agency will notify all individuals who apply for federally funded, state-administered benefits under the Act that any data they provide are subject to verification through computer matching with SSA. The State Agency and SSA will provide such notice through appropriate language printed on application forms or separate handouts.

B. Notice to Beneficiaries/Recipients/Annuitants

The State Agency will provide notice to beneficiaries, recipients, and annuitants under the programs covered by this Agreement informing them of ongoing computer matching with SSA. SSA will provide such notice through publication in the Federal Register and periodic mailings to all beneficiaries, recipients, and annuitants describing SSA's matching activities.

C. Opportunity to Contest

The State Agency will not terminate, suspend, reduce, deny, or take other adverse action against an applicant for or recipient of federally funded, state-administered benefits based on data disclosed by SSA from its SORs until the individual is notified in writing of the potential adverse action and provided an opportunity to contest the planned action. "Adverse action" means any action that results in a termination, suspension, reduction, or final denial of eligibility, payment, or benefit. Such notices will:

1. Inform the individual of the match findings and the opportunity to contest these findings;
2. Give the individual until the expiration of any time period established for the relevant program by a statute or regulation for the individual to respond to the notice. If no such time period is established by a statute or regulation for the program, a 30-day period will be provided. The time period begins on the date on which notice is mailed or otherwise provided to the individual to respond; and
3. Clearly state that, unless the individual responds to the notice in the required time period, the State Agency will conclude that the SSA data are correct and will effectuate the threatened action or otherwise make the necessary adjustment to the individual's benefit or entitlement.

#### VI. Records Accuracy Assessment and Verification Procedures

The State Agency may use SSA's benefit data without independent verification. SSA has independently assessed the accuracy of its benefits data to be more than 99 percent accurate when they are created.

Prisoner and death data, some of which is not independently verified by SSA, does not have the same degree of accuracy as SSA's benefit data. Therefore, the State Agency must independently verify these data through applicable State verification procedures and the notice and opportunity to contest procedures specified in Section V of this Agreement before taking any adverse action against any individual.

SSA's citizenship data may be less than 50 percent current. Applicants for SSNs report their citizenship status at the time they apply for their SSNs. There is no obligation for an individual to report to SSA a change in his or her immigration status until he or she files a claim for benefits.

#### VII. Disposition and Records Retention of Matched Items

- A. The State Agency will retain all data received from SSA to administer programs governed by this Agreement only for the required processing times for the applicable federally funded benefit programs and will then destroy all such data.
- B. The State Agency may retain SSA data in hardcopy to meet evidentiary requirements, provided that they retire such data in accordance with applicable state laws governing the State Agency's retention of records.
- C. The State Agency may use any accretions, deletions, or changes to the SSA data governed by this Agreement to update their master files of federally funded, state-administered benefit program applicants and recipients and retain such master files in accordance with applicable state laws governing the State Agency's retention of records.
- D. The State Agency may not create separate files or records comprised solely of the data provided by SSA to administer programs governed by this Agreement.
- E. SSA will delete electronic data input files received from the State Agency after it processes the applicable match. SSA will retire its data in accordance with the Federal Records Retention Schedule (44 U.S.C. § 3303a).

#### VIII. Security Procedures

The State Agency will comply with the security and safeguarding requirements of the Privacy Act, as amended by the CMPPA, related OMB guidelines; FISMA, related

NIST guidelines, and the current revision of IRS Publication 1075, *Tax Information Security Guidelines for Federal, State and Local Agencies and Entities*, available at <http://www.irs.gov>. In addition, the State Agency will have in place administrative, technical, and physical safeguards for the matched data and results of such matches. Additional administrative, technical, and physical security requirements governing all data SSA provides electronically to the State Agency, including specific guidance on safeguarding and reporting responsibilities for PII, are set forth in the IEAs.

#### IX. Records Usage, Duplication, and Rediscovery Restrictions

- A. The State Agency will use and access SSA data and the records created using that data only for the purpose of verifying eligibility for the specific federally funded benefit programs identified in the IEA.
- B. The State Agency will comply with the following limitations on use, duplication, and rediscovery of SSA data:
  1. The State Agency will not use or rediscover the data disclosed by SSA for any purpose other than to determine eligibility for, or the amount of, benefits under the state-administered income/health maintenance programs identified in this Agreement.
  2. The State Agency will not use the data disclosed by SSA to extract information concerning individuals who are neither applicants for, nor recipients of, benefits under the state-administered income/health maintenance programs identified in this Agreement.
  3. The State Agency will use the **Federal tax information (FTI)** disclosed by SSA only to determine individual eligibility for, or the amount of, assistance under a state plan pursuant to section 1137 programs and child support enforcement programs in accordance with 26 U.S.C. § 6103(l)(7) and (8). The State Agency receiving FTI will maintain all FTI from IRS in accordance with 26 U.S.C. § 6103(p)(4) and the IRS Publication 1075. Contractors and agents acting on behalf of the State Agency will only have access to tax return data where specifically authorized by 26 U.S.C. § 6103 and the IRS Publication 1075.
  4. The State Agency will use the **citizenship status data** disclosed by SSA under the Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. 111-3, only for the purpose of determining entitlement to Medicaid and CHIP programs for new applicants.
  5. The State Agency will restrict access to the data disclosed by SSA to only those authorized State employees, contractors, and agents who need such data

to perform their official duties in connection with the purposes identified in this Agreement.

6. The State Agency will enter into a written agreement with each of its contractors and agents who need SSA data to perform their official duties whereby such contractor or agent agrees to abide by all relevant Federal laws, restrictions on access, use, and disclosure, and security requirements in this Agreement. The State Agency will provide its contractors and agents with copies of this Agreement, related IEAs, and all related attachments before initial disclosure of SSA data to such contractors and agents. Prior to signing this Agreement, and thereafter at SSA's request, the State Agency will obtain from its contractors and agents a current list of the employees of such contractors and agents with access to SSA data and provide such lists to SSA.
  7. The State Agency's employees, contractors, and agents who access, use, or disclose SSA data in a manner or purpose not authorized by this Agreement may be subject to civil and criminal sanctions pursuant to applicable Federal statutes.
- C. The State Agency will not duplicate in a separate file or disseminate, without prior written permission from SSA, the data governed by this Agreement for any purpose other than to determine entitlement to, or eligibility for, federally funded benefits. The State Agency proposing the redisclosure must specify in writing to SSA what data are being disclosed, to whom, and the reasons that justify the redisclosure. SSA will not give permission for such redisclosure unless the redisclosure is required by law or essential to the conduct of the matching program and authorized under a routine use.

#### X. Comptroller General Access

The Comptroller General (the Government Accountability Office) may have access to all records of the State Agency that the Comptroller General deems necessary to monitor and verify compliance with this Agreement in accordance with 5 U.S.C. § 552a(o)(1)(K).

#### XI. Duration, Modification, and Termination of the Agreement

##### A. Duration

1. This Agreement is effective from July 1, 2012 (Effective Date) through December 31, 2013 (Expiration Date).
2. In accordance with the CMPPA, SSA will: (a) publish a Computer Matching Notice in the Federal Register at least 30 days prior to the

Effective Date; (b) send required notices to the Congressional committees of jurisdiction under 5 U.S.C. § 552a(e)(2)(A)(i) at least 40 days prior to the Effective Date; and (c) send the required report to the OMB at least 40 days prior to the Effective Date.

3. Within 3 months prior the Expiration Date, the SSA DIB may, without additional review, renew this Agreement for a period not to exceed 12 months, pursuant to 5 U.S.C. § 552a(e)(2)(D), if:
  - the applicable data exchange will continue without any change; and
  - SSA and the State Agency certify to the DIB in writing that the applicable data exchange has been conducted in compliance with this Agreement.
4. If either SSA or the State Agency does not wish to renew this Agreement, it must notify the other party of its intent not to renew at least 3 months prior to the Expiration Date.

#### B. Modification

Any modification to this Agreement must be in writing, signed by both parties, and approved by the SSA DIB.

#### C. Termination

The parties may terminate this Agreement at any time upon mutual written consent of both parties. Either party may unilaterally terminate this Agreement upon 90 days advance written notice to the other party; such unilateral termination will be effective 90 days after the date of the notice, or at a later date specified in the notice.

SSA may immediately and unilaterally suspend the data flow or terminate this Agreement if SSA determines, in its sole discretion, that the State Agency has violated or failed to comply with this Agreement.

## XII. Reimbursement

In accordance with section 1106(b) of the Act, the Commissioner of SSA has determined not to charge the State Agency the costs of furnishing the electronic data from the SSA SORs under this Agreement.

**XIII. Disclaimer**

SSA is not liable for any damages or loss resulting from errors in the data provided to the State Agency under any IEAs governed by this Agreement. Furthermore, SSA is not liable for any damages or loss resulting from the destruction of any materials or data provided by the State Agency.

**XIV. Points of Contact**

**A. SSA Point of Contact**

**Regional Office**

Martin White, Director  
San Francisco Regional Office, Center for Programs Support  
1221 Nevin Ave  
Richmond CA 94801  
Phone: (510) 970-8243/Fax: (510) 970-8101  
[Martin.White@ssa.gov](mailto:Martin.White@ssa.gov)

**B. State Agency Point of Contact**

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**XV. SSA and Data Integrity Board Approval of Model CMPPA Agreement**

The signatories below warrant and represent that they have the competent authority on behalf of SSA to approve the model of this CMPPA Agreement.

SOCIAL SECURITY ADMINISTRATION



Dawn S. Wiggins  
Deputy Executive Director  
Office of Privacy and Disclosure  
Office of the General Counsel

1-17-2012

Date

I certify that the SSA Data Integrity Board approved the model of this CMPPA Agreement.



Daniel F. Callahan  
Chair  
SSA Data Integrity Board

1-26-2012

Date

**XVI. Authorized Signatures**

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

**SOCIAL SECURITY ADMINISTRATION**

*Patty Koludart*  
for Bill Zielfski  
Regional Commissioner  
San Francisco

05/10/2012  
Date

**HEALTH AND HUMAN SERVICES AGENCY**

*Diana S. Dooley*  
Diana S. Dooley  
Secretary

April 27, 2012  
Date

**ATTACHMENT 2**

**AUTHORIZED DATA EXCHANGE SYSTEM(S)**

Attachment 2

Authorized Data Exchange System(s)

**BEER (Beneficiary Earnings Exchange Record):** Employer data for the last calendar year.

**BENDEX (Beneficiary and Earnings Data Exchange):** Primary source for Title II eligibility, benefit and demographic data.

**LIS (Low-Income Subsidy):** Data from the Low-Income Subsidy Application for Medicare Part D beneficiaries -- used for Medicare Savings Programs (MSP).

**Medicare 1144 (Outreach):** Lists of individuals on SSA roles, who may be eligible for medical assistance for: payment of the cost of Medicare cost-sharing under the Medicaid program pursuant to Sections 1902(a)(10)(E) and 1933 of the Act; transitional assistance under Section 1860D-31(f) of the Act; or premiums and cost-sharing subsidies for low-income individuals under Section 1860D-14 of the Act.

**PUPS (Prisoner Update Processing System):** Confinement data received from over 2000 state and local institutions (such as jails, prisons, or other penal institutions or correctional facilities) -- PUPS matches the received data with the MBR and SSR benefit data and generates alerts for review/action.

**QUARTERS OF COVERAGE (QC):** Quarters of Coverage data as assigned and described under Title II of the Act -- The term "quarters of coverage" is also referred to as "credits" or "Social Security credits" in various SSA public information documents, as well as to refer to "qualifying quarters" to determine entitlement to receive Food Stamps.

**SDX (SSI State Data Exchange):** Primary source of Title XVI eligibility, benefit and demographic data as well as data for Title VIII Special Veterans Benefits (SVB).

**SOLQ/SOLQ-I (State On-line Query/State On-line Query-Internet):** A real-time online system that provides SSN verification and MBR and SSR benefit data similar to data provided through SVES.

**Attachment 2**

**SVES (State Verification and Exchange System):** A batch system that provides SSN verification, MBR benefit information, and SSR information through a uniform data response based on authorized user-initiated queries. The SVES types are divided into five different responses as follows:

- |                            |                                                                                                                                   |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| <b>SVES I:</b>             | This batch provides strictly SSN verification.                                                                                    |
| <b>SVES I/Citizenship*</b> | This batch provides strictly SSN verification and citizenship data.                                                               |
| <b>SVES II:</b>            | This batch provides strictly SSN verification and MBR benefit information                                                         |
| <b>SVES III:</b>           | This batch provides strictly SSN verification and SSR/SVB.                                                                        |
| <b>SVES IV:</b>            | This batch provides SSN verification, MBR benefit information, and SSR/SVB information, which represents all available SVES data. |

*\* Citizenship status data disclosed by SSA under the Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. 111-3 is only for the purpose of determining entitlement to Medicaid and CHIP program for new applicants.*



**ATTACHMENT 3 OMITTED**

**ATTACHMENT 4**

**ELECTRONIC INFORMATION EXCHANGE SECURITY  
REQUIREMENTS AND PROCEDURES**



**ELECTRONIC INFORMATION EXCHANGE  
SECURITY REQUIREMENTS AND PROCEDURES  
FOR  
STATE AND LOCAL AGENCIES  
EXCHANGING ELECTRONIC INFORMATION WITH THE  
SOCIAL SECURITY ADMINISTRATION**

**SENSITIVE DOCUMENT**

**VERSION 5.0  
MARCH 9, 2012**

**ELECTRONIC INFORMATION EXCHANGE  
SECURITY REQUIREMENTS AND PROCEDURES  
FOR  
STATE AND LOCAL AGENCIES  
EXCHANGING ELECTRONIC INFORMATION WITH THE  
SOCIAL SECURITY ADMINISTRATION**

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**ELECTRONIC INFORMATION EXCHANGE  
SECURITY REQUIREMENTS AND PROCEDURES  
FOR  
STATE AND LOCAL AGENCIES  
RECEIVING ELECTRONIC INFORMATION FROM THE  
SOCIAL SECURITY ADMINISTRATION**

**1. Introduction **

The Social Security Administration (SSA) is required by law to maintain oversight and assure the protection of information it has provided to its *'electronic information exchange partners'* (EIEP)s. EIEPs are entities that have established an electronic information sharing agreement with the agency.

The overall aim of this document is twofold. First, to ensure that EIEPs are properly certified as compliant by SSA to SSA security requirements, standards, and procedures expressed in this document, prior to being granted access to SSA information in a production environment; second, to ensure that EIEPs adequately safeguard electronic information provided to them by SSA.

This document (which is considered SENSITIVE by SSA and must be handled accordingly), describes the security requirements which must be met including, SSA's standards and procedures which must be implemented by outside entities (state and local agencies) in order to obtain information from SSA electronically. This document assists outside entities in understanding the criteria that SSA will use when evaluating and certifying the system design, and security features used for electronic access to SSA-provided information. It also provides the framework and general procedures for SSA's security compliance review program intended to ensure, on a periodic basis, conformance to SSA's security requirements by outside entities.

The addition, elimination, and modification of security controls, etc. are predicated upon factors which impact the level of security and due diligence required for mitigating risks, e.g., the emergence of new threats and attack methods, the availability of new security technologies, etc. System security requirements (SSR) are, therefore, periodically reviewed and revised. Accordingly, over time, the SSRs may be subject to change.

The EIEP must comply with SSA's most current SSRs for access to SSA-provided data. However, SSA will work with its partners in the EIEPs' resolution of any deficiencies which occur subsequent to previous approval for access as the result of updated SSRs. Additionally, EIEPs may proactively ensure their ongoing compliance with the SSRs by periodically requesting the most current SSR package from their SSA contact and making such adjustments as may be necessary.

**2. Electronic Information Exchange (EIE) Definition **

For discussion purposes herein, EIE is any electronic process in which information under SSA control is disclosed to any third party for program or non-program purposes, without the specific consent of the owner of that information. EIE involves individual data transactions and data files that are processed within the programmatic systems of either or all parties to electronic information sharing agreements with SSA. This includes direct terminal access (DTA) to SSA systems, batch processing, and variations thereof (e.g., online query) regardless of the systematic method used to accomplish the activity or to interconnect SSA with the EIEP.

### 3. Roles and Responsibilities Ω

The SSA **Office of Information Security (OIS)** has agency-wide responsibility for interpreting, developing, and implementing security policy; providing security and integrity review requirements for all major SSA systems; managing SSA's fraud monitoring and reporting activities, developing and disseminating security training and awareness materials, and providing consultation and support for a variety of agency initiatives. SSA's security reviews ensure that external systems receiving information from SSA are secure and operate in a manner that is consistent with SSA's Information Technology (IT) security policies and in compliance with the terms of electronic information sharing agreements executed by SSA and the outside entity. Within the context of SSA's security policies and the terms of electronic information sharing agreements with SSA's EIEPs, OIS exclusively conducts and brings to closure initial security certifications and periodic security compliance reviews of EIEPs that process, maintain, transmit, or store SSA-provided data in accordance with pertinent Federal requirements which include the following (refer to **References**):

- a. The Federal Information Security Management Act (FISMA) requires the protection of "Federal information in contractor systems, including those systems operated by state and local governments".
- b. Social Security Administration (SSA) policies, standards, procedures, and directives.

Privacy information is information about an individual including, but not limited to, personal identifying information including the social security number (SSN).

The data (last 4 digits of the SSN) provided by SSA to its EIEPs for purposes of the Help America Vote Act (HAVA) does not identify a specific individual and, therefore, is not 'Privacy Information' as defined by the Act.

However, SSA is diligent in discharging its responsibility for establishing appropriate administrative, technical, and physical safeguards to ensure the security, confidentiality, and availability of its records and to protect against any anticipated threats or hazards to their security or integrity.

Therefore, although the information provided HAVA is not, by definition, 'Privacy Information' and as such, does not require that SSA conduct compliance reviews of entities to which it provides information for purposes of HAVA; SSA does require that those organizations adhere to the terms of their electronic information sharing agreements with SSA.

SSA regional **Data Exchange Coordinators (DECs)** are the bridge between SSA and state EIEPs. As such, in the security arena, DECs will assist OIS in coordinating data exchange security review activities with state and local EIEPs; e.g., providing points of contact with state agencies, assisting in setting up security reviews, etc. DECs are also the first points of contact for states if an employee of a state agency or an employee of a state agency's contractor or agent becomes aware of suspected or actual loss of SSA-provided personally identifiable information (PII).

### 4. General Systems Security Standards Ω

EIEPs that request and receive information electronically from SSA must comply with the following general systems security standards concerning access to and control of SSA-provided information.

**NOTE: EIEPs may not create separate files or records comprised solely of the information provided by SSA.**

- a. EIEPs must ensure that means, methods, and technology by which SSA-provided information is processed, maintained, transmitted, or stored neither prevent nor impede the EIEP's ability to:
- safeguard the information in conformance to SSA requirements;
  - efficiently investigate fraud, breach, or security events that involve SSA-provided data, or instances of misuse of SSA-provided data.

For example, utilization of cloud computing may have the potential to jeopardize an EIEP's compliance with the terms of their agreement or SSA's associated system security requirements and procedures.

- b. EIEPs must ensure that SSA-provided data is not processed, maintained, transmitted, or stored in or by means of data communications channels, electronic devices, computers, computer networks, etc. that are located in geographic or virtual areas **not** subject to U.S. law.
- c. EIEPs must restrict access to the information to authorized users who need it to perform their official duties.

**NOTE: Contractors and agents (hereafter referred to as contractors) of the EIEP who process, maintain, transmit, or store SSA-provided data are held to the same security requirements as are employees of the EIEP. Refer to the section 'Contractors of Electronic Information Exchange Partners' in the 'Systems Security Requirements' for additional information.**

- d. Information received from SSA must be stored in a manner that, at all times, is physically and electronically secure from access by unauthorized persons.
- e. SSA-provided information must be processed under the immediate supervision and control of authorized personnel.
- f. EIEPs must employ both physical and technological safeguards to ensure against unauthorized retrieval of SSA-provided information by means of computer, remote terminal, or other means.
- g. EIEPs must have in place formal PII incident response procedures. When faced with a security incident whether caused by malware, unauthorized access, software issues, or acts of nature, etc., EIEP must be able to respond in a manner that protects SSA-provided information affected by the incident.
- h. EIEPs must have an active and robust employee security awareness program that is mandatory for all employees who may have access to SSA-provided information.
- i. EIEP employees with access to SSA provided information must be advised of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in the applicable Federal and state laws.
- j. At its discretion, SSA or its designee, must have the option to conduct onsite security reviews or make other provisions, to ensure that EIEPs maintain adequate security controls to safeguard the information we provide.

## 5. Systems Security Requirements 1

### 5.1 Overview 1

Following is a discussion of SSA's security requirements that must be met by its EIEPs. SSA must certify that controls to meet the requirements have been implemented and working as intended, before it will authorize initiating transactions to and from SSA through batch data exchange processes or online processes such as State Online Query (SOLQ) or Internet SOLQ.

The Systems Security Requirements (SSR)s address management, operational, and technical aspects of security regarding the confidentiality, integrity, and availability of Social Security Administration (SSA) provided information used, maintained, transmitted, or stored by SSA's EIEPs.

SSRs are representative of the current state-of-the-practice security controls, safeguards, and countermeasures required for Federal information systems by Federal regulations and statutes, congressional mandates, etc., including but not limited to the Privacy Act of 1974, the Federal Information Security Management Act (FISMA), etc. and recommended by standards and guidelines established by NIST, etc.

### 5.2 General System Security Design and Operating Environment 1

The EIEP must provide descriptions and explanations of their overall system design, configuration, security features, and operational environment and include discussions of how they conform to SSA's requirements. Discussion must also include:

- Description of the operating environment(s) in which SSA-provided data is to be utilized, maintained, and transmitted
- Description of the business process(es) in which SSA-provided information is to be used
- Physical safeguards employed to ensure that unauthorized personnel cannot access SSA-provided data and that audit information pertaining to use of and access to SSA-provided information and the EIEP's associated applications is readily available
- Electronic safeguards, methods, and procedures for protecting the EIEP's network infrastructure and for protecting SSA-provided data while in transit, in use within a process or application, at rest (stored or not in use); preventing unauthorized retrieval of SSA-provided information by computer, remote terminal, or other means; including descriptions of security software other than access control software (e.g., security patch and anti-malware software installation and maintenance, etc.)

### 5.3 System Access Control 1

EIEPs must utilize and maintain technological (logical) access controls that limit access to SSA-provided information and associated transactions and functions to only those users, processes acting on behalf of authorized users, or devices (including other information systems) authorized for such access based on their official duties or purpose(s). EIEPs must employ a recognized user access security software package (e.g. RAC-F, ACF-2, TOP SECRET) or a security software design which is *at minimum* equivalent to such products. The access control software must utilize personal identification numbers (PIN) and passwords or

biometric identifiers in combination with the user's system identification code (userID), etc. (e.g., the access control software must employ and enforce (1) PIN/password, and/or (2) PIN/biometric identifier, and/or (3) SmartCard/ biometric identifier, etc., for authentication of users).

Depending upon the computing platform (e.g., client/server (PC), mainframe) and the access software implementation, the terms "PIN" and "user system identification code (userID)" may be, for practical purposes, synonymous. For example, the PIN/password combination may be required for access to an individual's PC after which, the userID/password combination may be required for access to a mainframe application. (A biometric identifier may supplant one element in the pair of those combinations).

Implementation of the control software must be in compliance with recognized industry standards. For example, password policies should enforce sufficient construction strength (length and complexity) to defeat or minimize risk-based identified vulnerabilities, ensure limitations for password repetition; technical controls should enforce periodic password changes based on a risk-based standard (e.g., maximum password age of 30 - 45 days, minimum password age of 3 - 7 days), enforce automatic disabling of user accounts that have been inactive for a specified period of time (e.g., 45 days); etc.

EIEPs must have management control and oversight of the function of authorizing individual user access to SSA-provided information and over the process of issuing and managing access control PINs, passwords, biometric identifiers, etc. for access to the EIEP's system.

The EIEPs' systems access rules must cover such matters as least privilege and individual accountability regarding access to sensitive information and associated transactions and functions, control of transactions by permissions modules, the assignment and limitation of system privileges, disabling accounts of separated employees (e.g., within 24 hours), individual accountability, work at home, dial-up access, and connecting to the Internet.

#### 5.4 Automated Audit Trail

EIEPs that receive information electronically from SSA are required to implement and maintain a fully automated audit trail system (ATS). The system must, at a minimum, be capable of creating, storing, protecting, and efficiently retrieving and collecting records identifying the individual user that initiates a request for information from SSA or accesses SSA-provided data. At a minimum, individual audit trail records must contain the data needed (including date and time stamps) to associate each query transaction or access to SSA-provided information with its initiator, their action, if any, and the relevant business purpose/process (e.g., SSN verification for driver license, etc.). Each entry in the audit file must be stored as a separate record, not overlaid by subsequent records. Transaction files must be created to capture all input from interactive Internet applications which access or query SSA-provided data.

EIEPs whose transactions with SSA are mediated AND audited by an STC (e.g., State Transmission Component) are responsible for ensuring that the STC's audit capabilities meet SSA's requirements for an automated audit trail system. The EIEP must also establish a process by which the EIEP is able to efficiently obtain audit information from the STC regarding the EIEP's SSA transactions.

Access to the audit file must be restricted to authorized users with a "need to know" and audit file data must be unalterable (read only) and maintained for a minimum of three (preferably seven) years. Information in the audit file must be retrievable by an automated method and capable of being made available to SSA upon request. Audit trail records must be backed up

on a regular basis to ensure their availability. Backup audit files must have the same level of protection as that applied to the original files.

If SSA-provided information is retained by the EIEP (e.g., Access database, Share Point, etc.), or if certain data elements within the EIEP's system will indicate to users that the information has been verified by SSA, the EIEP's system must also capture an audit trail record of any user who views SSA-provided information stored within the EIEP's system. The audit trail requirements for these Inquiry transactions are the same as those outlined above for the EIEP's transactions requesting or accessing information directly from SSA.

### 5.5 Personally Identifiable Information (PII)

**PII** is defined as any information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc., alone or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

**PII loss** is defined as a circumstance wherein SSA has reason to believe that information on hard copy or in electronic format which contains PII provided by SSA to an EIEP, has left the EIEP's custody or has been disclosed by the EIEP to an unauthorized individual or entity. PII loss is a reportable incident (refer to **Incident Reporting**).

If a PII loss involving SSA-provided data occurs or is suspected, the EIEP must be able to quantify the extent of the loss and compile a complete list of the individuals potentially affected incident (refer to **Incident Reporting**).

### 5.6 Monitoring and Anomaly Detection

The EIEP must establish and/or maintain continuous monitoring of its network infrastructure and assets to ensure that:

- implemented security controls continue to be effective over time
- only authorized individuals, devices, and processes have access to SSA-provided information
- efforts by external and internal entities, devices, or processes to perform unauthorized actions (i.e., data breaches, malicious attacks, access to network assets, software/hardware installations, etc.) are detected as soon as they occur
- the necessary parties are immediately alerted to unauthorized actions performed by external and internal entities, devices, or processes
- upon detection of unauthorized actions, measures are immediately initiated to prevent or mitigate associated risk
- in the event of a data breach or security incident, the necessary remedial actions can be efficiently determined and initiated
- trends, patterns, or anomalous occurrences and behavior in user or network activity that may be indicative of potential security issues are more readily discernable

The EIEP's system must include the capability to prevent employees from browsing SSA records (e.g., utilize a permission module and/or employ a system design which is transaction-driven, whereby employees are unable to initiate transactions). If such a design is used, the EIEP then needs only minimal additional monitoring and anomaly detection (detect and monitor employees' attempts to gain access to SSA-provided data to which they are not authorized and attempts to obtain information from SSA for clients not in the EIEP's client system). However, measures must exist to prevent circumvention of the permission module (e.g., creation of a bogus case and subsequently deleting it in such a way that it goes undetected).

If the EIEP's design does not **currently** utilize a permission module **and** is not transaction-driven, until at least one of these security features is implemented, the EIEP must develop and implement compensating security controls to deter their employees from browsing SSA records. These controls must include monitoring and anomaly detection features, either systematic, manual, or a combination thereof. Such features must include the capability to detect anomalies in the volume and/or type of transactions or queries requested or initiated by individuals and include systematic or manual procedures for verifying that requests for and queries of SSA-provided information are in compliance with valid official business purposes. The system must also produce reports providing management and/or supervisors with the capability to appropriately monitor user activity, such as:

- User ID Exception Reports:

This type of report captures information about users who enter incorrect user IDs when attempting to gain access to the system or to the transaction that initiates requests for information from SSA, including failed attempts to enter a password.

- Inquiry Match Exception Reports:

This type of report captures information about users who may be initiating transactions for SSNs that have no client case association within the EIEP's system (**100 percent of these cases must be reviewed by the EIEP's management**).

- System Error Exception Reports:

This type of report captures information about users who may not understand or be following proper procedures for access to SSA-provided information.

- Inquiry Activity Statistical Reports:

This type of report captures information about transaction usage patterns among authorized users and is a tool which would enable the EIEP's management to monitor typical usage patterns in contrast to extraordinary usage.

The EIEP must have a process for distributing these monitoring and exception reports to appropriate local managers/supervisors or to local security officers to ensure that the reports are used by those whose responsibilities include monitoring anomalous activity of users including those who have been granted exceptional system rights and privileges.

## 5.7 Management Oversight and Quality Assurance

The EIEP must establish and/or maintain ongoing management oversight and quality assurance capabilities to ensure that only authorized employees have access to SSA-provided information and to ensure that there is ongoing compliance with the terms of the EIEP's

electronic information sharing agreement with SSA and the SSRs established by SSA for access to and use of SSA-provided data by EIEPs. The management oversight function must consist of one or more of the EIEP's management officials whose job functions include responsibility for assuring that access to and use of SSA-provided information is appropriate for each employee position type for which access is granted.

The EIEP must assure that employees granted access to SSA-provided information receive adequate training on the sensitivity of the information, associated safeguards, procedures that must be followed and the penalties for misuse.

Although not required, it is recommended that EIEPs establish the following functions and require that they be performed by employees whose job functions are separate from those who request or use information from SSA:

- Performing periodic self-reviews to monitor the EIEP's ongoing usage of SSA-provided information.
- Random sampling of work activity involving SSA-provided information to determine whether the access and usage comply with SSA's requirements.

## 5.8 Data and Communications Security

EIEPs must encrypt all PII and SSA-provided information when it is transmitted across dedicated communications circuits between its systems, included in intrastate communications among its local office locations, and resident on the EIEP's mobile computers/devices and removable media, etc. The encryption method employed must meet acceptable standards as designated by the National Institute of Standards and Technology (NIST). The recommended encryption method for securing SSA-provided data during transport is the Advanced Encryption Standard (AES) or triple DES (Data Encryption Standard 3) if AES is unavailable. Files encrypted for external users (when using tools such as Microsoft WORD encryption, etc.) require a key length of 9 characters. Although not required, it is recommended that the key (also referred to as a *password*) contain both a number and a special character. However, it is required that the key be delivered in a manner wherein the key does not accompany the media. Also, the key must be secured when unattended or not in use.

It is recommended that the public Internet not be used for transmission of SSA-provided information. If it is, however, Internet and all other electronic communications (e.g., emails and FAXes) containing SSA-provided information must, at minimum, utilize Secure Socket Layer (SSL) and 256-bit encryption protocols or more secure methods such as Virtual Private Network technology. Additionally, the data must be transmitted only to a secure address or device.

EIEPs may retain SSA-provided data for only the business purpose(s) and period of time stipulated in the EIEP's Information Exchange Agreement with SSA. SSA-provided information is to be deleted, purged, destroyed, or returned to SSA when the purpose for which the information was obtained has been completed.

The EIEP may not save or create separate files comprised solely of information provided by SSA. The EIEP may, however, apply specific SSA-provided data to the EIEP's matched record (i.e., specified data obtained from SSA which matches that in the EIEP's preexisting record).

Duplication and redisclosure of SSA-provided information within or outside the EIEP without the written approval of SSA is prohibited.

EIEPs must prevent unauthorized disclosure of SSA-provided data after processing has been completed and also after the data is no longer required by the EIEP. The EIEP's operational processes must ensure that no residual SSA-provided data remains on the hard drives of users' workstations after the user has exited the application(s) in which SSA-provided data was utilized. In cases where a PC, hard drive, or other computing or storage device on which SSA-provided information resided will be sent offsite from the EIEP for repair and its information must be retrievable, the EIEP's repair contract must include a requirement for non-disclosure of SSA-provided data by the servicing vendor. SSA-provided information must be completely removed from, rendered unrecoverable, or destroyed on any electronic device or media (e.g., hard drives, removable storage devices, etc.) prior to the device or media being serviced by an external vendor (when the data need not be recovered), excessed, sold, or placed in the custody of another organization.

To sanitize media, one of the following methods must be used:

- **Overwriting**

Overwrite utilities can only be used on working devices. The media to be overwritten must be designed for multiple reads and writes. This includes disk drives, magnetic tapes, floppies, USB flash drives, etc. The overwrite utility must completely overwrite the media by the *purging* type of media sanitization to make the data irretrievable by a laboratory attack or laboratory forensic procedures (refer to **Definitions** for more information regarding **Media Sanitization**). Reformatting the media does not overwrite the data.

- **Degaussing**

Degaussing is a sanitization method for magnetic media (e.g., disk drives, tapes, floppies, etc.). Degaussing is not effective for purging non-magnetic media (e.g., optical discs). Degaussing must be performed with a certified tool designed for the media being degaussed. Certification of the tool is required to ensure that the magnetic flux applied to the media is strong enough to render the information irretrievable. The degaussing process must render data on the media irretrievable by a laboratory attack or laboratory forensic procedures (refer to **Definitions** for more information regarding **Media Sanitization**).

- **Physical destruction**

Physical destruction is the method which must be used when degaussing or over-writing cannot be accomplished (for example, CDs, floppies, DVDs, damaged tapes, hard drives, damaged USB flash drives, etc.). Examples of physical destruction include shredding, pulverizing, and burning.

State agencies may retain SSA-provided data in hardcopy if it is required to fulfill evidentiary requirements, provided the agencies retire such data in accordance with applicable state laws governing state agencies' retention of records. The EIEP must ensure that print media containing SSA-provided data is controlled to restrict its access to only authorized employees who need such access to perform their official duties and must have in place secure processes by which print media containing SSA-provided data is destroyed when it is no longer required. Paper documents containing SSA-provided data must be destroyed by burning, pulping, shredding, macerating, or other similar means that ensures that the information cannot be recovered.

***NOTE: Hand tearing or lining through documents to obscure information does not meet SSA's requirements for appropriate destruction of PII).***

The EIEP must employ measures to ensure that communications and data furnished to SSA contain no viruses or other malware.

### 5.9 Incident Reporting

The EIEP must develop and implement policies and procedures for responding to the breach or loss of PII and explain how they conform to SSA's requirements. The procedures must include the following information:

*If the EIEP experiences or suspects a breach or loss of PII or a security incident which includes SSA-provided data, they must notify the United States Computer Emergency Readiness Team (US-CERT) **within one hour** of discovering the incident. The EIEP must also notify the SSA Systems Security contact named in the agreement. If within 1 hour the EIEP has been unable to make contact with that person, the EIEP must call SSA's National Network Service Center (NNSC) toll free at 877-697-4889 (select "Security and PII Reporting" from the options list). The EIEP will provide updates as they become available to SSA contact, as appropriate. Refer to the worksheet, **Attachment 5**, provided in the agreement to facilitate gathering and organizing information about an incident.*

The EIEP must agree that if SSA determines that the risk presented by the breach or security incident requires the notification of the individuals whose information is involved and/or remedial action, the EIEP will perform those actions without cost to SSA.

### 5.10 Security Awareness and Employee Sanctions

The EIEP must establish and/or maintain an ongoing function that is responsible for providing security awareness training for employees granted access to SSA-provided information. Training must include discussion of:

- The sensitivity of SSA-provided information and address the Privacy Act and other Federal and state laws governing its use and misuse
- Rules of behavior concerning use of and security in systems processing SSA-provided data
- Restrictions on viewing and/or copying SSA-provided information
- The employees' responsibility for proper use and protection of SSA-provided information including its proper disposal
- Security incident reporting procedures
- The possible sanctions and penalties for misuse of SSA-provided information.

The EIEP must provide security awareness training periodically or, as needed, and have in place administrative procedures for sanctioning employees who violate laws governing the use and misuse of SSA-provided data through unauthorized or unlawful use or disclosure of SSA-provided information.

### 5.11 Contractors of Electronic Information Exchange Partners

As previously stated, in *The General Systems Security Standards*, contractors of the EIEP are held to the same security requirements as are employees of the EIEP. As such, the EIEP is responsible for oversight and compliance of their contractors with SSA's security requirements. The EIEP must be able to provide proof of the contractual agreement between itself and its contractors (e.g., copy of their contract, etc.) who are authorized by the EIEP to perform on its behalf and who have access to or are involved in the processing, handling, transmission, etc. of information provided to the EIEP by SSA. The EIEP must also explain the role of those contractors within the EIEP's operations.

The EIEP must also require that their contractors who will have access to or be involved in the processing, handling, transmission, etc. of information provided to the EIEP by SSA, sign an agreement with the EIEP that obligates the contractor to follow the terms of the EIEP's data exchange agreement with SSA. The EIEP must provide its contractors a copy of the data exchange agreement between the EIEP and SSA and related attachments before any disclosure by the EIEP of SSA-provided information to the EIEP's contractor/agent.

If the EIEP's contractor will be involved with the processing, handling, transmission, etc. of information provided to the EIEP by SSA offsite from the EIEP, the EIEP must have the contractual option to perform onsite reviews of that offsite facility to ensure that the following meet SSA's requirements:

- safeguards for sensitive information
- computer system safeguards
- security controls and measures to prevent, detect, and resolve unauthorized access to, use of, and redisclosure of SSA-provided information

## **6. General -- Security Certification and Compliance Review Programs**

SSA's security certification and compliance review programs are two distinct programs with the same objective. The certification program is a one-time process associated exclusively with an EIEP's initial request for electronic access to SSA-provided information or an initial change to online access. The certification process entails two rigorous stages intended to ensure that technical, management, and operational security measures implemented by EIEPs fully conform to SSA's security requirements and are working as intended. EIEPs must satisfy both stages of the certification process before SSA will permit online access to its data in a production environment.

The compliance review program, however, is intended to ensure that the suite of security measures implemented by an EIEP to safeguard SSA-provided data remains in full compliance with SSA's security standards and requirements. The compliance review program is applicable to online access to SSA-provided data as well as batch processes. Under the compliance review program, EIEPs are subject to ongoing periodic security reviews by SSA that are regularly scheduled or ad hoc.

### **6.1 The Security Certification Program**

The security certification process applies to EIEPs that seek online electronic access to SSA information and consists of two general phases:

- Phase One: The Security Design Plan (SDP) phase wherein a formal written plan is authored by the EIEP to comprehensively document its technical and non-technical

security controls to safeguard SSA-provided information (refer to *Documenting Security Controls in the Security Design Plan*).

**NOTE:** SSA may have legacy EIEPs (EIEPs not certified under the current process) who have not prepared an SDP. OIS strongly recommends that these EIEPs prepare an SDP.

**The EIEPs' preparation and maintenance of a current SDP will aid them in determining potential compliance issues prior to reviews, assuring continued compliance with SSA's security requirements, and providing for more efficient security reviews.**

- Phase 2: SSA Onsite Certification phase wherein a formal onsite review is conducted by SSA to examine the full suite of technical and non-technical security controls implemented by the EIEP to safeguard data obtained from SSA electronically (refer to *The Certification Process*).

## 6.2 Documenting Security Controls in the Security Design Plan (SDP)

### 6.2.1 When the SDP and RA are Required

EIEPs must submit to SSA an SDP and a security risk assessment (RA) for evaluation when one or more of the following circumstances apply. The RA must be in an electronic format and include discussion of the measures planned or implemented to mitigate risks identified by the RA and (as applicable) risks associated with the circumstances below:

- to obtain approval for requested Initial access to SSA-provided information for an Initial agreement
- to obtain approval to reestablish previously terminated access to SSA-provided data
- when implementing a new operating or security platform in which SSA-provided data will be involved
- significant changes to the EIEP's organizational structure, technical processes, operational environment, data recovery capabilities, or security implementations are planned or have been made since approval of their most recent SDP or of their most recent successfully completed security review
- one or more security breaches or incidents involving SSA-provided data have occurred since approval of the EIEP's most recent SDP or of their most recent successfully completed security review
- to document descriptions and explanations of measures implemented as the result of a data breach or security incident
- to document descriptions and explanations of measures implemented to resolve non-compliance issue(s)
- when approval of the SDP has been revoked

The RA may also be required if changes (other than those listed above) that may impact the terms of the EIEP's data sharing agreement with SSA have occurred.

***The SDP must be approved by SSA prior to the initiation of transactions and/or access to SSA-provided information by the EIEP.***

An SDP must satisfactorily document the EIEP's compliance with all of SSA's SSRs in order to provide the minimum level of security acceptable to SSA for its EIEPs' access to SSA-provided information.

Deficiencies identified through the evaluation of the SDP must be corrected by the EIEP and a revised SDP which incorporates descriptions and explanations of the measures implemented to eliminate the deficiencies must be submitted. Until the deficiencies have been corrected and documented in its SDP, and the SDP is approved, the EIEP will not be granted access to SSA-provided information or certified for electronic receipt of the information. The progress of corrective implementation(s) must be communicated to SSA on a regular basis. If, within a reasonable time as determined by SSA, the EIEP is unable to rectify a deficiency determined by SSA to present an untenable risk to SSA-provided information or the agency, approval of the SDP will be withheld.

If, at any time subsequent to approval of its SDP the EIEP is found to be in non-compliance with one or more SSRs, SSA may revoke approval of the EIEP's access to SSA-provided data. A revised SDP which incorporates descriptions and explanations of the measures implemented to resolve the non-compliance issue(s) must be submitted. The progress of corrective implementation(s) must be communicated to SSA on a regular basis. Until resolution of the issue(s) has been accomplished and documented in its SDP, and the SDP is approved, the EIEP will be in non-compliance with SSA's SSRs. If, within a reasonable time as determined by SSA, the EIEP is unable to rectify a deficiency determined by SSA to present an untenable risk to SSA-provided information or to SSA, approval of the SDP will be withheld and the flow of SSA-provided information to the EIEP may be discontinued.

***NOTE: EIEPs that function only as an STC, transferring SSA-provided data to other EIEPs must, per the terms of their agreements with SSA, adhere to SSA's System Security Requirements (SSR) and exercise their responsibilities regarding protection of SSA-provided information.***

### 6.3 The Certification Process

Once the EIEP has successfully satisfied Phase 1, SSA will conduct an onsite certification review. The objective of the onsite review will be to ensure by SSA's examination and the EIEP's demonstration that the non-technical and technical controls implemented by the EIEP to safeguard Social Security-provided data from misuse and improper disclosure are fully functioning and working as intended.

At its discretion, SSA may request that the EIEP participate in an onsite review and compliance certification of their security infrastructure and implementation of SSA's security requirements.

The onsite review may address any or all of SSA's security requirements and include, where appropriate:

- a demonstration of the EIEP's implementation of each requirement
- random sampling of audit records and transactions submitted to SSA

- a walkthrough of the EIEP's data center to observe and document physical security safeguards
- a demonstration of the EIEP's Implementation of electronic exchange of data with SSA
- discussions with managers/supervisors
- examination of management control procedures and reports (e.g., anomaly detection reports, etc.)
- demonstration of technical tools pertaining to user access control and, if appropriate, browsing prevention, specifically:
  - If the design is based on a permission module or similar design, or is transaction driven, the EIEP will demonstrate how the system triggers requests for information from SSA.
  - If the design is based on a permission module, the EIEP will demonstrate the process by which requests for SSA-provided information are prevented for SSNs not present in the EIEP's system (e.g.; by attempting to obtain information from SSA using at least one, randomly created, fictitious number not known to the EIEP's system).

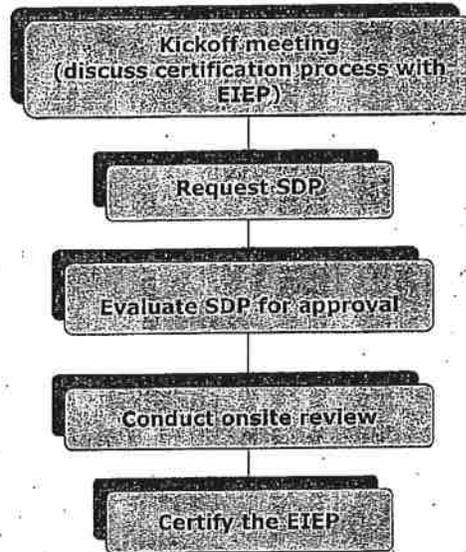
During the certification review, SSA, or a certifier acting on its behalf, may request a demonstration of the system's audit trail and retrieval capability. The certifier may request a demonstration of the system's capability for tracking the activity of employees that are permitted to view SSA-provided information within the EIEP's system. Additionally, the certifier may request those EIEPs whose transactions with SSA are mediated AND audited by an STC to demonstrate the process(es) by which the EIEP obtains audit information from the STC regarding the EIEP's SSA transactions.

EIEPs whose transactions with SSA are mediated AND audited by an STC will be required to demonstrate both their own in-house audit capabilities AND the process(es) by which the EIEP obtains audit information from the STC regarding the EIEP's transactions with SSA.

If the EIEP employs a contractor who will be involved with the processing, handling, transmission, etc. of the EIEP's SSA-provided information offsite from the EIEP, SSA, at its discretion, may include in the onsite certification review an onsite inspection of the contractor's facility. The inspection may occur with or without a representative of the EIEP.

Upon successful completion of the onsite certification exercise, SSA will authorize electronic access to production data by the EIEP. SSA will provide written notification of its certification to the EIEP as well as all appropriate internal components.

The following is a high-level flow chart of the OIS Certification Process: 

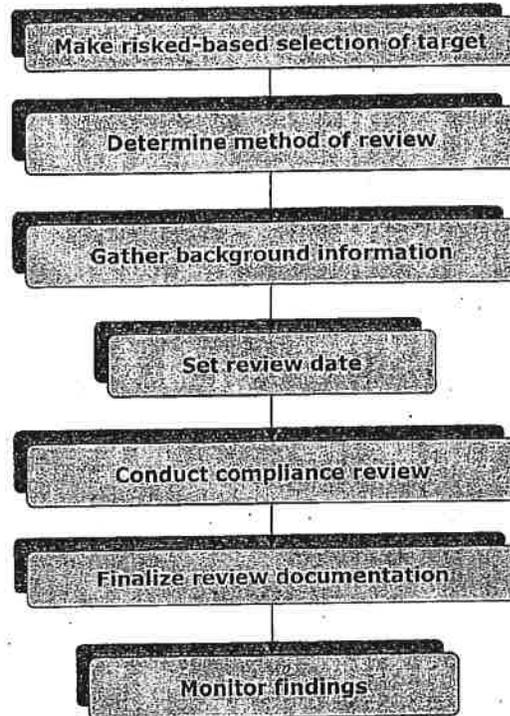


#### 6.5 The Compliance Review Program and Process

Similar to the certification process, the compliance review program entails a rigorous process intended to ensure that EIEPs currently receiving electronic information from SSA are in full compliance with the Agency's security requirements and standards. As a practice, SSA attempts to conduct compliance reviews following a 3 to 5 year periodic review schedule. However, as circumstances warrant, a review may take place at anytime. Three prominent examples that would trigger an ad hoc review are:

- a significant change in the outside EIEP's computing platform
- a violation of any of SSA's systems security requirements
- an unauthorized disclosure of SSA information by the EIEP

The following is a high-level flow chart of the OIS Compliance Review Process: 



SSA may, at its discretion, conduct compliance reviews onsite at the EIEPs' site, including a field office location, if appropriate.

SSA may, also at its discretion, request that the EIEP participate in an onsite compliance review of their security infrastructure and implementation of SSA's security requirements.

The onsite review may address any or all of SSA's security requirements and include, where appropriate:

- a demonstration of the EIEP's implementation of each requirement
- random sampling of audit records and transactions submitted to SSA
- a walkthrough of the EIEP's data center to observe and document physical security safeguards
- a demonstration of the EIEP's implementation of online exchange of data with SSA
- discussions with managers/supervisors
- examination of management control procedures and reports (e.g., anomaly detection reports, etc.)

- demonstration of technical tools pertaining to user access control and, if appropriate, browsing prevention, specifically:
  - If the design is based on a permission module or similar design, or is transaction driven, the EIEP will demonstrate how the system triggers requests for information from SSA.
  - If the design is based on a permission module, the EIEP will demonstrate the process by which requests for SSA-provided information are prevented for SSNs not present in the EIEP's system (e.g.; by attempting to obtain information from SSA using at least one, randomly created, fictitious number not known to the EIEP's system).

SSA may also, at its discretion, perform an ad hoc onsite or remote review for reasons including but not limited to the following:

- the EIEP has experienced a security breach or incident involving SSA-provided data
- the EIEP has unresolved non-compliance issue(s)
- to review an EIEP's offsite (relative to the EIEP) contractor's facilities involving SSA-provided data
- the EIEP is a legacy organization that has not yet been through SSA's security certification and compliance review programs
- the EIEP has requested that an IV & V (Independent Verification and Validation review) be performed by SSA

During the compliance review, SSA, or a certifier acting on its behalf, may request a demonstration of the system's audit trail and retrieval capability. The certifier may request a demonstration of the system's capability for tracking the activity of employees that are permitted to view SSA-provided information within the EIEP's system. Additionally, the certifier may request those EIEPs whose transactions with SSA are mediated AND audited by an STC to demonstrate the process(es) by which the EIEP obtains audit information from the STC regarding the EIEP's SSA transactions.

EIEPs whose transactions with SSA are mediated AND audited by an STC may be required to demonstrate both their own in-house audit capabilities AND the process(es) by which the EIEP obtains audit information from the STC regarding the EIEP's transactions with SSA.

If the EIEP employs a contractor who will be involved with the processing, handling, transmission, etc. of the EIEP's SSA-provided information offsite from the EIEP, SSA, at its discretion, may include in the onsite compliance review an onsite inspection of the contractor's facility. The inspection may occur with or without a representative of the EIEP. However, manpower limitations or fiscal constraints could drive an alternative approach, such as teleconferencing. In any event, the format of the review in routine circumstances (i.e., the compliance review is not being conducted to address a special circumstance, such as a disclosure violation, etc.) will generally consist of reviewing and updating the EIEP's compliance with the systems security requirements described above in this document. At the conclusion of the review, SSA will issue a formal report to appropriate EIEP personnel. Findings and recommendations from SSA's compliance review, if any, will be discussed in its report and monitored for closure.

**NOTE: Documentation provided SSA by the EIEP for compliance reviews is considered sensitive and is, therefore, handled accordingly by SSA. E.g., the information is accessible to only authorized individuals who have a need for the information as it relates to compliance of the EIEP with its electronic information sharing agreement with SSA and SSA's associated system security requirements and procedures. Additionally, the EIEP's documentation is retained for only as long as required and is deleted, purged, or destroyed when the requirement for which the information was obtained has expired.**

The following is a high-level example of the analysis that aids in making preliminary decisions as to which review format may be most appropriate. Various additional factors may also be factored in determining whether SSA performs an onsite or remote compliance review.

- High/Medium Risk Criteria
  - undocumented closing of prior review finding(s)
  - Implementation of technical/operational controls that impact security of SSA provided data (e.g., implementation of new data access method, etc.)
  - reported PII breach
- Low Risk Criteria
  - no prior review finding(s) or prior finding(s) documented as closed
  - no implementation of technical/operational controls that impact security of SSA provided data (e.g., implementation of new data access method, etc.)
  - no reported PII breach

#### **6.5.1 EIEP Compliance Review Participation**

During the compliance review SSA may request to meet with the following:

- a sample of managers and/or supervisors responsible for enforcing and monitoring ongoing compliance to security requirements and procedures to assess their level of training to monitor their employee's use of SSA-provided information, and for reviewing reports and taking necessary action
- the individuals responsible for security awareness and employee sanction functions and request an explanation of how these responsibilities are performed
- a sample of the EIEP's employees to assess their level of training and understanding of the requirements and potential sanctions applicable to the use and misuse of SSA-provided information
- the individual(s) responsible for management oversight and quality assurance functions and request a description of how these responsibilities will be carried out
- additional individuals as deemed appropriate by SSA

#### **6.5.2 Verification of Audit Samples**

Prior to or during the compliance review, SSA will present to the EIEP a sampling of transactions previously submitted to SSA for verification. The EIEP is required to verify whether each transaction was, per the terms of their agreement with SSA, legitimately submitted by a user authorized to do so.

The EIEP must provide SSA a written attestation of the results of the EIEP's review of the transactions. The document must provide:

- confirmation for each sample transaction located in the EIEP's audit file(s) and determined to have been submitted by its employee(s) for legitimate and authorized business purposes
- an explanation for each sample transaction located in the EIEP's audit file(s) determined to have been unauthorized
- an explanation for each sample transaction not found in the EIEP's ATS

When the sample transactions are provided to the EIEP, detailed instructions will be included. Only an official responsible for the EIEP is to provide the attestation.

#### 6.6 Scheduling the Onsite Review

The SDP must be approved before its associated onsite review is scheduled. Notification of the approval of a plan will be sent via email. Although there is no prescribed time frame for arranging the subsequent onsite review (**certification review** for an EIEP requesting initial access to SSA-provided information for an initial agreement or **compliance review** for other EIEPs), unless there are compelling circumstances precluding it, the onsite review will follow as soon as reasonably possible.

However, the scheduling of the onsite review may depend on additional factors including:

- the reason for submission of a plan
- the severity of security issues if any
- circumstances of the previous review if any
- SSA workload considerations

Although the scheduling of the review is contingent upon approval of the SDP, in extreme circumstances, SSA may, at its discretion, perform an onsite review prior to approval if determined necessary by SSA for completion of the evaluation of a plan.

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## 7. Additional Definitions

### **Back Button:**

Refers to a button on a web browser's toolbar, the *backspace button* on a computer keyboard, a programmed keyboard button or mouse button, etc., that returns a user to a previously visited web page or application screen.

### **Breach:**

Refers to actual loss, loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for other than authorized purposes have access or potential access to PII or Covered Information, whether physical, electronic, or in spoken word or recording.

### **Browsing:**

Requests for or queries of SSA-provided data for purposes not related to the performance of official job duties.

### **Choke Point:**

The firewall between a local network and the Internet is considered a choke point in network security, because any attacker would have to come through that channel, which is typically protected and monitored.

### **Cloud Computing:**

The term refers to Internet-based computing and is derived from the cloud drawing representing the Internet in computer network diagrams. Cloud computing providers deliver on-demand online computing resources (e.g., services, software applications, data storage, and information) accessible to their customers by means of a web service or browser.

### **Cloud Drive:**

A cloud drive is a Web-based service that provides storage space on a remote server.

### **CloudAudit:**

CloudAudit is a specification that provides cloud computing service providers a standard way to present and share detailed, automated statistics about performance and security.

### **Commingling:**

The process by which an EIEP adjoins specific SSA-provided data to specific preexisting EIEP information according to a particular data-matching scheme.

### **Degaussing:**

Degaussing is the method of using a degausser (i.e., a device that generates a magnetic field) in order to disrupt magnetically recorded information. Degaussing can be effective for purging damaged media and media with exceptionally large storage capacities. Degaussing is not effective for purging non-magnetic media (e.g., optical discs).

### **Dial-up:**

Sometimes used synonymously with *dial-in*, refers to digital data transmission over the wires of a local telephone network.

### **Function:**

One or more persons or organizational components assigned to serve a particular purpose, or perform a particular role. Also, the purpose, activity, or role assigned to one or more persons or organizational components.

**Hub:**

As it relates to electronic data exchange with SSA, a hub is an organization which performs as an electronic information distribution and/or collection point (and may also be referred to as a State Transmission Component or STC).

**ICON:**

Interstate Connection Network (various entities use 'Connectivity' rather than 'Connection')

**IV & V:**

Independent Verification and Validation

**Legacy System:**

A term usually referring to a corporate or organizational computer system or network that utilizes outmoded programming languages, software, and/or hardware that typically no longer receive support from the original vendors or developers.

**Manual Transaction:**

An operation (also referred to as a 'user-initiated transaction') which is initiated at the volition of a user rather than system-generated within an automated process.

Example: A user enters a client's information including the client's SSN on an input screen and presses the 'ENTER' key to acknowledge that input of data has been completed. A new screen appears with multiple options which include 'VERIFY SSN' and 'CONTINUE'. The user has the option to verify the client's SSN or perform alternative actions.

**Media Sanitization:**

- **Disposal:** Refers to the discarding (e.g., recycling) of media that contains no sensitive or confidential data.
- **Clearing:** This type of media sanitization is considered to be adequate for protecting information from a robust keyboard attack. Clearing must prevent retrieval of information by data, disk, or file recovery utilities. Clearing must be resistant to keystroke recovery attempts executed from standard input devices and from data scavenging tools. For example, overwriting is an acceptable method for clearing media. Deleting items, however, is not sufficient for clearing.

This process may include overwriting all addressable locations of the data, as well as its logical storage location (e.g., its file allocation table). The aim of the overwriting process is to replace or obfuscate existing information with random data. Most rewriteable media may be cleared by a single overwrite. This method of sanitization cannot be utilized on unwritable or damaged media.

- **Purging:** This type of media sanitization is a process that protects information from a laboratory attack. The terms *clearing* and *purging* are sometimes considered synonymous. However, for some media, clearing is not sufficient for purging (i.e., protecting data from a laboratory attack). Although most rewriteable media may be cleared by a single overwrite, purging may require multiple rewrites using different characters for each write cycle.

This is because a laboratory attack involves threats with the capability to employ non-standard assets (e.g., specialized hardware) to attempt data recovery on media outside of that media's normal operating environment.

Degaussing is also an example of an acceptable method for purging magnetic media. If purging media is not a viable method for sanitization, the media should be destroyed.

- **Destruction:** Physical destruction of media is the most effective form of sanitization. Methods of destruction include burning, pulverizing, and shredding. Any residual medium should be able to withstand a laboratory attack.

**Permission module:**

A utility or subprogram within an application which automatically enforces the relationship of a request for or query of SSA-provided data to an authorized process or transaction legitimately initiated; e.g., verification of an SSN for issuance of a driver license which can be triggered only automatically from within a state's driver license application, requests for information from SSA by an EIEP's employee which cannot be initiated unless the EIEP's client system has a record containing the SSN of the individual for which information is sought, etc.

**Screen Scraping:**

Screen scraping is normally associated with the programmatic collection of visual data from a source. Originally, screen scraping referred to the practice of reading text data from a computer display terminal's screen. This was generally done by reading the terminal's memory through its auxiliary port, or by connecting the terminal output port of one computer system to an input port on another. The term screen scraping is also commonly used to refer to the bidirectional exchange of data.

A screen scraper might connect to a legacy system via Telnet, emulate the keystrokes needed to navigate the legacy user interface, process the resulting display output, extract the desired data, and pass it on to a modern system.

More modern screen scraping techniques include capturing the bitmap data from a screen and running it through an optical character reader engine, or in the case of graphical user interface applications, querying the graphical controls by programmatically obtaining references to their underlying programming objects.

**Security Breach:**

An act from outside an organization that bypasses or contravenes security policies, practices, or procedures.

**Security Incident:**

A fact or event which signifies the possibility that a breach of security may be taking place, or may have taken place. All threats are security incidents, but not all security incidents are threats.

**Security Violation:**

An act from within an organization that bypasses or contravenes security policies, practices, or procedures.

**Sensitive data:**

Information such as PII and information provided by SSA to an EIEP, the loss, misuse, or unauthorized access to or modification of which, could adversely affect the national interest or the conduct of Federal programs, or the privacy to which individuals are entitled under 5 U.S.C. Section 552a (the Privacy Act), but that has not been specifically authorized under criteria established by an Executive Order or an Act of Congress to be kept classified in the interest of national defense or foreign policy but is to be protected in accordance with the requirements of the Computer Security Act of 1987 (P.L.100-235).

**SMDS (Switched Multimegabit Data Service (SMDS):**

SMDS is a telecommunications service that provides connectionless, high-performance, packet-switched data transport. Although not a protocol, it supports standard protocols and communications interfaces using current technology.

**SSA-provided data/information:**

Synonymous with 'SSA-supplied data/information', defines information under the control of SSA provided to an external entity under the terms of an information exchange agreement with SSA. The following are examples of SSA-provided data/information:

- SSA's response to a request from an EIEP for information from SSA (e.g., date of death)
- SSA's response to a query from an EIEP for verification of an SSN

**SSA data/information:**

This is term, sometimes used interchangeably with 'SSA-provided data/information', denotes information under the control of SSA provided to an external entity under the terms of an information exchange agreement with SSA. However, 'SSA data/information' also includes information provided to the EIEP by a source other than SSA, but which is attested by the EIEP to have been verified by SSA, or is coupled with data from SSA as to the accuracy of the information. The following are examples of SSA information:

- SSA's response to a request from an EIEP for information from SSA (e.g., date of death)
- SSA's response to a query from an EIEP for verification of an SSN
- Display by the EIEP of SSA's response to a query for verification of an SSN **and** the associated SSN provided by SSA
- Display by the EIEP of SSA's response to a query for verification of an SSN **and** the associated SSN provided to the EIEP by a source other than SSA
- Electronic records that contain only SSA's response to a query for verification of an SSN **and** the associated SSN whether provided to the EIEP by SSA or a source other than SSA

**SSN:**

Social Security Number

**STC:**

A State Transmission Component is an organization which performs as an electronic information distribution and/or collection point for one or more other entities (and may also be referred to as a hub).

**System-generated transaction:**

A transaction automatically triggered by an automated system process.

Example: A user enters a client's information including the client's SSN on an input screen and presses the 'ENTER' key to acknowledge that input of data has been completed. An automated process then matches the SSN against the user's organization's database and when no match is found, automatically sends an electronic request for verification of the SSN to SSA.

**Systems process:**

Refers to a software program module that runs in the background within an automated batch, online, or other process.

**Third Party:**

This term pertains to an entity (person or organization) provided access to SSA-provided information by an EIEP or other SSA business partner for which one or more of the following apply:

- is not stipulated access to SSA-provided data by an information-sharing agreement between an EIEP and SSA
- has no information-sharing agreement with SSA
- is not directly authorized by SSA for access to SSA-provided data

**Transaction-driven:**

This term pertains to an automatically initiated online query of or request for SSA information by an automated transaction process (e.g., driver license issuance, etc.). The query or request will only occur if prescribed conditions are met within the automated process.

**Uncontrolled transaction:**

This term pertains to a transaction that is not controlled by a permission module (i.e., not subject to a systematically enforced relationship to an authorized process or application or an existing client record).

**8. Regulatory References** 

Federal Information Processing Standards (FIPS) Publications

Federal Information Security Management Act of 2002 (FISMA)

Homeland Security Presidential Directive (HSPD-12)

National Institute of Standards and Technology (NIST) Special Publications

Office of Management and Budget (OMB) Circular A-123, *Management's Responsibility for Internal Control*

Office of Management and Budget (OMB) Circular A-130, Appendix III, *Management of Federal Information Resources*

Office of Management and Budget (OMB) Memo M-06-16, *Protection of Sensitive Agency Information, June 23, 2006*

Office of Management and Budget (OMB) Memo M-07-16, *Memorandum for the Heads of Executive Departments and Agencies, May 22, 2007*

Office of Management and Budget (OMB) Memo M-07-17, *Safeguarding Against and Responding to the Breach of Personally Identifiable Information, May 22, 2007*

Privacy Act of 1974

9. Frequently Asked Questions   
(Click links for answers or additional information)

1. Q: What is a breach of data?  
A: Refer also to Security Breach, Security Incident, and Security Violation.
2. Q: What is employee browsing?  
A: Click hyperlink
3. Q: Okay, so the SDP was submitted. Can the Onsite Review be scheduled now?  
A: Refer to Scheduling the Onsite Review.
4. Q: What is a 'Permission Module'?  
A: Click hyperlink
5. Q: What is meant by Screen Scraping?  
A: Click hyperlink
6. Q: When does an SDP have to be submitted?  
A: Refer to When the SDP and RA are Required.
7. Q: Does an SDP have to be submitted when the agreement is renewed?  
A: The SDP does not have to be submitted **because** the agreement between the EIEP and SSA was renewed. There are, however, circumstances that require an SDP to be submitted. Refer to When the SDP and RA are Required.
8. Q: Is It acceptable to save SSA data with a verified indicator on a (EIEP) workstation as long as the hard drive is encrypted? If not, what options does the agency have?  
A: There is no problem with an EIEP saving SSA-provided information to the encrypted hard drives of computers processing the data provided the information is retained only as provided for in the EIEP's data-sharing agreement with SSA. Refer to Data and Communications Security.
9. Q: Is caching of SSA-provided data on EIEP workstations allowed?  
A: Caching during processing is not a problem. However, SSA-provided data must be cleared from the cache when the user exits the application in which the data was used or accessed. Refer to Data and Communications Security.
10. Q: What is meant by "interconnections to other systems"?  
A: As used in SSA's system security requirements document, the term "interconnections" is synonymous with "connections".
11. Q: Is it acceptable to submit the SDP as a PDF file?  
A: No, it is not.
12. Q: Should the SDP be written from the standpoint of my agency's SVES access itself, or from the standpoint of access to all data provided to us by SSA?  
A: The SDP is to encompass your agency's electronic access to SSA-provided data as per the electronic data sharing agreement between your agency and SSA. Refer to Developing the SDP.
15. Q: Does having a "transaction-driven" system mean that employees cannot initiate a query to SSA and that a permission module is not needed?  
A: Not necessarily. "Transaction driven" basically means that queries, etc. are submitted automatically (and it might depend on the transaction). Depending on the system

implementation, queries might not be automatic or, if they are, manual transactions might still be permitted (for example, when something needs to be corrected). Also, even if a "transaction-driven" system is implemented in such a way that manual transactions cannot be performed, if the system does **not** require the user to be in a particular application and/or the query to be for an existing record in the EIEP's system **before** the system will allow a query to go through to SSA, it would still need a permission module.

16. Q: What is an Onsite Compliance Review?

A: The Onsite Compliance Review is the process wherein SSA performs periodic site visits to its Electronic Information Exchange Partners (EIEP) to certify whether the EIEP's technical, managerial, and operational security measures for protecting data obtained electronically from SSA continue to conform to the terms of the EIEPs' data sharing agreements with SSA and SSA's associated system security requirements and procedures. Refer to the Compliance Review Program and Process.

17. Q: What are the criteria for performing an Onsite Compliance Review?

A: The following are criteria for performing the Onsite Compliance Review:

- EIEP Initiating new access or new access method for obtaining information from SSA
- EIEP's cyclical review (previous review was performed remotely)
- EIEP has made significant change(s) in its operating or security platform involving SSA-provided data
- EIEP experienced a breach of SSA-provided personally identifying information (PII)
- EIEP has been determined to be high-risk

Refer also to the Review Determination Matrix.

18. Q: What is a Remote Compliance Review?

A: The Remote Compliance Review is the process wherein SSA conducts periodic meetings remotely (e.g., via conference calls) with its EIEPs to determine whether the EIEP's technical, managerial, and operational security measures for protecting data obtained electronically from SSA continue to conform to the terms of the EIEPs' data sharing agreements with SSA and SSA's associated system security requirements and procedures. Refer to the Compliance Review Program and Process.

19. Q: What are the criteria for performing a Remote Compliance Review?

A: Each of the following criteria must be satisfied for performing the Remote Compliance Review:

- EIEP's cyclical review (previous review was performed onsite without findings or issues for which findings were cited have been satisfactorily resolved).
- EIEP has made no significant change(s) in its operating or security platform involving SSA-provided data.
- EIEP has not experienced a breach of SSA-provided personally identifying information (PII) since its previous compliance review.
- EIEP has been determined to be low-risk

Refer also to the Review Determination Matrix

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Ω

**ATTACHMENT 5**

**WORKSHEET FOR REPORTING LOSS OR POTENTIAL LOSS  
OF PERSONALLY IDENTIFIABLE INFORMATION**

**ATTACHMENT 5**

09/27/06

**Worksheet for Reporting Loss or Potential Loss of Personally Identifiable Information**

**1. Information about the individual making the report to the NCSC:**

Name:			
Position:			
Deputy Commissioner Level Organization:			
Phone Numbers:			
Work:	Cell:	Home/Other:	
E-mail Address:			
Check one of the following:			
Management Official	Security Officer	Non-Management	

**2. Information about the data that was lost/stolen:**

Describe what was lost or stolen (e.g., case file, MBR data):

Which element(s) of PII did the data contain?

Name	Bank Account Info
SSN	Medical/Health Information
Date of Birth	Benefit Payment Info
Place of Birth	Mother's Maiden Name
Address	Other (describe):

Estimated volume of records involved:

**3. How was the data physically stored, packaged and/or contained?**

Paper or Electronic? (circle one):

If Electronic, what type of device?

Laptop	Tablet	Backup Tape	Blackberry
Workstation	Server	CD/DVD	Blackberry Phone #
Hard Drive	Floppy Disk	USB Drive	
Other (describe):			

ATTACHMENT 5

09/27/06

Additional Questions if Electronic:

	Yes	No	Not Sure
a. Was the device encrypted?			
b. Was the device password protected?			
c. If a laptop or tablet, was a VPN SmartCard lost?			
Cardholder's Name:			
Cardholder's SSA logon PIN:			
Hardware Make/Model:			
Hardware Serial Number:			

Additional Questions if Paper:

	Yes	No	Not Sure
a. Was the information in a locked briefcase?			
b. Was the information in a locked cabinet or drawer?			
c. Was the information in a locked vehicle trunk?			
d. Was the information redacted?			
e. Other circumstances:			

4. If the employee/contractor who was in possession of the data or to whom the data was assigned is not the person making the report to the NCSC (as listed in #1), information about this employee/contractor:

Name:			
Position:			
Deputy Commissioner Level Organization:			
Phone Numbers:			
Work:	Cell:	Home/Other:	
E-mail Address:			

5. Circumstances of the loss:

- a. When was it lost/stolen?
- b. Brief description of how the loss/theft occurred:
- c. When was it reported to SSA management official (date and time)?

6. Have any other SSA components been contacted? If so, who? (Include deputy commissioner level, agency level, regional/associate level component names)

**ATTACHMENT 5**

09/27/06

**7. Which reports have been filed? (include FPS, local police, and SSA reports)**

<b>Report Filed</b>	<b>Yes</b>	<b>No</b>	<b>Report Number</b>
Federal Protective Service			
Local Police			
	<b>Yes</b>	<b>No</b>	
SSA-3114 (Incident Alert)			
SSA-342 (Report of Survey)			
Other (describe)			

**8. Other pertinent information (include actions under way, as well as any contacts with other agencies, law enforcement or the press):**

**RECERTIFICATION OF THE COMPUTER MATCHING AGREEMENT  
BETWEEN  
THE SOCIAL SECURITY ADMINISTRATION (SSA)  
AND  
THE HEALTH AND HUMAN SERVICES AGENCY OF CALIFORNIA  
(STATE AGENCY)**

SSA Match #6003

Under the applicable provisions of the Privacy Act of 1974, amended by the Computer Matching and Privacy Protection Act (CMPPA) of 1988, 5 U.S.C. § 552a(o)(2), a computer matching agreement will remain in effect for a period not to exceed 18 months. Within 3 months prior to the expiration of such computer matching agreement, however, the Data Integrity Board (DIB) may, without additional review, renew the computer matching agreement for a current, ongoing matching program for a period not to exceed 12 additional months if:

1. such program will be conducted without any changes; and
2. each party to the agreement certifies to the DIB in writing that the program has been conducted in compliance with the agreement.

The following match meets the conditions for renewal by this recertification:

I. TITLE OF MATCH:

Computer Matching and Privacy Protection Act Agreement Between the Social Security Administration and the Health and Human Services Agency of California (Match #6003)

II. PARTIES TO THE MATCH:

Recipient Agency: The Health and Human Services of California (State Agency)

Source Agency: Social Security Administration (SSA)

III. PURPOSE OF THE AGREEMENT:

This CMPPA Agreement between SSA and the State Agency, sets forth the terms and conditions governing disclosures of records, information, or data (collectively referred to herein "data") made by SSA to the State Agency that administers federally funded benefit programs under various provisions of the Social Security Act (Act), such as section 1137 (42 U.S.C. § 1320b-7), including the state-funded state supplementary payment programs under title XVI of the Act. Under section 1137 of the Act, the State Agency is required to use an income and eligibility verification system to administer specified federally funded benefit programs, including the state-funded state supplementary payment programs under title XVI of the Act. To assist the State Agency in determining

entitlement to and eligibility for benefits under those programs, as well as other federally funded benefit programs, SSA discloses certain data about applicants for state benefits from SSA Privacy Act Systems of Records and verifies the Social Security numbers of the applicants.

IV. ORIGINAL EFFECTIVE AND EXPIRATION DATES OF THE MATCH:

Effective Date: July 1, 2012  
Expiration Date: December 31, 2013

V. RENEWAL AND NEW EXPIRATION DATES:

Renewal Date: January 1, 2014  
New Expiration Date: December 31, 2014

VI. CHANGES:

By this recertification, SSA and the State Agency make the following non-substantive changes to the computer matching agreement:

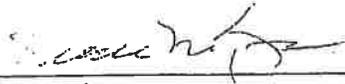
In Article XIV, "Points of Contact," information under subsection A., "SSA Point of Contact, Regional Office," should be deleted in its entirety and replaced with the following:

Dolores Dunnachie, Director  
San Francisco Regional Office, Center for Programs Support  
1221 Nevin Ave  
Richmond CA 94801  
Phone: (510) 970-8444/Fax: (510) 970-8101  
[Dolores.Dunnachie@ssa.gov](mailto:Dolores.Dunnachie@ssa.gov)

Social Security Administration

Source Agency Certification:

As the authorized representative of the source agency named above, I certify that: (1) the subject matching program was conducted in compliance with the existing computer matching agreement between the parties; and (2) the subject matching program will continue without any change for an additional 12 months, subject to the approval of the Data Integrity Board of the Social Security Administration.

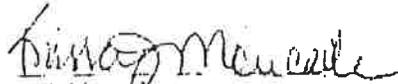


Grace M. Kim  
Regional Commissioner  
San Francisco

Date 7/10/13

Data Integrity Board Certification:

As Chair of the Data Integrity Board of the source agency named above, I certify that: (1) the subject matching program was conducted in compliance with the existing computer matching agreement between the parties; and (2) the subject matching program will continue without any change for an additional 12 months.



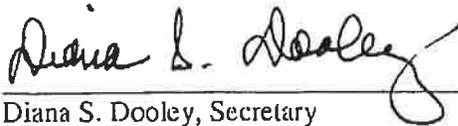
Kirsten J. Moncada  
Chair  
Data Integrity Board

Date 7/10/13

Health and Human Services Agency of California

Recipient Agency Certification:

As the authorized representative of the recipient agency named above, I certify that: (1) the subject matching program was conducted in compliance with the existing computer matching agreement between the parties; and (2) the subject matching program will continue without any change for an additional 12 months, subject to the approval of the Data Integrity Board of the Social Security Administration.



Diana S. Dooley, Secretary

Date October 30, 2013



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Behavioral Health**

**TIME REQUIRED**

**SUBJECT** ShareCare Visual Health Record  
Software Upgrade

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

---

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed contract with The Echo Group to upgrade our Electronic Health Record (EHR) to a Visual Health Record (VHR) in order to meet Meaningful Use requirements set forth by the Department of Health Care Services.

---

### RECOMMENDED ACTION:

Approve County entry into proposed contract and authorize Robin Roberts to execute said contract on behalf of the County. Provide any desired direction to staff.

---

### FISCAL IMPACT:

No fiscal impact to the County General Fund. \$65,513 was allocated and approved for the 2014/2015 Behavioral Health budget.

---

**CONTACT NAME:** Robin Roberts

**PHONE/EMAIL:** 760-924-1740 / rroberts@mono.ca.gov

---

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**

---

### MINUTE ORDER REQUESTED:

YES  NO

---

### ATTACHMENTS:

Click to download

- [Staff Report--Visual Health Record Upgrade with The Echo Group](#)
  - [VHR contract](#)
-

**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/8/2014 3:16 PM	County Administrative Office	Yes
12/8/2014 2:22 PM	County Counsel	Yes
12/9/2014 4:41 PM	Finance	Yes



Office Of The ...

MONO COUNTY MENTAL HEALTH, ALCOHOL AND DRUG PROGRAMS

# COUNTY OF MONO

P.O. BOX 2619 • MAMMOTH LAKES, CA 93546 (760) 924-1740 • FAX (760) 924-1741

TO: Mono County Board of Supervisors  
FROM: Robin Roberts, Behavioral Health Director  
DATE: December 8, 2014  
SUBJECT: Agreement with The Echo Group for Visual Health Record upgrade

## DISCUSSION:

Built into the mandates of Health Care Reform is a three tiered implementation schedule for Behavioral Health providers, in this case Mono County Behavioral Health (MCBH) for Electronic Health Records (EHR) and Visual Health Records (VHR). This Agreement with The Echo Group will allow us to upgrade our current system to meet the Federal and State requirements of Meaningful Use.

Additionally, once MCBH has implemented the VHR at the second tier of Meaningful Use, we will be able to participate in the prospective changes that will be determined for Federal and State Reimbursement for Medi-Cal and Medi-Care Services. Information Technology is an essential aspect of our staying current with mandates and requirements as well as allowing us to better serve our community and consumers of Behavioral Health services.

## FISCAL IMPACT:

There is no fiscal impact to the County General Fund.

The cost of implementation is a maximum of \$65,512.00 and will be paid for from Substance Use, Mental Health and Mental Health Services Act accounts by Mono County Behavioral Health.

Submitted by: \_\_\_\_\_

Date: \_\_\_\_\_

*December 8, 2014*

Robin Roberts, Director of Behavioral Health

Phone: 760-924-1740

## MASTER INFORMATION SYSTEM AGREEMENT

This Master Information System Agreement (“**Agreement**”) is made as of October \_\_\_\_, 2014 (the “**Effective Date**”), by and between Echo Consulting Services, Inc. d/b/a The Echo Group (“**Echo**”), a New Hampshire corporation having a principal place of business at 15 Washington Street, Conway, NH 03818, and Mono County Mental Health (“**County**”), a behavioral health agency having a principal place of business at PO Box 2619, Mammoth lakes, CA 93546.

**WHEREAS**, County desires to receive from Echo the Services (as defined below) and a License to use the Software (as defined below) in accordance with this Agreement and Echo agrees to provide the Services and the License to use the Software to County;

**NOW, THEREFORE**, in consideration of the premises and the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

### 1. DEFINITIONS

Capitalized terms used in this Agreement will have the meanings given below or according to the context in which the term is used, as the case may be.

- A. “**Affiliate**” of a party means any other entity that directly or indirectly controls, or is under common control with, or is controlled by, the party. As used in this definition, “**control**” means actual or equitable ownership of a majority of the voting shares (or other securities, partnership interests or means of ownership, as the case may be) of an entity.
- B. “**Agreement**” mean this Master Information System Agreement, its Exhibits and any statements of works that incorporate by reference this Agreement and which are entered into between County and Echo (“**Statement of Work**”).
- C. “**License**” means the license granted by Echo to County pursuant to Section 2.A of this Agreement.
- D. “**Product Documentation**” means any then-current manuals, technical materials or on-line help made available to County by Echo for use of the Software pursuant to this Agreement.
- E. “**Services**” means the software development, implementation, training, maintenance, consulting and other professional services provided by Echo pursuant to this Agreement as further described in Exhibits B, C, D, E and F.
- F. “**Software**” means Echo’s software products accessible to County listed in Exhibit A and includes proprietary databases, automated forms, source and/or object code and executable code versions thereof, as well as any associated intellectual property rights.
- G. “**Specifications**” mean a mutually agreed upon document that describes with particularity the functions to be performed by the Software.

### 2. ECHO RESPONSIBILITIES

Echo will provide the following License and Services (if and to the extent specified in an exhibit hereto) on the terms and conditions of this Agreement:

- A. **Grant of License.** Echo grants to County a nonexclusive, nontransferable perpetual license commencing on the Effective Date, to use the Software listed in Exhibit A and accompanying Product Documentation on the terms and conditions of this Agreement.

- (1) Warranty of Fitness.** Echo warrants, for the sole benefit of the County, that the Software will perform as indicated in the Product Documentation and Specifications, provided that the County performs its covenants and agreements and meets its representations and warranties as provided herein. Among other things, the County shall install the Software in a manner consistent with applicable Specifications, shall follow training instructions provided to County by Echo with respect to the operation of the Software, and shall observe the operating, security, and data control procedures set forth in the Product Documentation and/or addressed in training and implementation services provided by Echo.
  - (2) Limitations.** Unless specifically provided in this Agreement or in an amendment thereto, the license to the Software provided in this Section 2.A shall not include the right to receive maintenance releases, updates or enhanced versions of the Software; provided that maintenance releases, updates or enhanced versions of the Software will be available to the County pursuant to Exhibit E. County may not transfer, sub-license, share, resell or lease the Software to any third party or otherwise use the Software as part of a commercial timesharing or service bureau operation or in any other resale capacity. County may use the Product Documentation solely in support of the Software.
  - (3) Number of Users.** County is limited to providing the Software only to the number of concurrent users set forth on Exhibit A. County may copy or reproduce the Software for internal back-up and archiving purposes only and County may copy or reproduce the Product Documentation for internal use by County personnel only.
  - (4) Title.** This Agreement does not convey to County title or ownership of the Software or the Product Documentation, but only a license right of limited use in accordance with this Agreement. All terms and conditions of this Agreement are material terms of the license granted by this Agreement.
  - (5) Software Usage Verification.** Echo software automatically audits and verifies license usage. If it is determined by the automatic audit that the license usage by County is exceeding the Usage Rights for the number of purchased or subscribed to licenses as identified in Exhibit A, Echo shall notify County and County shall bring its usage within the limits of such Usage Rights. If County fails to do so within 30 calendar days of receipt of Echo's notice, Echo reserves the right to charge and County agrees to pay Echo's then-current license usage fees for such overage.
- B. Implementation, Training and Conversion Services.** Echo will provide the implementation, training and conversion services set forth on Exhibit B (if any) in consideration for the fees set forth thereon. Additional services for custom programming, training, implementation, conversion or consultation not set forth in Exhibit B are excluded from this Agreement but may be authorized by a written amendment hereto and, unless otherwise specified in such amendment, shall be billed at rates current at the time services are provided.
- C. Hosting Services.** Echo will provide the hosting services for the Software set forth on Exhibit C (if any) in consideration for the fees set forth thereon.
- D. Transaction Management Services.** Echo will provide the transaction management services set forth on Exhibit D (if any) in consideration for the fees set forth thereon.
- E. Support Services.** Echo will provide County with remote support services (“**Support Services**”) for the Software and the accompanying Product Documentation listed on Exhibit E (if any), on the terms and conditions of this Agreement.
- F. Software Submissions.** Echo will customize its products to meet the requirements for submission to the states specified on Exhibit F (if any) at no charge to County at Agreement

execution, unless otherwise noted on Exhibit F. The customized modifications shall be as described on Exhibit F (if any). Unless otherwise set forth on Exhibit F, Echo will not be responsible for making additional modifications as and when such states' requirements change; any such modifications shall be subject to amendment of this Agreement and such additional fees and charges as agreed by the parties.

**G. HIPAA Obligations.** In connection with entering into this Agreement, the parties will enter into the Business Associate Agreement attached as Exhibit G. In the event of conflict between the Business Associate Agreement and this Agreement, the Business Associate Agreement shall control.

Each Exhibit which is completed and identified to this Agreement shall be deemed incorporated into and shall form a part of this Agreement from and after the Effective Date, and shall be subject to the general terms and conditions of this Agreement, except as otherwise set forth in each Exhibit.

### 3. COUNTY RESPONSIBILITIES

**A. Fees.** County agrees to pay Echo and/or authorizes Echo to charge against any applicable retainer the following fees on the terms and conditions set forth in this Agreement.

(1) **License Fees.** The fees for the License as set forth in Exhibit A.

(2) **Implementation, Training and Conversion Fees.** The fees for installation, training and/or conversion services as set forth in Exhibit B.

(3) **Hosting Fees.** The fees for hosting services as set forth in Exhibit C (if any).

(4) **Transaction Management Fees.** The fees for transaction management services as set forth in Exhibit D.

(5) **Support Fees.** The fees for support services as set forth in Exhibit E.

(6) **Submission Fees.** The fees for Software submissions and related configuration and testing as set forth in Exhibit F (if any).

(7) **Fees for Additional Work.** Except as noted in Exhibits A – F, as applicable, additional fees for services as requested in writing by County, unless otherwise specifically agreed, will be payable by County to Echo on a time and materials basis at Echo's published rates in effect at the time the services are provided.

**B. Reimbursable Expenses.** County agrees to pay the travel and other expenses in accordance with Echo's standard policy as set forth on Exhibit H (the "Reimbursable Expenses"). All Reimbursable Expenses will be invoiced to County on a monthly basis and are due and payable by County in accordance with the payment terms set forth in this Agreement.

**C. Invoices.** Echo will submit invoices to County on a regular basis, identifying the fees and Reimbursable Expenses in connection with the Software and the Services provided by Echo and identifying the specific services provided by Echo to which the fees apply. If applicable, Echo will account in such invoices for charges against County's retainer (if any) during such period. For any Services performed on a time and materials basis, the invoice will also state the total number of hours worked by billable labor category.

**D. Terms of Payment.** Echo invoices are due and payable in full within thirty (30) days from the date of the invoice. All fees and Reimbursable Expenses shall be paid in United States Dollars, by check sent to Echo at the address first specified above or by wire transfer of funds to an account designated in writing by Echo.

- E. Interest Due Upon Late Payment.** Invoiced payments not received within thirty (30) days of invoice date shall be deemed late. Echo may add to any late payments an interest charge of one and one-half percent (1 ½ %) per month compounded monthly, or the maximum rate allowed by law if less; this interest will begin to accrue on the thirty-first (31<sup>st</sup>) day after the invoice's due date and will accumulate on the outstanding balance until paid in full.
- F. Payments Late By More Than Ninety (90) Days.** In the event that invoiced payments are not received within ninety (90) days of invoice date, County will, upon receipt in writing of Echo's request to do so, destroy or delete all copies of the Software and Product Documentation. In any such event, Echo shall be entitled, at its election by written notice to County, to declare County in material breach of this Agreement. Notwithstanding the foregoing, County will remain liable and responsible for all payments due under the Agreement; including without limitation all accrued fees and Reimbursable Expenses.

#### **4. ADDITIONAL COUNTY RESPONSIBILITIES**

- A. Approvals and Information.** County will respond promptly to any Echo request to provide information, approvals, decisions or authorizations that are reasonably necessary for Echo to perform the Services in accordance with the Agreement. Echo's request may also describe the course of action Echo intends to follow if it does not receive a timely response from County, which may include suspension of the affected Services. Echo will have the right to review County's use of the Software for the purpose of verifying the number of concurrent users of the same.
- B. Responsibility for Use and Verification.** Subject to the terms of this Agreement and Echo's obligations, County is responsible for the results of County using the Software, hardware, equipment, Services, and other deliverables under the Agreement in its business operations not due to the act or omission of Echo. County will test and conduct independent verification of such results prior to using them in its business.
- C. County's Failure to Provide Timely Response.** If action or inaction by County prevents or delays Echo from performing the Services, Echo shall be entitled to an equitable adjustment in the schedule for performance and any compensation payable for performance of the Services, including any fees and Reimbursable Expenses. In such event, the parties will mutually agree upon an amendment to this Agreement or any exhibit hereto documenting the adjustments.

#### **5. CONFIDENTIALITY**

- A.** "Confidential Information" means proprietary and confidential information, trade secrets, reports, drawings, renderings, business plans, marketing plans, interpretations, concepts, forecasts, Customer Data (as defined below), and business records containing or otherwise reflecting information and concerning the disclosing party which are not available to the general public and which the disclosing party will provide or has previously provided to the receiving party.
- B.** The parties agree that all Confidential Information of the disclosing party will be held and treated by the receiving party, its agents and employees in confidence; will be safeguarded using reasonable measures not less protective than those employed by the receiving party to safeguard its own confidential information; and will not, except as required by law or as hereinafter provided, without the prior written consent of the disclosing party, be disclosed to any third party by the receiving party, its agents or employees, in any manner whatsoever, in whole or in part, and will not be used by the receiving party, its agents or employees other than in connection with performance of its obligations herein. The receiving party agrees (i) to only disclose the disclosing party's Confidential Information to its agents and employees who need to know such Confidential Information for the purposes of the Agreement and who have been advised by the receiving party of this Agreement of confidential nature of such information and (ii) that the

receiving party will ensure that such agents and employees will act in accordance herewith and will liable for the acts or omissions of such agents and employees.

- C. Notwithstanding the foregoing, the following will not constitute “Confidential Information” for purposes of this Agreement: (a) information which was known by the receiving party prior to disclosure by the disclosing party; (b) information that becomes generally available to the public other than by breach of this Agreement; or (c) information that otherwise becomes lawfully available on a non-confidential basis from a third party who is not under an obligation of confidence to the disclosing party.
- D. If the receiving party is requested or required by applicable law, regulation or legal process to disclose any Confidential Information of the disclosing party, the receiving party will provide prompt written notice of any such request or requirement so that the disclosing party may seek an appropriate protective order or waive compliance with the provisions of this Agreement. The receiving party agrees to furnish or disclose only that portion of the Confidential Information of the disclosing party which it is advised by legal counsel is required, and further agrees to exercise its best efforts to obtain reliable assurances and/or protective orders to protect the secrecy and use limitations of such Confidential Information of the disclosing party.

## 6. PROPRIETARY RIGHTS

- A. County acknowledges that the Software and its Product Documentation constitute valuable trade secrets of Echo, and County agrees not to reverse engineer, decompile, disassemble or otherwise attempt to derive the source code for the Software or extract or use any ideas, algorithms or procedures from the Software or Product Documentation for any reason. Except with respect to the license granted under this Agreement, Echo will own all intellectual property rights, title and interest in and to all work products developed by it under the Agreement. Notwithstanding the foregoing, Echo shall have no ownership interest in “Protected Health Information,” as that term is defined in the rules and regulations promulgated under the Health Insurance Portability and Accountability Act of 1996; such Protected Health Information shall be governed by the provisions of the HIPAA Business Associate Agreement attached as Exhibit G.
- B. Possession of Source Code
  - 1) Source code and technical documentation for the product listed in Exhibit A (‘Source Code’) will be delivered to County within thirty (30) days of the receipt of a written request under the following conditions:
    - a) Declaration of bankruptcy by Echo
    - b) Echo ceases support of the product listed in Exhibit A.
  - 2) Echo grants County the nonexclusive, nontransferable right to use a copy of the Source Code on the terms in this section and in this agreement.
  - 3) County may use, modify and reproduce the Source Code only for the purpose of maintaining County’s internal Software installation, and not for any other purpose. Without limiting the foregoing, County shall not secure the Source Code to modify or maintain the Software or any other software program for any other entity, or to create new software programs or functions.
  - 4) County shall maintain the secrecy of the Source Code and shall not disclose it to anyone outside the County. However, the County may allow a third party access to the Source Code for the purpose of maintaining County’s internal Software installation, as long as the third party signs an agreement protecting the confidentiality of the Source Code.

- 5) Such use of the Source Code would be limited to the licensing rights of the County as governed in this Agreement (including Exhibit B, if applicable).

## 7. LIMITED WARRANTIES AND REMEDIES FOR BREACH OF WARRANTY

- A. Warranty of Fitness.** Echo warrants the fitness of the Software for the purposes set forth in Section 2.A(1) above; however, Echo makes no other warranties of fitness. Echo makes no warranty of any kind regarding third party software, hardware or equipment and is under no obligation to County with respect to the same.
- B. Quality of Services.** Echo warrants, for the sole benefit of the County, for a period of ninety (90) days commencing when the Services are performed (the “**Warranty Period**”), that the Services will be performed in a workmanlike manner consistent with industry standards reasonably applicable to the performance of such Services. If County believes there has been a breach of this warranty, it must notify Echo in writing prior to the expiration of the Warranty Period stating, in reasonable detail, the nature of the alleged breach. Without admitting or denying whether the Services have breached the warranties of this Section 7.B, Echo may, at its election, re-perform the affected Services or refund the amounts paid by County to Echo on account of such Services; and the parties agree and acknowledge that the foregoing shall represent County’s exclusive remedy under this Agreement.
- C. Nonconformity and Correction of Software.** County agrees to notify Echo in writing within 120 days of successful installation of the Software of any Nonconformity affecting such Software, describing in reasonable detail such Nonconformity. As used in this Agreement, “**Nonconformity**” means a reproducible condition in the Software that prevents the Software from performing the functions described in the Product Documentation and the Specifications such that the Software does not operate or cannot be used in a production environment. If County delivers to Echo a timely notice of Nonconformity and Echo determines that the items specified in the notice are in fact Nonconformities, Echo will modify the Software to remove the Nonconformity and will provide the modifications to County for testing. Echo’s modifications will be made at no additional charge if the Software is being provided at a fixed price. If the Software is being provided on a time and materials basis, Echo’s modifications will be made on a time and materials basis unless otherwise agreed in writing. Upon receipt of corrected Software from Echo, County will have a reasonable additional period of time, not to exceed ten (10) business days, to review the corrected Software to confirm that the identified and agreed-upon Nonconformities have been corrected. In the event that any Nonconformity persists through three (3) correction cycles as described herein, then Echo shall refund to County all amounts paid by County with respect to purchased Echo Software and any affected Services, which shall constitute County’s sole remedy in connection with such Nonconformity and County may terminate this Agreement as set forth in Section 8(a)(1).
- D. Noninfringement and Indemnification.** Echo warrants that Echo has all the rights necessary to grant the license to County for the Software and Product Documentation contemplated in this Agreement; that the Software and the Product Documentation are original works of authorship of Echo; and that any original works of authorship provided by Echo pursuant to this Agreement, including their use by County in unaltered form (except where altered by Echo), will not, to the best of Echo’s knowledge, infringe any third-party copyrights, trademarks, patents or trade secrets that exist on the Effective Date or thereafter and that arise or are enforceable under the laws of the United States of America. If a third-party brings a claim or action against County making allegations that, if true, would constitute a breach of this warranty, then Echo will, at its own expense, defend, indemnify and hold County harmless in such proceeding, and Echo will pay all reasonable settlements, costs, damages and legal fees finally awarded; provided that Echo will provide substitute software that is non-infringing that provided materially the same function as the Software or County may terminate this Agreement.

**E. Disclaimer. THE FOREGOING WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, INTEGRATION, PERFORMANCE AND ACCURACY. ECHO MAKES NO WARRANTY OR REPRESENTATION THAT THE USE OF THE SOFTWARE OR PRODUCT DOCUMENTATION WILL ENSURE THE COUNTY'S COMPLIANCE WITH ANY LAWS OR REGULATIONS, WHETHER CURRENT OR PROPOSED OR THAT MAY BECOME EFFECTIVE AT ANY FUTURE DATE.**

## **8. TERMINATION.**

### **A. Termination for Cause.**

- (1)** This Agreement may be terminated by either party, immediately upon notice to the other party, if the other party is in material breach of this Agreement and (except in the case of a default in the payment of Echo's fees and/or Reimbursable Expenses) has failed to cure such breach within ninety (90) days after receiving notice of such failure from the terminating party, or if such cure cannot be completed within such 90 day period, the party in breach has failed to diligently pursue such cure and complete it within such longer period as may be reasonably required. Notwithstanding the foregoing, County shall only be entitled to terminate this Agreement for violation of Section 7.C. if the Software does not perform in accordance with applicable Specifications after three correction cycles as specified in Section 7.
- (2)** Either party may terminate this Agreement by written notice to the other party in the event that the other party: (i) makes a general assignment for the benefit of creditors; (ii) becomes the subject of an involuntary petition in bankruptcy that is not dismissed within sixty (60) days, (iii) files any voluntary petition in bankruptcy; or (iv) has a receiver, trustee, or custodian appointed for its business.
- (3)** Echo will be paid for Reimbursable Expenses incurred through the effective date of termination. In addition, unless County is terminating this Agreement for cause, Echo will be reimbursed for the costs and expenses reasonably incurred by Echo to terminate its performance of the Services earlier than anticipated. Echo will use commercially reasonable efforts to minimize County's termination costs under this Section 8.A (3).

### **B. Payment upon Termination.** Echo will be paid for all Services performed through the effective date of termination, plus associated Reimbursable Expenses and termination costs as follows:

- (1)** for any Services being provided on a time and materials basis, Echo will be paid at the applicable rates for all hours of Services actually performed through the effective date of termination; and
- (2)** except as otherwise expressly set forth herein or in any Exhibit attached hereto, for any Services being provided on a fixed price basis, Echo will be paid for all Services performed through the effective date of termination, in an amount equal to the amount Echo would have received if it had performed the Services on a time and materials basis at Echo's then-current rates; and
- (3)** provided that County fulfills its payment obligations for the Software, County shall retain the right to use the Software following termination of this Agreement.

- C. Survival.** Any provision of the Agreement that imposes or contemplates continuing obligations on a party that by their nature would survive termination or expiration of this Agreement will survive the expiration or termination. Additionally, if the Agreement expires or is terminated; the Agreement's applicable terms and conditions will continue to apply to any Services requested in writing by County which Echo agrees to perform notwithstanding the termination or expiration of such Agreement.

## 9. LIMITATION OF LIABILITY AND REMEDIES

- A. Limitations.** If County should become entitled to claim damages from Echo for any reason under the Agreement, Echo will be liable only for the amount of County's actual direct damages up to the amount that County paid Echo for the Software, items or Services that are the subject of the claim. **IN ADDITION, IN NO EVENT WILL ECHO'S AGGREGATE LIABILITY FOR ALL CLAIMS ARISING UNDER OR RELATING TO THIS AGREEMENT EXCEED THE TOTAL AMOUNT PAID TO ECHO BY COUNTY UNDER SUCH AGREEMENT EXHIBIT DURING THE APPLICABLE TERM THEREOF. IT IS AGREED AND ACKNOWLEDGED THAT EACH EXHIBIT HEREUNDER SHALL BE CONSIDERED AS A SEPARATE CONTRACT DOCUMENT IN RELATION TO THE ASSOCIATED SOFTWARE OR SERVICES DEFINED IN THIS AGREEMENT AND THAT LIABILITY IS LIMITED TO THE AMOUNT PAID TO ECHO BY COUNTY UNDER THE APPLICABLE EXHIBIT DURING THE 12 MONTHS PRIOR TO A CLAIM.**
- B. No Liability for Certain Damages.** In no event will Echo or the County be liable for any consequential, special, incidental, indirect, exemplary or punitive damages, even if Echo or the County, as applicable, has been advised of the possibility of such damages.
- C. Force Majeure.** Echo or County will not be held responsible, or be deemed to have failed to meet its obligations under the Agreement, if it either delays performance or fails to perform as a result of any cause beyond its reasonable control provided that it acts promptly to perform as soon as reasonably practicable.
- D. Exclusions from Limitation; Survival.** The foregoing limitations do not apply to the payment of settlements, costs, damages and legal fees referred to in Section 7.D. Should any limitation upon liability in this Agreement violate any applicable law, that provision shall be deemed stricken from the Agreement and replaced with the maximum limitation upon liability allowed for under such law.

## 10. LAW AND DISPUTES

- A. Governing Law.** The Agreement will be governed by the laws of the State of New Hampshire, without giving effect to any principle or law of any jurisdiction that would refer enforcement to the laws of any other jurisdiction. Echo agrees to comply with all applicable federal, state and local laws and regulations.
- B. Informal Dispute Resolution.** At the written request of either party, the parties will attempt to resolve any dispute arising under or relating to the Agreement through the informal means described in this Section 9.B. Each party will appoint a senior management representative who does not devote substantially all of his or her time to performance under the Agreement. The representatives will negotiate in an effort to resolve the dispute without the necessity of any formal proceeding. Formal proceedings for the resolution of the dispute may not be commenced until the earlier of: (i) the designated representatives conclude that resolution through continued negotiation does not appear likely; or (ii) thirty (30) days have passed since the initial request to negotiate the dispute was made; provided, however, that a party may file earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or to apply for interim or equitable relief.
- C. Resolution of Disputes.** The parties agree that any and all controversies or disputes arising out of, or relating to, the Agreement will be resolved exclusively in the United States District Court for the judicial district in which the defendant's corporate headquarters is located, or in the event such United States District Court lacks necessary jurisdiction in the state court of competent original jurisdiction in the county or judicial district in which the defendant's corporate headquarters is located, and any party asserting a claim thereunder shall bring and maintain any

such action in a court in such judicial district or county. The parties further agree that they hereby waive and shall not assert a defense or argument based on lack of personal jurisdiction in relation to such judicial district, and agree to waive and shall not assert any argument regarding forum nonconveniens or the inconvenience of the forum chosen in accordance with this Section 10.C.

- D. Limitation of Actions.** No proceeding, regardless of form, arising out of, or related to, the Agreement may be brought by either party more than two (2) years after the accrual of the cause of action, except that (i) proceedings related to violation of a party's proprietary rights or any duty to protect confidential information may be brought at any time within the applicable statute of limitations, and (ii) proceedings for non-payment may be brought up to two (2) years after the date the last payment was due.

## 11. GENERAL

- A. Notices.** Any legal notice or other communication required or permitted to be made or given by either party pursuant to the Agreement will be in writing, and will be deemed to have been duly given: (i) five (5) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested; or (ii) when delivered if delivered personally or sent by express courier service. All notices will be sent to the other party at its address as set forth below or at such other address as the party may specify in a notice given in accordance with this Section.

If to County: Mono County Mental Health  
PO Box 2619  
Mammoth Lake, CA 93546  
Attn:  
Fax:

If to Echo: Echo Consulting Services, Inc. d/b/a The Echo Group  
P.O. Box 2150  
15 Washington Street  
Conway, New Hampshire 03818  
Attn: Tracy E. Orlando, Director of Contracting  
Fax: (603) 447-8680

- B. Discrimination.** Echo may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. Echo shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.
- C. Independent Contractor.** Echo is an independent Contractor. It is not an employee, partner, nor joint venturer with the County.
- D. Assignment.** Neither party may assign or otherwise transfer the Agreement or any of the rights that they grant without the prior written consent of the other party. Notwithstanding the foregoing, either party may assign its rights under this Agreement, without the consent of the other party, to an entity that has acquired all or substantially all of the assigning party's assets or otherwise succeeded to the business of such party. The Agreement will be binding upon the parties' respective successors and permitted assigns.
- E. Integration.** The Agreement constitutes the entire contract between the parties and supersedes all other prior or contemporaneous communications between the parties (whether written or oral) and all other communications relating to the subject matter of the Agreement. The Agreement may be modified or amended solely in a writing signed by both parties. The parties agree that any pre-printed terms contained in County's purchase orders, acknowledgments, shipping

instructions, or other forms or in Echo's invoices, that are inconsistent with, or different from, the terms of the Agreement will be void and of no effect even if signed by the party against which their enforcement is sought.

**F. No Waiver.** No failure or delay by a party in exercising any right, power or remedy will operate as a waiver of that right, power or remedy; and no waiver will be effective unless it is in writing and signed by the waiving party.

**G. Insurance.** Echo shall maintain professional liability insurance on a claims-made basis (with tail coverage for no less than three (3) years) with coverage in an amount equal to at least one (1) million dollars per claim and two (2) million dollars in the aggregate and shall maintain general liability coverage on an occurrence basis with coverage in an amount equal to at least one (1) million dollars per occurrence and two (2) million dollars in the aggregate.

Each party has caused its authorized representative to execute this Agreement as of the Effective Date.

Echo Consulting Services, Inc.

Mono County Mental Health

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

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

Name: Tracy E. Orlando

Name: \_\_\_\_\_

Title: Director of Contracting

Title: \_\_\_\_\_

## Index of Exhibits

Exhibit A	License Addendum
Exhibit B	Implementation, Training and Conversion Services Addendum
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Exhibit G	HIPAA Business Associate Agreement
Exhibit H	Travel Expense Reimbursement Policy
Exhibit I	Cost Summary (for Informational Purposes Only)

**EXHIBIT A**

**LICENSE ADDENDUM**

In connection with the Master Information Systems Agreement, County has agreed to purchase the following Echo software products:

<b>Software Product</b>	<b>Number of Concurrent Users</b>	<b>Price Per User</b>	<b>Total Software License Cost</b>
ShareCare with VHR™	4	Tiered	Upgrade at No Charge for Existing ShareCare clinical licenses

**Payment Terms.** License fees as listed above are due upon the execution of the Master Information System Agreement and this Exhibit A.

The parties hereby identify this Exhibit A to the Master Information System Agreement.

Echo: \_\_\_\_\_  
(please initial)

Date: \_\_\_\_\_

County: \_\_\_\_\_  
(please initial)

Date: \_\_\_\_\_

## EXHIBIT B

### IMPLEMENTATION, TRAINING AND CONVERSION SERVICES ADDENDUM

The County has contracted for the number of hours of implementation, training, conversion and other services as specified below for the software products listed in Exhibit A. The County may purchase additional hours and training at the services rate noted below within one year of the date of this Exhibit B. Additional service hours purchased after this one-year period would be contracted for at the standard rate in effect at that time. These Services will be detailed in the Project Charter and Project Plan. Service hours may be moved from one category to another upon written notice from County to Echo. If Echo determines that repurposing the hours is beneficial to Implementation, Echo will not unreasonably deny such a request.

#### Implementation Services

Services will include a Project Planning Workshop and CA VHR Implementation services including County specific Visual Health Record (VHR) database build in accordance with the Project Methodology and Project Plan.

Echo Provided Service	QTY	Rate	Total Implementation Cost
Clinical Workflow Implementation Services	168 hours	\$175	\$29,400.00
<b>Total</b>			<b>\$29,400.00</b>

#### Training Services

Train-the-Trainer format. Class sizes are recommended at 10 or fewer students.

Training Session Name	Number of Days	Training Cost
Configure ShareCare with VHR	2	\$2,800.00
Developing Treatment Plans using Predefined Content	3	\$4,200.00
End User	3	\$4,200.00
Screen Designer Workshop	2	\$2,800.00
Report Writer Workshop	2	\$2,800.00
<b>Total</b>		<b>\$16,800.00</b>

**Conversion Services**

ShareCare to ShareCare VHR: Consumer, demographics, admissions, episodes, facility, programs and staff – includes one test and one production conversion.

Service	QTY	Hourly Rate	Total Conversion Cost
Standard Conversion	35 hours	\$175.00	\$6,125.00

**Other Services**

Service Name	Number of Hours	Hourly Rate	Total service cost
N/A	N/A	\$175.00	N/A

**Travel Expense Reimbursement**

*All services provided at the customer site and the listed fees in this Exhibit exclude travel costs. Such travel costs are billed separately. Please review the Master Information Systems Agreement as well as Exhibit H (Expense Reimbursement Policy) for additional information relating to these charges.*

**Service hours and items and training days will be billed monthly as incurred, and payment will be due according to the terms established in the Master Information Systems Agreement.**

The parties hereby identify this Exhibit B to the Master Information Systems Agreement.

Echo: \_\_\_\_\_ Date: \_\_\_\_\_  
 (please initial)

County: \_\_\_\_\_ Date: \_\_\_\_\_  
 (please initial)

**EXHIBIT C**

**APPLICATION AND DATA HOSTING SERVICES ADDENDUM**

Provided under separate Agreement. This Exhibit intentionally left blank.

**EXHIBIT D**

**REVENUE CYCLE MANAGEMENT SERVICES ADDENDUM**

Not Applicable and Not Included. This Exhibit intentionally left blank.

**EXHIBIT E**

**SOFTWARE SUPPORT AND MAINTENANCE ADDENDUM**

Provided under separate Agreement. This Exhibit intentionally left blank.

**EXHIBIT F**

**SOFTWARE CUSTOMIZATION ADDENDUM**

**Customizations and Submissions**

The following customizations are available for the software products listed in Exhibit A. Those customizations desired by County and included in this Exhibit F have been so indicated. Additional customizations authorized by County will be contracted for at the standard rate in effect at that time. Payment of customization is due upon delivery to County.

State submissions provided to County have been identified under a separate Agreement. Any additional or modified submissions required by state changes and authorized by County will be completed as ordered and the costs will be shared among all CA ShareCare users. These costs for future state mandates are not included in this Agreement.

<b>Customization Name</b>	<b>Submission Cost</b>
Child and Adolescent Needs and Strengths (CANS) Assessment	\$4,000.00
Addiction Severity Index Assessment	\$2,187.50
<b>Total</b>	<b>\$6,187.50</b>

The parties hereby identify this Exhibit F to the Master Information System Agreement.

Echo: \_\_\_\_\_  
(please initial)

Date: \_\_\_\_\_

Agency: \_\_\_\_\_  
(please initial)

Date: \_\_\_\_\_

## EXHIBIT G

### BUSINESS ASSOCIATE AGREEMENT

**THIS BUSINESS ASSOCIATE AGREEMENT** (this “BAA”) is made and entered into as of the Effective Date of the Master Information System Agreement by and between **Mono County Mental Health** (referred to in this Exhibit G as the “Covered Entity”) and **Echo Consulting Services, Inc. d/b/a The Echo Group** (referred to in this Exhibit G as the “Business Associate”). Covered Entity and Business Associate may be referred to herein individually as a “Party” or collectively as the “Parties.”

#### RECITALS

**WHEREAS**, the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder (“HIPAA”), as having been amended by Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”), as Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) and the Omnibus final rules, 78 Fed. Reg. 5566 (Jan 25,2013), require that each “covered entity” and its “business associates” enter into written agreements concerning the use and disclosure of “protected health information” in electronic form or otherwise, which business associates may receive, use, have access to, create, maintain or transmit in the course of providing services to the covered entity; and

**WHEREAS**, the business associate of a covered entity must ensure compliance with HIPAA’s privacy and security rules by third parties to whom the business associate provides the PHI (defined below) it may receive, use, have access to or create or transmit in the course of providing services to the covered entity; and

**WHEREAS**, Business Associate provides services to Covered Entity as set forth in the Master Information System Agreement between the Parties hereto (the “Contract”) and during the course of Business Associate’s relationship with Covered Entity, Business Associate will receive, create, maintain or transmit PHI on behalf of Covered Entity; and

**WHEREAS**, Covered Entity and Business Associate desire to enter into this BAA, which is made part of and incorporated into the Contract as of the effective date of the Contract (“Effective Date”), to ensure that Business Associate will comply with the same HIPAA restrictions on the use and disclosure of PHI, in accordance with the Privacy Rule and Security Rule, which Business Associate receives, creates, maintains or transmits on behalf of Covered Entity.

**NOW, THEREFORE**, in consideration of the mutual covenants expressed herein and for other good and valuable consideration, Covered Entity and Business Associate agree to the following terms:

1. Definitions.
  - a) “Breach” shall have the meaning given under the HITECH Act and the Breach Notification Rule, 45 CFR 164.402, et seq.
  - b) “Breach Notification Rule” shall mean the rule codified at 45 CFR 164.402 et seq.
  - c) “Business Associate” shall mean Echo Consulting Services, Inc.
  - d) “Covered Entity” shall mean Mono County Mental Health.
  - e) “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164

- f) "HHS Transaction Standards Regulation" shall have the meaning ascribed to that term under 45 CFR Parts 160 and 162.
- g) "Individual" shall have the same meaning as the term "individual" under HIPAA in 45 CFR 160.103 and shall include a person who qualifies as a personal representative in accordance with HIPAA. 45 CFR 164.502(g).
- h) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
- i) "Protected Health Information" or "PHI" shall have the meaning ascribed to that term under 45 CFR 160.103.
- j) "Required By Law" shall have the meaning ascribed to that term under 45 CFR 154.501.
- k) "Secretary" shall mean the Secretary of HHS or his/her designee.
- l) "Security Incident" shall mean an attempted or successful unauthorized access, use, disclosure, modification or destruction of information or interference with system operations in an information system, involving PHI that is created, received, maintained, or transmitted by or on behalf of Business Associate in electronic form.
- m) "Security Rule" shall mean the Standards for Security of Electronic Protected Health Information at 45 CFR Parts 160 and 164, Subparts A and C.
- n) "Unsecured PHI" shall have the meaning under the HITECH Act and the Breach Notification Rule including, without limitation, 45 CFR 164.402.
- o) All other terms used herein and not defined shall have the meaning ascribed to them under HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or any other applicable rules and regulations governing PHI, whether current or amended.

## 2. Obligations and Activities of Business Associate.

Business Associate agrees to:

- a) not Use or Disclose Protected Health Information other than as permitted or required by this BAA or as Required By Law;
- b) use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic Protected Health Information, to prevent Use or Disclosure of Protected Health Information other than as provided for by this BAA;
- c) promptly report to Covered Entity any Use or Disclosure of Protected Health Information not provided for by this BAA of which it becomes aware, including Breaches of Unsecured Protected Health Information as required at 45 CFR 164.410, and any Security Incident of which it becomes aware;
- d) in accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain or transmit Protected Health Information on behalf of the Business Associate agree to appropriate written restrictions, conditions, and requirements with respect to such Protected Health Information, including obtaining satisfactory assurances that the Subcontractor will appropriately safeguard the Protected Health Information;

- e) make available Protected Health Information in a Designated Record Set to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524, and the Business Associate will forward to the Covered Entity to fulfill, within five business days of receipt by Business Associate, the Individual's request, and Business Associate will send a copy of the forwarding letter to the Individual;
- f) make any amendment(s) to Protected Health Information in a Designated Record Set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526, and the Business Associate will forward to the Covered Entity to fulfill, within five business days of receipt by Business Associate, the Individual's request, and Business Associate will send a copy of the forwarding letter to the Individual;
- g) maintain and make available the information required to provide an accounting of Disclosures to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528, and the Business Associate will forward to the Covered Entity to fulfill, within five business days of receipt by Business Associate, the Individual's request, and Business Associate will send a copy of the forwarding letter to the Individual;
- h) to the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164 (Privacy of Individually Identifiable Health Information), comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s); and
- i) make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

3. Permitted Uses and Disclosures of PHI by Business Associate.

Business Associate is permitted to make the following Uses and Disclosures of Protected Health Information:

- a) Business Associate may Use or Disclose Protected Health Information as necessary to perform the services set forth in the Contract.
- b) Business Associate may Use or Disclose Protected Health Information as Required By Law.
- c) Where applicable, when Using or Disclosing Protected Health Information or when requesting Protected Health Information from another Covered Entity or business associate, Business Associate agrees to make reasonable efforts to limit Protected Health Information to the Minimum Necessary to accomplish the intended purpose of the Use, Disclosure, or request.
- d) Business Associate may not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth below.
- e) Business Associate may Use Protected Health Information for the proper management and administration of the Business Associate and/or to carry out the legal responsibilities of the Business Associate.
- f) Business Associate may Disclose Protected Health Information for the proper management and administration of Business Associate and/or to carry out the legal responsibilities of the Business Associate, provided the Disclosures are Required By

Law, or Business Associate obtains reasonable assurances from the person to whom the information is Disclosed that the information will remain confidential and Used or further Disclosed only as Required By Law or for the purposes for which it was Disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been Breached.

- g) Business Associate may provide Data Aggregation services relating to the Health Care Operations of the Covered Entity.
- h) Business Associate is authorized to Use Protected Health Information to de-identify the information in accordance with 45 CFR 164.514(a)-(c). Business Associate may Use and Disclosure the de-identified information for any purposes allowed by applicable law.
- i) Business Associate may Disclose protected health information to a business associate that is a Subcontractor and may allow the Subcontractor to create, receive, maintain, or transmit protected health information on its behalf, if the business associate obtains satisfactory assurances in accordance with § 164.504(e)(1)(i), through a written contract or other written agreement or arrangement that meets the applicable requirements of § 164.504(e), that the Subcontractor will appropriately safeguard the information.

#### 4. Obligations of Covered Entity.

- a) As set forth in this BAA, Covered Entity may delegate to Business Associate the Covered Entity's responsibility to provide access, amendment, and accounting rights to Individuals with respect to PHI in the Business Associate's possession. It is understood that Business Associate may interact with the Individual directly, up to and including resolution of any appeals or reporting of complaints under HIPAA or applicable Federal or State law. If Individual complaints are filed, then Business Associate shall immediately advise Covered Entity.
- b) Covered Entity shall provide Business Associate with any limitation(s) in its notice of privacy practices in accordance with 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of PHI. Business Associate shall not distribute its own notice to Individuals.
- c) Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's permitted or required uses and disclosure of PHI.
- d) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522 to the extent such restrictions may affect Business Associate's permitted or required uses and disclosures of PHI.
- e) Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.
- f) Covered Entity may request that Business Associate disclose PHI directly to another party. Covered Entity agrees that all such disclosures requested by Covered Entity shall be for purposes of Covered Entity's treatment, payment or health care operations, or as permitted by law.

- g) Covered Entity shall provide to, or request from, Business Associate, only the “minimum necessary” PHI for Business Associate to perform or fulfill a specific function required or permitted hereunder.

## 5. Security Rule and Breach Notification Rule.

### 5.1 Security Rule.

In accordance with the Security Rule, the Business Associate will:

- a) implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of all Electronic PHI that Business Associate creates, receives, maintains, or transmits on behalf of the Covered Entity;
- b) ensure that any agent, including subcontractors, to whom it provides such information agrees to implement reasonable and appropriate safeguards to protect it; and
- c) report to the Covered Entity any Security Incident of which it becomes aware, in the following time and manner:
  - (i) any actual, successful Security Incident will be reported to the Covered Entity in writing, within ten (10) days of the date on which the Business Associate discovers such actual successful Security Incident; and
  - (ii) any attempted, unsuccessful Security Incident, of which Business Associate becomes aware, will be reported to Covered Entity, in writing, within thirty (30) business days.

### 5.2 Breach of Unsecured PHI.

In accordance with the Breach Notification Rule, Business Associate shall notify Covered Entity, in writing, of a Breach of Unsecured PHI following the first day on which Business Associate (or Business Associate’s employee, office or agent) discovers or knows of such Breach of Unsecured PHI. Business Associate’s notification to Covered Entity hereunder shall:

- (i) be made to Covered Entity without unreasonable delay and in no event later than ten (10) calendar days following the date of discovery or knowledge of a Breach of Unsecured PHI, except where a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security;
- (ii) include the names of all individuals whose Unsecured PHI has been, or is reasonably believed to have been, the subject of a Breach; and
- (iii) be in substantially the same form as **Exhibit G-1** attached and incorporated hereto. See 45 CFR 164.410; 45 CFR 164.504(e)(2)(ii)(C); 45 CFR 164.308(b).

## 6. Term and Termination.

- a) This BAA shall terminate upon the termination of Business Associate’s Contract with Covered Entity; provided, however, that Business Associate shall never retain, use or disclose any PHI to which it had access as a direct or indirect result of Business

Associate's relationship with Covered Entity. Business Associate shall promptly destroy or return to Covered Entity any and all such PHI that is in Business Associate's possession as of the date this BAA terminates.

- b) Upon Covered Entity's knowledge of a material breach of this BAA by Business Associate, Covered Entity shall provide an opportunity for Business Associate to cure the breach or otherwise to end the violation. Covered Entity may terminate this BAA and all agreements with Business Associate if Business Associate does not cure the breach or end the violation within thirty (30) days. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- c) Upon termination of this BAA for any reason, the following provisions shall apply:
  - (iv) Except as provided in paragraph (ii) of this Section, to the extent Business Associate, in violation of this BAA, has retained any PHI to which Business Associate had access as a direct or indirect result of its business relationship with Covered Entity, Business Associate shall return or destroy all such PHI. This provision shall apply to PHI that is in the possession of employees, subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
  - (v) In the event that Business Associate determines that returning or destroying the PHI is infeasible, in its sole discretion, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. For the period during which return or destruction of PHI is infeasible, Business Associate shall extend the protections of this BAA to such PHI and prevent further uses and disclosures of such PHI.

## 7. Miscellaneous.

- a) Regulatory References. A reference in this BAA to any section under HIPAA, the HITECH Act, the Privacy Rule, Security Rule, or Breach Notification Rule means such section currently in effect or as amended.
- b) Amendment. The Parties acknowledge and agree that State and Federal laws relating to privacy and security of PHI are rapidly evolving and that amendment of the Contract or this BAA may be necessary to ensure compliance with such developments. The Parties specifically agree to take such action as necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the privacy or security of PHI. The Parties understand and agree that Covered Entity must receive satisfactory written assurance from Business Associate that Business Associate will adequately safeguard all PHI. Upon the request of either Party, the other Party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws. Covered Entity may terminate the Contract upon thirty (30) days written notice in the event (i) Business Associate does not promptly enter into negotiations to amend the Contract or this BAA when requested by Covered Entity pursuant to this Section or (ii) Business Associate does not enter into an amendment to the Contract or this BAA sufficient to satisfy the standards and requirements of applicable laws governing PHI within forty-five (45) days from the date of notice provided by Covered Entity to Business Associate described in this Section.
- c) The respective rights and obligations of Business Associate under this BAA shall survive the termination of this BAA, regardless of cause.

- d) Nothing express or implied in this BAA is intended to confer, nor shall anything herein confer, upon any person other than Covered Entity, Business Associate and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.
- e) Any ambiguity in this BAA shall be resolved to permit Covered Entity and Business Associate to comply with HIPAA, the HITECH Act and any other applicable laws, rules and regulations governing PHI.
- f) Except to the extent that Federal law shall govern the validity and construction of this BAA, each of its provisions shall be subject to and governed by the laws of the State of New Hampshire without giving effect to laws concerning choice of law or conflicts of law.

Address for purposes of notice hereunder:

If to Covered Entity:  
 Attn:  
 Address: Mono County Mental Health  
 PO Box 2619  
 Mammoth Lakes, CA 93546

If to Business Associate:  
 Attn: Tracy E. Orlando, Director of Contracting  
 Address: The Echo Group  
 15 Washington St  
 Conway, NH 03818

The parties hereby identify this Exhibit G to the Master Information Systems Agreement.

Echo: \_\_\_\_\_ Date \_\_\_\_\_  
 (please initial)

Agency: \_\_\_\_\_ Date: \_\_\_\_\_  
 (please initial)

**EXHIBIT G-1**

**FORM OF NOTIFICATION TO COVERED ENTITY  
CONCERNING BREACH OF UNSECURED PHI**

**NOTIFICATION TO \_\_\_\_\_ ABOUT A  
BREACH OF UNSECURED PROTECTED HEALTH INFORMATION**

This Notification is made pursuant to the Business Associate Agreement (the "BAA") between **Agency** ("Covered Entity") and **Echo** ("Business Associate"). Business Associate hereby notifies Covered Entity that there has been a Breach of Unsecured (unencrypted) Protected Health Information ("PHI") that Business Associate has used or has had access to under the terms of the BAA.

Description of Breach of Unsecured PHI:

\_\_\_\_\_

Date of the Breach: \_\_\_\_\_.

Date of discovery of the Breach: \_\_\_\_\_.

Number of individual(s) affected by the Breach: \_\_\_\_\_.

Names and contact information of all individuals affected by the Breach:

\_\_\_\_\_

The types of Unsecured PHI that were involved in the Breach (such as full name, Social Security Number, date of birth, home address, account number, or disability code): \_\_\_\_\_.

Description of what Business Associate is doing to investigate the Breach, to mitigate losses, and to protect against any further Breaches: \_\_\_\_\_

\_\_\_\_\_

Contact information to ask questions or learn additional information:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_

## EXHIBIT H

### TRAVEL EXPENSE REIMBURSEMENT and CANCELLATION POLICY

#### Travel Expense Reimbursement

Echo will make every effort to split travel-related expenses among as many Agencies as possible and to minimize overall costs. Under no circumstances will the total expenses billed exceed actual expenses incurred. Echo will attempt to charge expenses proportionate to those incurred by each client. All such allocations will be at Echo's discretion within these general guidelines.

#### Procedure

*Common Carrier Expenses.* Expenses such as plane, train, taxi, bus, rental car, etc. will be reimbursed based on actual expenditure. Plane, train, and rental car expenses must be supported through receipts. Taxi expense may include gratuity. Echo will attempt to schedule lowest possible cost transportation, but such scheduling will be based on Echo's other scheduling requirements and experience with various carriers. First class or business class will not be reimbursed by Echo or billed to County without prior County approval. Final authority for scheduling is Echo's.

Echo may utilize reimbursed travel to visit other non-paying County or for other purposes. The County will not pay any costs over and above those, which would have been incurred, solely for the County.

*Meals.* Meals will be charged on a per diem basis. Normally, this will be set at **\$47.00** per day, but is subject to change as prices increase. Under no circumstances will meals purchased for County staff be billed back to the County.

*Rooms.* We permit County to specify our staff accommodations. Our only requirements are that rooms should be quiet, clean contain telephones and TV, and be as accessible as possible to the work site. When more than one Echo staff person is traveling, we require separate accommodations. The County will be billed for actual expenditures based on hotel receipts.

*Mileage.* County will be billed at a standard rate per mile as published by the Internal Revenue Service at the time of travel from Echo's offices, including travel to and from airports. Tolls and parking will be charged in addition.

*Staff Time Charges.* County will be billed for actual Echo staff time utilized in a given day. Days that are used solely for travel will not be billed to the County for Echo staff time. Staff time used for County-related work on those days will be billed only for time actually used. Days on which service is provided which include travel time, will be billed for the combined time, up to eight hours. All travel related expenses will be charged even on days in which staff time is not.

#### Confirmation of Services and Cancellation

*For on-site services.* If scheduled service is cancelled by County within 7 days as per the agreed upon Confirmation of Services not due to acts or omissions of Echo, then a cancellation penalty may be applied, unless service can be rescheduled within 30 calendar days of the originally scheduled date. County is responsible for any applicable travel costs incurred by Echo as a result of the cancellation, to include transportation cancellation fees, re-booking fees, change fees, etc. An itemized description of applied cancellation costs will be submitted with the invoice.

*For remote services.* If scheduled services are cancelled by County within 7 days as per the agreed upon Confirmation of Services not due to acts or omissions of Echo, then a cancellation penalty of \$50.00 may be applied, unless service can be rescheduled within 30 calendar days of the originally scheduled date.

When on-site or remote services are required, a Confirmation of Services e-mail will be sent to the

County. The County's response e-mail will grant service authorization. Confirmation of Services will be sent upon verbal agreement of dates with County. The County authorization e-mail should be returned within 2 business days or resources and dates may be released.

The parties hereby identify this Exhibit H to the Master Information Systems Agreement.

Echo: \_\_\_\_\_  
(please initial)

Date: \_\_\_\_\_

County: \_\_\_\_\_  
(please initial)

Date: \_\_\_\_\_

EXHIBIT I

**COST SUMMARY**  
For Informational Purposes Only

ShareCare with VHR, 4 Concurrent Users	No Charge
<b>TOTAL SOFTWARE LICENSE COSTS</b>	<b>No Charge</b>
Implementation Services	\$29,400.00
Training Services	\$16,800.00
Conversion Services	\$6,125.00
Customizations	\$6,187.50
<b>TOTAL PROFESSIONAL SERVICE COSTS</b>	<b>\$58,512.50</b>
Annual Maintenance for ShareCare with VHR, 4 Concurrent Users	Provided under separate Agreement
<b>TOTAL SOFTWARE MAINTENANCE</b>	<b>No Additional Charge</b>
<b>TOTAL PROJECT LICENSE AND SERVICE COSTS</b>	<b>\$58,512.50</b>
<b>ESTIMATED TRAVEL COSTS</b>	<b>\$7,000.00</b>
<b>TOTAL COST</b>	<b>\$65,512.50</b>



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** December 16, 2014

**Departments: Health Department**

**TIME REQUIRED**

**SUBJECT** Mono County Children's Medical Services (CMS) Plan Fiscal Year 2014-2015

**PERSONS APPEARING BEFORE THE BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The Children's Medical Services (CMS) Plan for Fiscal Year 2014-2015.

**RECOMMENDED ACTION:**

That the Board of Supervisors approve and authorize the Chairman to sign the Mono County Children's Medical Services (CMS) Plan for fiscal year 2014-2015.

**FISCAL IMPACT:**

These programs are funded with a mix of Federal Title XIX (Medicaid), Federal Title XXI funds, State General Fund, and Social Services Realignment dollars. The funding mix is different for each program, based on factors such as MediCal caseload and staff time studies. The chart below shows the breakdown, by program, of this funding. These figures are included in the 2014-2015 County Budget already approved.

Program	Medi-Cal- (State and Title XIX)	Federal Title XXI	State	Realignment
CHDP	\$ 84,768.00		\$98.00	\$13,917.00
CCS-Admin	\$113,944.00		\$87,795.00	\$26,682.00
HPCFC	-	\$4,142.00	\$ 2,000.00	\$ 1,184.00
MTP	\$12,000.00			\$ 3,200.00

These programs provide the funding for 1 FTE Health Program Manager, 1 FTE Community Health Outreach Specialist position, .36 Clerical/Accounting positions, .17 Case Management and .08 of the Public Health Director position.

**CONTACT NAME:** Hillary Bayliss, PHN, Health Program Manager

**PHONE/EMAIL:** 760-924-1835 / hbayliss@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF

**SEND COPIES TO:**

Hillary Bayliss, PHN, Health Program Manager

THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

---

**MINUTE ORDER REQUESTED:**

YES  NO

---

**ATTACHMENTS:**

Click to download

- [Children's Medical Services FY 2014-2015 Staff Report](#)
  - [Children's Medical Services FY 2014-2015 Plan - Part 1](#)
  - [Children's Medical Services FY 2014-2015 Plan - Part 2](#)
- 

**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/3/2014 10:46 AM	County Administrative Office	Yes
12/8/2014 9:52 AM	County Counsel	Yes
12/3/2014 4:01 PM	Finance	Yes

DATE: November 1, 2014  
TO: Honorable Board of Supervisors  
FROM: Lynda Salcido, Public Health Director

SUBJECT: Mono County Children's Medical Services (CMS) Plan  
Fiscal Year 2014-2015.

**RECOMMENDED ACTION:** That the Board of Supervisors approve and authorize Chairman to sign the Mono County Children's Medical Services (CMS) Plan for fiscal year 2014-15.

**DISCUSSION:** In Mono County, California Children's Services (CCS), California Health and Disability Prevention Program (CHDP) and Health Care Program for Children in Foster Care (HCPCFC) services are provided through the Mono County Health Department. All three programs are integrated within the State Department of Health Care Services under Children's Medical Services (CMS). These programs provide a variety of medical services to eligible children. The Mono County Health Department receives funding to provide administration and case management services in support of these programs.

The CCS Program provides diagnostic and treatment services to financially eligible children with qualifying medical conditions. This program includes medical management; physical and occupational therapy; and case management services to ensure that critically ill children are cared for appropriately. Case management, provided by Mono County Public Health Department CCS staff, includes finding appropriate providers; obtaining authorizations for care, equipment, supplies and medications; assistance scheduling; reviewing medical reports; and acting on recommendations and referrals. Additionally, a Medical Therapy Conference is held twice a year to coordinate medical therapy for children with chronic orthopedic or neuromuscular handicaps to attain each child's optimum physical potential.

The CHDP Program provides periodic, well-child exams for financially eligible children, administered locally by Sierra Park Pediatrics. The program includes well baby care and immunizations; school check-ups; teen health check-ups; dental and vision screening; health and tobacco education; hearing screening; and testing for anemia, blood lead, urine, and TB. CMS staff at Mono County Public Health Department records these exams in a data base; reviews all reports and testing; and makes referrals to appropriate agencies and specialists as needed.

The HCPCFC Program provides medical case management for Mono County children who are placed in Foster Care through CPS or Probation Departments. HCPCFC staff RN at Mono County Public Health Department provides medical case management services to ensure each child's health needs are met until the child returns to his or her family; is emancipated at age 18; is placed in extended Foster Care through AB 12; or finishes high school.

This plan will be submitted to the State DHCS and staff is asking the Board to formally approve the annual plan. The CMS Plan for FY 2013-2014 was presented to the Board of Supervisors by CMS Staff and was approved by the Board. There are no substantive changes for FY 2014-2015.

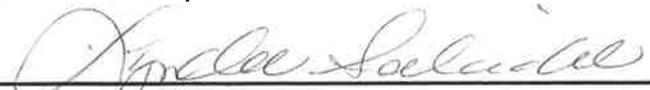
**FISCAL IMPACT:** These programs are funded with a mix of Federal Title XIX (Medicaid), Federal Title XXI funds, State General Fund, and Social Services Realignment dollars. The funding mix is different for each program, based on factors such as MediCal caseload and staff time studies. The chart below shows the breakdown, by program, of this funding. These figures are included in the 2014-2015 County Budget already approved.

<b>Program</b>	<b>Medi-Cal- (State and Title XIX)</b>	<b>Federal Title XXI</b>	<b>State</b>	<b>Realignment</b>
<b>CHDP</b>	\$ 84,768		\$ 98	\$13,917
<b>CCS-Admin</b>	\$113,944		\$87,795	\$26,682
<b>HCPCFC/Foster</b>	-	\$ 4,142	\$ 2,000	\$ 1,184
<b>MTP</b>	\$ 12,000			\$ 3,200

These programs provide the funding for 1 FTE Health Program Manager, 1 FTE Community Health Outreach Specialist position, .36 Clerical/Accounting positions, .17 Case Management and .08 of the Public Health Director position.

If there any questions regarding this item, please contact Lynda Salcido at 924-1842.

Submitted by:

  
 \_\_\_\_\_  
 Lynda Salcido Public Health Director

# CHILDREN'S MEDICAL SERVICES PLAN

## **MONO COUNTY**

## FISCAL YEAR

## **2014-2015**

**Plan and Budget Required Documents Checklist**

**FY 2014-2015**

County/City: <u>                    <b>MONO</b>                    </u>		Fiscal Year: <b>2014-2015</b>
<b>Document</b>		<b>Page Number</b>
1.	<b>Checklist</b>	2,3
2.	<b>Agency Information Sheet</b>	4,5
3.	<b>Certification Statements</b>	
	A. Certification Statement (CHDP) – Original and one photocopy	6
	B. Certification Statement (CCS) – Original and one photocopy	7
4.	<b>Agency Description</b>	
	A. Brief Narrative	8-10
	B. Organizational Charts for CCS, CHDP, and HCPCFC	Retain locally
	C. CCS Staffing Standards Profile	Retain locally
	D. Incumbent Lists for CCS, CHDP, and HCPCFC	11-15
	E. Civil Service Classification Statements – Include if newly established, proposed, or revised	N/A
	F. Duty Statements – Include if newly established, proposed, or revised	16-31
5.	<b>Implementation of Performance Measures</b> – Performance Measures	32-44
6.	<b>Data Forms</b>	
	A. CCS Caseload Summary	45-48
	B. CHDP Program Referral Data	49
7.	<b>Memoranda of Understanding and Interagency Agreements List</b>	
	A. MOU/IAA List	51
	B. New, Renewed, or Revised MOU or IAA	none
	C. CHDP IAA with DSS biennially	Retain locally
	D. Interdepartmental MOU for HCPCFC biennially	Retain locally
8.	<b>Budgets</b>	
	A. CHDP Administrative Budget (No County/City Match)	
	1. Budget Summary	53
	2. Budget Worksheet	54

Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015

County/City:	MONO	Fiscal Year:2014-2015
Document		Page Number
3.	Budget Justification Narrative	55
B.	CHDP Administrative Budget (County/City Match) - Optional	
1.	Budget Summary	56
2.	Budget Worksheet	57-58
C.	CHDP Foster Care Administrative Budget (County/City Match) - Optional	
1.	Budget Summary	59
2.	Budget Worksheet	60
D.	HPCFC Administrative Budget	
1.	Budget Summary	61
2.	Budget Worksheet	62
3.	Budget Justification Narrative	63
E.	CCS Administrative Budget	
1.	Budget Summary	64
2.	Budget Worksheet	65-66
3.	Budget Justification Narrative	67
G.	Other Forms	
1.	County/City Capital Expenses Justification Form	N/A
2.	County/City Other Expenses Justification Form	N/A
9.	<b>Management of Equipment Purchased with State Funds</b>	
1.	Contractor Equipment Purchased with DHCS Funds Form (DHCS1203)	N/A
2.	Inventory/Disposition of DHCS Funded Equipment Form (DHCS1204)	N/A
3.	Property Survey Report Form (STD 152)	N/A

**Agency Information Sheet**

**County/City:** Mono

**Fiscal Year:** 2014-15

**Official Agency**

<b>Name:</b>	Mono County Health Department	<b>Address:</b>	437 Old Mammoth Rd, Suite Q PO Box 3329
<b>Health Officer</b>	Richard O. Johnson, MD		Mammoth Lakes, CA 93546

**CMS Director (if applicable)**

<b>Name:</b>	Diann Bitzberger, MPH, RN	<b>Address:</b>	437 Old Mammoth Rd, Suite Q PO Box 3329
<b>Phone:</b>	760-924-1841		Mammoth Lakes, CA 93546
<b>Fax:</b>	760-924-1831	<b>E-Mail:</b>	<a href="mailto:dbitzberger@mono.ca.gov">dbitzberger@mono.ca.gov</a>

**CCS Administrator**

<b>Name:</b>	Diann Bitzberger, MPH, RN	<b>Address:</b>	437 Old Mammoth Rd, Suite Q PO Box 3329
<b>Phone:</b>	760-924-1841		Mammoth Lakes, CA 93546
<b>Fax:</b>	760-924-1831	<b>E-Mail:</b>	<a href="mailto:dbitzberger@mono.ca.gov">dbitzberger@mono.ca.gov</a>

**CHDP Director**

<b>Name:</b>	Richard O. Johnson, MD	<b>Address:</b>	437 Old Mammoth Rd, Suite Q PO Box 3329
<b>Phone:</b>	760-924-1830		Mammoth Lakes, CA 93546
<b>Fax:</b>	760-924-1831	<b>E-Mail:</b>	<a href="mailto:rjohnson@mono.ca.gov">rjohnson@mono.ca.gov</a>

**CHDP Deputy Director**

<b>Name:</b>	Diann Bitzberger, MPH, RN	<b>Address:</b>	437 Old Mammoth Rd, Suite Q PO Box 3329
<b>Phone:</b>	760-924-1841		Mammoth Lakes, CA 93546
<b>Fax:</b>	760-924-1831	<b>E-Mail:</b>	<a href="mailto:dbitzberger@mono.ca.gov">dbitzberger@mono.ca.gov</a>

**Clerk of the Board of Supervisors or City Council**

<b>Name:</b>	Bob Musil	<b>Address:</b>	PO Box 237
<b>Phone:</b>	760-932-5538		Bridgeport, CA 93517
<b>Fax:</b>	760-932-5531	<b>E-Mail:</b>	<a href="mailto:bmusil@mono.ca.gov">bmusil@mono.ca.gov</a>

**Director of Social Services Agency**

Name:	Kathy Peterson	PO Box 2969
Phone:	760.924.1763	Mammoth Lakes, CA 93546
Fax:	760.932-5287	E-Mail: kpeterson@mono.ca.gov

**Chief Probation Officer**

Name:	Karin Humiston	PO Box 237
Phone:	760-932-1732	Bridgeport, CA 93517
Fax:	760-932-1731	E-Mail: khumiston@mono.ca.gov

**Certification Statement - California Children's Services (CCS)**

County/City:     Mono     Fiscal Year:     2014-2015    

I certify that the CCS Program will comply with all applicable provisions of Health and Safety Code, Division 106, Part 2, Chapter 3, Article 5, (commencing with Section 123800) and Chapters 7 and 8 of the Welfare and Institutions Code (commencing with Sections 14000-14200), and any applicable rules or regulations promulgated by DHCS pursuant to this article and these Chapters. I further certify that this CCS Program will comply with the Children's Medical Services Plan and Fiscal Guidelines Manual, including but not limited to, Section 9 Federal Financial Participation. I further certify that this CCS Program will comply with all federal laws and regulations governing and regulating recipients of funds granted to states for medical assistance pursuant to Title XIX of the Social Security Act (42 U.S.C. Section 1396 et seq.) and recipients of funds allotted to states for the Maternal and Child Health Services Block Grant pursuant to Title V of the Social Security Act (42 U.S.C. Section 701 et seq.). I further agree that this CCS Program may be subject to all sanctions or other remedies applicable if this CCS Program violates any of the above laws, regulations and policies with which it has certified it will comply.

*Dawn Bergelger MPH, RN*  
Signature of CCS Administrator

    11-12-14      
Date Signed

\_\_\_\_\_  
Signature of Director or Health Officer

\_\_\_\_\_  
Date Signed

*Lyndee Salas @ Health Director*  
Signature and Title of Other – Optional

    11-13-14      
Date Signed

I certify that this plan has been approved by the local governing body.

\_\_\_\_\_  
Signature of Local Governing Body Chairperson

\_\_\_\_\_  
Date

**Certification Statement - Child Health and Disability Prevention (CHDP) Program**

County/City:     Mono     Fiscal Year:   2014-2015  

I certify that the CHDP Program will comply with all applicable provisions of Health and Safety Code, Division 106, Part 2, Chapter 3, Article 6 (commencing with Section 124025), Welfare and Institutions Code, Division 9, Part 3, Chapters 7 and 8 (commencing with Section 14000 and 14200), Welfare and Institutions Code Section 16970, and any applicable rules or regulations promulgated by DHCS pursuant to that Article, those Chapters, and that section. I further certify that this CHDP Program will comply with the Children's Medical Services Plan and Fiscal Guidelines Manual, including but not limited to, Section 9 Federal Financial Participation. I further certify that this CHDP Program will comply with all federal laws and regulations governing and regulating recipients of funds granted to states for medical assistance pursuant to Title XIX of the Social Security Act (42 U.S.C. Section 1396 et seq.). I further agree that this CHDP Program may be subject to all sanctions or other remedies applicable if this CHDP Program violates any of the above laws, regulations and policies with which it has certified it will comply.

*Diana Bogberg MPH, RN*   11-12-14    
Signature of CHDP Director Date Signed

\_\_\_\_\_  
Signature of Director or Health Officer Date Signed

*Sydney Salinas, PhD Director*   11-13-14    
Signature and Title of Other – Optional Date Signed

I certify that this plan has been approved by the local governing body.

\_\_\_\_\_  
Signature of Local Governing Body Chairperson Date

**Certification Statement - California Children's Services (CCS)**

County/City:     Mono     Fiscal Year:   2014-2015  

I certify that the CCS Program will comply with all applicable provisions of Health and Safety Code, Division 106, Part 2, Chapter 3, Article 5, (commencing with Section 123800) and Chapters 7 and 8 of the Welfare and Institutions Code (commencing with Sections 14000-14200), and any applicable rules or regulations promulgated by DHCS pursuant to this article and these Chapters. I further certify that this CCS Program will comply with the Children's Medical Services Plan and Fiscal Guidelines Manual, including but not limited to, Section 9 Federal Financial Participation. I further certify that this CCS Program will comply with all federal laws and regulations governing and regulating recipients of funds granted to states for medical assistance pursuant to Title XIX of the Social Security Act (42 U.S.C. Section 1396 et seq.) and recipients of funds allotted to states for the Maternal and Child Health Services Block Grant pursuant to Title V of the Social Security Act (42 U.S.C. Section 701 et seq.). I further agree that this CCS Program may be subject to all sanctions or other remedies applicable if this CCS Program violates any of the above laws, regulations and policies with which it has certified it will comply.

*Dawn Berlinger MPA, PA*  
Signature of CCS Administrator

  11-12-14    
Date Signed

\_\_\_\_\_  
Signature of Director or Health Officer

\_\_\_\_\_  
Date Signed

*April Salas @ Health Officer*  
Signature and Title of Other – Optional

  11-13-14    
Date Signed

I certify that this plan has been approved by the local governing body.

\_\_\_\_\_  
Signature of Local Governing Body Chairperson

\_\_\_\_\_  
Date

**Certification Statement - Child Health and Disability Prevention (CHDP) Program**

County/City:     Mono     Fiscal Year:     2014-2015    

I certify that the CHDP Program will comply with all applicable provisions of Health and Safety Code, Division 106, Part 2, Chapter 3, Article 6 (commencing with Section 124025), Welfare and Institutions Code, Division 9, Part 3, Chapters 7 and 8 (commencing with Section 14000 and 14200), Welfare and Institutions Code Section 16970, and any applicable rules or regulations promulgated by DHCS pursuant to that Article, those Chapters, and that section. I further certify that this CHDP Program will comply with the Children's Medical Services Plan and Fiscal Guidelines Manual, including but not limited to, Section 9 Federal Financial Participation. I further certify that this CHDP Program will comply with all federal laws and regulations governing and regulating recipients of funds granted to states for medical assistance pursuant to Title XIX of the Social Security Act (42 U.S.C. Section 1396 et seq.). I further agree that this CHDP Program may be subject to all sanctions or other remedies applicable if this CHDP Program violates any of the above laws, regulations and policies with which it has certified it will comply.

*Deanna Badgerow MPH, RN*  
Signature of CHDP Director

    11-12-14      
Date Signed

\_\_\_\_\_  
Signature of Director or Health Officer

\_\_\_\_\_  
Date Signed

*Lyndee Salinas PhD Director*  
Signature and Title of Other – Optional

    11-13-14      
Date Signed

I certify that this plan has been approved by the local governing body.

\_\_\_\_\_  
Signature of Local Governing Body Chairperson

\_\_\_\_\_  
Date

### **Agency Brief Narrative**

As Mono County is an extremely rural county, specialist medical care most often requires out of county travel of at least 5 hours or more. Travel out of county can be very difficult at times of the year due to heavy snow fall, road closures, or travel restrictions. Very few specialists practice in Mono County, especially pediatric specialists. The only local clinic with pediatric specialists is the dental clinic.

Since many families are at or below the federal poverty level in Mono County, out of pocket payments and out of county travel have significant financial impact and often families are not able to follow through with the recommended specialist care as a result. For our out of town specialist referrals, families may not be able to take the needed days off from work or have the transportation and must coordinate with other family and friends to travel, thus adding to the delay in receiving care. We have also found that some specialists have more than a month long wait list and, finally, fewer and fewer local providers accept Managed Care Medi-Cal for payment.

The California Children's Services (CCS) program provides diagnosis and treatment services at Loma Linda University Medical Center; University of California at Davis, and Children's Hospitals of Orange County and Los Angeles for special needs children to age 21 in Mono County. The CCS program is mandated by the Welfare and Institutions Code and the California Code of Regulations (Title 22, Section 51013) to act as an "agent of Medi-Cal" for Medi-Cal beneficiaries with CCS medically eligible conditions. Services to children with CCS eligible medical conditions are 'carved out', which means that children receive treatment directly related to their CCS medical condition through the CCS program; primary care and other medical services are provided through their Medi-Cal Managed Care plan. The CCS administrator at Mono County Public Health Department coordinates medical eligibility through the California DHCS Systems of Care Division, Southern California Regional Office; provides case management services; and coordinates physical and occupational therapy with Mammoth Hospital and Mono County Office of Education.

A Medical Therapy Conference is held twice a year for children in Inyo and Mono Counties with neuromuscular, musculoskeletal, or muscular disabilities in which families are seen by a pediatric orthopedic surgeon, pediatrician, registered dietician, physical and occupational therapists, an orthotist, and a durable medical equipment provider. The goal of the Medical Therapy Program is to assist each eligible child to obtain his or her maximum physical potential by evaluating needs for therapy, special equipment, or bracing.

Due to the small population size of Mono County, the structure of the Child Health and Disability Prevention (CHDP) program is the interface between two agencies: Mono County Public Health and Department of Social Services. In Mono County, the Health Department handles the administrative aspects of CHDP; the Department of Social Services educates and refers their clients to CHDP when appropriate; and Sierra Park Pediatric pediatricians are the providers. The CHDP Deputy Director works with the Medi-Cal eligibility program manager in Social Services as well as the physicians within the CHDP program. The CHDP Deputy Nurse assists in the medical referrals documented on the CHDP exam. The CHDP case worker handles the data input, statistics, and other clerical work.

The CHDP Deputy Director coordinates both Social Services and the CHDP providers for the most accurate and comprehensive care to the CHDP clients and their families. Reviews for audiology, vision screening, and anthropometric BMI training were completed this year by Sierra Park Pediatric nurses. In-services for Social Services are provided on an as needed basis only, however, frequent communication between the Health Department and Social Services provides for impromptu education. CHDP utilizes MEDS to ensure the best collaboration with the Department of Social Services.

In order to best serve our CHDP clients and families, Public Health Department staff participates in the following taskforce coalitions: Breastfeeding, Nutrition and Physical Activity, Strengthening Families, and Oral Health. The Oral Health Taskforce was reinstated in May 2009 and is comprised of numerous local agencies. The Oral Health Taskforce works to reduce the number of childhood caries and increase knowledge on oral health practices by providing prevention strategies throughout Mono County. Activities include: education; topical fluoride varnish; provision of dental health supplies for preschools and in-home day care providers; a school-based dental suite of services, "Miles of Smiles"; and annual education campaigns for National Children's Dental Health Month.

The Breastfeeding Taskforce was established in August 2010 and has developed a widely used Breastfeeding Resource Guide as well as partnered with local businesses to make our community more "breastfeeding friendly," including designated breastfeeding areas in various businesses.

The Nutrition and Physical Activity Taskforce Began in 2009 with such activities as Screen turnoff week; "75210" simple steps to better health; Sierra Bounty and food grants; coordinated projects with the High School Health Science Academy Students; Jumpin' June Jubilee celebration; and Mammoth Moves coordination with local leaders for a weekly 30-minute walking activity. Current school events and health fairs include activities such as "My Plate" SNAP-ED nutrition education in all Mono County elementary schools and a Food Day Celebration each October 24<sup>th</sup>. New elements of this celebration include Health Science

students and Culinary Arts Students as educators; a Salad Bar for Mammoth Middle School Students; a fruit and vegetable table for food identification and tasting at Mammoth Elementary School; a Baked Potato Bar at Mammoth High School; and Salsa Growing Kits for all Elementary Schools in Mono County.

The Health Care Program for Children in Foster Care is housed at the Public Health Department with collaboration between the Health Department and Department of Social Services for case management purposes. The Foster Care Nurse works with CPS and Probation during out-of-home placement of children 0-18 and those young adults who are part of AB 12 (California Fostering Connections to Success Act) to ensure that developmental, medical, dental and mental health needs are met. As required, all medical information obtained by the Foster Care Nurse is then entered into CWS/CMS by Child Welfare Services for documentation purposes.

The Foster Care Nurse participates in two workgroups. 'Wraparound Services' is a family-centered process which focuses on the needs of the family and child who has been or is at risk of placement in a higher level of care. The desired outcome is for more children to be able to remain with their families or relatives in the community. The 'Strengthening Families' workgroup produced PSA's which were broadcast on English and Spanish radio to focus on the five protective factors for Child Abuse Prevention: Parental Resilience, Social Connections, Knowledge of Parenting and Child Development, Concrete support in Times of Need, and Social and Emotional Competence of Children.

# CHILDREN'S MEDICAL SERVICES PLAN

## MONO COUNTY

## INCUMBENT LISTS

Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015

State of California - Health and Human Services Agency Department of Health Care Services - Children's Medical Services

**Incumbent List - California Children's Services**

For FY 2014-15, complete the table below for all personnel listed in the CCS budgets. Use the **same** job titles for both the budget and the incumbent list. Total percent for an individual incumbent should **not be over 100 percent**.

Specify whether job duty statements or civil service classification statements have been revised or changed. Only submit job duty statements and civil service classification statements that are new or have been revised. This includes (1) changes in job duties or activities, (2) changes in percentage of time spent for each activity, and (3) changes in percentage of time spent for enhanced and non-enhanced job duties or activities.

Identify Nurse Liaison positions using: **MCMC** for Medi-Cal Managed Care; **IHO** for In-Home Operations, and; **RC** for Regional Center.

**County/City: Mono**

**Fiscal Year: 2014-15**

<b>Job Title</b>	<b>Incumbent Name</b>	<b>FTE % on CCS Admin Budget</b>	<b>Have Job Duties Changed? (Yes or No)</b>	<b>Has Civil Service Classification Changed (Yes or No)</b>
CCS Administrator	Diann Bitzberger, MPH, RN	.10	No	No
MTP Liaison	Diann Bitzberger, MPH, RN	.10	No	No
CCS Case Manager	Diann Bitzberger, MPH, RN	.55	No	No
CCS Case Manager	Hillary Bayliss, PHN	.08	No	No
CCS Coordinator	Olivia Moreno, CHOS	.75	No	No
Fiscal Administrator	Patricia McGee	.10	No	No
Fiscal Clerical	Nancy Cruz-Garcia	.06	No	No
Clerical/Interpreter	Maria Gonzalez	.10	No	No
Public Health Director	Lynda Salcido	.05	No	No

Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015

State of California - Health and Human Services Agency Department of Health Care Services - Children's Medical Services

**Incumbent List - Child Health and Disability Prevention Program**

For FY 2014-15, complete the table below for all personnel listed in the CHDP budgets. Use the **same** job titles for both the budget and the incumbent list. Total percent for an individual incumbent should **not be over 100 percent**.

Specify whether job duty statements or civil service classification statements have been revised or changed. Only submit job duty statements and civil service classification statements that are new or have been revised. This includes (1) changes in job duties or activities, (2) changes in percentage of time spent for each activity, and (3) changes in percentage of time spent for enhanced and non-enhanced job duties or activities.

County/City: **Mono**

Fiscal Year: **2014-15**

Job Title	Incumbent Name	FTE % on CHDP No County / City Match Budget	FTE % on CHDP County/ City Match Budget	FTE % in Other Programs (Specify)	Have Job Duties Changed ? (Yes or No)	Has Civil Service Classification Changed? (Yes or No)
CHDP Director	Dr. Richard Johnson	.01		.99 other	No	No
CHDP Deputy Dir	Diann Bitzberger	.10		.55 CCS .10 MTP .15 HCPCFC		
CHDP Case Manager	Diann Bitzberger,	.10			No	No
CHDP Case Manager	Hillary Bayliss	.225		.775 Other	No	No
PH Director	Lynda Salcido	.03		.05 CCS .92 OTHER	No	No
CHDP CHOS	Olivia Moreno	.02	.23	.75 CCS	No	No
Clerical/Interpreter	Nancy Cruz-Garcia	.03		.02 CCS .95 other	No	No

Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015

County/City: **Mono**

Fiscal Year: **2014-15**

Job Title	Incumbent Name	FTE % on CHDP No County / City Match Budget	FTE % on CHDP County/ City Match Budget	FTE % in Other Programs (Specify)	Have Job Duties Changed ? (Yes or No)	Has Civil Service Classification Changed? (Yes or No)
Clerical/Interpreter	Maria Gonzalez	.01		.10 CCS .89 other	No	No
Fiscal Administration	Patricia McGee	.05		.10 CCS .85 other	No	No

**Incumbent List - Health Care Program for Children in Foster Care**

For FY 2014-15 complete the table below for all personnel listed in the HCPCFC and CHDP Foster Care Administrative (County/City) budgets. Use **the same** job titles for both the budget and the incumbent list. Total percent for an individual incumbent should **not be over 100 percent**.

Specify whether job duty statements or civil service classification statements have been revised or changed. Only submit job duty statements and civil service classification statements that are new or have been revised. This includes (1) changes in job duties or activities, (2) changes in percentage of time spent for each activity, and (3) changes in percentage of time spent for enhanced and non-enhanced job duties or activities.

County/City: **Mono**

Fiscal Year:  
**2014-15**

Job Title	Incumbent Name	FTE % on HCPCFC Budget	FTE % on FC Admin County/City Match Budget	FTE % in Other Programs (Specify)	Have Job Duties Changed? (Yes or No)	Has Civil Service Classification Changed? (Yes or No)
Foster Care PHN	Diann Bitzberger, MPH RN	.0464	0.1036	.20 CHDP .55 CCS .10 MTP	No	No

CMS PLAN  
MONO COUNTY  
DUTY  
STATEMENTS  
FISCAL YEAR  
**2014-2015**

COUNTY OF MONO  
CCS PROGRAM

CMS SUPERVISION – DUTY STATEMENT

(PUBLIC HEALTH DIRECTOR)

Lynda Salcido PHN

FTE 0.05 %

The public health director supervises all Public Health staff in the local county, including supervision of the CMS and HCPCFC programs. The director is responsible for planning, organizing and directing the activities of all county-wide public health programs.

- NA     Oversee the planning, organization, and coordination of the Public Health Division in the local county.
- NA     Supervise, train, assign and evaluate staff including new employee orientation.
- NA     Plan, develop, justify and manage a program budget according to division and funding source requirements; maintain budgetary control.
- NA     Ascertain program needs and leads staff in setting goals, vision and objectives.
- NA     Coordinate ongoing emergency response activities with other county departments.
- NA     Serve as a resource and technical consultant, and explains the health department role and policies, laws, and regulations in assigned area to officials, groups and individuals.
- NA     Develop, write and implement grant proposals.

**COUNTY OF MONO  
CCS PROGRAM**

**CCS ADMINISTRATION/CASE MANAGER – DUTY STATEMENT**

(HEALTH PROGRAM MANAGER)

Diann Bitzberger HPM, Hillary Bayliss, PHN

FTE 75% (10% Admin, 63% Case Mgmt, 10% MTP Liaison)

The public health nurse administers the CCS program in the local dependent county. The public health nurse has direct contact with the family, acting as an advocate in obtaining the appropriate health services and as a liaison between the medical provider, the community, and the regional office that provides the administrative component of the program.

**CCS ADMINISTRATION**

- 5% Prepare and submit the annual CCS administrative plan and budget including required documents and reports.
- 5% Provide consultation and technical assistance for program administration. Assess and evaluate CCS program on a continuing basis. Assess, plan for and develop any needed CCS specialty clinics.
- 5% Recruit CCS providers, including the paneling process and orientation to CCS, and support to maintain ongoing provider commitment to CCS.
- 10% Supervise CCS staff in case management and in the maintenance of the CCS program, assuring program compliance, including performance evaluations and scheduling.
- 5% Provide training and orientation to new CCS staff. Provide outreach and education to providers about CCS program and paneling opportunities.
- 3% Supervise local CCS activities and referrals in coordination with SCRO.
- 2% Attend interagency and community meetings to enhance and integrate CCS services into the community.

CCS MEDICAL CASE MANAGEMENT

- 5% Identify children with potential CCS medically eligible conditions and assists with the referral/application process.
- 10% Act as liaison between the family, medical provider, community and the Southern California Regional Office through a case management plan developed with the family.
- 3% Participate in conferences on behalf of CCS clients as necessary to coordinate service needs and program benefits.
- 15% Using skilled professional medical expertise, review CCS medical reports to coordinate appropriate action with regional office.
- 5% Coordinate client care by referring to other appropriate agencies. Coordinate client care between specialty CCS clinics and providers.
- 5% Attend training programs provided by CCS to stay current with policy/procedure and case management.
- 2% Direct clerical staff in correspondence to families, providers and the regional office.

MTP LIAISON

Administration:

- 5% Act as Medical Therapy Program (MTP) liaison to the Local Education Agency (LEA) to coordinate activities with special education. Participate in interagency meetings for planning, coordination of client care, and training.
- 5% Assist in development and maintenance of an IAA with MCOE.
- 5% Coordinate the biannual MTCs for CCS clients. Direct clerical assistance for MTP liaison and MTC activities.

Case Management:

- 5% Attend IEP meetings for MTP clients when requested by the parent or LEA to coordinate client care, or supervise designee.
- 2% Attend training and updates for CCS-MTP liaison activities.
- 3% Coordinate client care and follow-up services from the MTC.



## Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015

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- 5% Assist with interpretation for CCS case management work with Spanish-speaking families. Some of this may be strictly translation and some may be independent case management in Spanish as directed by the PHN.
- 10% Refer to MediCal and other services if potentially eligible.
- 5% Assist in coordination of specialty CCS clinics, i.e. MTC. Assist in preparation, scheduling, collection of medical documents and reports, authorizations for clinics and IEP.

### PROVIDER SUPPORT

- 5% Assist with CCS orientation and trainings to providers, and ongoing staff education.
- 10% Respond to inquiries by clients and providers regarding program difficulties (billing, missing authorizations, scheduling appointments) and help to problem-solve.
- 3% Participate in required training by county/state including CCS program and case management, including HFI, MEDS, CMSNet and EDSNet training.
- 2% Monitor and verify CCS claims on monthly expenditure reports. Follow-up if claim problems noted for specific providers.

### ADMINISTRATIVE SUPPORT

- 10% Maintain CCS databases and do data entry for case management, analysis and reporting. Assist in preparation of annual CMS plan. Prepare required census reports; prepare quarterly reports for state and budget requirements.

**COUNTY OF MONO  
CCS PROGRAM**

**CLERICAL/INTERPRETER—DUTY STATEMENT  
(FISCAL/TECHNICAL SPECIALIST I-II, WNA)**

Maria Gonzalez, Nancy Cruz-Garcia

FTE .16 CMS(CCS, CHDP)

- 10% Word processing of documents and correspondence as directed by CCS administrator. Develop meeting notices, etc. for distribution.
- 5% Provide CCS general support services by ordering CCS supplies.
- 10% Translation for case manager.
- 20% Respond to inquiries of clients and providers regarding program and help to problem-solve under direction of CCS administrator.
- 30% Receive by fax CCS referrals and medical reports and forward to case manager for processing.
- 20% Refer children to CHDP, EPSDT services or other services if appropriate.
- 5% Assist in organization and set-up of specialty CCS clinic, MTC.

COUNTY OF MONO  
CHDP PROGRAM

CHDP DIRECTOR – DUTY STATEMENT

(COUNTY HEALTH OFFICER)

Rick Johnson MD

FTE .01%

The County Health Officer is to direct the enforcement of Federal, State, and local health laws and relations and has responsibility for planning and providing direction to the County as a professional medical consultant. The health officer also fulfills the CHDP Director position for the CHDP program in the local county.

- 5% CHDP Director – help plan and evaluate the CHDP Gateway program and its interaction within the community and other organizations/agencies involved in the delivery of health services to the target population. Provide consultation and medical direction for local CHDP Deputy Director, other health professional and ancillary staff in CHDP program
- NA local health orders, ordinances, and regulations prescribed by the State Department of Services and State statutes relating to public health.
- NA Assesses community health status and reports on the health status of the community using multiple epidemiologic, survey and statistical methods.
- NA Must legally respond to public health emergencies and develop an integration plan for Health Department staff into the County Disaster Management Team.
- NA Plans, develops, approves, and implements medical protocols and procedures for Public Health programs and services, for Sheriff emergency services and for jail inmate screening and sick calls.
- NA Acts in an advisory and public relations capacity on the administration of Federal, State and County medical care programs
- NA Provides medical consultation and health information to the public, community and county staff, health providers, and may offer Public Health education.

**COUNTY OF MONO  
CHDP PROGRAM**

CHDP DEPUTY DIRECTOR – DUTY STATEMENT  
(HEALTH PROGRAM MANAGER/CASE MANAGER)

Diann Bitzberger HPM

HPM .10

The public health nurse administers the CHDP program in the local county. This position includes but is not limited to deputy director duties and administration of program policies and procedures, data analysis and program planning, supervision of case management, provider enrollment/disenrollment, and supervision of health professional and ancillary staff activities.

**PROVIDER ORIENTATION AND TRAINING**

- 5% Provider Recruitment – outreach and recruitment for CHDP Gateway providers.
- 15% Provider Orientation and Education – orient providers to CHDP PM 160 health assessments, utilization of Gateway program, staff training and technical assistance.
- 5% Provider Audits –review medical records (PM 160, etc) for documentation of services, identify training needs and provide medical/technical assistance.
- 5% Medical Quality Assurance – review qualifications and standards with CHDP providers and compliance with the CHDP Provider Manual.

**LIAISON ACTIVITIES**

- 3% Regional Meetings – share local county health issues, methodology and implementation of the CHDP Program, and outreach efforts to the target population.
- 15% Community/Interagency Liaison – coordinate CHDP Gateway activities with Welfare (Child Protective Services, Foster Care, Medi-Cal and AFDC), IZ, WIC, CCS, Head Start, Department of Education, including defining health needs of the children of mutual concern and sharing problems and solutions the delivery of services.
- 20% Administration and Supervision: provide data for documentation required by the county and state, including time studies, input on budgets, claims, and the supervision and training of the local CHDP staff. Administrative duties including staff performance evaluations and staff scheduling.

### CARE COORDINATION

- 5% Supervision of CHDP staff for PM 160 case management to ensure the completion of any referrals for diagnosis and treatment.
- 10% Supervision of local CMS health professional and ancillary staff in CHDP Gateway program activities of informing and linking children/families to services and accessing health care. This also includes identifying Gateway clients, and supporting the application process for Medi-Cal Insurance by clients.
- 5% HCPCFC – supervise the HCPCFC program and case management for foster care children with CWS/Probation.

### INFORMING/LINKING ACTIVITIES

- 3% Newsletter Development – write articles on medical issues or program changes impacting our network of local organizations and agencies.
- 2% Education Materials – identify and evaluate existing sources of education materials for their appropriateness and local use; consult with providers regarding materials most appropriate for clients; utilize with training and orientation of providers.
- 5% Promote outreach within the community, linking the target population to CHDP Gateway services and providers.

**COUNTY OF MONO  
CHDP PROGRAM**

**CHDP CASE MANAGER—DUTY STATEMENT**

Diann Bitzberger MPH, RN 0.10 CHDP; Hillary Bayliss PHN 0.225 CHDP

Under the direction of the CHDP Deputy Director, the public health nurse provides skilled medical expertise for the CHDP Gateway program in the local county. The public health nurse has direct contact with the family, acting as an advocate in obtaining the appropriate health services, **case management** and liaison between the medical provider, community, and the state offices. This position also includes provider education and support for Gateway program as well.

**PROVIDER SUPPORT**

- 15% Assist in orienting providers to CHDP Gateway enrollment, PM 160 health assessments, utilization of Gateway program, and provide ongoing staff training and technical assistance.
- 5% Provide ongoing consultation and technical assistance to providers utilizing the CHDP Gateway and other necessary provider support.

**LIAISON and LINKING/INFORMING**

- 5% Promote outreach for CHDP Gateway within the community. Oversee local CHDP Gateway program activities informing and linking the target population to services and accessing health care.
- 5% Attend interagency and community meetings to enhance and integrate CHDP Gateway services into the community. Act as liaison for CHDP Gateway program, providing direction and support to providers, social services, other health department programs (WIC, MCH, IZ etc) and state regional office.
- 5% Attend state trainings for CHDP Gateway to keep current on policy/procedure and changes.
- 3% Write articles for newsletters on medical issues or program changes impacting our network of local organizations and agencies.
- 2% Identify and evaluate existing resources of CHDP educational and outreach materials for their appropriateness and local use; consult with providers regarding materials most appropriate for clients; utilize with training and orientation of providers.
- 10% Identify Gateway clients, and support the application process for Medi-Cal Insurance by clients. Work closely with social services and eligibility workers.

CASE MANAGEMENT

- 5% Identify children with potential need of CHDP exams and assist with the referral/application process.
- 20% Case management and care coordination of CHDP PM 160s to ensure the completion of any referrals for diagnosis and treatment.
- 10% Maintain case data documentation, and formulate necessary state and local reports as directed.

HEALTH EDUCATION

- 5% Collaborate with WIC clinics and other community events to provide health education and outreach to target population regarding CHDP services.
- 10% Provide community health education on various health topics such as Lead Poisoning, Anemia, Early Childhood Caries (ECC), and other health topics.

**COUNTY OF MONO  
CHDP PROGRAM**

**CHDP CHOS - DUTY STATEMENT**

(CHOS – Community Health Outreach Specialist)

Olivia Moreno                      FTE 0.25 %              CHDP

This is a non-professional position under the direct supervision of the CHDP Deputy Director that assists with various CHDP Gateway program components and client case management. This position includes but is not limited to assistance in case management including application process, insurance coverage, referrals and diagnosis/treatment follow-up, maintenance of records and data base. It also assists with outreach and education, reporting and administrative assistance, and translation as needed.

**LINKING/INFORMING**

- 5%      Follow-up on CHDP PM357s from Social Services and maintain record of informed eligible clients. Contact families requesting more information of CHDP Gateway, transportation and scheduling assistance, and document in database.
- 5%      Communicate effectively with Medi-Cal system for eligibility as needed. Help family problem-solve with Medi-Cal when needed. Must have a working knowledge of EDS and MEDS system.
- 3%      Assist in CHDP Gateway program outreach and education to families, providers, agencies and in the community.
- 2%      Refer children to CCS, EPSDT Services, or other services if potentially eligible.
- 10%     Assist the family with the joint application for MediCal Insurance when appropriate for CHDP Gateway to access future health care.

**CARE COORDINATION**

- 10%     Assist with CHDP PM 160 referrals for further diagnosis/treatment and provide case management under the direction of skilled nurse expertise.
- 10%     Determine financial and residential CHDP Gateway eligibility through MEDS, EDS, or family interviews for diagnosis/treatment referrals.
- 2%      Maintain a tracking system to ensure a timely response to the family and compliance with PM 357 and PM 160 case management timelines.
- 3%      Identify barriers to client services, including family's need for transportation and/or interpreter services. Refer family for assistance.

## Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015

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- 5% Assist with interpretation for CHDP Gateway case management work with Spanish-speaking families. Some of this may be strictly translation and some may be independent case management in Spanish as directed by the PHN.

### PROVIDER ORIENTATION AND TRAINING

- 5% Assist with CHDP Gateway orientation and training to providers.
- 5% Respond to inquiries by clients and providers regarding program difficulties (billing, missing authorizations, scheduling appointments) and help to problem-solve.
- 5% Participate in required training by county/state including program and case management, HFI, MEDS and EDS Net for provider support.
- 2% Monitor CHDP provider claims on monthly expenditure reports. Follow-up if claim problems noted for specific providers.
- 3% Distribution of CHDP Provider Information Notices, Provider list and state approved brochures to the County Department of Social Service's, and information to individuals as directed by the CHDP Deputy Director.

### ADMINISTRATIVE SUPPORT

- 15% Receive necessary medical documentation from provider to ensure a complete CHDP PM 160 exam and/or referral as required by the program. Enter into database and give to skilled medical staff for review.
- 10% Maintain CHDP databases and data entry for case management, analysis and reporting. Assist in preparation of annual CMS plan. Prepare required census reports; prepare quarterly reports for state and budget requirements.

## Health Care Program for Children in Foster Care (HCPCFC)

### FOSTER CARE NURSE—DUTY STATEMENT

Diann Bitzberger

FTE 0.15 % (70% enhanced, 30% non-enhanced)

This is a skilled nursing position under the direct supervision of the CHDP Deputy Director to assist with medical case management of children placed in foster care. The nurse works closely with Child Welfare Services (CWS) and Probation during out-of-home placement of children 0-18 years old, and those placed in extended Foster Care through AB12, following the Mono County HCPCFC MOU and SOW.

Duties:

#### CASE MANAGEMENT

- 25% Obtain health information (PM 357s, IZ records, exam reports) for children placed in foster care through CWS or Probation.
- 25% Provide current information to CWS to update health history, health information, and needs in Health Passport for each foster child.
- 10% Provide training and education for professionals and para-professionals in agencies, including court system, to increase awareness and interest in health needs for foster children and coordination of care.
- 10% Provide training and education to SCP regarding special health needs, health care and services desired for the foster child. Provide health recommendations to the child's biological parents upon reunification or to the foster child upon emancipation, including health providers and resources.
- 10% Assist social workers in developing the required court plans, for inclusion of health needs if appropriate. Collaborate in preparation of the written plan (usually every 6 months).
- 10% Collaborate with in-county and out-of-county CHDP providers and CHDP staff to identify adequate of providers to see foster care children.
- 10% Maintain a tracking system to follow health care for the foster child in placement, and follow up on changes in the health status. Collaborate with the social worker or probation officer.

**COUNTY OF MONO  
CHILDREN'S MEDICAL SERVICES**

**CMS FISCAL AGENT – DUTY STATEMENT**

Patricia McGee                      FTE .05%

The Children's Medical Services Program fiscal agent performs all fiscal duties in support of the CMS program. The duties include but are not limited to:

1.        Preparation of budget and any budget revisions.
2.        Prepare any materials necessary for submission to Board of Supervisors for approval.
3.        Prepares invoices.
4.        Processes all invoices for payment through the Auditor's office.
5.        Oversees the data entry of time studies.
6.        Deposits all receipts in appropriate accounts.
7.        Maintains inventory of program equipment.
8.        Prepares fiscal information for periodic reports.
9.        Other duties as required.

# CHILDREN'S MEDICAL SERVICES PLAN

## PERFORMANCE MEASURES

FISCAL YEAR  
**2014-2015**

**CHDP Performance Measure 1 - Care Coordination**

The degree to which the local CHDP program provides effective care coordination to CHDP eligible children.

**Definition:** CHDP health assessments may reveal condition(s) requiring follow-up care for diagnosis and treatment. Effective CHDP care coordination is measured by determining the percentage of health condition(s), coded 4 or 5, where follow-up care is initiated<sup>1</sup> within 120 days of local program receipt of the PM 160.

**Numerator:** Number of conditions, coded 4 or 5, where the follow-up care was initiated within 120 days of receipt of the PM 160.

**Denominator:** Total number of conditions, coded 4 or 5, on a PM 160, excluding children lost to contact.

**Data Source:** Local program tracking system.

**Reporting Form:**

<b>Element</b>	<b>Number of conditions coded 4 or 5 where follow-up care was initiated (Numerator)</b>	<b>Total number of conditions coded 4 or 5, excluding children lost to contact (Denominator)</b>	<b>Percent (%) of conditions where follow-up care was initiated within 120 days</b>
Conditions found on children eligible for fee-for-service Medi-Cal that required follow-up care	33	43	76.7%
Conditions found on children eligible for State-funded CHDP services only (Aid code 8Y) that required follow-up care	0	0	N/A

<sup>1</sup> Centers for Medicare and Medicaid Services, Publication #45, the State Medicaid Manual, Chapter 5 EPSDT, Section 5310 A <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Paper-Based-Manuals-Items/CMS021927.html>

**CHDP Performance Measure 2 - New Provider Orientation**

The percentage of new CHDP providers with evidence of quality improvement monitoring by the local CHDP program through a New Provider Orientation.

**Definition:** The number of new CHDP providers (i.e., M.D., D.O., N.P., P.A.) added within the past fiscal year who were oriented by the local program staff.

**Numerator:** The number of new CHDP providers who completed an orientation within the past fiscal year.

**Denominator:** The number of new CHDP providers in the county or city (local program) added within the past fiscal year.

**Data Source:** Local program tracking system.

**Reporting Form:**

<b>Number of New Providers who Completed Orientation</b> (Numerator)	0
<b>Number of New Providers</b> (Denominator)	0
<b>Percent (%) of New Providers Oriented</b>	0

**CHDP Performance Measure 3 - Provider Site Recertification**

The percentage of CHDP provider sites (excludes newly enrolled providers) who have completed recertification within the past fiscal year. Provider site visits may occur for other reasons. These can be documented for workload activities. The purpose of this performance measure is to ensure that all providers are recertified at least once every three (3) years. This performance measure is a benchmark to ensure that providers are recertified using the Facility and Medical Review Tools. These tools ensure that providers maintain CHDP standards for health assessments.

**Definition:** An office visit which includes a medical record review and a facility review or Critical Element Review with a Managed Care Plan.

**Numerator:** The number of CHDP provider sites who have completed the Recertification within the past fiscal year using the facility review tool and medical record review tool.

**Denominator:** The number of active CHDP provider sites in the county/city due for recertification within the fiscal year.

**Data Source:** Local program tracking system.

**Reporting Form:**

<b>Number of Completed Site Recertifications</b>	(Numerator)	1
<b>Number of Active CHDP Provider Sites Due for Recertification</b>	(Denominator)	1
<b>Percent (%) with Completed Recertifications</b>		100%

**Optional Workload Data Tracking Form:**

(Other reasons for a provider site visit by local program. This identifies workload.)

<b>Other reasons for provider site visits:</b>	<b>Number of Visits</b>
1. Provider change in location or practice	1
2. Problem resolution such as, but not limited to, billing issues, parental complaints, facility review and/or other issues. <sup>2</sup>	1
3. Medical record review.	5

<sup>2</sup>

4. Office visits for CHDP updates or in-service activities	3
5. Other Please Specify: Inservice reviews:, BMI, audiology, vision	1

**CHDP Performance Measure 4 - Desktop Review: Dental, Lead**

Within the past fiscal year, identify the percentage of PM 160s with documentation indicating compliance with the CHDP Periodicity Schedule and Health Assessment Guidelines. Local programs may choose to evaluate the same provider sites over the 5-year Performance Measure cycle, or select different provider sites each year.

**Definition:** A targeted desktop review for three high volume providers within the county/city by determining the percent of PM 160s that have documentation for:

- Referral to a dentist at 1 year exam (12-14 months of age)
- Lead testing or a referral for the test at 1 year exam (12-14 months of age)

**Numerator:** The number of PM 160 elements recorded correctly per selected providers for the specific ages.

**Denominator:** The total number of PM 160s reviewed per selected providers for the specific ages.

**Data Source:** Local program tracking system.

**Reporting Form:**

	Dental Referral			Lead Test or a Referral		
	Number of PM 160s w/ Dental	Total PM 160s		Number of PM160s w/ Lead Test or Referral	Total PM 160s	
<b>Sierra</b>	25	25	100%	25	23	98%

### CHDP Performance Measure 5 – Desktop Review: BMI

Within the past fiscal year, identify the percentage of PM 160s with documentation indicating compliance with the CHDP Periodicity Schedule and Health Assessment Guidelines. Local programs may choose to evaluate the same provider sites over the five-year Performance Measure cycle, or select different provider sites each year.

**Definition:** A targeted desktop review for three (3) high volume providers within the county/city by determining the percent of PM 160s that have documentation for:

- Body Mass Index (BMI) Percentile for ages two (2) years and over.
- If BMI Percentile is abnormal, the description of weight status category<sup>3</sup> and/or a related diagnosis are listed in the Comments Section.

BMI percentile	Weight status category
< 5 <sup>th</sup> %ile	Underweight
85 <sup>th</sup> - 94 <sup>th</sup> %ile	Overweight
95 <sup>th</sup> - 98 <sup>th</sup> %ile	Obese
≥ 99 <sup>th</sup> %ile	Obesity ( <i>severe</i> )

**Numerator:** The number of PM 160s BMI-related elements correctly documented for ages two (2) years and over.

**Denominator:** The total number of PM 160s reviewed per selected providers for ages two (2) years and over.

**Data Source:** Local program tracking system.

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<sup>3</sup> **CHDP Provider Information Notice No.: 07-13:** Childhood Obesity Implementation Guide from the Expert Committee Recommendations on the Assessment, Prevention and Treatment of Child and Adolescent Overweight and Obesity- 2007.  
<http://www.dhcs.ca.gov/services/chdp/Documents/Letters/chdppin0713.pdf>

**Reporting Form for Performance Measure 5 – Desktop Review: BMI**

**Reporting Form for Performance Measure 5 – Desktop Review: BMI**

Provider	BMI percentile recorded on PM 160s for children ages 2 (two) and older			If BMI percentile is < 5 %, 85 - 94 %, or ≥ 95 %, abnormal weight status category and/or related diagnosis listed in		
	Number of PM 160s with BMI %ile	Number of PM 160s		Number of PM 160s with abnormal weight status category/ diagnosis	Number of PM 160s with abnormal weight status reviewed for, diagnosis	
Sierra Pk	68	80	85%	7	7	100%

**CHDP Performance Measure 6 - County/City Use of Childhood Obesity Data**

1. <b>Childhood obesity data shared with CHDP Providers to inform about overweight and obesity prevalence rates: (If yes, underline all that apply)</b>	YES	NO
Presentations, in-services, trainings	x	
Newsletters, media outreach, reports	x	
Provide educational and resource materials related to healthy eating/active living	x	
2. <b>Childhood obesity data shared to support local assistance grants and implementation of multi-sector policy strategies to create healthy eating and active living community environments (Goal 3, California Obesity Prevention Plan 2010): (If yes, underline all that apply)</b>	x	
<b>Academic:</b> Universities, Academic Institutions, Educators and Researchers Other (Please specify):		
<b>Community Coalitions/Committees:</b> Health Advisory Committee, Health Collaboratives/Coalitions Other (Please specify): Nutrition and Physical Activity Task Force	x	
<b>Community Planning:</b> City Planners, County Land Use Staff, Built Environmental Groups Other (Please specify): Food Day Family Night Celebration at Mammoth High School 2013	x	
<b>Community Programs:</b> Faith-based Groups, YMCA/YWCA, After School programs, Parks and Recreation programs, Child Care, University Cooperative Extension Other (Please specify):		
<b>Health Care:</b> Managed Care Health Plans and Insurers, Hospitals, CCS Program/Special Care Centers, Medical Provider Groups, Medical Societies, Health Associations Other (Please specify): Newsletters to Providers	x	
<b>Policy Makers:</b> County Board of Supervisors, City Councils, Community Planners, Legislators Other (Please specify): Food Day Celebration	x	

Mono County Children’s Medical Services Plan and Fiscal Guidelines 2014-2015

<p><b>Projects or Funding Entities:</b> First Five Commission, Public and Private Foundations/Endowments/Grants</p> <p>Other (<i>Please specify</i>):</p>		
<p><b>Public Health Programs:</b> WIC, Foster Care, MCAH, Nutrition Network Funded Projects, Health Officers, Epidemiologists, Program Directors</p> <p>Other (<i>Please specify</i>): Newspaper articles for “75210” project</p> <p>“7” Eat a Healthy Breakfast 7 days a week</p> <p>“5” Eat 5 fruits and vegetables every day</p> <p>“2” Only 2 hours of screen time per day</p> <p>“1” One hour of physical activity each day</p> <p>“0” No sugar-sweetened beverages</p>	<p>x</p>	

**HPCFC Performance Measure 1 - Care Coordination**

The degree to which the local HPCFC provides effective care coordination to CHDP eligible children.

**Definition:** CHDP health assessments may reveal condition(s) requiring follow-up care for diagnosis and treatment. Effective HPCFC care coordination is measured by determining the percentage of health condition(s) coded 4 or 5 where follow-up care is initiated within 120 days of local program receipt of the PM 160.

**Numerator:** Number of conditions coded 4 or 5 where the follow up care was initiated within 120 days of receipt of the PM 160.

**Denominator:** Total number of conditions coded 4 or 5 on a PM 160, excluding children lost to contact.

**Reporting Form:**

Number of conditions coded 4 or 5 where the follow-up care was initiated within 120 days of receipt of the PM 160. (Numerator)	0
Total number of conditions coded 4 or 5 on a PM 160, excluding cases lost to no contact. (Denominator)	0
<b>Percent of conditions coded 4 or 5 where the client received follow-up care within 120 days of receipt of the PM 160.</b>	N/A

**Data Source:** Child Welfare Services Case Management System (CWS/CMS), and county specific data for Probation Department

**HCPCFC Performance Measure 2 - Health and Dental Exams for Children in Out-of-Home Placement**

The degree to which the local HCPCFC program ensures access to health and dental care services for eligible children according to the CHDP periodicity schedule.

**Definition:** This measure is based on characteristics that demonstrate the degree to which the PHN in the HCPCFC facilitates access to health and dental services as evidenced by documentation of a health and dental exam in the Health Education Passport.

**Numerator 1:** Number of children in out-of-home placement with a preventive health exam, according to the CHDP periodicity schedule documented in the Health and Education Passport, and

**Numerator 2:** Number of children in out-of-home placement with a preventive dental exam, according to the CHDP dental periodicity schedule documented in the Health and Education Passport.

**Denominator:** Number of children in out-of-home placement during the previous fiscal year supervised by Child Welfare Services or Probation Department.

**Reporting Form:**

Element	Number of Children With Exams (Numerator)	Number of Children (Denominator)	Percent of Children with Exams
Number of children in out-of-home placement with a preventive health exam according to the CHDP periodicity schedule documented in the Health and Education Passport. (Numerator)	9	9	100%
Number of children in out-of-home placement with a preventive dental exam according to the CHDP dental periodicity schedule documented in the Health and Education Passport.	7	9	77%

**Data Source/Issue:** Child Welfare Services Case Management System (CWS/CMS), and county specific data for Probation Department.

**CMS Plan 2014-15 Fiscal Year Performance Measure Narrative**

**CHDP Performance Measure 1 – Care Coordination**

The local tracking system utilizes an Access database created specifically for Mono County CHDP program. The data is inputted by the CHOS and CHDP deputy director. Queries are then run based on the requested data.

As Mono County is an extremely rural county, specialist care most often requires out of county travel of at least 5 hours. Travel out of county can be very difficult at times of the year due to heavy snow fall, road closures, or travel restrictions. Very few specialists practice in Mono County, especially pediatric specialists. We are working with Managed Care Medi-Cal to re-recruit specialists in Inyo County for optometry and ophthalmology. Dental care is provided through Sierra Park Dental locally. Children with all other referrals must travel out of the area, often to Los Angeles, Sacramento, Pomona or Orange County. We do have a Pediatric Cardiology provider that travels to our area one time per year and will see children on Medi-Cal and CCS who do not need an urgent consult.

As many families are at or below the federal poverty level in Mono County, out of pocket payments and out of county travel have significant financial impact and often families are not able to follow through with the recommended medical specialist as a result, especially within the 120 day goal of CHDP. We are finding families cannot afford to pay for any of the care and there are no longer financial assistance programs for them. For our out of town specialist referrals, families may not be able to take the needed days off from work or have the transportation and must coordinate with other family and friends to travel, thus adding to the delay in receiving care. We have also found that some specialists have more than a month long wait list that has caused a delay in receiving care.

The Deputy Director is communicating with State representatives through quarterly meetings and is seeking additional providers who will accept the newly-implemented Medi-Cal managed care programs in Mono County. These are Anthem Blue Cross and California Health and Wellness.

**CHDP Performance Measure 2 – New Provider Orientation**

There were no new CHDP providers in Mono County for the fiscal year 2013-2014. Day and Night Pediatrics office closed due to pediatrician retirement.

**CHDP Performance Measure 3 – Provider Recertification**

Recertification of Sierra Park Pediatrics was due and accomplished in July, 2014. Re-certification included renewal training in audiometry, Anthropometric BMI, and vision screening.

**CHDP Performance Measure 4 – Desktop Review**

The local tracking system utilized for data collection is the same as described above for CHDP Performance Measure 1.

- A. The percent compliance for accurate recording of the BMI percentile increased due to close monitoring, initial return of forms missing BMI, and education of staff regarding protocol for ages requiring BMI documentation.
- B. The percent of compliance for the number of children referred to a dentist continues to be high with follow up phone calls and documentation by CHOS.
- C. The lead testing is ordered in a timely manner due to the diligence of the head nurse at the Sierra Park Pediatrics Clinic. Reporting of lead levels by Mammoth Hospital Lab consists of a paper format, sent to Billing, and delivered to CHDP Deputy Director.

**HCPCFC Performance Measure 1 – Care Coordination**

The local tracking system used to gather the data for this performance measure was chart review and review of Health and Education Passport through CWS/CMS.

**HCPCFC Performance Measure 2 – Health and Dental Exams for Children in Out-of-Home Placement**

The local tracking system used to gather the data for this performance measure was a chart review and review of Health and Education Passport through CWS/CMS.

# CHILDRENS MEDICAL SERVICES

## PLAN

FY 2014-2015

MONO COUNTY

DATA FORMS

**California Children's Services Caseload Summary Form**

County:  Mono

Fiscal Year:  2014-2015

	CCS Caseload 0 to 21 Years	A		B		13-14 Caseload	% of Grand Total
		11-12 Caseload	% of Grand Total	12-13 Caseload	% of Grand Total		
<b>MEDI-CAL</b>							
1	Average of Total Open (Active) Medi- Cal Children	51	64.5%	43	61.4%	52	76.4%
2	Potential Case Medi-Cal	0	0	4	5.7%	14	20.5%
3	<b>TOTAL MEDI-CAL (Row 1 + Row 2)</b>	51	64.5%	47	67.1%	66	97%
<b>NON-MEDI-CAL</b>							
<b>HEALTHY FAMILIES (Transitioned to Medi-Cal F/Y 13-14)</b>							
4	Average of Total Open (Active) Healthy Families	7	8.9%	12	17.1%	0	0
5	Potential Cases Healthy Families	0	0	0	0	0	0
6	<b>Total Healthy Families (Row 4 + Row 5)</b>	7	8.9%	12	17.1%	0	0
<b>STRAIGHT CCS</b>							
7	Average of Total Open (Active) Straight CCS Children	14	17.7%	11	15.8%	2	2.9%
8	Potential Cases Straight CCS Children	7	8.9%	0	0	0	0
9	<b>Total Straight CCS (Row 7 + Row 8)</b>	21	26.6%	11	15.8%	2	2.9%
10	<b>TOTAL NON MEDI- CAL (Row 6 + Row 9)</b>	28	35.5%	23	32.9%	2	2.9%
<b>GRAND TOTAL</b>							
11	<b>(Row 3 + Row 10)</b>	79	100%	70	100%	68	100%

**Performance Measure Profile**

		2012-13		2013-14		2014-15		2015-16		2016-17	
Performance Measure Number	CHDP	MC	N-MC	MC	N-MC	MC	N-MC	MC	N-MC	MC	N-MC
	1	100%		100%							
	2	N/A		N/A							
	3	100%		100%							
	4 Average for all three providers	BMI	100%	BMI	85%	BMI		BMI		BMI	
		Dental	100%	Dental	100%	Dental		Dental		Dental	
		Lead	99%	Lead	98%	Lead		Lead		Lead	
	5	1. 63% 2. 90%		100%							
	6 (Optional)										
	E (Optional)										
G (Optional)											
HPCFC 1	100%		n/a								
2	Health	88%	Health	100%	Health		Health		Health		
	Dental	77%	Dental	77%	Dental		Dental		Dental		

**Performance Measure Profile – Continued**

		2008-09	2009-10	2010-11	2011-12	2012-13					
<b>CCS</b>	1	100%		95%		83%		94%		95%	
	2	MED	N/A	MED	N/A	MED	N/A	MED	N/A	MED	N/A
		RES	N/A	RES	100%	RES	100%	RES	---	RES	99%
		FIN	N/A	FIN	100%	FIN	100%	FIN	100%	FIN	97%
3 (A)		77%		79%		53%		56%			80%
3 (B)		74%		67%		94%		100%			100%
4		CCS	0	CCS	100%	CCS	100%	CCS	73%	CCS	100%
		MTP	0	MTP	80%	MTP	100%	MTP	50%	MTP	100%
5		65%		60%		75%		75%		68%	

**CCS Performance Measure Reporting for 2013-2014 currently being revised at the State level.**

**Mono County Children's Medical Services Plan and Fiscal Guidelines 2014-2015**

**CHDP Program Referral Data**

Complete this form using the Instructions found on page 4-8 through 4-10.

<b>County: Mono</b>	<b>FY 11-12</b>		<b>FY 12-13-12</b>		<b>FY 13-14</b>	
<b>Basic informing and CHDP Referrals</b>						
1. Total number of CalWORKs/Medi-Cal cases informed and determined eligible by Department of Social Services	328		321		563	Transition from Hf To Medi-Cal
2. Total number of cases and recipients in "1" requesting CHDP services	Cases	Recipients	Cases	Recipients	Cases	Recipients
Number of CalWORKs cases/recipients	9	15	0	0	0	0
Number of Foster Care cases/recipients	0	0	1	1	1	1
Number of Medi-Cal only cases/recipients	73	163	70	152	44	77
3. Total number of EPSDT eligible recipients and unborn, referred by Department of Social Services' workers who requested the following:						
Medical and/or dental services	137		172		99	
Medical and/or dental services with scheduling and/or transportation	26		35		26	
Information only (optional)	50		19		19	
4. Number of persons who were contacted by telephone, home visit, face-to-face, office visit or written response to outreach letter	130		127		104	
<b>Results of Assistance</b>						
5. Number of recipients actually provided scheduling and/or transportation assistance by program staff	46		39		24	
6. Number of recipients in "5" who actually received medical and/or dental services	46		105		63	

# CHILDRENS MEDICAL SERVICES

## PLAN

FY 2014-2015

MONO COUNTY

MEMORANDA OF UNDERSTANDING AND  
INTERAGENCY AGREEMENTS

State of California - Health and Human Services Agency Department of Health Care Services - Children's Medical Services

**Memoranda of Understanding/Interagency Agreement List**

List all current Memoranda of Understanding (MOU) and/or Interagency Agreements (IAA) in California Children's Services, Child Health and Disability Prevention Program, and Health Care Program for Children in Foster Care. Specify whether the MOU or IAA has changed. Submit only those MOU and IAA that are new, have been renewed, or have been revised. For audit purposes, counties and cities should maintain current MOU and IAA on file.

**County/City: Mono Fiscal Year 2014-15**

Title or Name of MOU/IAA	Is this a MOU or an IAA?	Effective Dates From/To	Date Last Reviewed by County/ City	Name of Person Responsible for this MOU/IAA?
CCS MTP/SELPA DHCS. <b>Per Systems of Care Division: No renewals of IAA MTP until further notice.</b>	IAA	July 2012-2014	6/30/14	Diann Bitzberger, MPH,RN
CHDP/DSS	IAA	July 2013-June 2015	June 2013	Diann Bitzberger, MPH, RN
HCPCFC/CWS & Probation	MOU	July 2013-June 2015	June 2013	Diann Bitzberger, MPH, RN

**CHILDREN'S MEDICAL SERVICES**  
**CMS PLAN**  
**Fiscal Year 2014-2015**

**Part III**  
**Budget Forms**

**CHDP Administrative Budget Summary**  
**No County/City Match**  
**Fiscal Year 2014-2015**

County/City Name: Mono County

Column	1	2	3	4	5
Category/Line Item	Total Budget (2 + 3)	Total CHDP Budget	Total Medi-Cal Budget (4 + 5)	Enhanced State/Federal (25/75)	Nonenhanced State/Federal (50/50)
I. Total Personnel Expenses	\$47,598	\$79	\$47,519	\$21,434	\$26,085
II. Total Operating Expenses	\$6,250	\$6	\$6,244		\$6,244
III. Total Capital Expenses	\$0	\$0			
IV. Total Indirect Expenses	\$13,750	\$13	\$13,737		\$13,737
V. Total Other Expenses	\$0	\$0			
<b>Budget Grand Total</b>	<b>\$67,598</b>	<b>\$98</b>	<b>\$67,500</b>	<b>\$21,434</b>	<b>\$46,066</b>

Column	1	2	3	4	5
Source of Funds	Total Funds	Total CHDP Budget	Total Medi-Cal Budget	Enhanced State/Federal	Nonenhanced State/Federal
State General Funds	\$98	\$98			
Medi-Cal Funds:	\$67,500		\$67,500		
State Funds	\$28,391		\$28,391	\$5,358	\$23,033
Federal Funds (Title XIX)	\$39,109		\$39,109	\$16,076	\$23,033

*Patricia M. Doe*

Prepared By (Signature)

11/4/2014 760-932-5587 pmcgee@mono.ca.gov

Date Prepared Phone Number Email Address

*Diana Berglund*

CHDP Director or Deputy

Director (Signature)

11/4/2014 760-924-1841 dbitzberger@mono.ca.gov

Date Phone Number Email Address

CHDP Administrative Budget Worksheet  
 No County/City Match  
 State and State/Federal  
 Fiscal Year 2014-15

County/City Name: Mono County		Column									
Category/Line Item	1A	1B	1	2A	2	3A	3	4A	4	5A	5
	% or FTE	Annual Salary	Total Budget (1A x 1B or 2 + 3)	CHDP % or FTE	Total CHDP Budget	Total Medi-Cal %	Total Medi-Cal Budget (4 + 5)	% or FTE	Enhanced State/Federal (25/75)	% or FTE	Nonenhanced State/Federal (\$0/50)
<b>Personnel Expenses</b>											
1. Diann Bitzberger, Deputy Director	10%	\$78,756	\$7,876	0.65%	\$51	89.36%	\$7,825	50.00%	\$3,938	49.355%	\$3,887
2. Diann Bitzberger, Case Manager	9%	\$78,756	\$6,300			100.00%	\$6,300	80.00%	\$5,040	20.000%	\$1,260
3. Olivia Moreno, CHOS	2%	\$80,036	\$1,201			100%	\$1,201		\$0	100.000%	\$1,201
4. Hillary Bayliss, Case Manager	7.5%	\$96,826	\$9,512			100%	\$6,512	74.02%	\$4,820	25.980%	\$1,692
5. Dr. Richard Johnson	0%	\$232,960	\$0			100%	\$0		\$0	100.000%	\$0
6. Lynda Salcido	3%	\$128,604	\$3,858			100%	\$3,858		\$0	100.000%	\$3,858
7. Patricia McSee, Fiscal Administrator	5%	\$63,000	\$3,150			100%	\$3,150		\$0	100.000%	\$3,150
8. Maria Gonzalez	1%	\$49,860	\$498			100%	\$498		\$0	100.000%	\$498
9. Nancy Cruz-Garcia	3%	\$41,520	\$1,246							100.000%	\$1,246
<b>Total Salaries and Wages</b>			\$30,641		\$51		\$29,345		\$13,798		\$16,792
Less Salary Savings											
Net Salaries and Wages			\$30,641		\$51		\$29,345		\$13,798		\$16,792
Staff Benefits (Specify %) 55.34%			\$16,957		\$28		\$16,235		\$7,636		\$9,293
<b>I. Total Personnel Expenses</b>			\$47,598		\$79		\$45,584		\$21,434		\$28,085
<b>II. Operating Expenses</b>											
1. Travel			\$1,000		\$1		\$999				\$999
2. Training							\$0				\$0
3. Communications			\$100				\$100				\$100
4. Equipment Mntnce			\$350				\$350				\$350
5. Office			\$1,200		\$1		\$1,199				\$1,199
6. Rent			\$3,600		\$4		\$3,596				\$3,596
7.											\$0
8.											\$0
9.											\$0
10.											\$0
<b>II. Total Operating Expenses</b>			\$6,250		\$6		\$6,244				\$6,244
<b>III. Capital Expenses</b>											
<b>III. Total Capital Expenses</b>							\$0				\$0
<b>IV. Indirect Expenses</b>											
1. Internal (Specify %) 10.00%			\$0				\$0				\$0
2. External (Specify %) 19.83%			\$13,750		\$13		\$13,737				\$13,737
<b>IV. Total Indirect Expenses</b>			\$13,750		\$13		\$13,737				\$13,737
<b>V. Other Expenses</b>											
<b>V. Total Other Expenses</b>			\$67,598		\$98		\$68,586		\$21,434		\$46,066
<b>Budget Grand Total</b>			\$114,141		\$149		\$114,141		\$35,232		\$78,909

Prepared By (Signature) *Diann Bitzberger* Date Prepared 11/14/14  
 Phone Number 760-932-5587 Email Address pmscee@mono.ca.gov  
 CHDP Director or Deputy Director (Signature) *Diann Bitzberger* Date 11/14/14  
 Phone Number 760-924-1841 Email Address dbitzberger@mono.ca.gov

**CHDP No County/City Match  
Mono County  
Budget Narrative  
Fiscal Year 2014-2015**

<b>I. PERSONNEL EXPENSES</b>		<b>Identify and explain any changes in Personnel including FTE percentage changes.</b>
Total Salaries:	\$30,641	reduced 9% shifted some positions to match budget to maximize enhanced revenue
Total Benefits:	\$16,957	reduced by 1% to reflect changes in county policy
<b>Total Personnel Expenses:</b>	<b>\$47,598</b>	
Case Management		increased by .15FTE to reflect actual cost in FY13-14, used as a basis for FY14-15 budget
Clerical		reduced by .16 FTE to reflect actual costs in FY13-14, used as a basis for FY14-15 budget

<b>II. OPERATING EXPENSES</b>		<b>List all Operating Expense line items. Identify and explain any increase, decrease, or newly listed line item.</b>
Travel	\$1,000	Increased for upcoming fiscal trainings
Training	\$0	
Communications	\$100	Decreased to reflect costs moved to indirect
Equipment Mntce	\$350	Increased to reflect estimated costs
Office	\$1,200	Moved to no-- match from match budget
Rent	\$3,600	Moved to no-match from match budget
<b>Total Operating Expenses:</b>	<b>\$6,250</b>	

<b>III. CAPITAL EXPENSES</b>		<b>List all Capital Expense line items. Identify and explain any newly listed Capital Expense. Include County/City Capital Expenses Justification Form.</b>
<b>Total Capital Expenses:</b>	0	None

<b>IV. INDIRECT EXPENSES</b>		
A. Internal @	\$0	
B. External @ 19.59	\$13,750	County wide cost allocation plan; allocated to programs based on budgeted FTE's. Increased to reflect actual county A-87 charge
<b>Total Indirect Expenses:</b>	<b>\$13,750</b>	

<b>V. OTHER EXPENSES</b>		<b>List all Other Expense line items. Identify and explain increased, decreased, or newly listed line items. Include County/City Other Expenses Justification Form.</b>
	\$0	
<b>Total Other Expenses:</b>	<b>\$0</b>	

<b>Budget Grand Total</b>	<b>\$67,598</b>
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**CHDP Administrative Budget Summary for FY 2014-15**

**County/City Match**

**County/City Name: Mono**

Category/Line Item	1 Total Budget (2 + 3)	2 Enhanced County/City/Federal (25/75)	3 Nonenhanced County/City/Federal (50/50)
I. Total Personnel Expenses	\$31,185	\$6,702	\$24,483
II. Total Operating Expenses			
III. Total Capital Expenses			
IV. Total Indirect Expenses			
V. Total Other Expenses			
<b>Budget Grand Total</b>	<b>\$31,185</b>	<b>\$6,702</b>	<b>\$24,483</b>

Source of Funds	1 Total Funds	2 Enhanced County/Federal (25/75)	3 Nonenhanced County/Federal (50/50)
County Funds	\$13,917	\$1,675	\$12,242
Federal Funds (Title XIX)	\$17,268	\$5,027	\$12,241

 Prepared By (Signature) \_\_\_\_\_ Date prepared 11/5/2014 \_\_\_\_\_ Phone Number 760-932-5587 \_\_\_\_\_ Email Address [pmcgee@mono.ca.gov](mailto:pmcgee@mono.ca.gov)

 CHDP Director or Deputy \_\_\_\_\_ Date 11/5/2014 \_\_\_\_\_ Phone Number 760-924-1841 \_\_\_\_\_ Email Address [dbitzberger@mono.ca.gov](mailto:dbitzberger@mono.ca.gov)  
 Director (Signature) \_\_\_\_\_ Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_

**CHDP Administrative Budget Worksheet for FY 2014-15**  
**County/City Match**  
**County/City Name: Mono**

Column	1A	1B	1	2A	2	3A	3
Category/Line Item	% or FTE	Annual Salary	Total Budget (1A x 1B or 2 + 3)	% or FTE	Enhanced County/City/Federal (25/75)	% or FTE	Nonenhanced County/City/Federal (50/50)
<b>I. Personnel Expenses</b>							
1. Diann Bitzberger, Deputy Director	0%	\$78,756					
2. Diann Bitzberger, Case Manager	5%	\$78,756	\$3,938	80%	\$3,150	20%	\$788
3. Olivia Moreno, CHOS	23%	\$60,036	\$13,808	0%		100%	\$13,808
4. Hillary Bayliss, Case Manager	0%	\$86,826					
5. Dr. Richard Johnson	1%	\$232,960	\$2,330	50%	\$1,165	50%	\$1,165
6. Lynda Salcido	0%	\$128,604					
7. Patricia McGee, Fiscal Administrator	0%	\$63,000					
8. Maria Gonzalez	0%	\$49,860					
9. Nancy Cruz-Garcia	0%	\$41,520					
10.							
Total Salaries and Wages			\$20,076		\$4,315		\$15,761
Less Salary Savings							
Net Salaries and Wages							
Staff Benefits (Specify   55.34%)			\$11,109		\$2,387		\$8,722
<b>I. Total Personnel Expenses</b>			\$31,385		\$6,702		\$24,483
<b>II. Operating Expenses</b>							
1. Travel							
2. Training							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
<b>III. Total Operating Expenses</b>							

**CHDP Administrative Budget Worksheet for FY 2014-15**  
**County/City Match**

County/City Name: Mono

Column	1A	1B	1	2A	2	3A	3
<b>III. Capital Expenses</b>							
1.							
2.							
3.							
4.							
5.							
<b>II. Total Capital Expenses</b>							
<b>IV. Indirect Expenses</b>							
1. Internal (Specify %)							
2. External (Specify %)							
<b>IV. Total Indirect Expenses</b>							
<b>V. Other Expenses</b>							
1.							
2.							
3.							
4.							
5.							
<b>V. Total Other Expenses</b>							
<b>Budget Grand Total</b>			\$31,385		\$6,702		\$24,483

*Patricia M. B.*  
 Prepared By (Signature)

11/5/14 Date Prepared  
 760-932-5587 Phone Number  
 pmcgee@mono.ca.gov Email Address

*Debra A. B.*  
 CHPD Director or Deputy Director (Signature)

11/5/14 Date  
 760-924-1841 Phone Number  
 dbitzberger@mono.ca.gov Email Address

**Foster Care Administrative Budget Summary**  
**County/City Match**  
**County/Title XIX Federal Funds**  
**Fiscal Year 2014-15**

County/City Name: \_\_\_\_\_

	1	2	3
Column	1	2	3
Category/Line Item	Total Budget (2 + 3)	Enhanced County/City/Federal (25/75)	Nonenhanced County/City/Federal (50/50)
I. Total Personnel Expense	\$1,722	\$1,292	\$430
II. Total Operating Expense	\$0		
III. Total Capital Expense	\$0		
IV. Total Indirect Expense	\$0		
V. Total Other Expense	\$1,722	\$1,292	\$430
<b>Budget Grand Total</b>	\$1,722	\$1,292	\$430

	1	2	3
Column	1	2	3
Source of Funds	Total Funds	Enhanced County- City/Federal (25/75)	Nonenhanced County- City/Federal (50/50)
County/City Funds	\$1,184	\$969	\$215
Federal Funds (Title XIX)	\$538	\$323	\$215
<b>Budget Grand Total</b>	\$0		

Source County-City Funds: **Realignment**

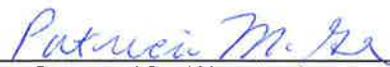
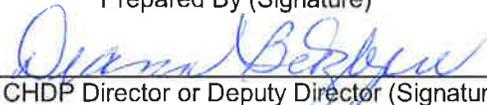

 Prepared By (Signature) \_\_\_\_\_ Date Prepared 11/5/2015 Phone Number 760-932-5587 Email Address pmcgee@mono.ca.gov  

 CHDP Director or Deputy \_\_\_\_\_ Date 11/5/2015 Phone Number 760-924-1841 Email Address dbitzberger@mono.ca.gov  
 Director (Signature) \_\_\_\_\_ Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_

**Foster Care Administrative Budget Worksheet  
County-City/Federal Match  
County/Title XIX Federal Funds  
Fiscal Year 2014-15**

County/City Name: \_\_\_\_\_

Column	1A	1B	1	2A	2	3A	3
Category/Line Item	% or FTE	Annual Salary	Total Budget (1A x 1B or 2 + 3)	% or FTE	Enhanced County-City/Federal (25/75)	% or FTE	Nonenhanced County-City/Federal (50/50)
<b>I. Personnel Expenses</b>							
1. Diann Bitzberger	1.50%	\$78,756	\$1,180	75%	\$885	25%	\$295
2.							
3.							
4.							
5.							
Total Salaries and Wages			\$1,180		\$885		\$295
Less Salary Savings							
Net Salaries and Wages			\$1,180		\$885		\$295
Staff Benefits (Specify %)   46.00%			\$542		\$407		\$135
<b>I. Total Personnel Expenses</b>			\$1,722		\$1,292		\$430
<b>II. Operating Expenses</b>							
1. Travel							
2. Training							
<b>II. Total Operating Expenses</b>							
<b>III. Capital Expenses</b>							
1.							
2.							
<b>III. Total Capital Expenses</b>							
<b>IV. Indirect Expenses</b>							
1. Internal (Specify %)   0.00%							
2. External							
<b>IV. Total Indirect Expenses</b>							
<b>V. Other Expenses</b>							
1.							
2.							
<b>V. Total Other Expenses</b>							
<b>Budget Grand Total</b>			\$1,722		\$1,292		\$430

	11/5/14	760-932-5587	<a href="mailto:pmcgee@mono.ca.gov">pmcgee@mono.ca.gov</a>
Prepared By (Signature)	Date Prepared	Phone Number	Email Address
	11/5/14	760-924-1841	<a href="mailto:dbitzberger@mono.ca.gov">dbitzberger@mono.ca.gov</a>
CHDP Director or Deputy Director (Signature)	Date	Phone Number	Email Address

**HPCFC Administrative Budget Summary  
Fiscal Year 2014-15**

County/City Name: **Mono County**

Category/Line Item	1 Total Budget (2 + 3)	2 Enhanced State/Federal (25/75)	3 Nonenhanced State/Federal (50/50)
I. Total Personnel Expenses	\$5,340	\$3,737	\$1,603
II. Total Operating Expenses			
III. Total Capital Expenses			
IV. Total Indirect Expenses	\$0		\$0
V. Total Other Expenses			
<b>Budget Grand Total</b>	<b>\$5,340</b>	<b>\$3,737</b>	<b>\$1,603</b>

Source of Funds	1 Total Funds	2 Enhanced State/Federal (25/75)	3 Nonenhanced State/Federal (50/50)
State Funds	\$2,000	\$934	\$1,066
Federal Funds (Title XIX)	\$3,604	\$2,803	\$801
<b>Budget Grand Total</b>	<b>\$5,604</b>		

 Prepared By (Signature) pmcgee@mono.ca.gov Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_  
 Date Prepared 11/4/2014 760-932-5587  
 CHDP Director or Deputy Director (Signature) dbitzberger@mono.ca.gov Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_  
 Date 11/4/2014 760-924-1841

**HPCFC Administrative Budget Worksheet  
Fiscal Year 2014-15**

County/City Name: **Mono County**

Column	1A	1B	1	2A	2	3A	3
Category/Line Item	% or FTE	Annual Salary	Total Budget (1A x 1B or 2 + 3)	% or FTE	Enhanced State/Federal (25/75)	% or FTE	Nonenhanced State/Federal (50/50)
<b>I. Personnel Expenses</b>							
1. Diann Bitzberger, Foster Care PHN	4.64%	\$78,756	\$3,655	70%	\$2,558	30%	\$1,097
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
Total Salaries and Wages			\$3,655		\$2,558		\$1,097
Less Salary Savings							
Net Salaries and Wages							
Staff Benefits (Specify %)	46.10%		\$1,685		\$1,179		\$506
<b>I. Total Personnel Expenses</b>			\$5,340		\$3,737		\$1,603
<b>II. Operating Expenses</b>							
1. Travel							
2. Training							
<b>II. Total Operating Expenses</b>							
<b>III. Capital Expenses</b>							
1.							
2.							
<b>III. Total Capital Expenses</b>							
<b>IV. Indirect Expenses</b>							
1. Internal (Specify %)			\$0				\$0
2. External							
<b>IV. Total Indirect Expenses</b>							
<b>V. Other Expenses</b>							
1.							
2.							
<b>V. Total Other Expenses</b>							
<b>Budget Grand Total</b>			\$5,340		\$3,737		\$1,603

11/4/2014 760-932-5587

[pmcqee@mono.ca.gov](mailto:pmcqee@mono.ca.gov)

Prepared By (Signature)

Date prepared

Phone Number

Email Address



11/4/2014 760-924-1842

[dbitzberger@mono.ca.gov](mailto:dbitzberger@mono.ca.gov)

CHDP Director or Deputy Director (Signature)

Date

Phone Number

Email Address

**HPCFC  
Mono County  
Budget Narrative  
Fiscal Year 2014-15**

<b>I. PERSONNEL EXPENSES</b>		Identify and explain any changes in Personnel including FTE percentage changes.
Total Salaries:	\$3,655	slightly reduced to balance to state allocation
Total Benefits:	\$1,685	slightly reduced to balance to state allocation
<b>Total Personnel Expenses:</b>	<b>\$5,340</b>	

<b>II. OPERATING EXPENSES</b>		List all Operating Expense line items. Identify and explain any increase, decrease, or newly listed line item.
Travel	\$0	
Training	\$0	
<b>Total Operating Expenses:</b>	<b>\$0</b>	

<b>III. CAPITAL EXPENSES</b>		List all Capital Expense line items. Identify and explain any newly listed Capital Expense. Include County/City Capital Expenses Justification Form.
Total Capital Expenses:		

<b>IV. INDIRECT EXPENSES</b>		
A. Internal		
B. External	\$0	
<b>Total Indirect Expenses:</b>	<b>\$0</b>	

<b>V. OTHER EXPENSES</b>		List all Other Expense line items. Identify and explain increased, decreased, or newly listed line items. Include County/City Other Expenses Justification Form.
<b>Total Other Expenses:</b>	<b>\$0</b>	

<b>Budget Grand Total</b>	<b>\$5,340</b>
---------------------------	----------------

CCS CASELOAD	Actual Caseload	Percent of Total CCS Caseload
<b>STRAIGHT CCS -</b>		
Total Cases of Open (Active) Straight CCS Children	9	14.75%
<b>HEALTHY FAMILIES -</b>		
Total Cases of Open (Active) Healthy Families Children	0	0.00%
<b>MEDI-CAL/TLUCP (TITLE XXI) -</b>		
Total Cases of Open (Active) MC/TLUCP Children	15	24.59%
<b>MEDI-CAL (TITLE XIX) -</b>		
Total Cases of Open (Active) Medi-Cal Children	37	60.66%
<b>TOTAL CCS CASELOAD</b>	<b>61</b>	<b>100%</b>

### CCS Administrative Budget Worksheet

Fiscal Year: 2014-15  
 County: Mono

Category/Line Item	Title XIX Medi-Cal (Column 5 = Columns 6 + 7)						
	1	2	3	4	5	6	7
Col 1 = Col 2+3+4+5	Straight CCS	Title XXI - HF	Title XXI - HF	Medi-Cal/Targted Low Income Children's Program (TLICP) County/State/Fed (17,517,565)	Title XIX Medi-Cal State/Federal	Enhanced Title XIX Medi-Cal State/Federal (2575)	Non-Enhanced Title XIX Medi-Cal State/Federal (5050)
<b>Total Budget</b>	175,874	25,949	0	43,247	105,676	32,459	74,217
I. Total Personnel Expense	175,874	25,949	0	43,247	105,676	32,459	74,217
II. Total Operating Expense	12,200	1,801	0	3,001	7,400	185	7,215
III. Total Capital Expense	0	0	0	0	0	0	0
IV. Total Indirect Expense	30,844	4,522	0	7,536	18,599	0	18,599
V. Total Other Expense	9,700	1,431	0	2,395	5,884	0	5,884
<b>Budget Grand Total</b>	<b>228,420</b>	<b>33,703</b>	<b>0</b>	<b>56,189</b>	<b>129,549</b>	<b>32,844</b>	<b>105,905</b>

Source of Funds	Title XIX Medi-Cal (Column 5 = Columns 6 + 7)						
	1	2	3	4	5	6	7
Col 1 = Col 2+3+4+5	Straight CCS	Title XXI - HF	Title XXI - HF	Medi-Cal/Targted Low Income Children's Program (TLICP) County/State/Fed (17,517,565)	Title XIX Medi-Cal State/Federal	Enhanced Title XIX Medi-Cal State/Federal (2575)	Non-Enhanced Title XIX Medi-Cal State/Federal (5050)
<b>Total Budget</b>	16,851	16,851	0	0	0	0	0
Straight CCS	16,851	16,851	0	0	0	0	0
State	16,851	16,851	0	0	0	0	0
County	0	0	0	0	0	0	0
Healthy Families	0	0	0	0	0	0	0
State	0	0	0	0	0	0	0
County	0	0	0	0	0	0	0
Federal (Title XXI)	0	0	0	0	0	0	0
Title XXI - Medi-Cal/TLUCP	9,830	9,830	0	0	0	0	0
State	9,830	9,830	0	0	0	0	0
County	0	0	0	0	0	0	0
Federal (Title XXI)	36,509	36,509	0	0	0	0	0
Title XIX - Medi-Cal	61,114	61,114	0	0	81,114	8,181	52,933
State	77,435	77,435	0	0	77,435	24,483	52,952
Federal (Title XIX)	0	0	0	0	0	0	0

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 Prepared By (Printed Name): Patricia McGee  
 Email Address: pmcgee@mono.ca.gov  
 CCS Administrator (Signature): *Diann Blitberger*  
 CCS Administrator (Printed Name): Diann Blitberger, MPH, RN  
 Email Address: dblitberger@mono.ca.gov

### CCS Administrative Budget Worksheet

Fiscal Year: 2014-2015

County: Mono

CCS CASELOAD	Actual Caseload	Percent of Total CCS Caseload
<b>STRAIGHT CCS -</b>	9	14.75%
Total Cases of Open (Active) Straight CCS Children		
<b>HEALTHY FAMILIES -</b>	0	0.00%
Total Cases of Open (Active) Healthy Families Children		
<b>MEDI-CAL/TLICP (TITLE XXI) -</b>	15	24.59%
Total Cases of Open (Active) MC/TLICP Children		
<b>MEDI-CAL (TITLE XIX) -</b>	37	60.66%
Total Cases of Open (Active) Medi-Cal Children		
<b>TOTAL CCS CASELOAD</b>	<b>61</b>	<b>100%</b>

Column	Straight CCS			Title XXI - Healthy Families			Title XXI - Medi-Cal/Targeted Low Income Children Program (TLICP)			Title XIX - Medi-Cal				
	4A	4	5	5A	5	6A	6	7A	7	8A	8	9A	9	
Category/Line Item	Total Budget (1 x 2 or 4 + 5 + 6 + 7)	Straight CCS County/State (50/50)	Healthy Families County/State/Fed (17.5/17.5/65)	Caseload %	Caseload %	Caseload %	Medi-Cal/Targeted Low Income Children's Program (TLICP) Co/State/Fed (17.5/17.5/65)	Caseload %	Title XIX Medi-Cal State/Federal	Enhanced % FTE	Enhanced Title XIX Medi-Cal State/Federal (25/75)	Non-Enhanced % FTE	Non-Enhanced Title XIX Medi-Cal State/Federal (50/50)	
<b>I. Personnel Expense</b>														
<b>Program Administration</b>														
1. Dianne Bizberger, CCS Administrator	78,756	1,162	0	0.00%	0	24.59%	1,937	60.66%	4,777			100.00%	4,777	
Subtotal	78,756	1,162	0				1,937		4,777				4,777	
<b>Medical Case Management</b>														
1. Dianne Bizberger, CCS Case Manager	78,756	5,810	0	0.00%	0	24.59%	9,683	60.66%	23,885	80.00%	19,108	9.00%	4,777	
2. Hilary Bayliss, CCS Case Manager	85,632	641	0	0.00%	0	24.59%	1,068	60.66%	2,634	80.00%	2,107	20.00%	527	
Subtotal	165,588	6,451	0				10,751		26,519		21,215		5,304	
<b>Other Health Care Professionals</b>														
1. Lynda Salcido, Public Health Director	125,000	930	0	0.00%	0	24.59%	1,549	60.66%	3,821	0.00%	0	100.00%	3,821	
Subtotal	125,000	930	0				1,549		3,821		0		3,821	
<b>Ancillary Support</b>														
1. Olivia Moreno, CCS Coordinator	60,036	6,643	0	0.00%	0	24.59%	11,072	60.66%	27,311			100.00%	27,311	
Subtotal	60,036	6,643	0				11,072		27,311				27,311	
<b>Clerical and Claims Support</b>														
1. Patricia McGee, Fiscal Administrator	63,000	930	0	0.00%	0	24.59%	1,549	60.66%	3,821	0.00%	0	100.00%	3,821	
2. Maria Gonzalez, Clerical/Interpreter	49,860	736	0	0.00%	0	24.59%	1,226	60.66%	3,024	0.00%	0	100.00%	3,024	
3. Nancy Cruz Garcia, Clerical/Interpreter	37,044	109	0	0.00%	0	24.59%	182	60.66%	449	0.00%	0	100.00%	449	
Subtotal	149,904	1,775	0				2,957		7,294		0		7,294	
Total Salaries and Wages	114,950	16,960	0	0.00%	0	24.59%	28,266	60.66%	69,722	30.43%	21,215	65.57%	48,507	
Staff Benefits (Specify %)	60,924	8,989	0	0.00%	0	24.59%	14,981	60.66%	36,954		11,244		25,710	
<b>I. Total Personnel Expense</b>	<b>175,874</b>	<b>25,949</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>24.59%</b>	<b>43,247</b>	<b>60.66%</b>	<b>106,676</b>		<b>32,459</b>		<b>74,217</b>	

CCS CASELOAD	Actual Caseload	Percent of Total CCS Caseload
<b>STRAIGHT CCS -</b>	9	14.75%
Total Cases of Open (Active) Straight CCS Children		
<b>HEALTHY FAMILIES -</b>	0	0.00%
Total Cases of Open (Active) Healthy Families Children		
<b>MEDI-CAL/TLICP (TITLE XXI) -</b>	15	24.59%
Total Cases of Open (Active) MCLICP Children		
<b>MEDI-CAL (TITLE XIX) -</b>	37	60.66%
Total Cases of Open (Active) Medi-Cal Children		
<b>TOTAL CCS CASELOAD</b>	<b>61</b>	<b>100%</b>

### CCS Administrative Budget Worksheet

Fiscal Year: 2014-2015

County: Mono

Category/Line Item	Straight CCS			Title XXI - Healthy Families			Title XXI - Medi-Cal/Targeted Low Income Children Program (TLICP)			Title XIX - Medi-Cal			
	4A	4	3	5A	5	6A	6	7A	7	8A	8	9A	9
	Caseload %	Straight CCS County/State (50/50)	Total Budget (1 x 2 or 4 + 5 + 6 + 7)	Caseload %	Healthy Families County/State/Fed (17,517,565)	Caseload %	Medi-Cal/Targeted Low Income Children Program (TLICP) County/State/Fed (17,517,565)	Caseload %	Title XIX Medi-Cal State/Federal	Enhanced % FTE	Enhanced Title XIX Medi-Cal State/Federal (2575)	Non-Enhanced % FTE	Non-Enhanced Title XIX Medi-Cal State/Federal (50/50)
<b>II. Operating Expense</b>													
1. Travel	14.75%	148	1,000	0.00%	0	24.59%	246	60.66%	607	30.43%	185	69.57%	422
2. Training	14.75%	0	0	0.00%	0	24.59%	0	60.66%	0	30.43%	0	69.57%	0
3. Communications	14.75%	89	600	0.00%	0	24.59%	148	60.66%	364			100.00%	364
4. Equip/Mfrnce	14.75%	118	800	0.00%	0	24.59%	197	60.66%	485			100.00%	485
5. Office	14.75%	118	800	0.00%	0	24.59%	197	60.66%	485			100.00%	485
6. Rent	14.75%	1,328	9,000	0.00%	0	24.59%	2,213	60.66%	5,459			100.00%	5,459
7.	14.75%	0	0	0.00%	0	24.59%	0	60.66%	0			100.00%	0
<b>II. Total Operating Expense</b>		<b>1,801</b>	<b>12,200</b>		<b>0</b>		<b>3,001</b>		<b>7,400</b>		<b>185</b>		<b>7,215</b>
<b>III. Capital Expense</b>													
1.	14.75%	0	0	0.00%	0	24.59%	0	60.66%	0				0
<b>III. Total Capital Expense</b>		<b>0</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>IV. Indirect Expense</b>													
1. Internal	14.75%	0	0	0.00%	0	24.59%	0	60.66%	0				0
2. External	14.75%	4,522	30,646	0.00%	0	24.59%	7,536	60.66%	18,589				18,589
<b>IV. Total Indirect Expense</b>		<b>4,522</b>	<b>30,646</b>		<b>0</b>		<b>7,536</b>		<b>18,589</b>				<b>18,589</b>
<b>V. Other Expense</b>													
1. Maintenance & Transportation	14.75%	1,431	9,700	0.00%	0	24.59%	2,385	60.66%	5,884				5,884
<b>V. Total Other Expense</b>		<b>1,431</b>	<b>9,700</b>		<b>0</b>		<b>2,385</b>		<b>5,884</b>				<b>5,884</b>
<b>Budget Grand Total</b>		<b>33,703</b>	<b>228,420</b>		<b>0</b>		<b>55,169</b>		<b>138,549</b>		<b>32,644</b>		<b>105,905</b>

Prepared By (Signature): Patricia McGee Date Prepared: 10/22/2014 Phone Number: 760-932-5567

Prepared By (Printed Name): Patricia McGee Date Prepared: 10/22/2014 Phone Number: 760-932-5567

CCS Administrator (Signature): Dawn Bittberger Date: 10/22/2014 Phone Number: 760-932-1661

CCS Administrator (Printed Name): Dawn Bittberger, MPH, RN

**Children's Medical Services  
Mono County  
Budget Narrative  
Fiscal Year 2014-15**

<b>I. PERSONNEL EXPENSES</b>		<b>Identify and explain any changes in Personnel including FTE percentage changes.</b>
Total Salaries:	\$114,950	Reduced by 2% to reflect furlough time
Total Benefits:	\$60,924	Benefits decreased by 7% to reflect estimated costs, changes in county policy
<b>Total Personnel Expenses:</b>	<b>\$175,874</b>	
Clerical and Claims Support		costs reduced by 27% to reflect actual costs in FY13-14, used as a base for FY14-15 budget

<b>II. OPERATING EXPENSES</b>		<b>List all Operating Expense line items. Identify and explain any increase, decrease, or newly listed line item.</b>
Travel	\$1,000	Includes per diem and mileage for any travel associated with CCS, increased for scheduled fiscal trainings.
Training	\$0	
Communications	\$600	Includes cell phone allowances for CCS employees; reduced to reflect last year's actual expense.
Equip Mntce	\$800	Cost of software use for Public Health programs, allocated based on FTE's -reduced to reflect last year's actual expense
Office	\$1,000	Office expenses - reduced to reflect anticipated costs.
Rent	\$9,000	Space rent for CCS personnel - not included in A-87 plan; allocated based on FTE's - increased to reflect estimated expense
<b>Total Operating Expenses:</b>	<b>\$12,400</b>	

<b>III. CAPITAL EXPENSES</b>		<b>List all Capital Expense line items. Identify and explain any newly listed Capital Expense. Include County/City Capital Expenses Justification Form.</b>
<b>Total Capital Expenses:</b>	0	None

<b>IV. INDIRECT EXPENSES</b>		
A. Internal		
B. External 13.50%	\$30,646	County Cost Allocation plan allocated to program based on FTE's - increased to reflect actual plan cost
<b>Total Indirect Expenses:</b>	<b>\$30,646</b>	

<b>V. OTHER EXPENSES</b>		<b>List all Other Expense line items. Identify and explain Increased, decreased, or newly listed line items. Include County/City Other Expenses Justification Form.</b>
Maintenance and Transportation	\$9,700	Transportation - Increased to reflect last year's actual expense.
<b>Total Other Expenses:</b>	<b>\$9,700</b>	

<b>Budget Grand Total</b>	<b>\$228,620</b>
---------------------------	------------------



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE** December 16, 2014

**Departments: CAO, Board of Supervisors**

**TIME REQUIRED**

**SUBJECT** Rudolph Employment Agreement

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Resolution approving an employment agreement with Marshall Rudolph in the position of County Counsel, at a continued salary of \$14,029 per month and reappointing him for a term of four years effective from December 16<sup>th</sup>, 2014 to December 16, 2018. (There is no change in Mr. Rudolph's current compensation or benefits.)

**RECOMMENDED ACTION:**

Adopt Resolution R14-\_\_\_, approving an employment agreement with Marshall Rudolph and prescribing the compensation, appointment, and conditions of said employment.

**FISCAL IMPACT:**

The cost of this position for the remainder of FY 2014-2015 (December 16, 2014 to June 30, 2015) is approximately \$137,289 of which \$ 91,469 salary; \$19,627 is the employer portion of PERS, and \$26,193 is the cost of the benefits and is included in the approved budget. Total cost for a full fiscal year (2015-2016) would be \$252,679 of which \$168,348 is annual salary; \$36,123 is the employer portion of PERS, and \$48,208 is the cost of the benefits.

**CONTACT NAME:**

**PHONE/EMAIL: /**

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

[Click to download](#)

- [staff report re county counsel contract](#)
- [Rudolph contract resolution](#)
- [Rudolph contract](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/8/2014 4:16 PM	County Administrative Office	Yes
12/8/2014 5:34 PM	County Counsel	Yes
12/9/2014 4:06 PM	Finance	Yes



***COUNTY OF MONO*** – *County Administrative Office*  
**P.O. BOX 696, BRIDGEPORT, CALIFORNIA 93517**  
**(760) 932-5412 ☐ FAX (760) 932-5411**

---

Jim Leddy  
County Administrative Officer  
(760) 932-5414

To: Honorable Board of Supervisors  
From: Jim Leddy, County Administrative Officer  
Date: December 8, 2014

Subject: Employment Agreement of Marshall Rudolph, County Counsel.

Recommendation: Approve Resolution #14-\_\_ to approve the Employment Agreement of Marshall Rudolph, in the position of County Counsel, at a salary of \$14,029 per month and reappointing him for a term of four years effective from December 16<sup>th</sup>, 2014 to December 16, 2018.

Discussion: Marshall Rudolph has served Mono County since August 1996 in the County Counsel's Office as County Counsel. The approval of this contract allows for the continuance of Mr. Rudolph's employment in that capacity until December 16, 2018.

Fiscal Impact: The cost of this position for the remainder of FY 2014-2015 (December 16, 2014 to June 30, 2015) is approximately \$137,289 of which \$ 91,469 salary; \$19,627 is the employer portion of PERS, and \$26,193 is the cost of the benefits and is included in the approved budget.

Total cost for a full fiscal year (2015-2016) would be \$252,679 of which \$168,348 is annual salary; \$36,123 is the employer portion of PERS, and \$48,208 is the cost of the benefits.

For more information or any questions, please contact me at [jleddy@mono.ca.gov](mailto:jleddy@mono.ca.gov) or (760) 932-5414



## **AGREEMENT RE EMPLOYMENT OF MARSHALL RUDOLPH**

This Agreement is entered into this 16th day of December, 2014, by and between Marshall Rudolph and the County of Mono.

### **I. RECITALS**

Mr. Rudolph is currently the County Counsel of Mono County, having been duly appointed by the Mono County Board of Supervisors (most recently) on or about March 1, 2014, at which time an employment agreement was also entered into specifying the terms and conditions of said employment. The Board of Supervisors now wishes to reappoint Marshall Rudolph as County Counsel as of December 16, 2014 on the terms and conditions set forth in this Agreement and Mr. Rudolph wishes to accept such continued employment.

### **II. AGREEMENT**

1. Pursuant to Government Code Section 27640, the Mono County Board of Supervisors reappoints Mr. Rudolph as County Counsel of Mono County. As provided by Government Code Section 27641, Mr. Rudolph's reappointment shall be for a term of four years commencing on December 16, 2014. Any removal of Mr. Rudolph during that term shall also comply with Government Code Section 27641. At any time before the expiration of Mr. Rudolph's term, the Board may reappoint him for a subsequent term. The Board specifically wishes to consider reappointing Mr. Rudolph for a subsequent term on or about the time it completes his annual performance evaluation(s) and at each anniversary thereafter. The Board requests that Mr. Rudolph bring the issue of such reappointment to the Board's attention for its consideration at that time.
2. Mr. Rudolph shall have, exercise, and discharge the powers and duties set forth in Chapter 2.78 of the Mono County Code and Government Code section 27640 et seq., as they maybe amended from time to time, together with any additional powers and duties that may be granted or assigned to him by the Board of Supervisors.
3. Mr. Rudolph's salary shall continue to be \$14,029 per month. The Board may unilaterally increase Mr. Rudolph's compensation in its discretion at any time while this Agreement is in effect. Should a wage increase be granted under the MOU with Local 39, applicable to Mono County Public Employees (MCPE), it is agreed that this contract will be reopened for discussion and potential renegotiation with respect to Mr. Rudolph's salary. During such negotiations the County shall consider and discuss the issue of increased compensation with Mr.

Rudolph in good faith, but the County's decision whether or not to grant such additional compensation shall be final and non-appealable. In addition, this Agreement will be reopened within the first 30 days of the third year of the Agreement for discussion and possible renegotiation with respect to Mr. Rudolph's salary or any other provision of this Agreement that the parties may mutually wish to discuss. After considering and discussing such issues in good faith, the County's decision shall be final and non-appealable.

4. Mr. Rudolph shall continue to earn and accrue vacation and sick leave in accordance with the County's Management Benefits Policy and in accordance with any County Code provisions not in conflict with said Policy. Also pursuant to said Policy, in recognition of the fact that his employment is exempt from the payment of overtime or compensatory time-off under the Fair Labor Standards Act, Mr. Rudolph shall continue to be entitled to 80 hours of merit leave during each year of service under this Agreement. (Note: This Agreement does not add to or take away from the 80 hours of merit leave to which Mr. Rudolph was already entitled for calendar year 2014 under his former employment agreement.) Mr. Rudolph understands that said merit leave does not accrue from one calendar year to the next; rather, it must be used by December 31<sup>st</sup> of each calendar year in which it is provided or it is lost.
5. Notwithstanding any contrary provision of the Management Benefits Policy, whenever Mr. Rudolph has accrued a minimum of 120 vacation hours, he may, upon written request, be compensated for up to 80 vacation hours of accrued vacation per year, instead of taking that time off. And Mr. Rudolph may be compensated for more than 80 vacation hours in the event that he ceases accruing vacation under said Policy as of January 1<sup>st</sup> of any calendar year, due to his having accrued more than two and one-half times his annual vacation day accumulation. In that event, Mr. Rudolph may be compensated for as many vacation hours as are necessary to reduce his accrued vacation hours to less than two and one-half times his annual vacation day accumulation (and thereby recommence accrual of vacation days under said Policy).
6. To the extent not inconsistent with the foregoing or any other provision of this Agreement, Mr. Rudolph shall be entitled to the same general benefits provided by the County to other management-level employees, as described more fully in the County's Management Benefits Policy. Such benefits include but are not limited to CalPERS retirement benefits (currently 2.7% at 55 for Mr. Rudolph), CalPERS medical insurance, County dental and vision coverage, and life insurance. Any and all references in this Agreement to the County's Management Benefits Policy shall mean the "Policy Regarding Benefits of Management-level Officers and Employees," adopted by Resolution R14-54 of the Mono County Board of Supervisors, as the same may be amended from time to

time and unilaterally implemented by the County.

7. The County shall pay all of the professional dues, subscriptions, and other expenses necessary for Mr. Rudolph's continuing and full participation in national, regional, state, and local associations and organizations necessary and desirable for his continued professional growth and for the good of the County. Such expenses include the reasonable costs of attending various educational programs that will provide Mr. Rudolph with credit toward his fulfillment of the state bar's Mandatory Continuing Legal Education (MCLE) requirements. The County particularly supports and encourages Mr. Rudolph's active participation in the County Counsels' Association of California and will pay his reasonable and necessary costs of attending at least three meetings each year hosted by that association, such as the annual fall meeting, mid-winter meeting, and spring civil-law meeting.
8. Mr. Rudolph understands and agrees that his receipt of compensation or benefits of any kind under this Agreement or under any applicable County Code provision or policy – including but not limited to salary, insurance coverage, and paid holidays or leaves – is expressly contingent on his actual and regular rendering of personal services to the County or, in the event of any absence, upon his proper use of any accrued leave. Should Mr. Rudolph cease rendering such services during this Agreement and be absent from work without any accrued leave to cover said absence, then he shall cease earning or receiving any additional compensation or benefits until such time as he returns to work and resumes rendering personal services; provided, however, that the County shall provide any compensation or benefits mandated by state or federal law. Furthermore, should Mr. Rudolph's regular schedule ever be reduced to less than full-time employment, on a temporary or permanent basis, then all compensation and benefits provided by this Agreement or any applicable County policies shall be reduced on a pro-rata basis, except for those benefits that the County does not generally pro-rate for its other part-time employees (e.g., medical insurance).
9. This Agreement constitutes the entire agreement of the parties. It specifically supersedes the employment agreement between the parties entered into on or about March 1, 2014. Consistent with Mr. Rudolph's uninterrupted employment status, this Agreement shall have no effect on any sick leave or vacation time that Mr. Rudolph may have accrued as of the effective date of this Agreement nor on his original date of hire or total years of service as a County employee, to the extent the same may be relevant in determining such accruals or Mr. Rudolph's date of eligibility for or vesting of any non-salary benefits or for any other purpose.

10. The parties agree that the Board of Supervisors' approval of this Agreement on behalf of the County is a legislative act and that through this Agreement, the Board of Supervisors is carrying out its responsibility and authority under Section 25300 of the Government Code to set the compensation, appointment, and conditions of County employment and its authority under Section 27640 to appoint a county counsel. It is not the parties' intent to alter in any way the fundamental statutory (non-contractual) nature of Mr. Rudolph's employment with the County nor to give rise to any future contractual remedies for breach of this Agreement or of an implied covenant of good faith and fair dealing. Rather, the parties intend that Mr. Rudolph's sole remedy in response to any failure by the County to comply with this Agreement shall be traditional mandamus.
11. The parties acknowledge that this Agreement is executed voluntarily by them, without duress or undue influence on the part or on behalf of any party. The parties further acknowledges that they have participated in the negotiation and preparation of this agreement and have had the opportunity to be represented by counsel with respect to such negotiation and preparation or do hereby knowingly waive their right to do so, and that they are fully aware of the contents of this Agreement and of its legal effect. Thus, any ambiguities in this Agreement shall not be resolved in favor of or against either party.
12. The County understands and acknowledges that Mr. Rudolph has only represented himself and has not acted as the County's attorney with respect to the negotiation and preparation of this Agreement.

**III. EXECUTION:**

This Agreement shall be deemed executed as of December 16, 2014.

MARSHALL RUDOLPH

THE COUNTY OF MONO

\_\_\_\_\_

\_\_\_\_\_  
By: Larry K. Johnston, Chairman  
Board of Supervisors

APPROVED AS TO FORM:

\_\_\_\_\_  
Tim Kendall  
DISTRICT ATTORNEY



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Finance**

**TIME REQUIRED**

**SUBJECT** CalPERS DSA Contract Amendment  
- 2nd reading

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

---

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

An Ordinance of the Board of Supervisors, County of Mono Authorizing An Amendment To The Contract Between The Board of Supervisors, County of Mono, And The Board of Administration Of The California Public Employees' Retirement System.

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### RECOMMENDED ACTION:

Adopt proposed ordinance.

---

### FISCAL IMPACT:

The increases to both salaries and PERS contributions will offset each other resulting in no immediate fiscal impact to the County. It is expected that increases to PERSable wages will be absorbed in the actualial estimates and will not have a noticeable impact on the County's PERS rates.

---

**CONTACT NAME:** Leslie Chapman

**PHONE/EMAIL:** 760-932-5494 / lchapman@mono.ca.gov

---

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

Stacey Westerlund

Kim Bunn

---

### MINUTE ORDER REQUESTED:

YES  NO

---

### ATTACHMENTS:

Click to download

[Staff Report](#)

[Ordinance](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/10/2014 12:44 PM	County Administrative Office	Yes
12/11/2014 1:49 PM	County Counsel	Yes
12/10/2014 10:54 AM	Finance	Yes



# DEPARTMENT OF FINANCE

## COUNTY OF MONO

---

Rosemary Glazier  
Assistant Finance Director  
Treasurer-Tax Collector

Leslie L. Chapman, CPA  
Finance Director

Roberta Reed  
Assistant Finance Director  
Auditor-Controller

P.O. Box 495  
Bridgeport, California 93517  
(760) 932-5480  
Fax (760) 932-5481

P.O. Box 556  
Bridgeport, California 93517  
(760) 932-5490  
Fax (760) 932-5491

To: Honorable Board of Supervisors

From: Leslie Chapman

Date: December 16, 2014

Re: Final Adoption of an ordinance to amend the contract between the Board of Supervisors, County of Mono and the Board of Administration, PERS.

**Subject:**

An ordinance of the Board of Supervisors, County of Mono, Authorizing an Amendment to the Contract between The Board of Supervisors, County of Mono, and The Board of Administration of the California Public Employees' Retirement System.

**Recommendation:**

Adopt proposed ordinance

**Background:**

This ordinance is being resubmitted to your board to correct a timing issue. PERS requires a 20 day waiting period between resolution and adoption. We misinterpreted the requirement and adopted the final ordinance after 7 days, which is the minimum required by the Government Code, and Mono County's standard waiting period, for the second reading of an ordinance. PERS will not accept the requested contract changes until the re-adoption of this ordinance.

**Fiscal Impact:**

The increases to both salaries and PERS contributions will offset each other resulting in no immediate fiscal impact to the County. It is expected that increases to PERSable wages will be absorbed in the actuarial estimates and will not have a noticeable impact on the County's PERS rates.



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ORDINANCE NO. ORD14- \_\_\_\_

**BOARD OF SUPERVISORS, COUNTY OF MONO  
AN ORDINANCE OF THE BOARD OF SUPERVISORS, COUNTY OF MONO,  
AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE BOARD  
OF SUPERVISORS, COUNTY OF MONO AND THE BOARD OF  
ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES'  
RETIREMENT SYSTEM**

The Board of Supervisors of the County of Mono does ordain as follows:

**SECTION 1:** That an amendment to the contract between the Board of Supervisors of the County of Mono and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.

**SECTION 2:** The Chairman of the Board of Supervisors is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

**SECTION 3:** This Ordinance shall take effect 30 days after the date of its adoption, and prior to the expiration of 15 days from the passage thereof shall be published at least once in the Mammoth Times and The Sheet, newspapers of general circulation, published and circulated in the County of Mono, and thenceforth and thereafter the same shall be in full force and effect.

**APPROVED** and **ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2014, by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Larry K. Johnston, Chairman  
Mono County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
County Counsel



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Board of Supervisors**

**TIME REQUIRED** 30 minutes (15 minutes presentation/15 minutes Board discussion)

**PERSONS APPEARING BEFORE THE BOARD**

Commissioner Randy Short

**SUBJECT** Eastern Sierra Waterways Project  
Presentation and State Grant  
Funding Opportunities

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Presentation by State of California Department of Boating and Waterways Commission Member Randy Short regarding The Eastern Sierra Waterways Project and state grant funding opportunities.

### RECOMMENDED ACTION:

1. Receive presentation from Commissioner Randy Short.
2. Direct Staff to support efforts on accessing funding for interested Mono County based eligible facilities.
3. Direct staff, as appropriate, to support collaborative efforts with other jurisdictions to advance access and use of this funding.

### FISCAL IMPACT:

There is no fiscal impact from receiving presentation.

**CONTACT NAME:** Jim Leddy

**PHONE/EMAIL:** (760) 932-5414 / jleddy@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**  
Inyo County Board of Supervisors

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
11/24/2014 8:17 AM	County Administrative Office	Yes
12/8/2014 9:52 AM	County Counsel	Yes
12/3/2014 4:05 PM	Finance	Yes



## BOARD OF SUPERVISORS COUNTY OF MONO

P.O. BOX 715, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5530 • FAX (760) 932-5531

*Lynda Roberts*  
*Clerk of the Board*  
760-932-5538  
lroberts@mono.ca.gov

*Linda Romero*  
*Assistant Clerk of the Board*  
760-932-5534  
lromero@mono.ca.gov

To: Honorable Board of Supervisors  
From: Jim Leddy, County Administrative Officer  
Date: December 1, 2014

Subject: Facility and Grants Loans for Recreational Boating Facilities with Public Access Presentation by Randy Short, Member of the State of California Boating and Waterways Commission

Recommendation:

1. Receive presentation from Commissioner Randy Short.
2. Direct Staff to support efforts on accessing funding for interested Mono County based eligible facilities
3. Direct staff, as appropriate, to support collaborative efforts with other jurisdictions to advance access and use of this funding.

Background: Supervisor Tim Alpers requested the Board of Supervisors be brought information on a new funding source the State of California has made available to enhance public access to recreational boating facilities. The presentation being provided by Commissioner Randy provides information on that program.

Randy Short was appointed by Governor Brown to the Boating and Waterways Commission and is the first Commissioner from the Eastern Sierra. Commissioner Short has reviewed various boating opportunities (motor, kayak, canoe, standup paddle board) available in the Eastern Sierra. Commissioner Short's analysis has focused on enhancing access for those with varying physical ability as well as the potential positive impacts to local recreational boating tourism through the Eastern Sierra.

The Eastern Sierra Waterways Project (ESWP) has identified 31 lakes, from Twin Lakes in Bridgeport to Diaz Lake south of Lone Pine, that could have varying boating facilities accessible to all abilities and could benefit from the grant funding listed below. The Lakes identified include:

1. Upper Twin Lakes
2. Lower Twin Lakes
3. Bridgeport Reservoir
4. Lundy Lake
5. Mono Lake
6. Grant Lake
7. Silver Lake
8. Gull Lake
9. June Lake
10. Twin Lakes (Mammoth)

11. Lake Mary
12. Lake George
13. Lake Mamie
14. Convict Lake
15. Crowley Lake
16. Rock Creek Lake
17. Buckley Lake
18. Rawson 1
19. Rawson 2
20. Rawson 3
21. Duck Pond
22. Saunders Lake
23. Klondike Lake
24. Goose Lake
25. Black Rock Canal
26. Intake 2
27. Lake Sabrina
28. South Lake
29. North Lake
30. Billy Lake
31. Diaz Lake

**Background on the Grant information:** California State Department of Boating and Waterways Facility Grants and Loans - Grants and Loans Available for Recreational Boating Facilities with Public Access. Loan and Grant Applications are accepted on a Continuous Basis. The application deadline for consideration with Fiscal Year 2016/17 funding is February 2, 2015. Grants and loans are awarded on a competitive basis.

Grants are made to qualifying public agencies to fund facilities such as boat launching ramps, boarding floats, and associated parking areas, restrooms, and lighting for motorized and non-motorized boaters. Loans are made to qualifying public and private entities to pay for improvements to marinas. See below for useful documents pertaining to grant and loan applications:

- [Application Instructions](#)
- [Application for Private Loans, Local Assistance Loans, or Boat Launching Facilities \(BLF\) Grant Funding](#)
- [Local Assistance Boat Launching Facility \(BLF\) Grant Ranking Worksheet](#)
- [Application for Non-Motorized Boating Facility Grant Funding](#)
- [Application for Ramp Repair and Modification Grant Funding](#)
- [Scope Items Guide](#)
- [Resolution Samples and Instructions](#)
- [Benefit/Cost Analysis Worksheet](#)
- [Application Packet Checklist](#)

For more information, please contact Joe Dux at [Joe.Dux@parks.ca.gov](mailto:Joe.Dux@parks.ca.gov) or (916) 327-1816.

**Discussion:** Commissioner Short met with CAO Leddy on November 17<sup>th</sup> and has requested support of this effort. There is no request for direct County resources at this time. Given the regional benefit this type of investment could provide as well as creating a new opportunity to attract tourist of varying physical ability, this effort is in alignment with Mono County's ongoing commitment to build a better local economy. In addition, this effort, if successful could strengthen recreational tourism, increase access to public and private recreational

facilities provides another important opportunity to work in collaboration with private and public entities seeking to strengthen the regions economy.

**Fiscal Impact:** There is no fiscal impact at this time. Should staff time be required it would be minimal information gathering to support the Eastern Sierra Waterways Project Taskforce work.

For any questions, please contact me at (760) 932-5414 or [jleddy@mono.ca.gov](mailto:jleddy@mono.ca.gov)



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: County Administrator's Office**

**TIME REQUIRED** 20 minutes (10 minute presentation; 10 minute discussion)

**PERSONS APPEARING BEFORE THE BOARD**

John Helm, Executive Director of the Eastern Sierra Transit

**SUBJECT** Presentation of the Eastern Sierra Transit Authority's Annual Report

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Presentation by John Helm regarding Eastern Sierra Transit Authorities Annual Report.

### RECOMMENDED ACTION:

None (informational only). Provide any desired direction to staff.

### FISCAL IMPACT:

There is no fiscal impact.

**CONTACT NAME:** Jim Leddy

**PHONE/EMAIL:** (760) 932-5414 / jleddy@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY  
32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

- [Presentation of the Eastern Sierra Transit Authority's Annual Report](#)
- [Presentation of the Eastern Sierra Transit Authority's Annual Report attachment](#)

History

Time

Who

Approval

12/1/2014 4:09 PM	County Administrative Office	Yes
12/8/2014 9:56 AM	County Counsel	Yes
12/3/2014 6:34 PM	Finance	Yes



# COUNTY OF MONO

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P.O. BOX 696, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5410 • FAX (760) 932-5411

*Jim Leddy*  
*County Administrative Officer*  
*Acting Director of HR*

To: Honorable Board of Supervisors

From: Jim Leddy, County Administrative Officer

Date: December 1, 2014

**Subject:** Presentation of the Eastern Sierra Transit Authority's Annual Report by Executive Director John Helm

**Background:** John Helm, Executive Director of the Eastern Sierra Transit Authority has requested the opportunity to present to the Board of Supervisors the ESTA Annual report. A copy of the Report is attached to the Board item. The Report is also available at:

<http://www.estransit.com/CMS/sites/default/files/13-14AnnualReport-Final.pdf>

**Recommendation:** Receive the Report from Executive Director Helm.

**Fiscal Impact:** There is no Fiscal Impact from receiving the Report.

For more information, please contact me at [jleddy@mono.ca.gov](mailto:jleddy@mono.ca.gov) or (760) 932-5414

# ANNUAL REPORT



2014

## ESTA's Mission

....to provide excellent public transportation services in an entrepreneurial style within the Eastern Sierra Region. The Authority, through its leadership provides responsive and reliable services and is a regional platform for service planning and funding decisions.

### WHO WE ARE:

The Eastern Sierra Transit Authority (ESTA) is a Joint Powers Authority comprised of Inyo County, Mono County, the City of Bishop and the Town of Mammoth Lakes. The Authority was formed to address growing public transit needs within the Eastern Sierra region.

### WHAT WE DO:

Eastern Sierra Transit provides service throughout a 400 linear mile area extending from Lancaster to Reno. The Authority's services meet a wide range of needs including:

- door-to-door dial-a-ride service in Bishop, Mammoth Lakes, Lone Pine and the Antelope Valley
- town-to-town routes serving commuters and shoppers accessing work and commercial centers in Lone Pine, Independence, Bishop and Mammoth Lakes
- local fixed route service in Mammoth Lakes providing year-round service throughout the Town and to the many nearby recreational opportunities
- intercity routes known as the 395 Routes providing access to the national intercity bus network and an international airport in Reno, and the national intercity bus network and regional commuter rail service in Lancaster.
- the Authority also operates weekly lifeline service from Bridgeport to Carson City out of Mono County, and from Tecopa/Shoshone to Pahrump in southern Inyo County.



**Governance:**

The Eastern Sierra Transit Authority is governed by an eight-member Board of Directors composed of two elected officials appointed by each of the four jurisdictions.

**BOARD OF DIRECTORS**

Chair

John Eastman  
Town Council Member  
Town of Mammoth Lakes

Vice-Chair

Jeff Griffiths  
Second District Supervisor  
Inyo County

Tim Alpers  
Supervisor – District 3  
Mono County

Linda Arcularius  
First District Supervisor  
Inyo County

Keith Glidewell  
City Council Member  
City of Bishop

Byng Hunt  
Supervisor – District 5  
Mono County

Michael Raimondo  
Town Council Member  
Town of Mammoth Lakes

David Stottlemire  
City Council Member  
City of Bishop

**2013/14 Highlights:**

- **September** – ESTA takes delivery of the 12<sup>th</sup> and final bus completing a \$4.8 million federally funded purchase buses used on the Reds Meadow Shuttle and MMSA routes.



- **January** – major service reduction in Mammoth Lakes on the MMSA routes related to reduced visitation as a result of the low snowfall



- **January** – ESTA renews agreement with the Bishop Paiute Tribe applying federal Tribal Transit funding to support local transit services in the Bishop area, including the Bishop Paiute Reservation

- **May** – Non-emergency medical transportation reimbursement program launched using new, federal funding



- **June** – ESTA kicks off the summer in the Mammoth Lakes area by providing transportation for nearly 1,000 runners in the inaugural Mammoth Half-Marathon



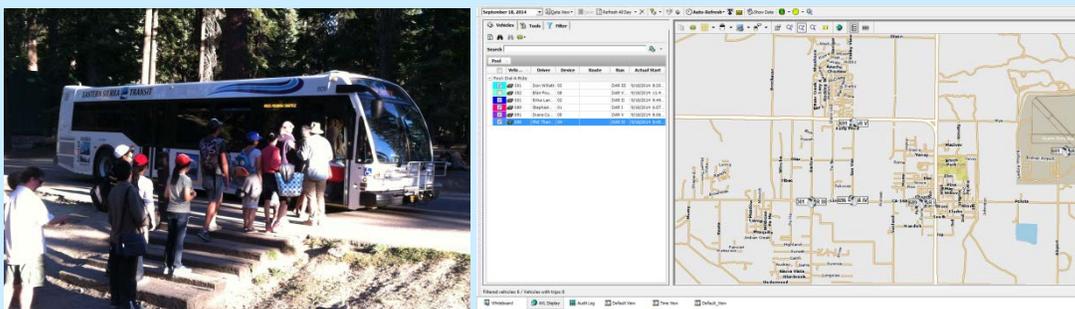
In FY2013/14, ESTA continued and refined service expansions that had been implemented in previous years. Specifically, ESTA continued the operation of the Reds Meadow Shuttle and the Mammoth Mountain Ski Area contracted routes in the Mammoth Lakes area. The year began with an early start for the Reds Meadow service over Memorial Day weekend as a result of the early spring melt due to the low snow-pack. Ridership for the service was constrained slightly as a result of smoke from fires in the area during the summer of 2013, however, overall Reds Meadow ridership was the second highest ever recorded by ESTA. The low snowfall and associated reduction in visitation to Mammoth Lakes continued in the winter of 2014. This resulted in reductions in the MMSA routes to more closely match the number of visitors in the community. Although MMSA route service levels were reduced by more than 30%, productivity as measured by the number of passenger trips per hour actually increased from 41.2 in 12/13 to 42.1 in 13/14.

FY 2013/14 also marked the first full year utilizing the RouteMatch paratransit scheduling and dispatch system for the Bishop dial-a-ride service. This computerized system, which utilizes Automatic Vehicle Location (AVL) technology and mobile tablet computers in the bus, allows ESTA dispatchers to constantly monitor the vehicles' locations and to efficiently assign trip requests to the vehicles. The system also provides a wealth of operational and management information to help to improve the effectiveness of the service.

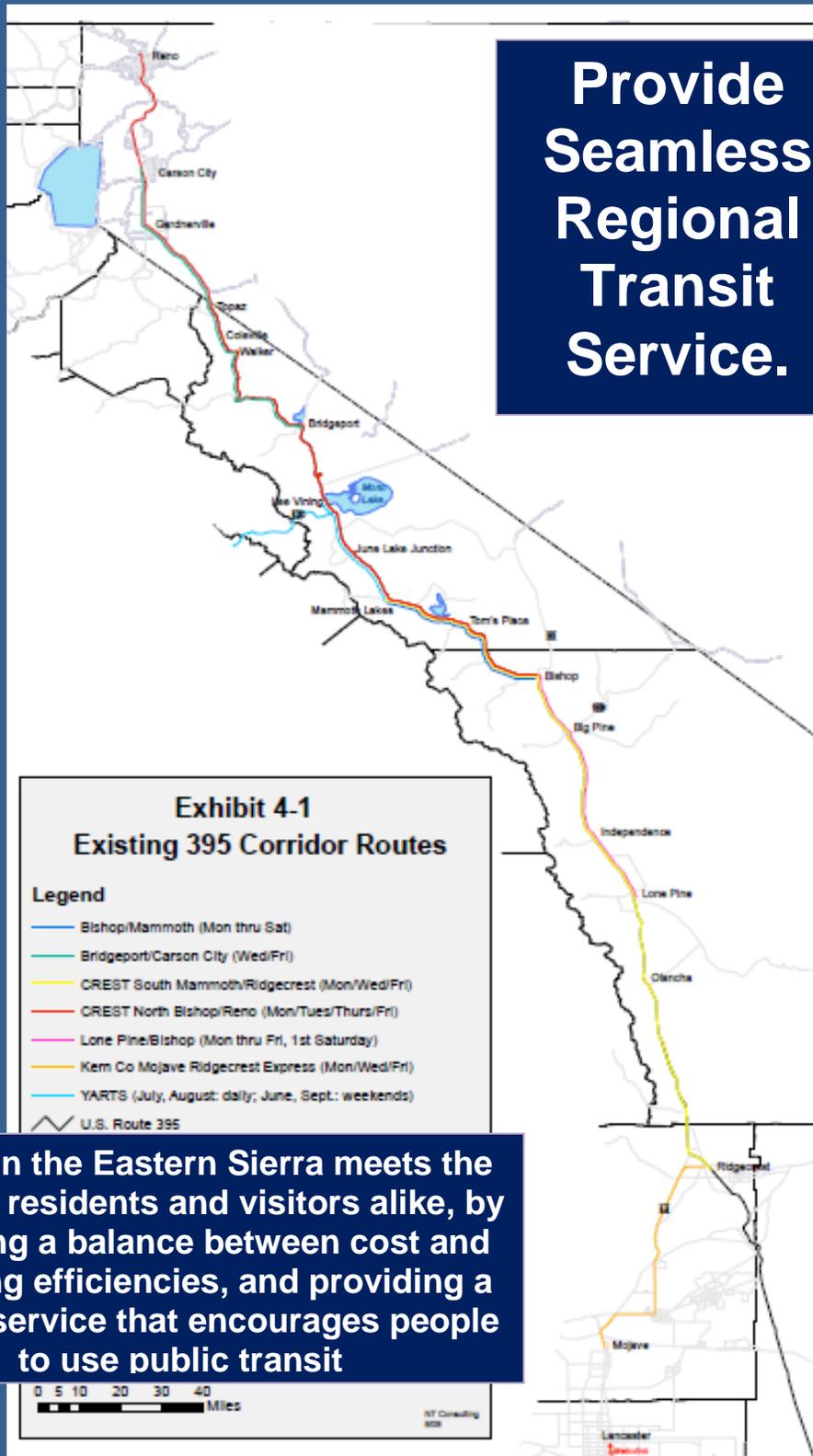
The continued operation of ESTA's recently expanded transit services helped to strengthen the Authority's financial position. The Authority's fund balance is very healthy at this point and will allow ESTA to operate without the financial dependence upon the member entities that was required in ESTA's early years. The Authority's finances are also being positioned to proactively address the ongoing capital replacement needs for the services.

The partnerships that have been developed with the U.S. Forest Service, the National Park Service, Mammoth Mountain Ski Area, and the Bishop Paiute tribe, continue to promote and facilitate the Authority's mission to provide excellent public transportation service throughout the Eastern Sierra Region.

*John Helm*  
Executive Director



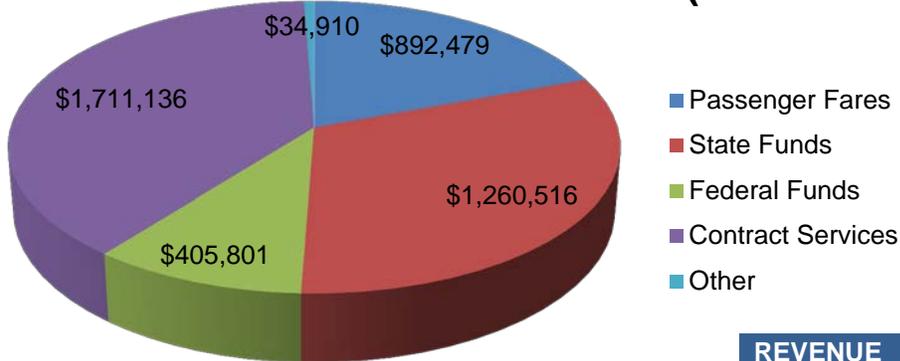
**Provide  
Seamless  
Regional  
Transit  
Service.**



**Transit in the Eastern Sierra meets the needs of residents and visitors alike, by achieving a balance between cost and operating efficiencies, and providing a level of service that encourages people to use public transit**

# FINANCIALS 2013/14

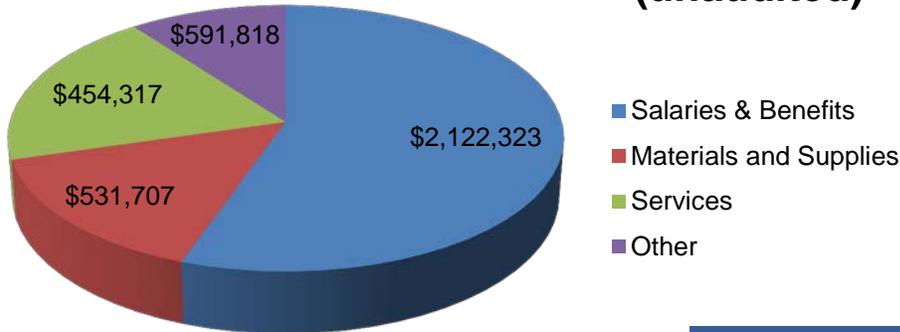
## Operating Revenue Source FY 2014 (unaudited)



### REVENUE

Passenger Fares	\$892,479
State Funds	\$1,260,516
Federal Funds	\$405,801
Contract Services	\$1,711,136
Other	\$34,910
<b>TOTAL</b>	<b>\$4,821,632</b>

## Operating Expenses FY 2014 (unaudited)



### EXPENSES

Salaries & Benefits	\$2,122,323
Materials and Supplies	\$531,707
Services	\$454,317
Other	\$591,818
<b>TOTAL</b>	<b>\$3,700,165</b>

# FACTS and FIGURES

## Fleet:

#	Description	Service
12	37-passenger buses	Reds Meadow and MMSA
9	20 - 33 passenger buses	395 Routes
7	Trolleys	Fixed Route (Mammoth Lakes)
24	15-passenger	Local Dial-a-Ride, Community Circulator
4	Minivans	Local Dial-a-Ride
<b>56</b>	<b>TOTAL</b>	

Note: 5 minibuses and 7 trolleys are owned by the Town of Mammoth Lakes; one minibus is owned by the Bishop Paiute Tribe.

## Personnel:

#	Description
5	Management
4	Administrative
65	Drivers
2	Support

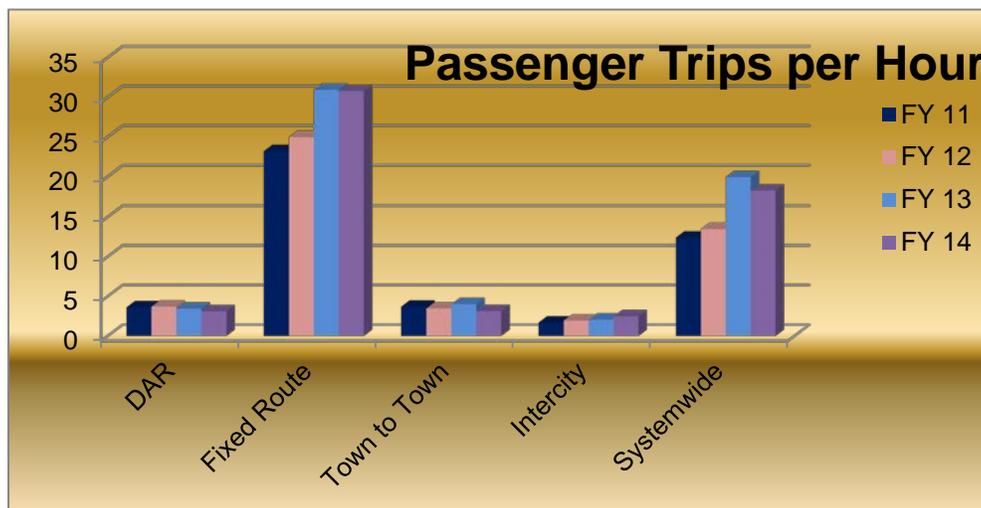
## FY 2014 Operating Statistics:

	2013/14	2012/13	% Variance
Vehicle Service Hours	53,379	56,739	-5.9%
Service Miles	853,019	1,025,420	-16.8%
Passenger Trips	972,953	1,131,490	-14.0%

Note: Reduction in MMSA routes ridership in 13/14 amounted to 158,000 fewer trips

## FY 2014 Key Performance Indicators:

- 18.2 passengers trips per hour (6% decrease from 12/13)
- 22.2% farebox recovery ratio (10% = state required minimum)
- \$2.93 subsidy per passenger (8% increase from 12/13)
- 1.24 Preventable accidents per 100,000 miles (35% decrease from 12/13)





**EASTERN SIERRA TRANSIT AUTHORITY**  
703 Airport Road  
P.O. Box 1357  
Bishop, CA 93515  
760.872.1901  
[www.estransit.com](http://www.estransit.com)



**OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS**

**REGULAR AGENDA REQUEST**

Print

**MEETING DATE**      December 16, 2014

**Departments: Finance**

**TIME REQUIRED**      15 minutes

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**                      Roberta Reed

**SUBJECT**                      2014-15 Property Tax Distribution

**AGENDA DESCRIPTION:**

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Presentation by Roberta Reed regarding 2014-15 property tax distribution and trends.

**RECOMMENDED ACTION:**

None (informational only). Provide any desired direction to staff.

**FISCAL IMPACT:**

None.

**CONTACT NAME:** Roberta Reed

**PHONE/EMAIL:** 760 932-5492 / rreed@mono.ca.go

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**

**MINUTE ORDER REQUESTED:**

YES  NO

**ATTACHMENTS:**

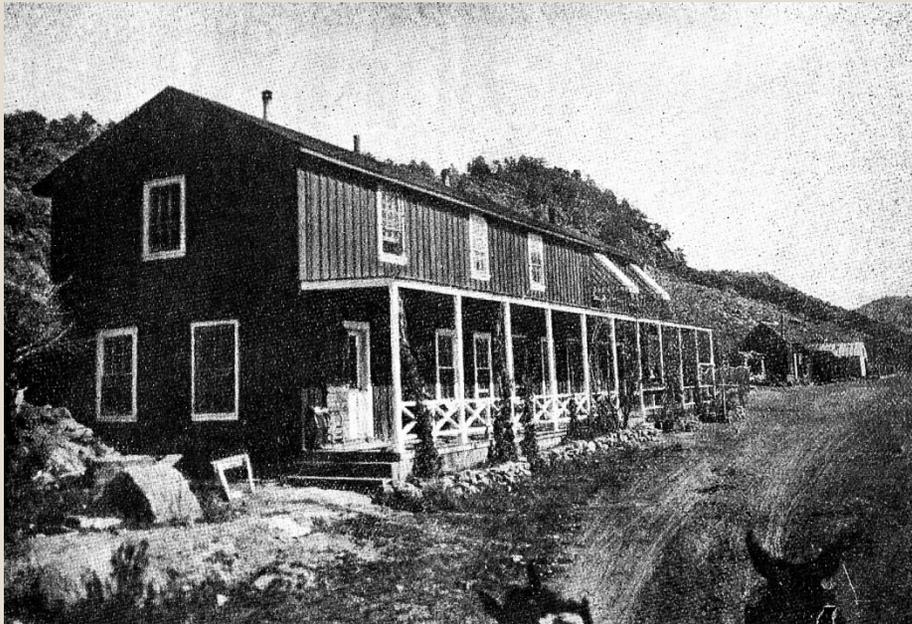
Click to download

[PowerPoint Presentation](#)

**History**

Time	Who	Approval
12/3/2014 10:48 AM	County Administrative Office	Yes
12/8/2014 9:54 AM	County Counsel	Yes
12/1/2014 5:59 PM	Finance	Yes

# 2014-15 MONO COUNTY PROPERTY TAX UPDATE



1908 – Poor House

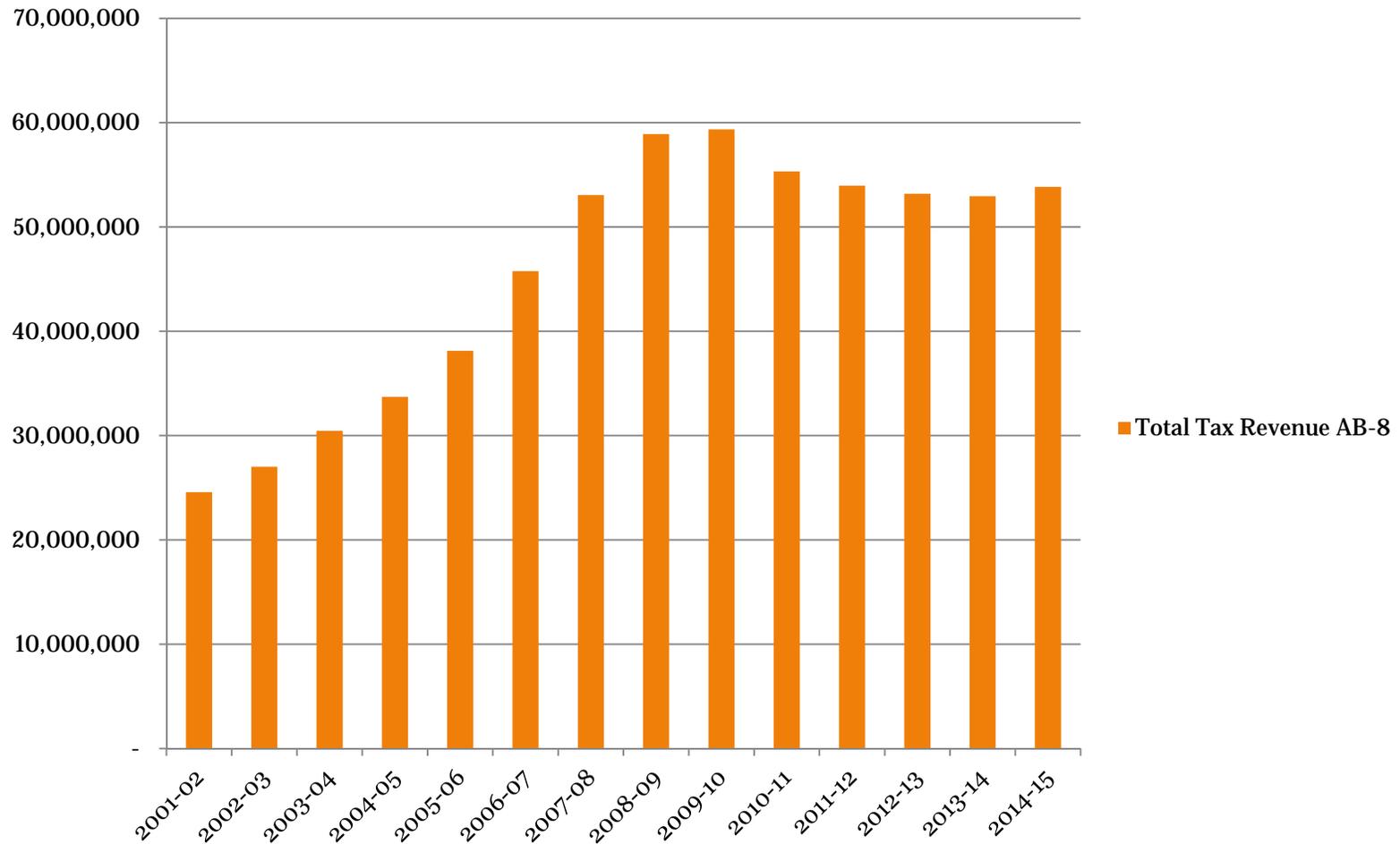


1946

# HISTORICAL COUNTY-WIDE TAX VALUE



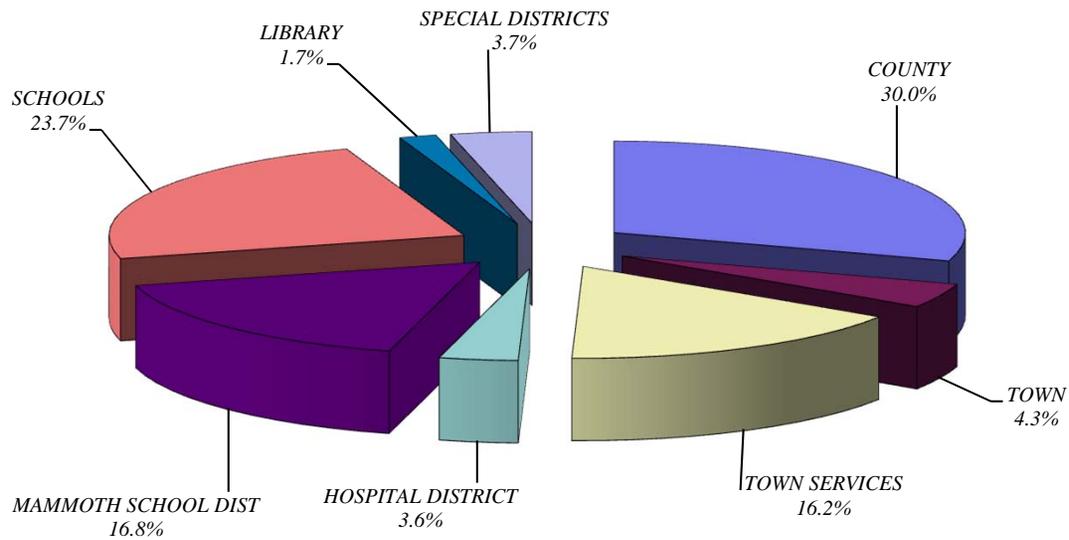
## Total Tax Revenue AB-8



# 2014-15 1% TAX DISTRIBUTION



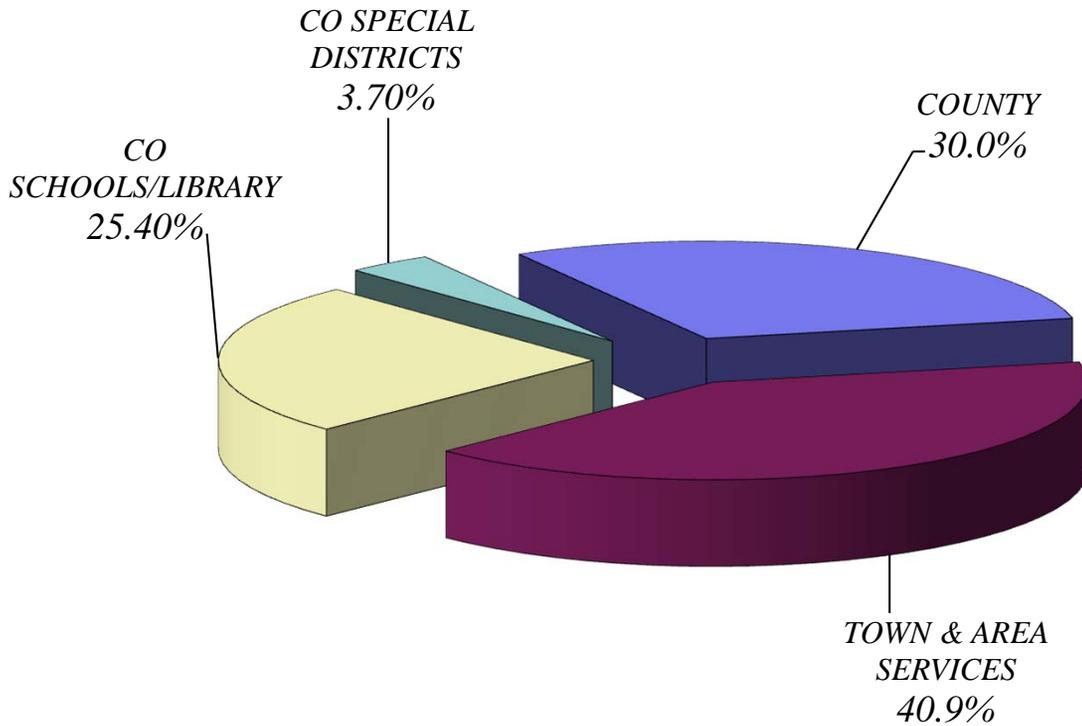
## 2014-15 PROPERTY TAX ALLOCATIONS



# 2014-15 AREA DISTRIBUTION



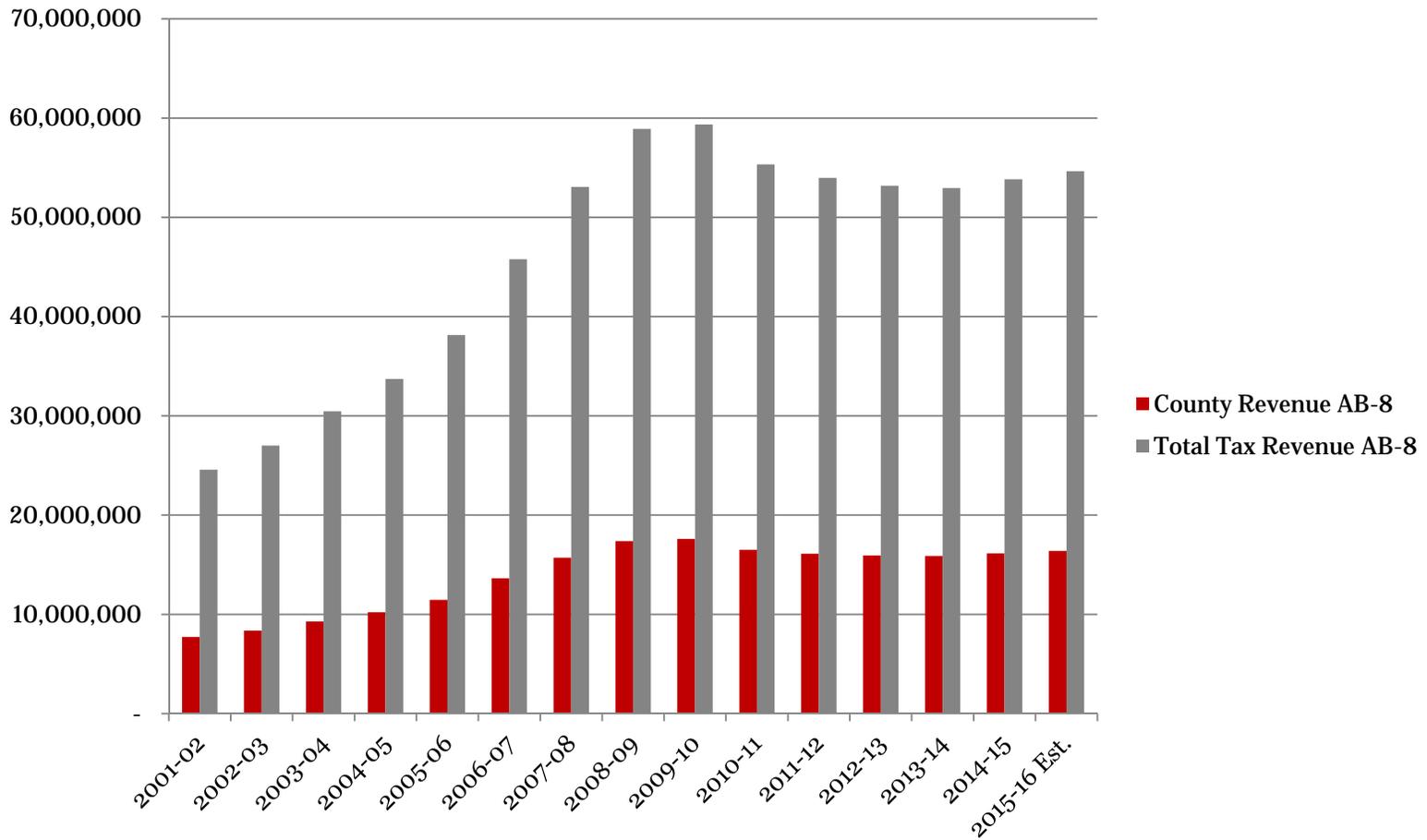
## 2014-15 PROPERTY TAX ALLOCATIONS



# 2015-16 ESTIMATED



## AB-8 TAX REVENUE





OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: County Administrator's Office**

**TIME REQUIRED** 5 minutes (2 minute presentation; 3  
minute discussion)

**PERSONS  
APPEARING  
BEFORE THE  
BOARD** Jim Leddy

**SUBJECT** Potential Appointment of Mono  
County Sheriff

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Potential appointment to fill an anticipated vacancy in the county office of Sheriff-Coroner upon the retirement of the incumbent (Ralph Obenberger) on December 29, 2014.

### RECOMMENDED ACTION:

Pursuant to Government Code section 25304, appoint Ingrid Braun as Sheriff-Coroner, effective on December 29, 2014, if and when the office of Sheriff becomes vacant due to the retirement of the current office holder (Ralph Obenberger). Said appointment is for the unexpired remainder of the current term of office, and until Ms. Braun assumes office for the new, full term to which she was elected, on January 5th, 2015.

### FISCAL IMPACT:

There would be no change to the adopted Sheriff's Department budget if recommended action taken.

**CONTACT NAME:** Jim Leddy

**PHONE/EMAIL:** (760) 932-5414 / jleddy@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

[Potential Appointment of Sheriff Cover Memo](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/8/2014 3:15 PM	County Administrative Office	Yes
12/8/2014 4:18 PM	County Counsel	Yes
12/9/2014 3:55 PM	Finance	Yes



# COUNTY OF MONO

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P.O. BOX 696, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5410 • FAX (760) 932-5411

Jim Leddy  
County Administrative Officer  
Acting Director of HR

To: Honorable Board of Supervisors  
From: Jim Leddy, County Administrative Officer  
Date: December 1, 2014

Subject: Potential Sheriff Appointment

Background: On December 29<sup>th</sup>, Mono County Sheriff Ralph Obenberger is retiring prior to the expiration of his current term by one week. Sheriff-Elect Ingrid Braun will assume office at noon on January 5<sup>th</sup>, 2015. In order to ensure the County has a Sheriff without interruption, the Board is being requested to appoint Ingrid Braun as Sheriff effective December 29<sup>th</sup>, 2014. The current Undersheriff's contract expires on January 3<sup>rd</sup>, 2015.

The County Administrator has discussed with both the Sheriff-Elect and Sheriff and they support this action to ensure continuity of the Sheriff's Department administration.

The Board's authority to appoint a Sheriff should there be a vacancy is authorized under State Law; specifically, Government code section 25304.

**Options:**

- 1) The Board appoint Sheriff-Elect Ingrid Braun for the remaining week of the current Sheriff's term.
- 2) The Board could appoint a qualified individual (per Gov. Code) to become Sheriff during the interim period until the swearing in of the Sheriff-elect on January 5<sup>th</sup>, 2015.
- 3) The Board could choose to leave the position of vacant until January 5<sup>th</sup>.

**Recommendation:**

**Option 1):** Pursuant to Government Code section 25304, appoint Ingrid Braun as Sheriff, effective on December 29, 2014, if and when the office of Sheriff becomes vacant due to the retirement of the current office holder (Ralph Obenberger). Said appointment is for the unexpired remainder of the current term of office, and until Ms. Braun assumes office for the new, full term to which she was elected, on January 5<sup>th</sup>, 2015.

**Fiscal Impact(s):**

**Option 1):** No change in the Department's budget

**Option 2):** No change in the Department's budget.

**Option 3):** There would be one weeks compensation costs for the position of Sheriff for having no one in the position of Sheriff. The total savings is \$ of which Salary is \$; PERS \$; and, benefits \$.If there are any questions, please feel free to contact me at (760) 932-5414 or jleddy@mono.ca.gov



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Board of Supervisors**

**TIME REQUIRED** 25 minutes (5 minute presentation; 20 minute discussion) **PERSONS APPEARING BEFORE THE BOARD** Supervisor Fred Stump and Jim Leddy

**SUBJECT** Rock Creek Home Owners Association request RE: Rock Creek Trailhead Bathrooms

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Discussion of the request from the Rock Creek Homeowners Association for the County to assume the cost of maintaining the restrooms at the Rock Creek Trailhead.

### RECOMMENDED ACTION:

1) The Board direct staff to work with the existing maintenance company of the restroom facilities and bring back to the Board a contract for services along with needed budget adjustments; or 2) Board directs staff to deny request.

### FISCAL IMPACT:

1) \$1,500 annually which would be added to the Public Works Facilities budget (recommended at midyear) and be an ongoing expense; 2) No change in Budget.

**CONTACT NAME:** Jim Leddy

**PHONE/EMAIL:** (760) 932-5414 / jleddy@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH ATTACHMENTS TO THE OFFICE OF THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY  
32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

Rock Creek Homeowners Association.

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

- [Rock Creek Trail Head Common Areas HOA request Cover Memo](#)
- [Rock Creek Trail Head bathrooms Request letter from HOA](#)

[Rock Creek Homeowners Association Request BOS minutes of April 17 2012](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/1/2014 2:17 PM	County Administrative Office	Yes
12/8/2014 9:55 AM	County Counsel	Yes
12/3/2014 5:23 PM	Finance	Yes



**COUNTY OF MONO** – *County Administrative Office*  
P.O. BOX 696, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5412 ☐ FAX (760) 932-5411

---

Jim Leddy  
County Administrative Officer  
760.932.5414

To: Honorable Board of Supervisors  
From: Jim Leddy, County Administrator  
Date: December 1, 2014

**Subject:** Lower Rock Creek Restroom Facility request

**Recommendation:**

- 1) Review background information from Rock Creek Canyon Home Owner's Association regarding County assumption of future costs for temporary restrooms at Lower Rock Creek Trail Head
- 2) Provide staff direction on Board preference for facility maintenance, pumping and cleaning of the restroom facility.

**Background:** Supervisor Fred Stump received a request from the Rock Creek Canyon Home Owner's Association on November 12<sup>th</sup>, 2014 requesting that the County consider assumption of the maintenance, pumping and cleaning of the temporary restroom facility located on Lower Rock Creek near the Rock Creek Trail Head. This facility was installed as part of the Rock Creek Canyon Specific Plan project approval. Although the bathroom was not specifically required, the parking lot's construction and trail head were required to ensure access to the trail head.

Supervisor Stump has requested the Board hear this matter and provide direction to staff on whether to proceed with the HOA request.

**Discussion:** According to information provided by the HOA, Supervisor Stump and minutes from the April 17, 2012 Board of Supervisors meeting, the Rock Creek Canyon Specific Plan required the developer, John Hooper, as part of the residential development, to construct new trail access across private property to the Lower Rock Creek hiking and mountain bike trail at the point where it originates, or terminates, just below the existing community of Paradise. The original access was blocked by the new subdivision.

As part of the new access the developer was required to construct a parking area for use by non-resident members of the public wishing to access the trail. During the review process a need for a handicapped accessible restroom at the parking area was identified. On April 17, 2012, the Board of Supervisors reviewed the matter ( Board minutes of April 17, 2012 attached) and the need for restroom facilities was included under Action 4a of Resolution R 12-33 adopting Specific Plan Amendments which was approved by the Board.

At the April 2012 Board meeting, John Hooper stated he would construct the parking area as well as a picnic table, shade structure, interpretive sign, and pad for a portable restroom. He expressed that once completed the County should take over the ongoing pumping fees for the restroom and that the newly established HOA would maintain the rest of the improvements. The improvements noted by Mr. Hooper have been constructed and the HOA has been paying the pumping fees for the restroom. The restroom is utilized by the public and not HOA members.

As reflected in the Minutes of 4-17-2012 former Supervisor Bauer and Supervisor Hunt appeared supportive addressing the longer term needs for restroom facilities and the 2012 Paradise (Rock Creek

Road) Bike/Pedestrian Plan Working Draft references a permanent bathroom facility. No formal action was taken by the Board in 2012 or since then to address the temporary restroom facility costs or seeking funding for a permanent restroom facility. The restroom pumping remains the unresolved issue related to the parking area / trail access from the 4-17-2012 meeting. Among the 60 mitigations required of the developer, the ongoing maintenance of the temporary restroom facility was not required by Mr. Hooper or of the HOA. Paying for long-term restroom pumping either by him or the HOA was never listed as mitigation.

The trail is heavily used facility by the public and the lack of a restroom would engender trespass onto private property and/or disposal of human waste on public lands. There are no County parks in the community of Paradise and County assumption of cost seems warranted.

Options:

- 1) The Board direct staff to work with the existing maintenance company of the restroom facilities and bring back to the Board a contract for services along with needed budget adjustments.
- 2) Board directs staff to deny request.

Fiscal Impact:

- 1) \$1,600 annually which would be added to the Public Works Facilities budget (recommended at midyear) and be an ongoing expense.
- 2) No change in Budget.

For questions, please contact me at (760) 932-5414 or [jleddy@mono.ca.gov](mailto:jleddy@mono.ca.gov)

**Rock Creek Canyon  
Home Owner's Association  
7995 Lower Rock Creek Road  
Paradise, CA 93514**

November 12, 2014

Fred Stump  
Mono County Supervisor  
PO Box 8  
Bridgeport, California 93517

RE: Maintenance of Restroom Facilities at Lower Rock Creek

The temporary restroom facility in the parking area on Lower Rock Creek Road is a moderate to heavily used facility by bikers, hikers, motorcyclists, and travelers. The original intent of the developer and county was to provide a parking area for those accessing the Rock Creek trail. The parking area and restroom facility has turned into a rest area for everyone using Lower Rock Creek Road. The temporary restroom facility was not a condition of the use permit. The developer felt it was a necessary enhancement as the next public restroom facility along the old road is at Millpond. Currently the Rock Creek Canyon Home Owners are paying for pumping of the temporary restroom facility.

We are respectfully asking that Mono County take over maintenance, pumping, and cleaning of the restroom facility.

The 2012 Paradise (Rock Creek Road) Bike/Pedestrian Plan Working Draft \_ July 2012 discusses a permanent bathroom facility, (including operations and maintenance) at Rock Creek Ranch public parking area (this should be Rock Creek Canyon). This is item #6 under Possible Projects/Community Interest in the draft report. The report states that the parking and restroom facilities are a desirable attribute of the community.

The Lower Rock Creek hiking and biking trail is identified as one of the most used trails in the Sierra. Ranked #3 as Best Mountain biking in the area by one guide. The Old Road, Lower Rock Creek/Old 395 Hwy is arguably the most used biking road year-round in the Eastern Sierra. The temporary restroom facility is a necessary addition to the parking and staging area for the Rock Creek Trail. The use of this facility will likely increase in the future.

Sincerely,

*Evan Russell*

---

Evan Russell -HOA President

*John Hooper*

---

John Hooper-Developer & RC Resident



MEETING MINUTES  
BOARD OF SUPERVISORS, COUNTY OF MONO  
STATE OF CALIFORNIA

Special Meeting

April 17, 2012

MEETING LOCATION  
Paradise Fire Station, 5300  
Lower Rock Creek Road,  
Bishop, CA 93514

6:05 PM

Meeting Called to Order by Supervisor Bauer, Chair

- Supervisors present: Bauer, Hansen, Hazard, and Hunt
- Supervisors absent: Johnston (did not attend due to a conflict of interest with Item #1a)

Pledge of Allegiance led by Supervisor Hazard

**OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE BOARD**

- Stephen Kalish, Swall Meadows: Update about Verizon providing service in South County, and update about undergrounding issues in North County. He will continue working with Verizon to push them to provide service.
- Garret Higerd, Public Works: Update about work that has been taking place in the area: 1) Retro-reflective street signs have been installed; 2) Striping on Lower Rock Creek Road related to traffic calming. Asked for feedback about work that has been done on the roads in the last two years.

REGULAR AGENDA

COMMUNITY DEVELOPMENT - PLANNING DIVISION

**Additional Departments:** Public Works

1a)

Rock Creek Canyon Specific Plan Amendment 12-001 (Gerry Le Francois, Courtney Weiche) - Public hearing regarding Rock Creek Canyon Specific Plan Amendment 12-001. The attachments available for this item, 210 pages and 41.3 MB are on our webpage at [www.monocounty.ca.gov](http://www.monocounty.ca.gov) under the Board of Supervisors page.

**R12-33**

**Action:** Adopt Resolution R12-33 (1) approving Specific Plan Amendment 12-001, as recommended by the Planning Commission but further modified by the Board of Supervisors as follows: 1) Remove Glen Court from the trail plan and maintain it as a utility easement; 2) Interpret Condition 22 to require no additional "trail" improvement to the Glen Court utility easement; 3) Adopt Appendix B but remove any signs determined by Public Works to be unnecessary; 4) Adopt Option C for Lot A as follows: a) developer to install handicap accessible restroom approved by staff; b) retain the double split-rail

fence for now, but direct staff to bring to the Board an option for additional parking and trail access behind the guardrail, which may include a pedestrian bridge; and (2) approving the Addendum to the Final Environmental Impact Report (FEIR).

**Hazard moved; Hansen seconded**

**Vote: 4 yes; 0 no; 1 absent (Johnston)**

Supervisor Bauer opened the public hearing.

Gerry Le Francois, Community Development, presentation:

- Reviewed background/project description.
- Reviewed the Specific Plan Amendment, which provides clarifications, technical changes, and changes to the project which don't create a significant environmental impact.
- Attachment A is the Planning Commission's recommendation.
- Showed pictures of fences that will need to conform to standards.
- Planning Commission felt it was impractical to try and screen RVs.
- Developer has proposed and constructed a trail; some encroachment not covered in the trails plan. Showed a rendering of upper canyon trail and proposed standards. Also talked about Glen Court. Planning Commission recommended minimal improvements, and keeping neighborhood access point.
- Referred to a rendering of Lot A, and talked about three alternatives for improvements and access to the trail head. Homeowners association will be responsible for maintaining Lot A. Improvements to the guardrail may be County responsibility.

Scott Burns, Community Development: Funding is available to the County to help with the cost of the guardrail improvement.

Mr. Hooper, Developer, addressed 1) changes in the specific plan, including RV screening, using 30 year vs. 50 year roofs, elimination of a cul-du-sac, trail changes, the need for restrooms at the trailhead, and moving the trail behind the guardrail; 2) plans to provide access to the creek; 3) the traffic situation is much safer since the restaurant has become a single-family residence; 4) the second split-rail fence provides direction to the trail head.

#### Board Comments

- Hazard: 1) Talked about issues concerning the Glen Court trail. Suggested designating it as a utility easement since Digital 395 last mile will access this area. 2) Talked about Lot A and ideas for access.
- Hansen: Talked about trail access and safety issues.
- Hunt: Trail access from behind the guardrail is the preferred safety choice but will require some work to be done by the County.

#### Public Comments

- Liz O'Sullivan: 1) The County needs to address public safety issues. 2) Hooper project: a) The fences referred to pose a safety issue; b) people living on Glen Court should decide if they want a trail there; c) toilets are needed at the trailhead.
- Jerry Zatorski: Lives on Glen Court and does not want a trail there; a good trail exists on the north side of the fire station.
- Michael O'Sullivan: 1) Lower Rock Creek Road needs pedestrian improvements; other road improvements in the area have included bike lanes. 2) The Hooper project is very positive; just a few issues regarding the public right of way need to be addressed.
- Stephen Kalish: 1) Proposed language he helped negotiate was not clearly pointed out to the public; 2) concern that the mitigation fees were waived; 3) rail fences on both sides of the road were not approved; 4) addressed screening of RVs; 5) County can trim the trees in its right of way to improve access; 6) suggested another alternative for the

restroom, and the need for a total of 10 parking spaces.

- Jean Schneider: Suggested moving the second rail fence back to the property line.
- Jeff Vaughn: Talked about safety and public access; the split rail fence narrows the road. Pedestrians are using the road.
- Judy Pena: Would like Glen Court to remain the same and not be designated as a trail. Supported the idea of using it as an easement corridor.
- Michael House: Encouraged the Board to take actions to make the curve as safe as possible. Present configuration poses potential hazard.

#### Staff Comments

- Garret Higerd, Public Works: Addressed questions about bike lanes and public safety. Public Works put the Board's decisions into practice and worked with the developer to accomplish the project. Regarding the split-rail fence, the developer requested the location. Current configuration of signs has not been approved. Recommend using approved traffic plan.
- Jeff Walters, Public Works: Addressed information about bike lanes; will continue to include bike lanes in process. Dual fence closest to building was not approved.

#### Board Comments

- Hazard: 1) Concerned with request for County to pay the bill for the restroom. Consider low maintenance restroom options. 2) Reduce sign clutter. 3) Retain split-rail fence temporarily, but work on a long-term solution that considers snow-removal and pedestrian safety. 4) Use Glen Court as a utility easement.
- Hunt: 1) Leave Glen Court as is, and make no effort to advertise this trail; maintain Glen Court as a utility easement. 2) Supports proposed restrooms; funding requires further discussion. 3) Regarding Lot A, move towards option B which puts the trail behind the guardrail. 4) A cabin is not necessary. 5) The signing is excessive, but there is a need for the double split-rail fence.
- Bauer: 1) Agreed with Hunt's feedback. 2) Look at temporary and long-term solutions for the restroom issue; suggested the County pay the monthly fee for the temporary restroom. 3) Leave the split-rail fence in place temporarily until a better solution is found; bring other ideas back to the Board. 4) Find a way to solve the safety issue.
- Hansen: 1) Agreed with not designating Glen Court as a trail. 2) Keep the cabin where it is now. 3) The County should protect the trailhead. 4) The split-rail fence poses problems; a pedestrian bridge is an option. 5) Should proceed with what can agree on and continue to work on the other issues.

Le Francois summarized the Board's comments:

- Minimize the number of signs.
- Designate Glen Court as a utility easement.
- Implement Option C on Lot A for the short term. Find a permanent solution for the restroom issue, and create a pedestrian walkway (bridge) behind the guardrail.

## PUBLIC WORKS - ENGINEERING DIVISION

### **Additional Departments:** Community Development

- 2a) "No Parking Zone" on Portions of Lower Rock Creek Road in Paradise (Garrett Higerd and Jeff Walters) - Memorialize by ordinance a "No Parking Zone" that was analyzed and conceptually approved in the Rock Creek Canyon Specific Plan, Tentative Tract Map (TTM37-59), and associated Environmental Impact Report (EIR).

**No Motion** **Action:** Direct staff to agendize the ordinance for introduction at the regular meeting on May 1, 2012.

Garret Higerd, Public Works: Issues pertaining to this agenda item were discussed as part of

agenda item 1a above. The concept is already part of the approved project, and just needs Board validation. The ordinance will make the no parking zone enforceable. Comments and issues have been vetted publicly.

Stacey Simon, Assistant County Counsel: Advised the Board that an ordinance cannot be introduced at a special meeting; it will have to be agendized for a regular meeting.

**Public Comments**

- Stephen Kalish: The County should retain its full rights to the right of way.
- Liz O'Sullivan: There should be no trail head parking in Glen Court, Sierra Vista Circle, or at the fire station.

**Board Comments**

- Hazard: Enforcement is an issue so signage becomes the deterrent. Wait to see if a problem develops.
- Bauer: Agendize the ordinance for the May 1 meeting. The secondary issues need more public input.

**PUBLIC WORKS - ROAD DIVISION**

- 3a) Speed Survey Presentation (Jeff Walters) - The California Vehicle Code requires that Mono County perform speed surveys on county roads every five years. At the December 6th, 2011 Board of Supervisors meeting the Board requested the results of recent speed surveys and the recommended speed limits on these roads be shared with the local community groups. This Board meeting is an opportunity to present this information to the members of Paradise.

**Action: None**

Jeff Walters Public Works, reviewed the speed survey:

- Survey was taken to each specific community in order to obtain input.
- Addressed Lower Rock Creek Road.
- Talked about 1) how the speed limit is determined, 2) area surveyed, 3) type of speed limit signs (enforceable and warning), and 4) survey criteria.
- Result of survey shows the current speed limits should be maintained. Recommended posting speed limit of 55 so it is enforceable.
- Will bring all survey results and recommendations to the Board for adoption.

The public, staff members and board discussed solutions to further reduce speed in some areas:

- Use signage and traffic calming methods.
- Radar may be a solution if it can be done randomly and regularly during the month. There may be grant funding available; contact CHP.
- Posted speed limit signs may encourage people to drive faster.

ADJOURN: 9:11 p.m.

ATTEST:

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VIKKIE BAUER  
CHAIR

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LYNDA ROBERTS  
CLERK OF THE BOARD

§§§§§



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Public Works**

**TIME REQUIRED** 10 minutes (5 minute presentation; 5 minute discussion)

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Garrett Higerd

**SUBJECT** Rock Creek Road Highway Easement  
Deed

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

The Highway Easement Deed documents the County's easement over Rock Creek Road, describes the physical geometry of Rock Creek Road, and sets forth the operations and maintenance roles and responsibilities of Mono County and the Inyo National Forest.

### RECOMMENDED ACTION:

Adopt resolution #R14-\_\_\_\_, authorizing the Assistant Public Works Director to accept and consent to recordation of a Highway Easement Deed offered by the United States of America for Rock Creek Road to satisfy conditions of the Rehabilitation Project funded by the Federal Lands Access Program (FLAP). Provide any desired direction to staff.

### FISCAL IMPACT:

Acceptance of the easement will have a negligible long term fiscal impact on the Road Fund because Mono County is already responsible to maintain Rock Creek Road.

**CONTACT NAME:** Garrett Higerd

**PHONE/EMAIL:** 760.924.1802 / ghigerd@mono.ca.gov

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY  
32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

[Staff Report](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/3/2014 10:45 AM	County Administrative Office	Yes
12/4/2014 3:06 PM	County Counsel	Yes
12/9/2014 4:45 PM	Finance	Yes



# MONO COUNTY DEPARTMENT OF PUBLIC WORKS

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760.932.5440 • Fax 760.932.5441 • [monopw@mono.ca.gov](mailto:monopw@mono.ca.gov) • [www.monocounty.ca.gov](http://www.monocounty.ca.gov)

Date: December 16, 2014  
To: Honorable Chair and Members of the Board of Supervisors  
From: Garrett Higerd, Assistant Public Works Director  
Re: Rock Creek Road Highway Easement Deed

## **Recommended Action:**

Adopt resolution authorizing the Assistant Public Works Director to accept and consent to recordation of a Highway Easement Deed offered by the United States of America for Rock Creek Road to satisfy conditions of the Rehabilitation Project funded by the Federal Lands Access Program (FLAP). Provide any desired direction to staff.

## **Fiscal Impact:**

The Rock Creek Road Highway Easement Deed requires Mono County to continue operations and maintenance activities on the portion of Rock Creek Road in Mono County. This will have a negligible long term fiscal impact on the Road Fund because Mono County is already responsible to maintain Rock Creek Road.

The Rock Creek Road Rehabilitation Project is estimated to cost approximately \$9,000,000. The project is being paid for with Federal Lands Access Program funds, with an 11.47% match from CalTrans toll credits. The Public Works Department is providing in-kind staff time and resources to oversee the project.

## **Discussion:**

The Highway Easement Deed (HED) attached as Exhibits A and B documents the physical geometry of Rock Creek Road and will establish the operations and maintenance roles and responsibilities of Mono County and the Inyo National Forest. The HED is based on a Forest Service boilerplate template.

The HED is a requirement of the Rock Creek Road Rehabilitation Project, which will rehabilitate approximately 9.2 miles of Rock Creek Road (primarily in Mono County but also in Inyo County) and add bicycle lane improvements. The project was approved for federal funding in 2012 and construction started in April 2014. The project is currently in winter shut-down and construction will re-start in the spring when the weather allows. Construction is expected to be complete by the end of 2015.

Please contact me at 760.924.1802 or by email at ghigerd@mono.ca.gov if you have any questions regarding this report.

Respectfully submitted,



Garrett Higerd, PE  
Assistant Public Works Director

Attachments:                   Exhibit A – Highway Easement Deed & Stipulations  
                                          Exhibit B – Exhibit 2 Legal Description and Figures  
                                          Exhibit C – Resolution Accepting Highway Easement Deed



Township 4 South, Range 30 East, Sections 32 & 33

Township 5 South, Range 30 East, Sections 4, 5, 8, 17, 18, 19, 20, 30 & 31

If any subsequent survey of said highway shows that any portion crosses National Forest System land, not described herein, this Highway Easement Deed shall be amended to include the additional lands traversed.

The easement for Forest Highway Route 89 is more particularly described on the attached Exhibit 2.

Subject to the following terms, conditions, and covenants:

1. This right-of-way easement is subject to existing rights as of the date of this grant and the Grantee shall obtain additional rights as may be necessary relating to any such outstanding valid claims.
2. The Grantee shall maintain the right of way and highway facilities to acceptable standards of repair, orderliness, neatness, sanitation and safety.
3. Consistent with highway safety standards, the Grantee shall:
  - a. Comply with all Federal, State and local laws and regulations existing, or hereafter enacted or promulgated, concerning any hazardous material that will be used, produced, transported or stored within the right of way. Promptly and properly clean up, mitigate, and remedy, if necessary, all spills of petroleum products, hazardous materials, or other chemical or biological products;
  - b. Grantee shall not use the right of way for disposal of toxic or hazardous material, including asphalt.
4. The Grantee does hereby covenant and agree that it shall not transfer or assign any interest granted hereby without the prior written consent of the Department, to be granted or withheld in its sole discretion.
5. The Grantee will provide an opportunity for the Forest Supervisor to review plans for any significant realignment or reconstruction of the highway within the easement.
6. The Grantee, in consideration of the grant of this easement, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns that the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 242) shall be complied with in that:
  - a. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed;

- b. The Grantee shall use said easement and right of way so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation, effectuation of Title VI of the Civil Rights Act of 1964, and said regulations as may be amended.
7. The discovery of a use by the Grantee incompatible with that described in this deed may terminate the easement and vest title in the United States. Upon notification of such termination, the Grantee shall reasonably restore the land subject to the easement to the condition which existed prior to the transfer and be responsible for its protection and maintenance until such time as the Grantee executes and records a quitclaim deed documenting the termination of the easement and the vesting of title in the United States.
8. The Grantee shall reestablish or restore public land monuments, other land monuments identifying property corners or witness markers disturbed or destroyed by construction, reconstruction, or maintenance according to instructions of the Bureau of Land Management, Department of the Interior or in accordance with standards established by applicable federal and state law.

AND further subject to the following terms, conditions, and covenants attached herewith and made a part thereof as stated in Exhibit 01.

EXHIBIT A

IN WITNESS WHEREOF, I, Ricardo Suarez, Division Engineer, pursuant to delegations of authority from the Secretary of Transportation and the Federal Highway Administrator, by virtue of authority in me vested by law, have hereunto subscribed my name as of the day and year first above written.

\_\_\_\_\_  
Federal Highway Administration  
Division Engineer

County of Jefferson State of Colorado,  
Before me personally appeared said \_\_\_\_\_ and acknowledged the foregoing instrument to be his free act and deed this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

*(Seal)*

\_\_\_\_\_  
Notary Public  
My commission expires \_\_\_\_\_

# EXHIBIT A

## Certificate of Acceptance

In compliance with the conditions set forth in the foregoing Deed, County of Mono, State of California, certifies, and by the acceptance of this Deed, accepts the right of way over certain land herein described and agrees for itself, its successors and assigns forever to abide by the conditions set forth in said deed. This is to certify that the interest in real property conveyed by the deed or grant dated \_\_\_\_\_ from the United States of America by and through the Department of Transportation, Federal Highway Administration, to the County of Mono, a political subdivision of the State of California, is hereby accepted by the undersigned officer on behalf of the Mono County Board of Supervisors pursuant to authority conferred by resolution of the Board of Supervisors adopted on December 16, 2014, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

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

State of California, County of Mono, on \_\_\_\_\_, before me \_\_\_\_\_, Notary Public, personally appeared, \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

\_\_\_\_\_  
Notary Public  
My commission expires \_\_\_\_\_

## EXHIBIT 1

### **OPERATION, MAINTENANCE, AND CONSTRUCTION STIPULATIONS**

This transfer being subject to the following terms and conditions as per FHWA and FS MOU:

1. Outstanding valid claims, if any, existing on the date of this grant, and the Grantee shall obtain such permission as may be necessary on account of any such claims.
2. The right-of-way should be nonexclusive with the FS retaining all rights to issue authorizations for uses not inconsistent or incompatible with highway use. The FS shall consult with the Highway Agent on appropriate stipulations to protect the roadway facility prior to the issuance of such authorization.
3. The FS will retain the right to any merchantable timber and all other resource materials not specifically appropriated, within the boundaries of the appropriation. The Highway Agent will notify the FS which timber or other resource materials within the appropriation are scheduled to be removed and the FS will determine whether a timber sale or other authorization for removal is appropriate.
4. All signing within the right-of-way will be installed and maintained by the Highway Agent. The Highway Agent will provide signs to mark National Forest boundaries (both for entering and leaving), intersecting Forest Service roads, directional signs to nearby National Forest information facilities which are staffed throughout the year, and signs to geographic or recreation areas. All signing will be in accordance with the Manual on Uniform Traffic Control Devices. Where feasible, the Highway Agent will install displays (panels or posters), furnished by the FS, at Interstate rest stops near National Forest.
5. The FS may provide conditions protecting the adjacent National Forest System lands from construction and maintenance activities which may cause off-right-of-way adverse effects, such as wildfire, chemical control of vegetation and animals, runoff drainage, and revegetation with nonnative species.
6. The Grantee and the Regional Forester shall make determination as to the necessity for archeological and paleontological reconnaissance and salvage within the right-of-way, and such reconnaissance and salvage to the extent determined necessary because of construction of the highway facility, is to be undertaken by the Grantee in compliance with the acts entitled An Act for the Preservation of American Antiquities, approved June 8, 1906 (34 Stat. 225, 16 U.S.C. 432-433), the Archaeological Resources Protection Act of 1979 (93 Stat. 721, 16 U.S.C. 470aa-470ll), and State laws where applicable.
7. The easement herein granted is limited to use of the described right-of-way and the space above and below the established grade line of the highway pavement for the purpose of operation and maintenance of an existing highway and does not include the grant of any rights for non-highway purposes or facilities: Provided, that the right of the Forest Service to use or authorize the use of any portion of the right-of-way for non-highway purposes shall not be exercised when such use would be inconsistent with the provisions

# EXHIBIT A

of Title 23 of the United States Code and of the Federal Highway Administration regulations issued pursuant thereto or would interfere with the free flow of traffic or impair the full use and safety of the highway, and, in any case, the Grantee and the Federal Highway Administration shall be consulted prior to the exercise of such rights; and Provided further, That nothing herein shall preclude the Forest Service from locating National Forest and other United States Department of Agriculture information signs on the portions of the right-of-way outside of construction clearing limits.

8. Consistent with highway safety standards, the Grantee shall:
  - a. Protect and preserve soil and vegetative cover and scenic and esthetic values on the right-of-way outside of construction limits.
  - b. Provide for the prevention and control of soil erosion within the right-of-way and adjacent lands that might be affected by the construction, operation, or maintenance of the existing highway, and shall vegetate and keep vegetated with suitable species all earth cut or fill slopes feasible for revegetation or other areas on which ground cover is destroyed where it is deemed necessary during a joint review between the Regional Forester and the Grantee prior to completion of the highway and the Grantee shall maintain all terracing, water bars, leadoff ditches, or other preventive works that may be required to accomplish this objective. This provision shall also apply to slopes that are reshaped following slides which occur during or after construction.
9. The Grantee shall establish no borrow, sand, or gravel pits; stone quarries, permanent storage areas; sites for highway operation and maintenance facilities, camps, supply depots, or disposal areas within the right-of-way; unless shown on approved construction plans, without first obtaining approval of the Regional Forester.
10. The Grantee shall maintain the right-of-way clearing by means of chemicals only after consultation with the Regional Forester. Consultation must address the time, method, chemicals, and the exact portion of the right-of-way to be chemically treated.
11. The Grantee will notify the Forest Service when the need for the appropriation no longer exists. Upon notification Forest Service will either (1) accept the highway as is, or (2) require rehabilitation standards that the Grantee must complete. Upon completion of the rehabilitation and acceptance of same by the Forest Service, the Grantee will notify the Department, in writing, of the relinquishment. Upon receipt of this notice of relinquishment, by the Department, the lands appropriated will immediately revert to the Forest Service without further legal action.
12. Portions of the Rock Creek Road right of way are located within an Inventoried Roadless Area (IRA). All road construction or reconstruction activities within an IRA must be approved by the Forest Service. Road reconstruction is defined as an “activity that results in an increase of an existing road’s traffic service level, expansion of its capacity, or a change in its original design function” or an “activity that results in a new location of an existing road or portions of an existing road, and treatment of the old roadway.” The Grantee shall immediately consult with the Forest Service when proposing any activities

# EXHIBIT A

on the portions of the easement located within an IRA other than routine maintenance tasks, which are defined as “the ongoing upkeep of a road necessary to retain or restore the road to the approved road management objective.” The Grantee shall not perform any road construction or reconstruction activities within the portions of the easement located within an IRA without the explicit written approval of the Forest Service.

The portions of the easement located within an IRA are generally located between the following mileposts, measured from the beginning of Rock Creek Road at its intersection with US Highway 395:

MP 1.3 – MP 1.5 (Mono County)

MP 2.4 – MP 4.3 (Mono County)

MP 5.9 – MP 6.1 (Mono County)

April 9, 2014

## PERMANENT EASEMENT TO BE ACQUIRED

**PARCEL NO.** P1-1

**OWNER:**

U. S. Forest Service

**From.** Sta. 998+64.89

**To.** Sta. 1422+46.83

**PROJECT NUMBER:** CA PFH 89-1(1)

**PROJECT NAME:** ROCK CREEK ROAD

**IN:** MONO COUNTY, CA

A 150.00 foot strip of land lying 75.00 feet on each side of the following described center line, along Forest Service Highway 89 (Rock Creek Road), within Sections 32 and 33, Township 4 South, Range 30 East and Sections 4, 5, 8, 17, 18, 19, 20, 30 and 31, Township 5 South, Range 30 East of the Mt. Diablo Principal Meridian, in Mono County, California. Said centerline being more particularly described as follows:

Commencing at the Northwest Corner of said Section 33;

Thence S33°55'34"E a distance of 1664.32 feet to the southerly line of the Highway 395 right-of-way and the Point of Beginning;

- (1) Thence S21°29'16"W tangent with the following described curve a distance of 93.84 feet;
- (2) Thence along the arc of a curve to the left, having a central angle of 25°29'47", a radius of 200.00 feet, a chord bearing of S08°44'22"W a distance of 88.27 feet, and an arc distance of 89.00 feet;
- (3) Thence S04°00'31"E tangent with the last and following described curves a distance of 509.99 feet;
- (4) Thence along the arc of a curve to the right, having a central angle of 23°26'35", a radius of 3150.00 feet, a chord bearing of S07°42'46"W a distance of 1279.88 feet, and an arc distance of 1288.85 feet;
- (5) Thence S19°26'04"W tangent with the last and following described curves a distance of 1721.55 feet;
- (6) Thence along the arc of a curve to the right, having a central angle of 49°29'10", a radius of 1500.00 feet, a chord bearing of S44°10'39"W a distance of 1255.65 feet, and an arc distance of 1295.55 feet;
- (7) Thence S68°55'14"W tangent with the last and following described curves a distance of 409.61 feet;

# EXHIBIT B

- (8) Thence along the arc of a curve to the left, having a central angle of  $8^{\circ}48'27''$ , a radius of 1500.00 feet, a chord bearing of  $S64^{\circ}31'01''W$  a distance of 230.35 feet, and an arc distance of 230.58 feet;
- (9) Thence  $S60^{\circ}06'47''W$  tangent with the last and following described curves a distance of 1663.49 feet;
- (10) Thence along the arc of a curve to the left, having a central angle of  $38^{\circ}36'42''$ , a radius of 285.00 feet, a chord bearing of  $S40^{\circ}48'26''W$  a distance of 188.45 feet, and an arc distance of 192.06 feet;
- (11) Thence  $S21^{\circ}30'05''W$  tangent with the last and following described curves a distance of 175.41 feet;
- (12) Thence along the arc of a curve to the left, having a central angle of  $22^{\circ}31'04''$ , a radius of 425.00 feet, a chord bearing of  $S10^{\circ}14'33''W$  a distance of 165.96 feet, and an arc distance of 167.03 feet;
- (13) Thence  $S01^{\circ}00'59''E$  tangent with the last and following described curves a distance of 215.17 feet;
- (14) Thence along the arc of a curve to the right, having a central angle of  $39^{\circ}45'05''$ , a radius of 260.00 feet, a chord bearing of  $S18^{\circ}51'34''W$  a distance of 176.79 feet, and an arc distance of 180.39 feet;
- (15) Thence  $S38^{\circ}44'06''W$  tangent with the last and following described curves a distance of 58.92 feet;
- (16) Thence along the arc of a curve to the left, having a central angle of  $45^{\circ}15'13''$ , a radius of 250.00 feet, a chord bearing of  $S16^{\circ}06'30''W$  a distance of 192.36 feet, and an arc distance of 197.46 feet;
- (17) Thence  $S06^{\circ}31'07''E$  tangent with the last and following described curves a distance of 396.23 feet;
- (18) Thence along the arc of a curve to the right, having a central angle of  $98^{\circ}24'23''$ , a radius of 268.00 feet, a chord bearing of  $S42^{\circ}41'05''W$  a distance of 405.77 feet, and an arc distance of 460.29 feet;
- (19) Thence  $N88^{\circ}06'44''W$  tangent with the last and following described curves a distance of 215.35 feet;
- (20) Thence along the arc of a curve to the left, having a central angle of  $73^{\circ}51'55''$ , a radius of 265.00 feet, a chord bearing of  $S54^{\circ}57'19''W$  a distance of 318.46 feet, and an arc distance of 341.64 feet;
- (21) Thence  $S18^{\circ}01'21''W$  tangent with the last and following described curves a distance of 152.40 feet;

# EXHIBIT B

- (22) Thence along the arc of a curve to the right, having a central angle of  $46^{\circ}14'17''$ , a radius of 550.00 feet, a chord bearing of  $S41^{\circ}08'30''W$  a distance of 431.91 feet, and an arc distance of 443.85 feet;
- (23) Thence  $S64^{\circ}15'38''W$  tangent with the last and following described curves a distance of 193.52 feet;
- (24) Thence along the arc of a curve to the left, having a central angle of  $17^{\circ}06'40''$ , a radius of 750.00 feet, a chord bearing of  $S55^{\circ}42'18''W$  a distance of 223.15 feet, and an arc distance of 223.98 feet;
- (25) Thence  $S47^{\circ}08'58''W$  tangent with the last and following described curves a distance of 535.43 feet;
- (26) Thence along the arc of a curve to the right, having a central angle of  $25^{\circ}22'41''$ , a radius of 750.00 feet, a chord bearing of  $S59^{\circ}50'19''W$  a distance of 329.49 feet, and an arc distance of 332.20 feet;
- (27) Thence  $S72^{\circ}31'39''W$  tangent with the last and following described curves a distance of 514.72 feet;
- (28) Thence along the arc of a curve to the right, having a central angle of  $24^{\circ}45'08''$ , a radius of 550.00 feet, a chord bearing of  $S84^{\circ}54'13''W$  a distance of 235.76 feet, and an arc distance of 237.60 feet;
- (29) Thence  $N82^{\circ}43'13''W$  tangent with the last and following described curves a distance of 554.64 feet;
- (30) Thence along the arc of a curve to the left, having a central angle of  $69^{\circ}07'13''$ , a radius of 525.00 feet, a chord bearing of  $S62^{\circ}43'11''W$  a distance of 595.63 feet, and an arc distance of 633.35 feet;
- (31) Thence  $S28^{\circ}09'34''W$  tangent with the last and following described curves a distance of 2061.20 feet;
- (32) Thence along the arc of a curve to the left, having a central angle of  $10^{\circ}15'58''$ , a radius of 1300.00 feet, a chord bearing of  $S23^{\circ}01'35''W$  a distance of 232.62 feet, and an arc distance of 232.93 feet;
- (33) Thence  $S17^{\circ}53'36''W$  tangent with the last and following described curves a distance of 555.97 feet;
- (34) Thence along the arc of a curve to the right, having a central angle of  $10^{\circ}14'44''$ , a radius of 1200.00 feet, a chord bearing of  $S23^{\circ}00'58''W$  a distance of 214.29 feet, and an arc distance of 214.58 feet;
- (35) Thence  $S28^{\circ}08'20''W$  tangent with the last and following described curves a distance of 506.46 feet;

# EXHIBIT B

- (36) Thence along the arc of a curve to the left, having a central angle of  $20^{\circ}39'50''$ , a radius of 900.00 feet, a chord bearing of  $S17^{\circ}48'25''W$  a distance of 322.83 feet, and an arc distance of 324.59 feet;
- (37) Thence  $S07^{\circ}28'30''W$  tangent with the last described curve a distance of 1068.90 feet;
- (38) Thence  $S06^{\circ}12'07''W$  a distance of 78.77 feet;
- (39) Thence  $S07^{\circ}28'30''W$  a tangent with the following described curve distance of 394.09 feet;
- (40) Thence along the arc of a curve to the left, having a central angle of  $32^{\circ}44'46''$ , a radius of 521.00 feet, a chord bearing of  $S08^{\circ}53'54''E$  a distance of 293.73 feet, and an arc distance of 297.77 feet;
- (41) Thence  $S25^{\circ}16'17''E$  tangent with the last and following described curves a distance of 824.51 feet;
- (42) Thence along the arc of a curve to the right, having a central angle of  $62^{\circ}51'43''$ , a radius of 720.00 feet, a chord bearing of  $S06^{\circ}09'35''W$  a distance of 750.92 feet, and an arc distance of 789.95 feet;
- (43) Thence  $S37^{\circ}35'26''W$  tangent with the last and following described curves a distance of 330.30 feet;
- (44) Thence along the arc of a curve to the left, having a central angle of  $55^{\circ}23'41''$ , a radius of 795.00 feet, a chord bearing of  $S09^{\circ}53'35''W$  a distance of 739.03 feet, and an arc distance of 768.62 feet;
- (45) Thence  $S17^{\circ}48'15''E$  tangent with the last and following described curves a distance of 165.26 feet;
- (46) Thence along the arc of a curve to the right, having a central angle of  $27^{\circ}41'50''$ , a radius of 835.00 feet, a chord bearing of  $S03^{\circ}57'20''E$  a distance of 399.73 feet, and an arc distance of 403.64 feet;
- (47) Thence  $S09^{\circ}53'35''W$  tangent with the last and following described curves a distance of 383.12 feet;
- (48) Thence along the arc of a curve to the right, having a central angle of  $14^{\circ}38'00''$ , a radius of 1155.00 feet, a chord bearing of  $S17^{\circ}12'35''W$  a distance of 294.19 feet, and an arc distance of 294.99 feet;
- (49) Thence  $S24^{\circ}31'35''W$  tangent with the last and following described curves a distance of 205.63 feet;
- (50) Thence along the arc of a curve to the left, having a central angle of  $25^{\circ}34'16''$ , a radius of 525.00 feet, a chord bearing of  $S11^{\circ}44'27''W$  a distance of 232.37 feet, and an arc distance of 234.31 feet;

# EXHIBIT B

- (51) Thence S01°02'41"E tangent with the last and following described curves a distance of 1010.85 feet;
- (52) Thence along the arc of a curve to the right, having a central angle of 20°35'00", a radius of 605.00 feet, a chord bearing of S09°14'48"W a distance of 216.18 feet, and an arc distance of 217.34 feet;
- (53) Thence S19°32'18"W tangent with the last and following described curves a distance of 687.07 feet;
- (54) Thence along the arc of a curve to the left, having a central angle of 41°07'35", a radius of 525.00 feet, a chord bearing of S01°01'29"E a distance of 368.80 feet, and an arc distance of 376.84 feet;
- (55) Thence S21°35'16"E tangent with the last and following described curves a distance of 224.39 feet;
- (56) Thence along the arc of a curve to the right, having a central angle of 54°07'09", a radius of 521.00 feet, a chord bearing of S05°28'18"W a distance of 474.02 feet, and an arc distance of 492.11 feet;
- (57) Thence S32°31'52"W tangent with the last and following described curves a distance of 812.47 feet;
- (58) Thence along the arc of a curve to the left, having a central angle of 30°08'33", a radius of 530.00 feet, a chord bearing of S17°27'35"W a distance of 275.62 feet, and an arc distance of 278.83 feet;
- (59) Thence S02°23'19"W tangent with the last and following described curves a distance of 615.90 feet;
- (60) Thence along the arc of a curve to the right, having a central angle of 15°37'29", a radius of 655.00 feet, a chord bearing of S10°12'03"W a distance of 178.07 feet, and an arc distance of 178.62 feet;
- (61) Thence S18°00'48"W tangent with the last described curve a distance of 1366.94 feet;
- (62) Thence S17°56'21"W tangent with the following described curve a distance of 361.11 feet;
- (63) Thence along the arc of a curve to the right, having a central angle of 45°54'48", a radius of 525.00 feet, a chord bearing of S40°53'45"W a distance of 409.54 feet, and an arc distance of 420.70 feet;
- (64) Thence S63°51'08"W tangent with the last and following described curves a distance of 210.87 feet;
- (65) Thence along the arc of a curve to the left, having a central angle of 54°42'41", a radius of 523.00 feet, a chord bearing of S36°29'48"W a distance of 480.65 feet, and an arc distance of 499.41 feet;

# EXHIBIT B

- (66) Thence S09°08'27"W tangent with the last and following described curves a distance of 2134.86 feet;
- (67) Thence along the arc of a curve to the left, having a central angle of 5°10'53", a radius of 2500.00 feet, a chord bearing of S06°33'00"W a distance of 226.00 feet, and an arc distance of 226.08 feet;
- (68) Thence S03°57'34"W tangent with the last and following described curves a distance of 1097.90 feet;
- (69) Thence along the arc of a curve to the right, having a central angle of 4°20'33", a radius of 5000.00 feet, a chord bearing of S06°07'51"W a distance of 378.87 feet, and an arc distance of 378.96 feet;
- (70) Thence S08°18'07"W tangent with the last and following described curves a distance of 893.59 feet;
- (71) Thence along the arc of a curve to the left, having a central angle of 5°02'12", a radius of 2500.00 feet, a chord bearing of S05°47'01"W a distance of 219.69 feet, and an arc distance of 219.77 feet;
- (72) Thence S03°15'55"W tangent with the last and following described curves a distance of 820.88 feet;
- (73) Thence along the arc of a curve to the right, having a central angle of 12°20'04", a radius of 1600.00 feet, a chord bearing of S09°25'57"W a distance of 343.78 feet, and an arc distance of 344.44 feet;
- (74) Thence S15°35'59"W tangent with the last and following described curves a distance of 677.42 feet;
- (75) Thence along the arc of a curve to the left, having a central angle of 4°23'51", a radius of 2800.00 feet, a chord bearing of S13°24'04"W a distance of 214.84 feet, and an arc distance of 214.90 feet;
- (76) Thence S11°12'09"W tangent with the last and following described curves a distance of 317.36 feet;
- (77) Thence along the arc of a curve to the right, having a central angle of 17°25'40", a radius of 1100.00 feet, a chord bearing of S19°54'59"W a distance of 333.30 feet, and an arc distance of 334.59 feet;
- (78) Thence S28°37'49"W tangent with the last and following described curves a distance of 187.80 feet;
- (79) Thence along the arc of a curve to the left, having a central angle of 9°28'48", a radius of 1000.00 feet, a chord bearing of S23°53'25"W a distance of 165.27 feet, and an arc distance of 165.46 feet;

# EXHIBIT B

- (80) Thence S19°09'00"W tangent with the last and following described curves a distance of 273.98 feet;
- (81) Thence along the arc of a curve to the right, having a central angle of 12°46'58", a radius of 1200.00 feet, a chord bearing of S25°32'29"W a distance of 267.16 feet, and an arc distance of 267.72 feet;
- (82) Thence S31°55'58"W tangent with the last and following described curves a distance of 312.29 feet;
- (83) Thence along the arc of a curve to the left, having a central angle of 9°27'36", a radius of 1400.00 feet, a chord bearing of S27°12'10"W a distance of 230.89 feet, and an arc distance of 231.15 feet;
- (84) Thence S22°28'22"W tangent with the last and following described curves a distance of 576.00 feet;
- (85) Thence along the arc of a curve to the right, having a central angle of 7°41'13", a radius of 1650.00 feet, a chord bearing of S26°18'59"W a distance of 221.20 feet, and an arc distance of 221.37 feet;
- (86) Thence S30°09'36"W tangent with the last described curve a distance of 872.70 feet to the southerly line of Mono County and the Point of Termination.

Sidelines are shortened or lengthened to intersect at angle points, the southerly right-of-way line of said Highway 395 and the southerly line of Mono County.

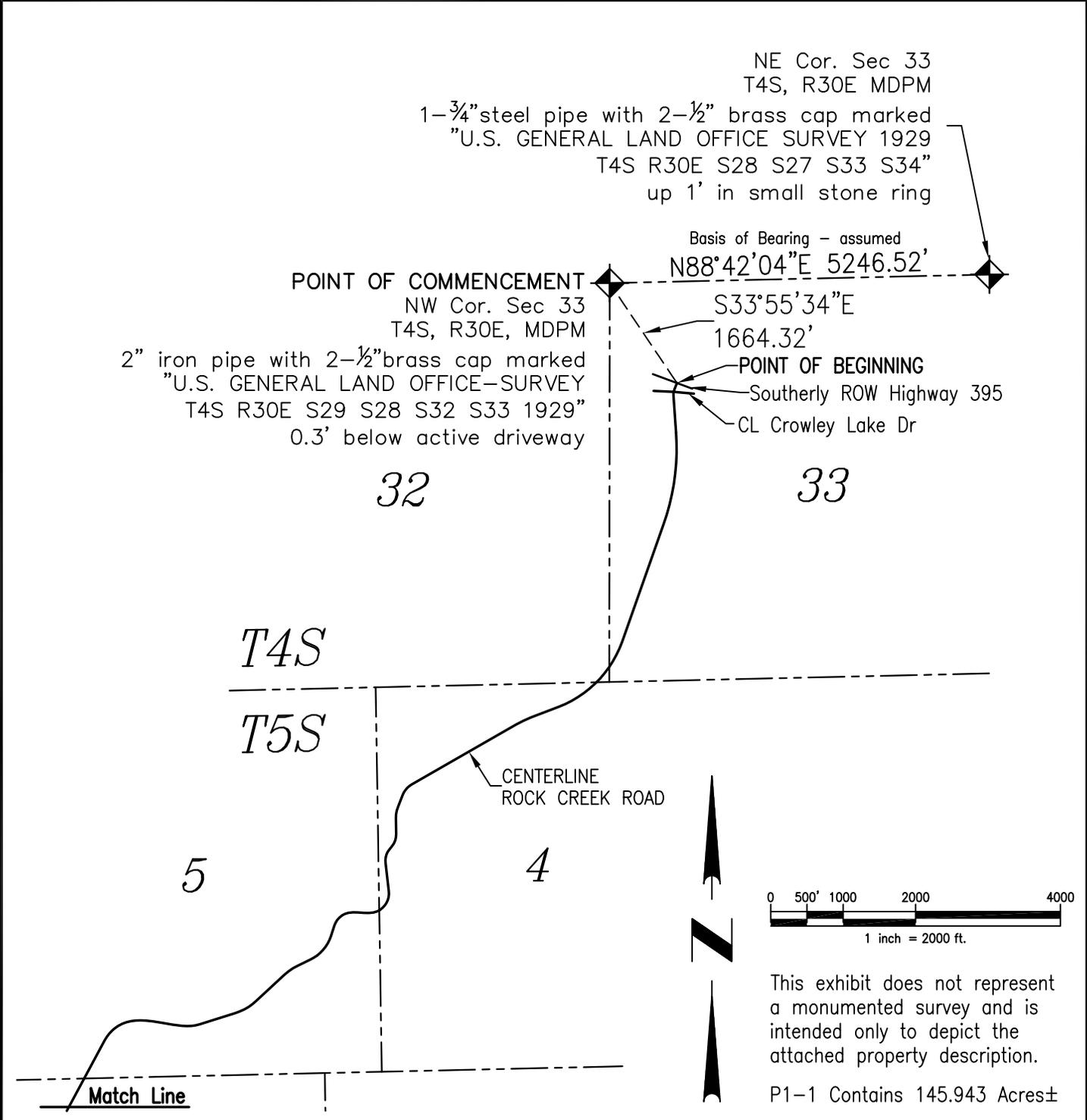
Containing 145.943 Acres more or less.

**Basis of Bearing:** The bearing between the Northwest Corner of Section 33, Township 4 South, Range 30 East of the Mt. Diablo Principal Meridian (a found 2" iron pipe with a 2-½" brass cap stamped "U.S. GENERAL LAND OFFICE-SURVEY T4S R30E S29 S28 S32 S33 1929" 0.3' below surface of active driveway) and the Northeast Corner of Section 33, Township 4 South, Range 30 East of the Mt. Diablo Principal Meridian (a found 1-¾" steel pipe with a 2-½" brass cap stamped "U.S. GENERAL LAND OFFICE-SURVEY T4S R30E S28 S27 S33 S34 1929" up 1' in a small stone ring) as shown on Record of Survey recorded August 3, 1983 in Book 1 of Maps at Pages 94 and 94A bears N88°42'04"E a distance of 5246.52 feet.

Prepared by:  
JACOBS  
Aaron D. Willis, PLS 8881  
License Expires 12-31-2015  
Date: 04-09-15



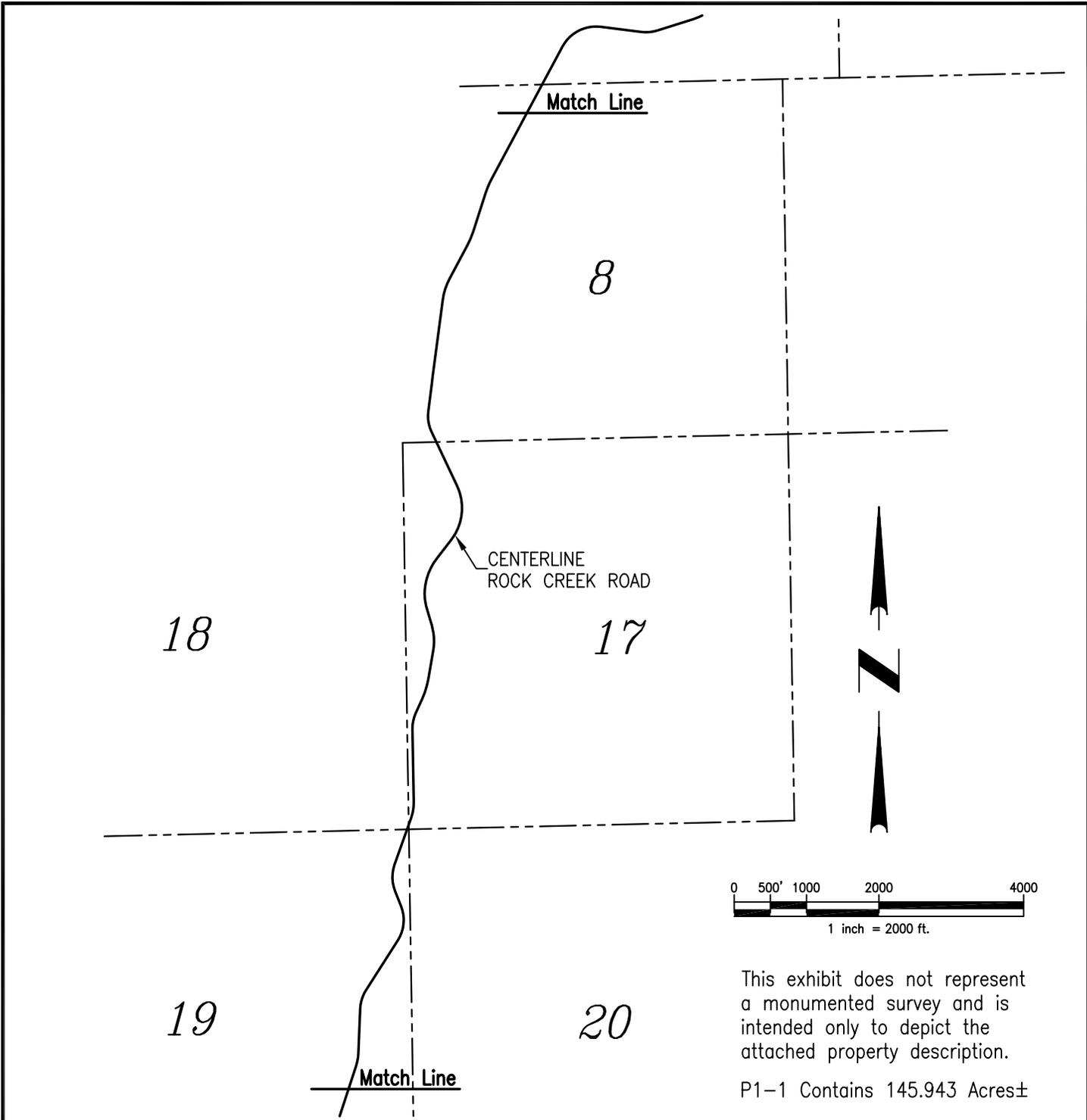
# EXHIBIT B



JACOBS PROJECT NO.	0WVXW3020		
CLIENT PROJECT NO.	CA PFH 89-1(1)		
REVISION DESCRIPTION			
DRAWN	jsk	DATE	7/31/13
		SCALE	1" = 2000'
707 17th Street, Suite 2400, Denver CO 80202 (303) 820-5240 Fax (303) 820-5298			
THIS MATERIAL AND ANY ASSOCIATED ELECTRONIC DATA WAS PREPARED BY JACOBS FOR THE PROJECT INDICATED. ANY REUSE OR MODIFICATION WITHOUT THE WRITTEN CONSENT OF JACOBS SHALL BE AT THE SOLE RISK OF THE USER.			

<b>Parcel P1-1 Rock Creek Road</b> Secs 32&33, T4S, R30E, & Secs 4,5,8,17, 18,19,20,30&31, T5S, R30E, M.D.P.M.		
TITLE:		
Mono County California		
REVISION:	DRAWING NO.	SHEET NO.
	RockCreekRd-Mono.dwg	1 of 3

# EXHIBIT B



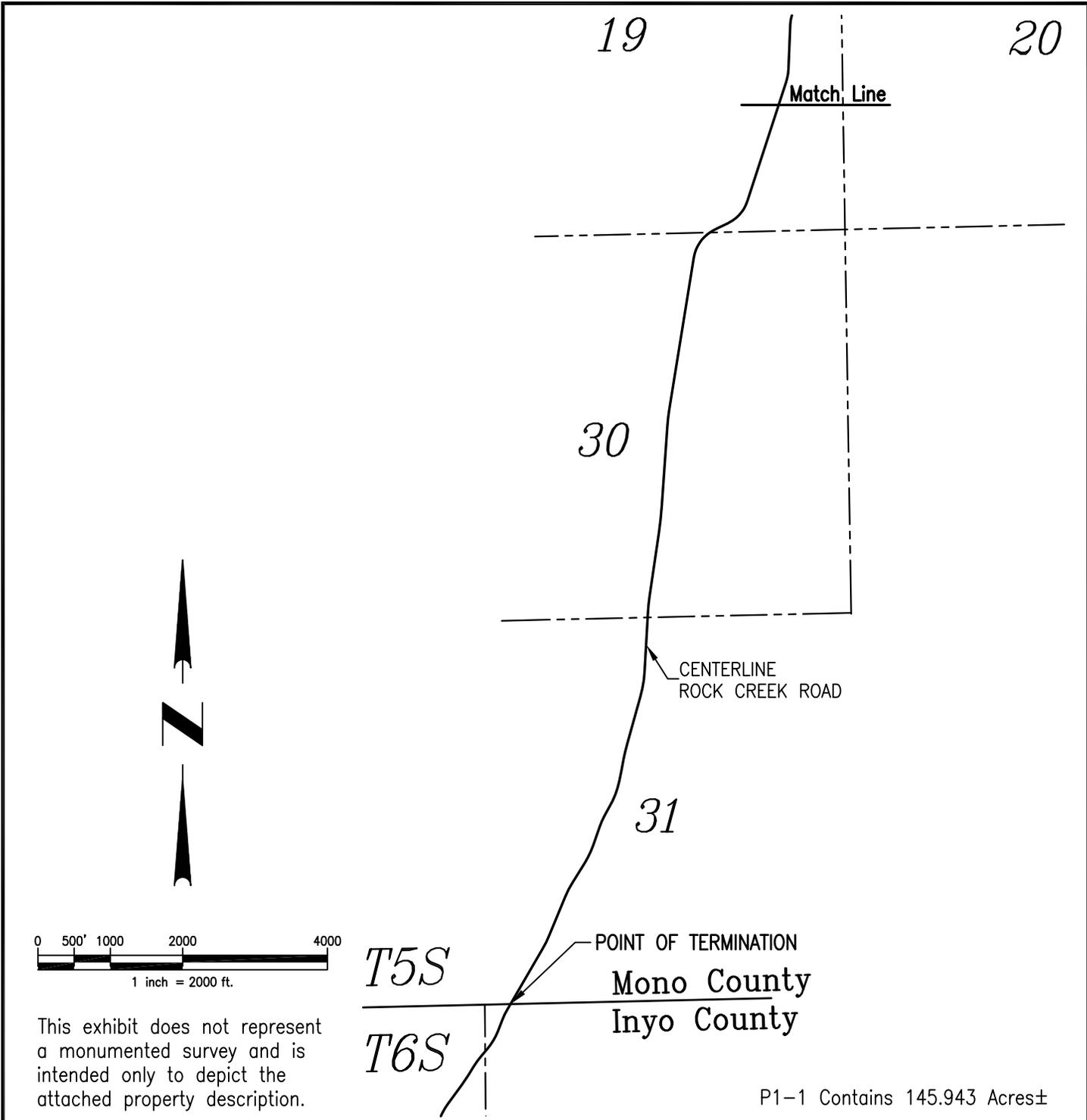
This exhibit does not represent a monumented survey and is intended only to depict the attached property description.

P1-1 Contains 145.943 Acres±

JACOBS PROJECT NO.		0WVXW3020	
CLIENT PROJECT NO.		CA PFH 89-1(1)	
REVISION DESCRIPTION			
DRAWN	jsk	DATE	7/31/13
SCALE		1" = 2000'	
707 17th Street, Suite 2400, Denver CO 80202 (303) 820-5240 Fax (303) 820-5298			
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<b>Parcel P1-1 Rock Creek Road</b> Secs 32&33, T4S, R30E, & Secs 4,5,8,17, 18,19,20,30&31, T5S, R30E, M.D.P.M.		
TITLE:		
Mono County California		
REVISION:	DRAWING NO.	SHEET NO.
	RockCreekRd-Mono.dwg	2 of 3

# EXHIBIT B



JACOBS PROJECT NO.		0WVXW3020	
CLIENT PROJECT NO.		CA PFH 89-1(1)	
REVISION DESCRIPTION			
DRAWN	jsk	DATE	7/31/13
SCALE		1" = 2000'	



707 17th Street, Suite 2400, Denver CO 80202  
(303) 820-5240 Fax (303) 820-5298

THIS MATERIAL AND ANY ASSOCIATED ELECTRONIC DATA WAS PREPARED BY JACOBS FOR THE PROJECT INDICATED. ANY REUSE OR MODIFICATION WITHOUT THE WRITTEN CONSENT OF JACOBS SHALL BE AT THE SOLE RISK OF THE USER.

Parcel P1-1 Rock Creek Road Secs 32&33, T4S, R30E, & Secs 4,5,8,17, 18,19,20,30&31, T5S, R30E, M.D.P.M.		
TITLE: Mono County California		
REVISION:	DRAWING NO. RockCreekRd-Mono.dwg	SHEET NO. 3 of 3



RESOLUTION NO. R14-\_\_\_

**A RESOLUTION OF THE MONO COUNTY  
BOARD OF SUPERVISORS  
AUTHORIZING THE PUBLIC WORKS DIRECTOR  
TO ACCEPT AND CONSENT TO RECORDATION  
OF A HIGHWAY EASEMENT DEED  
FOR ROCK CREEK ROAD**

**WHEREAS**, pursuant to California law, deeds or grants conveying an interest in real property to a government agency may not be recorded without the consent of the government agency; and

**WHEREAS**, Government Code Section 27281 allows the legislative body of the government agency to authorize one or more officers or agents to accept and consent to the recordation of such deeds or grants; and

**WHEREAS**, the Board of Supervisors wishes to authorize the Public Works Director to accept and consent to recordation of a Highway Easement Deed offered by the United States of America for Rock Creek Road to satisfy conditions of the Rehabilitation Project funded by the Federal Lands Access Program (FLAP);

**NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF MONO RESOLVES** that:

**SECTION ONE:** The Assistant Public Works Director is hereby authorized to accept and consent to the recordation of a Highway Easement Deed offered by the United States of America for Rock Creek Road granted to the County as necessary to satisfy conditions of the Rehabilitation Project funded by the Federal Lands Access Program (FLAP).

**PASSED, APPROVED and ADOPTED** this 16<sup>th</sup> day of December, 2014, by the following vote, to wit:

**AYES:  
NOES:  
ABSENT:  
ABSTAIN:**

\_\_\_\_\_  
Larry K. Johnston, Chair  
Mono County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
County Counsel



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: CAO**

**TIME REQUIRED** 10 minutes (5 minute presentation; 5 minute Board discussion)

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Jim Leddy, Marshall Rudolph

**SUBJECT** Public Defender Contract Extension

---

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Proposed three month extension of current contracts for indigent defense (public defender) services with Gerald F. Mohun, David D. Hammon, and Randall. L. Gephart.

---

### RECOMMENDED ACTION:

Approve County entry into, and authorize the Board Chair to sign the following three Agreements and Second Amendments: (1) Proposed Agreement and Second Amendment to Agreement with Gerald F. Mohun, Jr. and Liebersbach, Mohun, Carney & Reed for the provision of indigent defense services; (2) Proposed Agreement and Second Amendment to Agreement with David D. Hammon for the provision of indigent defense services; and (3) Proposed Agreement and Second Amendment to Agreement with Randall L. Gephart for the provision of indigent defense services.

---

### FISCAL IMPACT:

No additional cost by this contract extension. Total annual cost of these three contracts is \$542,538. Each contract pays \$15,070.50 per month.

---

**CONTACT NAME:** Jim Leddy

**PHONE/EMAIL:** /

---

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

**SEND COPIES TO:**

---

### MINUTE ORDER REQUESTED:

YES  NO

---

### ATTACHMENTS:

[Click to download](#)

- [PD staff report](#)
- [PD extension -- Mohun](#)
- [PD extension -- Gephart](#)
- [PD extension -- Hammon](#)
- [First Amendment Mohun](#)
- [First Amendment -- Gephart](#)
- [First Amendment -- Hammon](#)
- [Gephart contract](#)
- [Mohun contract](#)
- [Hammon contract](#)

---

**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/8/2014 4:04 PM	County Administrative Office	Yes
12/9/2014 10:02 AM	County Counsel	Yes
12/9/2014 3:56 PM	Finance	Yes



## **COUNTY OF MONO – County Administrative Office**

P.O. BOX 696, BRIDGEPORT, CALIFORNIA 93517  
(760) 932-5410 □ FAX (760) 932-5411

---

Jim Leddy  
County Administrative Officer

TO: Board of Supervisors

FROM: Jim Leddy, CAO

DATE: December 16, 2014

SUBJECT: Proposed Agreement and Second Amendment to Agreement with Gerald F. Mohun, Jr. and Liebersbach, Mohun, Carney & Reed for the provision of indigent defense services. Proposed Agreement and Second Amendment to Agreement with David D. Hammon for the provision of indigent defense services. Proposed Agreement and Second Amendment to Agreement with Randall L. Gephart for the provision of indigent defense services.

**Recommendation:**

Approve County entry into, and authorize the Board Chair to sign, said Agreements and Second Amendments.

**Fiscal/Mandates Impact:**

No additional cost by this contract extension. Total annual cost of these three contracts is \$542,538.

**Discussion:**

The County currently contracts with three attorneys – Gerald Mohun, Randall Gephart, and David Hammon – for indigent defense (public defender) services. Those contracts will expire at the end of this year. The proposed amendments would extend the contracts for three months (until March 31, 2015) with no increase in compensation. Copies of the underlying contracts and a previous (first) amendment to them are enclosed for reference.

The extension will provide time for staff and the Board to gather the necessary data to determine whether to negotiate a longer term extension/renewal of the contracts – which the current contractors are willing to do – or to go through an RFP-type of procurement process. Such a process is not legally required for these contracts but can be done in the County's discretion. The last such process was apparently in 2010.

If you have any questions regarding this item, please feel free to contact me at (760) 932-5414.

Encl.

**AGREEMENT AND SECOND AMENDMENT  
TO AGREEMENT BETWEEN THE COUNTY OF MONO  
AND GERALD F. MOHUN, JR. AND LIEBERSBACH, MOHUN, CARNEY  
& REED FOR THE PROVISION OF INDIGENT COUNSEL SERVICES**

This Agreement and Second Amendment (hereinafter "Second Amendment") is entered into as of December 16, 2014, by and between the COUNTY OF MONO, a political subdivision of the State of California ("County") and GERALD F. MOHUN, JR. and LIEBERSBACH, MOHUN, CARNEY & REED ("Contractor"). They may sometimes be referred to collectively herein as "the parties."

**Recitals**

- A. In 2009, the parties entered into an agreement for Contractor's provision of legal services for certain qualified indigent persons, which was first amended on August 1, 2012, and which will terminate on December 31, 2014 ("the Agreement").
- B. The parties wish to amend said Agreement again to extend the current contract termination date until March 31, 2015.

**Agreement**

NOW, THEREFORE, the parties agree as follows:

- 1. Article IV(A) of the Agreement is amended in its entirety to read as follows:  
  
"This Agreement commences on January 1, 2010 and terminates on March 31, 2015; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties."
- 3. Article IV(D) of the Agreement is amended by adding the following sentence to the end of said Article IV(D): "The amount of Contractor's regular monthly compensation from January 1, 2015, through March 31, 2015, shall be the same as during calendar year 2014 (no increases)."
- 4. Any provisions of the Agreement not expressly amended or affected by this Second Amendment shall remain in full force and effect.

**Execution**

The parties shall be deemed to have signed this Second Amendment below through their authorized representatives as of December 16, 2014:

THE COUNTY:

CONTRACTOR:

By: \_\_\_\_\_  
Larry K. Johnston, Chairman  
Board of Supervisors

\_\_\_\_\_  
BY: GERALD F. MOHUN, JR.

APPROVED AS TO FORM:

\_\_\_\_\_  
Marshall Rudolph, County Counsel

ATTEST:

\_\_\_\_\_  
CLERK OF THE BOARD OF SUPERVISORS

**AGREEMENT AND SECOND AMENDMENT  
TO AGREEMENT BETWEEN THE COUNTY OF MONO  
AND RANDALL L. GEPHART FOR THE PROVISION OF  
INDIGENT COUNSEL SERVICES**

This Agreement and Second Amendment (hereinafter "Second Amendment") is entered into as of December 16, 2014, by and between the COUNTY OF MONO, a political subdivision of the State of California ("County") and RANDALL L. GEPHART ("Contractor"). They may sometimes be referred to collectively herein as "the parties."

**Recitals**

- A. In 2009, the parties entered into an agreement for Contractor's provision of legal services for certain qualified indigent persons, which was first amended on August 1, 2012, and which will terminate on December 31, 2014 ("the Agreement").
- B. The parties wish to amend said Agreement again to extend the current contract termination date until March 31, 2015.

**Agreement**

NOW, THEREFORE, the parties agree as follows:

1. Article IV(A) of the Agreement is amended in its entirety to read as follows:  
  
"This Agreement commences on January 1, 2010 and terminates on March 31, 2015; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties."
3. Article IV(D) of the Agreement is amended by adding the following sentence to the end of said Article IV(D): "The amount of Contractor's regular monthly compensation from January 1, 2015, through March 31, 2015, shall be the same as during calendar year 2014 (no increases)."
4. Any provisions of the Agreement not expressly amended or affected by this Second Amendment shall remain in full force and effect.

**Execution**

The parties shall be deemed to have signed this Second Amendment below through their authorized representatives as of December 16, 2014:

THE COUNTY:

CONTRACTOR:

By: \_\_\_\_\_  
Larry K. Johnston, Chairman  
Board of Supervisors

\_\_\_\_\_  
BY: RANDALL L. GEPHART

APPROVED AS TO FORM:

\_\_\_\_\_  
Marshall Rudolph, County Counsel

ATTEST:

\_\_\_\_\_  
CLERK OF THE BOARD OF SUPERVISORS

**AGREEMENT AND SECOND AMENDMENT  
TO AGREEMENT BETWEEN THE COUNTY OF MONO  
AND DAVID D. HAMMON FOR THE PROVISION OF  
INDIGENT COUNSEL SERVICES**

This Agreement and Second Amendment (hereinafter "Second Amendment") is entered into as of December 16, 2014, by and between the COUNTY OF MONO, a political subdivision of the State of California ("County") and DAVID D. HAMMON ("Contractor"). They may sometimes be referred to collectively herein as "the parties."

**Recitals**

- A. In 2009, the parties entered into an agreement for Contractor's provision of legal services for certain qualified indigent persons, which was first amended on August 1, 2012, and which will terminate on December 31, 2014 ("the Agreement").
- B. The parties wish to amend said Agreement again to extend the current contract termination date until March 31, 2015.

**Agreement**

NOW, THEREFORE, the parties agree as follows:

- 1. Article IV(A) of the Agreement is amended in its entirety to read as follows:  
  
"This Agreement commences on January 1, 2010 and terminates on March 31, 2015; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties."
- 3. Article IV(D) of the Agreement is amended by adding the following sentence to the end of said Article IV(D): "The amount of Contractor's regular monthly compensation from January 1, 2015, through March 31, 2015, shall be the same as during calendar year 2014 (no increases)."
- 4. Any provisions of the Agreement not expressly amended or affected by this Second Amendment shall remain in full force and effect.

**Execution**

The parties shall be deemed to have signed this Second Amendment below through their authorized representatives as of December 16, 2014:

THE COUNTY:

CONTRACTOR:

By: \_\_\_\_\_  
Larry K. Johnston, Chairman  
Board of Supervisors

\_\_\_\_\_  
BY: DAVID D. HAMMON

APPROVED AS TO FORM:

\_\_\_\_\_  
Marshall Rudolph, County Counsel

ATTEST:

\_\_\_\_\_  
CLERK OF THE BOARD OF SUPERVISORS

**AGREEMENT AND FIRST AMENDMENT  
TO AGREEMENT BETWEEN THE COUNTY OF MONO  
AND GERALD F. MOHUN, JR. AND LIEBERSBACH, MOHUN, CARNEY  
& REED FOR THE PROVISION OF INDIGENT COUNSEL SERVICES**

This Agreement and First Amendment (hereinafter "First Amendment") is entered into as of August 1, 2012, by and between the COUNTY OF MONO, a political subdivision of the State of California ("County") and GERALD F. MOHUN, JR. and LIEBERSBACH, MOHUN, CARNEY & REED ("Contractor"). They may sometimes be referred to collectively herein as "the parties."

**Recitals**

A. In 2009, the parties entered into an agreement for Contractor's provision of legal services for certain qualified indigent persons, which will expire on December 31, 2012 ("the Agreement").

B. The parties wish to amend said Agreement to clarify Contractor's obligations with respect to scheduling and court appearances, to extend the expiration date for two years (until December 31, 2014), and to revise the definition of "complex case." Notwithstanding said amendments, the parties intend that the regular monthly compensation amount for calendar year 2012 shall continue during calendar 2013 and 2014 without any increase.

**Agreement**

NOW, THEREFORE, the parties agree as follows:

1. Effective August 1, 2012, Section (G) is hereby added to Article III of the Agreement and will read as follows:

"G. By entering into this agreement, Contractor accepts the responsibility of being a "Public Defender" for the County of Mono and shall place priority on his Public Defender court appearances. Placing priority on court appearances means that a Public Defender will exercise the highest degree of due diligence to be present on time for the scheduled start of any criminal matter appearance for which that Public Defender attorney is expected to appear. A Public Defender shall not schedule an appearance for representation as a private attorney that will create a conflict with his court appearances as a Public Defender. Specifically, Public Defenders are expected to appear at the Bridgeport courtroom for criminal matter appearances every Tuesday no later than 9:30 AM."

2. Article IV(A) of the Agreement is amended in its entirety to read as follows:

“This Agreement commences on January 1, 2010 and terminates on December 31, 2014; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties.”

3. Article IV(D) of the Agreement is amended by adding the following sentence to the end of said Article IV(D): “The amount of Contractor’s regular monthly compensation during calendar years 2013 and 2014 shall be the same as during calendar year 2012 (no increases).”

4. Article IV(E) of the Agreement is amended in its entirety to read as follows:

“A ‘complex case’ means a felony case requiring more than fifty (50) hours of Contractor’s personal time to handle. Effective August 1, 2012, a ‘complex case’ means any case (felony or misdemeanor, civil or criminal) requiring more than fifty (50) hours of Contractor’s personal time to handle. When a case becomes complex, Contractor’s time spent on that case (beyond the first 50 hours) shall be compensated at the court’s then-current hourly rate of compensation for appointed counsel in felony cases. All time personally spent by Contractor on such a case shall be counted toward determining whether it has become ‘complex’ and, if so, how much additional compensation is owing. No additional compensation shall be owed for the first 50 hours of time, which are deemed included in the Contractor’s base compensation. Contractor shall invoice County for any additional compensation alleged to be owing with respect to a complex case, which shall include appropriate time records indicating, at a minimum, the nature of those services, and the Contractor’s time measured in tenths of an hour. County shall pay such an invoice within 30 days of receipt.”

5. Any provisions of the Agreement not expressly amended or affected by this First Amendment shall remain in full force and effect.

**Execution**

The parties shall be deemed to have signed this First Amendment below through their authorized representatives as of August 1, 2012:

THE COUNTY:

CONTRACTOR:

By: \_\_\_\_\_  
Byng Hunt, Vice Chair  
Board of Supervisors

\_\_\_\_\_  
BY: GERALD F. MOHUN, JR.

APPROVED AS TO FORM:

---

Marshall Rudolph, County Counsel

ATTEST:

---

CLERK OF THE BOARD OF SUPERVISORS

**AGREEMENT AND FIRST AMENDMENT  
TO AGREEMENT BETWEEN THE COUNTY OF MONO  
AND RANDALL L. GEPHART FOR THE PROVISION OF  
INDIGENT COUNSEL SERVICES**

This Agreement and First Amendment (hereinafter "First Amendment") is entered into as of August 1, 2012, by and between the COUNTY OF MONO, a political subdivision of the State of California ("County") and RANDALL L. GEPHART ("Contractor"). They may sometimes be referred to collectively herein as "the parties."

**Recitals**

A. In 2009, the parties entered into an agreement for Contractor's provision of legal services for certain qualified indigent persons, which will expire on December 31, 2012 ("the Agreement").

B. The parties wish to amend said Agreement to clarify Contractor's obligations with respect to scheduling and court appearances, to extend the expiration date for two years (until December 31, 2014), and to revise the definition of "complex case." Notwithstanding said amendments, the parties intend that the regular monthly compensation amount for calendar year 2012 shall continue during calendar 2013 and 2014 without any increase.

**Agreement**

NOW, THEREFORE, the parties agree as follows:

1. Effective August 1, 2012, Section (G) is hereby added to Article III of the Agreement and will read as follows:

"G. By entering into this agreement, Contractor accepts the responsibility of being a "Public Defender" for the County of Mono and shall place priority on his Public Defender court appearances. Placing priority on court appearances means that a Public Defender will exercise the highest degree of due diligence to be present on time for the scheduled start of any criminal matter appearance for which that Public Defender attorney is expected to appear. A Public Defender shall not schedule an appearance for representation as a private attorney that will create a conflict with his court appearances as a Public Defender. Specifically, Public Defenders are expected to appear at the Bridgeport courtroom for criminal matter appearances every Tuesday no later than 9:30 AM."

2. Article IV(A) of the Agreement is amended in its entirety to read as follows:  
  
 "This Agreement commences on January 1, 2010 and terminates on December 31, 2014; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties."
  
3. Article IV(D) of the Agreement is amended by adding the following sentence to the end of said Article IV(D): "The amount of Contractor's regular monthly compensation during calendar years 2013 and 2014 shall be the same as during calendar year 2012 (no increases)."
  
4. Article IV(E) of the Agreement is amended in its entirety to read as follows:  
  
 "A 'complex case' means a felony case requiring more than fifty (50) hours of Contractor's personal time to handle. Effective August 1, 2012, a 'complex case' means any case (felony or misdemeanor, civil or criminal) requiring more than fifty (50) hours of Contractor's personal time to handle. When a case becomes complex, Contractor's time spent on that case (beyond the first 50 hours) shall be compensated at the court's then-current hourly rate of compensation for appointed counsel in felony cases. All time personally spent by Contractor on such a case shall be counted toward determining whether it has become 'complex' and, if so, how much additional compensation is owing. No additional compensation shall be owed for the first 50 hours of time, which are deemed included in the Contractor's base compensation. Contractor shall invoice County for any additional compensation alleged to be owing with respect to a complex case, which shall include appropriate time records indicating, at a minimum, the nature of those services, and the Contractor's time measured in tenths of an hour. County shall pay such an invoice within 30 days of receipt."
  
5. Any provisions of the Agreement not expressly amended or affected by this First Amendment shall remain in full force and effect.

**Execution**

The parties shall be deemed to have signed this First Amendment below through their authorized representatives as of August 1, 2012:

THE COUNTY:

CONTRACTOR:

By: \_\_\_\_\_  
 Byng Hunt, Vice Chair  
 Board of Supervisors

\_\_\_\_\_   
 BY: RANDALL L. GEPHART

APPROVED AS TO FORM:

---

Marshall Rudolph, County Counsel

ATTEST:

---

CLERK OF THE BOARD OF SUPERVISORS

**AGREEMENT AND FIRST AMENDMENT  
TO AGREEMENT BETWEEN THE COUNTY OF MONO  
AND DAVID D. HAMMON FOR THE PROVISION OF  
INDIGENT COUNSEL SERVICES**

This Agreement and First Amendment (hereinafter "First Amendment") is entered into as of August 1, 2012, by and between the COUNTY OF MONO, a political subdivision of the State of California ("County") and DAVID D. HAMMON ("Contractor"). They may sometimes be referred to collectively herein as "the parties."

**Recitals**

A. In 2009, the parties entered into an agreement for Contractor's provision of legal services for certain qualified indigent persons, which will expire on December 31, 2012 ("the Agreement").

B. The parties wish to amend said Agreement to clarify Contractor's obligations with respect to scheduling and court appearances, to extend the expiration date for two years (until December 31, 2014), and to revise the definition of "complex case." Notwithstanding said amendments, the parties intend that the regular monthly compensation amount for calendar year 2012 shall continue during calendar 2013 and 2014 without any increase.

**Agreement**

NOW, THEREFORE, the parties agree as follows:

1. Effective August 1, 2012, Section (G) is hereby added to Article III of the Agreement and will read as follows:

"G. By entering into this agreement, Contractor accepts the responsibility of being a "Public Defender" for the County of Mono and shall place priority on his Public Defender court appearances. Placing priority on court appearances means that a Public Defender will exercise the highest degree of due diligence to be present on time for the scheduled start of any criminal matter appearance for which that Public Defender attorney is expected to appear. A Public Defender shall not schedule an appearance for representation as a private attorney that will create a conflict with his court appearances as a Public Defender. Specifically, Public Defenders are expected to appear at the Bridgeport courtroom for criminal matter appearances every Tuesday no later than 9:30 AM."

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5. Any provisions of the Agreement not expressly amended or affected by this First Amendment shall remain in full force and effect.

**Execution**

The parties shall be deemed to have signed this First Amendment below through their authorized representatives as of August 1, 2012:

THE COUNTY:

CONTRACTOR:

By: \_\_\_\_\_  
 Vikki Bauer, Chair  
 Board of Supervisors

\_\_\_\_\_  
 BY: DAVID D. HAMMON

APPROVED AS TO FORM:

---

Marshall Rudolph, County Counsel

ATTEST:

---

CLERK OF THE BOARD OF SUPERVISORS

#90351

AGREEMENT BETWEEN THE COUNTY OF MONO  
AND RANDALL L. GEPHART,  
FOR THE PROVISION OF INDIGENT DEFENSE COUNSEL SERVICES

I. PARTIES.

The parties to this Agreement are the COUNTY OF MONO ["County"], a political subdivision of the State of California and RANDALL L. GEPHART ["Contractor"], an attorney licensed by the State of California.

II. RECITALS.

WHEREAS the County intends to contract to divide performance of Indigent Defense Counsel Services between three independent contractors pursuant to California Penal Code Section 987.2 (b). The purpose of these contracts is to provide competent and effective legal representation to qualified indigent persons appearing before the various Courts of the County and to fix the expenditures of County funds for the payment of private attorneys where the other indigent contract counsel is unable to appear due to a conflict of interest. This contract is part of a joint proposal which contemplates the cooperative, but separate and independent, provision of indigent legal services and the coverage of conflicts for Mono County between Contractor and Gerald F. Mohun and David D. Hammon;

WHEREAS, the County requires professional services for the purpose of providing legal representation for certain qualified indigent persons before the various courts of said county;

WHEREAS, the County is required as a matter of law to provide legal defense services and juvenile services pursuant to California Penal Code to persons who qualify for such services. The County desires to insure the quality, consistency, and efficiency, and to fix the costs of indigent defense services. The County enters into this contract and the two related contracts to achieve those goals;

WHEREAS, contractor is a duly licensed attorney who represents that he is capable of providing such legal defense services;

WHEREAS, this is a personal services contract in which County relies upon Contractor to provide the services herein described;

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions contained in this Agreement, the parties hereby agree as follows:

III. SERVICES PROVIDED BY CONTRACTOR.

A. Contractor shall furnish to the County those services set forth in Attachment A, attached hereto and by reference incorporated herein.

B. Contractor shall provide such services in a manner consistent with his obligations as an

attorney at law in the State of California.

C. Contractor shall inform the court when, in the opinion of Contractor, his representation of a criminal defendant would constitute a conflict of interest. Once so informed, the court shall appoint the appropriate other contract attorney to represent that criminal defendant.

D. Contractor agrees to abide by the Rules of Professional Conduct of the State Bar of California. Contractor agrees not to engage in any private representation which would conflict with his ability to represent indigent defendants under this Contract.

E. Contractor shall, at his own expense, comply with all continuing legal education requirements mandated by law, rules of court, and rules of professional responsibility.

F. In performing all services under this Contract, Contractor shall use his best efforts to conform to local judicial requirements and expectations for attorneys practicing in Mono County courts. Among other things, Contractor shall (to the extent practicable) be present in court and ready to proceed with his matters at the date and time they are scheduled to be heard. In that regard, Contractor shall (to the extent practicable) conduct client meetings and otherwise prepare for his client's court appearances in advance of the court sessions at which those appearances are scheduled to occur.

#### IV. TERM; COMPENSATION TO CONTRACTOR.

A. This Agreement commences on January 1, 2010 and terminates on December 31, 2012; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties.

B. During calendar year 2010, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum of fourteen thousand five hundred fifty-seven dollars and fifty cents (\$14,557.50) increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2008 to September 2009. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

C. During calendar year 2011, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum pursuant to section (B) of this Article IV increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2009 to September 2010. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

D. During calendar year 2012, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum pursuant to section (C) of this Article IV increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2010 to September 2011. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

E. A "complex case" means a felony case requiring more than fifty (50) hours of Contractor's personal time to handle. When a case becomes complex, Contractor's time spent on that case (beyond the first 50 hours) shall be compensated at the court's then-current hourly rate of compensation for appointed counsel in felony cases. All time personally spent by Contractor on a felony case shall be counted in determining whether it has become "complex" and, if so, how much additional compensation is owing. No additional compensation shall be owed for the first 50 hours of time, which are deemed included in the Contractor's base compensation. Contractor shall invoice County for any additional compensation alleged to be owing with respect to a complex case, which shall include appropriate time records indicating, at a minimum, the name of the case, the dates the legal services were rendered, the general nature of those services, and the Contractor's time measured in tenths of an hour. County shall pay such an invoice within 30 days of receipt.

F. Contractor shall maintain and provide proof of professional liability insurance with an amount of coverage satisfactory to the County throughout the term of the contract.

G. Except as otherwise provided herein, Contractor shall not be entitled to, nor receive, any other additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this agreement. Specifically, Contractor shall not be entitled, by virtue of this agreement, to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever.

H. The compensation set forth herein does not include compensation for ancillary professional services, including but not limited to, investigators, photographers, accident reconstruction experts, chemists, criminalist, psychologists, psychiatrists, and other expert consultants. These services, which are subject to Court approval, shall be billed to the County and paid separately. Notwithstanding the foregoing, the County may at its own expense retain a private investigator to provide investigative services to Contractor and to other contractors providing indigent defense counsel services. County shall solicit and duly consider Contractor's opinion regarding the qualifications of any such proposed investigator, but the County in its sole discretion shall make the final decision regarding the investigator retained and the terms and conditions of that retention. If and when the County so retains an investigator to provide services to Contractor, then Contractor shall utilize that investigator for Contractor's investigative needs under this contract to the fullest extent possible, provided that the investigator is willing and legally able to provide services to Contractor. In the event that the investigator is ever legally unable to provide services to Contractor on a particular matter (e.g., due to conflict of interest),

then Contractor may with Court approval utilize any other investigator for that matter, the cost of which shall be billed to the County and paid separately.

I. County has no obligation to withhold any taxes or other payments from the sums paid Contractor by County pursuant to this Agreement. Payment of taxes as required by law is the sole responsibility of Contractor.

J. Contractor shall provide such office space, supplies, equipment, vehicles reference materials, and telephone services as is necessary for Contractor to provide the services identified in Attachment A to this Agreement. County is not obligated to reimburse or to pay contractor for any expense or cost incurred by contractor in procuring or maintaining such items. Responsibility for the costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor. Except as set forth in Section (K) of this Article IV, Contractor will not be paid or reimbursed for travel expenses or per diem which Contractor incurs in providing services and work requested by County under this Agreement.

K. With respect to travel and lodging requirements out of Mono County in the event of defense services including, but not limited to, cases where the venue is transferred out at Mono County, and, cases where Contractor is required to meet out of County with children and witnesses involved in juvenile cases when mandated by the Welfare and Institutions Code or reasonably appropriate for competent representation, County shall pay per diem travel expenses for vehicle mileage, meals and lodging at a rate not to exceed that which is established for County employees.

#### V. TERMINATION.

A. Contractor may terminate this Agreement only for good cause shown. Good cause means that the County has breached a material term of this Agreement and has failed to cure or correct that breach after being given at least 30 days written notice of the alleged breach by the Contractor. Under no circumstances shall the nature or quantity of work required of Contractor pursuant to and during the term of this Agreement -- nor the effect of that nature or quantity of work on Contractor's actual or estimated financial costs, profits, or losses incurred in rendering services under this Agreement -- constitute good cause or grounds under any other legal theory for Contractor to terminate this Agreement.

B. County may terminate this Agreement upon good cause shown. Good cause means that Contractor has not or is unable to provide services in the manner required by the relevant professional standard. Good cause may be determined only by the Board of Supervisors of County after a hearing at which Contractor has the opportunity to appear and provide evidence.

## VI. INDEPENDENT CONTRACTOR STATUS OF CONTRACTOR.

A. This Agreement is made pursuant to Penal Code Section 987.2 (b). All acts of Contractor, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as independent contractors, and not as agents, officers, or employees of County. Contractor, by virtue of this Agreement has no authority to bind or incur any obligation on behalf of County. Contractor has no authority or responsibility to exercise any rights or power vested in the County. No agent, officer, or employee of the County is to be considered an employee of the Contractor. It is understood by both Contractor and County that this Agreement shall not under *any* circumstances be construed or considered to create an employer-employee relationship or joint venture.

As an independent contractor:

B. Contractor shall determine the method, details, and means of performing the work and services to be provided by Contractor under this Agreement.

C. Contractor shall be responsible to County only for the requirements specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to County's control with respect to Contractor's fulfillment of this Agreement.

D. Contractor, its agents, officers, and employees are independent contractors, and at all times during the term of this Agreement, shall conduct themselves as independent contractors, and not as employees of County.

E. Contractor shall provide his own law office space, telephone, secretarial services, and all other services, tools and equipment necessary for him to carry out the terms of this Agreement. County may, from time to time and at its sole option, provide interview rooms in which Contractor can conduct interviews. Contractor will, however, have such reasonable access to the Mono County Law Libraries located in the Mammoth Lakes Superior Court and the County Courthouse in Bridgeport as is necessary for him to carry out the terms of this Agreement, including keys to the Law Libraries provided the Judges of the County's Courts consent to such an arrangement.

F. Contractor shall bear the cost and responsibility for obtaining any mandatory and/or continuing legal education required by statutes, applicable rules of court, or the State Bar of California, in order to perform the services required by this Agreement. Contractor shall use his best efforts to focus such education in areas of the law germane to the services required by this Agreement.

G. Contractor's obligation is to perform in a timely manner the services described in this Agreement. It is understood by the parties that the provision of such services will require a varied work schedule. County shall have no control over the work schedule of Contractor or the manner in which the services are provided by Contractor except as otherwise expressly set forth in this Agreement.

## VII. DEFENSE AND INDEMNIFICATION.

A. Contractor shall defend, indemnify, and hold harmless County, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the provision of indigent defense services pursuant to this Agreement by Contractor, or Contractor's agents, officers, or employees. Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Contractor's obligation under this paragraph extends to any claim, damage, loss liability, expense or other costs which is caused in whole or in part by any act or omission of the Contractor, its agents, and employees, or anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them may be liable.

B. To the extent permitted by law, County shall defend, indemnify and hold harmless Contractor, its agents, officer, and employees from and against all claims, damages, losses, judgment, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, or resulting from, the active negligence, or wrongful acts of County, its officers or employees.

## VIII. MISCELLANEOUS PROVISIONS.

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

B. This Agreement represents the entire Agreement by and between the parties hereto. The parties agree that no other representations have been made, whether orally or in writing, by either of them as an inducement to enter into this Agreement. There are no oral agreements between the parties.

C. This Agreement may be amended or modified only by a written agreement duly executed by the parties, and each of them.

D. Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or County shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first class mail to, the respective parties as follows:

COUNTY OF MONO:

County Administrative Office  
P.O. Box 696  
Bridgeport, CA 93517

CONTRACTOR:

Randall L. Gephart  
4 Oak Tree Place  
P.O. Box 1768  
Mammoth Lakes, CA 93546

E. ATTORNEY'S FEES -- If either of the parties hereto brings an action or proceeding against the other, including, but not limited to, an action to enforce or declare the cancellation, termination, or revision of the Agreement, the prevailing party in such action or proceeding shall be entitled to receive from the other party all reasonable attorney's fees and costs incurred in connection therewith.

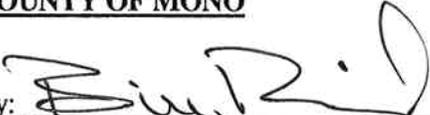
F. Contractor shall keep such reasonable records as are necessary to comply with Penal Code Section 987.8 or other such records and statistics as mutually agreed upon by the parties. Among other things, Contractor shall keep records of actual time spent performing juvenile dependency legal services every month and shall supply such time records to the County no later than 15 days after the end of each month in which juvenile dependency services were performed. Such records shall provide such detail as the Courts may require in order to compensate the County for providing such services to the Courts (under a separate agreement). Also, no later than January 31<sup>st</sup> of each year, Contractor shall provide a written summary for the prior calendar year of the number and type of cases handled and the number of hours worked on each type

IX. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless executed in writing by the parties hereto.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS \_\_\_\_ DAY OF \_\_\_\_\_.

COUNTY OF MONO

By:   
Bill Reid, Chairman  
Board of Supervisors

Dated: 8-11-09

CONTRACTOR

By: 

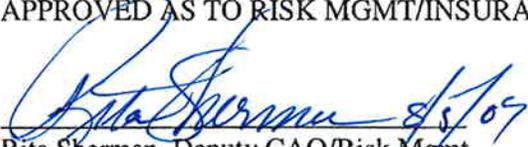
Dated: 8/25/09

Taxpayer's Identification or Social Security Number: 45-052-8900

APPROVED AS TO FORM:

  
\_\_\_\_\_  
County Counsel

APPROVED AS TO RISK MGMT/INSURANCE:

  
\_\_\_\_\_  
Rita Sherman, Deputy CAO/Risk Mgmt.

ATTACHMENT A

AGREEMENT BETWEEN THE COUNTY OF MONO  
AND RANDALL L. GEPHART,  
FOR THE PROVISION OF INDIGENT DEFENSE COUNSEL SERVICES

Contractor agrees that he will provide legal services for the following persons before the courts of Mono County when any Mono County Court determines that a person is eligible to have legal counsel appointed to him or her:

Contractor shall assume those cases assigned to contractor by the Mono County Superior Court. Cases include:

- 1 Felony arraignments and preliminary hearings
- 2 Felony trials and motions
- 3 Misdemeanor arraignments, trials and motions
- 4 Felony writs
- 5 W&I 601 and 602 cases on behalf of minors and parents, if necessary
- 6 W&I 300 cases on behalf of parents and siblings, if necessary
7. Mental health cases filed in Superior Court, including, but not limited to:
  - a. Conservatorships, including writs and posts certification hearings and certification review hearings (Welfare and Institutions Code Section 5350 and related sections);
  - b. Demonstrably dangerous commitments, (Welfare and Institutions Code Section 5300);
  - c. Commitments of dangerous mentally retarded persons (Welfare and Institutions Code Section 6500);
  - d. All post adjudication of criminal mental health status cases (Penal Code Section 1026.2, restoration of sanity hearings);
  - e. Welfare and Institutions Code Section 5158 and other mental health proceedings.
8. Misdemeanor appeals to Superior Court; family support cases, including Penal Code 270 and contempt filings. and child support crimes and contempts, and writs of Habeas Corpus.

Contractor shall act as first conflicts' counsel for Mr. Mohun and Mr. Hammon. Mr. Hammon shall act as first conflict counsel, and Mr. Mohun shall act as second conflict counsel for contractor.

Life imprisonment without possibility of parole, third strike, and homicide cases shall be assigned to contractor on a rotational basis with the other two contract indigent defense counsel. The rotational order of assignment on such cases shall be: 1. Mr. Gephart; 2. Mr. Hammon; and 3. Mr. Mohun. Once such a case is assigned, the next such case shall be assigned to the next attorney.

The contractors may cooperate to make adjustments to their respective duties to ensure that indigent defender services continue to be provided pursuant to the terms and conditions of the contract.

The scope of work of this Agreement also includes any other types of cases not expressly mentioned above with respect to which the County is legally obligated to provide defense to indigent persons pursuant to Penal Code Section 987.2 (b), unless such case is already expressly included within the scope of work of another attorney on contract with the County to provide indigent defense services during the term of this Agreement.

If any case arises; which is not expressly covered by this agreement or the other two agreements for the provision of indigent services, then the contractors shall determine which contractor shall assume representation for such case.

Contract Number 90351  
Vendor Number 11259

Board  
Contract

**CONTRACT COVER SHEET**

**ROUTING:**

County Counsel

✓

Risk Management

✓

Insurance Required

General Liability  (Check If Required)

Automobile Liability  (Check If Required)

Workers Compensation  (Check If Required)

Professional Liability  (Check If Required)

Medical Malpractice  (Check If Required)

Pollution Liability  (Check If Required)

Board

Bill Reid

Finance

\_\_\_\_\_

Human Resources

\_\_\_\_\_

CAO

\_\_\_\_\_

**CONTRACT INFORMATION**

County Department

CAO - 020

Vendor / Contractor

Randall L. Gephart

Contract Limit (not to exceed)

\$14,557.50 ea yr

Contract Term

1/1/2010 - 12/31/12

Renew ea yr for 3 years

2011 & 2012 - amount will increase



5670 Wilshire Blvd. Suite 1200, Suite Los Angeles CA 90036  
Tel (323) 857-9400 Fax (323) 857-9600  
lorisa\_harris@rpsins.com  
CA License 0C66724

**CERTIFICATE OF INSURANCE # 37577 B**  
Evidencing Placement of Coverage

Page 1 of 2  
January 11, 2011

**Insured:** Law Offices of Gephart & Silverman, A.P.C. **Agent:** The Rule Company, Inc.  
P.O. Box 1768 115 N. El Molino Ave.  
Mammoth Lakes, CA 93546 Pasadena, CA 91101

**Certificate is effective:** 12:01 AM 01/06/11 to 12:01 AM 04/06/11 unless cancelled or replaced by the Policy.  
**Policy is effective:** 12:01 AM 01/06/11 to 12:01 AM 01/06/12.

Risk Placement Services/Lemac certifies that, per your request, the following insurance has been effected with the insurance company shown below. Please note all terms and conditions and notify us immediately if there are any discrepancies. Terms and conditions bound may not be as specified on the application. Policy wording is subject in all respects to the terms, conditions and limitations of the policy in current use by the Insurer unless otherwise specified.

This Certificate is subject to all the terms and conditions of the policy being issued. This Certificate shall be automatically terminated and voided by delivery of the policy to the Insured's Agent or representative.

**Company** Underwriters at Lloyd's **Assigned Policy #** SYN1000958  
**Coverage:** Lawyer's Liability  
**Limits:** 1,000,000 per claim / 1,000,000 aggregate  
**Deductible:** 10,000 per claim  
**Retro Date / Prior** 12/28/2009  
**Acts:**  
**Terms & Conditions:** See Attached Carrier's Quote for Full Terms & Conditions  
**Endorsements:** See Attached Carrier's Quote  
**Subjectivities:** **WITHIN 5 DAYS OF BINDING:**  
1. Subject to receipt of copy of firm letterhead.  
**Broker Fee:** We are acting as a broker in this transaction and receiving compensation from the insurer. In order to pay commission as specified in our quote, we are charging a broker fee of **\$150 - fully earned**. Basic services we have performed and will do so in the future include obtaining quotes, servicing including processing of endorsements, and ordering loss runs for a period of up to 5 years after the policy has inception.  
**Other:** WHO FILES TAXES: RPS

<b>Premium</b>	\$ 9,975.00	25% Minimum Earned Premium at inception.
Broker Fee	150.00	
CA State Tax	299.25	
CA Stamp Fee	24.94	
<b>Total</b>	<b>\$ 10,449.19</b>	

**NO FLAT CANCELLATIONS**

**PAYMENT TERMS:**



5670 Wilshire Blvd. Suite 1200, Suite Los Angeles CA 90036  
Tel (323) 857-9400 Fax (323) 857-9600  
lorisa\_harris@rpsins.com  
CA License 0C66724

**CERTIFICATE OF INSURANCE # 37577 B**  
Evidencing Placement of Coverage

Page 2 of 2  
January 11, 2011

Entire net premium is due in 18 days. We are not requiring a deposit from you because you have a Producer's Agreement in force with Risk Placement Services/Lemac guaranteeing the payment of all premiums. Any extension of credit to the Insured is solely at your own risk. We suggest you collect a deposit.

WE EXPECT YOU TO COLLECT FROM THE INSURED A DEPOSIT EQUAL TO THE MINIMUM EARNED PREMIUM PRIOR TO BINDING. YOUR REQUEST TO BIND THIS QUOTE WILL ALSO BE AN ACKNOWLEDGEMENT THAT YOU HAVE COLLECTED THIS DEPOSIT, UNLESS YOU ADVISE US TO THE CONTRARY.

Financed premiums are still due in accordance with the above terms, unless other arrangements have been made with Risk Placement Services/Lemac prior to binding.

Tyie Moore

Dated at: Los Angeles CA, 01/11/11.

# LAW OFFICES OF GEPHART & SILVERMAN

A Professional Corporation  
4 Oak Tree Place  
Post Office Box 1768  
Mammoth Lakes, CA 93546

Telephone : (760) 934-6215  
Facsimile : (760) 934-4063

## facsimile transmittal

To: Ruth Hansen Fax: 760-932-5481

---

From: Alicia Richmond, Legal Assistant Date: February 17, 2011

---

Re: Professional Liability Insurance Pages: 3

---

CC:

---

Urgent     For Review     Please Comment     Please Reply     Please Recycle

---

**Attached is the Certificate of Insurance. Let me know if you need anything else.**

Note: If you did not receive all pages as indicated, please call immediately. This message intended only for the use of the individual or entity to which it is addressed, and may contain information which is privileged, confidential and exempt from disclosure. If the reader of this message is not the intended recipient or an employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us by mail. Thank you.

Note: If you did not receive all pages as indicated, please call immediately



.....

# 90363

AGREEMENT BETWEEN THE COUNTY OF MONO  
AND GERALD F. MOHUN, JR., AND LIEBERSBACH, MOHUN, CARNEY & REED,  
FOR THE PROVISION OF INDIGENT DEFENSE COUNSEL SERVICES

I. PARTIES.

The parties to this Agreement are the COUNTY OF MONO ["County"], a political subdivision of the State of California and GERALD F. MOHUN, JR., and LIEBERSBACH, MOHUN, CARNEY & REED ["Contractor"], attorneys licensed by the State of California.

II. RECITALS.

WHEREAS the County intends to contract to divide performance of Indigent Defense Counsel Services between three independent contractors pursuant to California Penal Code Section 987.2 (b). The purpose of these contracts is to provide competent and effective legal representation to qualified indigent persons appearing before the various Courts of the County and to fix the expenditures of County funds for the payment of private attorneys where the other indigent contract counsel is unable to appear due to a conflict of interest. This contract is part of a joint proposal which contemplates the cooperative, but separate and independent, provision of indigent legal services and the coverage of conflicts for Mono County between Contractor and Randall Gephart and David D. Hammon;

WHEREAS, the County requires professional services for the purpose of providing legal representation for certain qualified indigent persons before the various courts of said county;

WHEREAS, the County is required as a matter of law to provide legal defense services and juvenile services pursuant to California Penal Code to persons who qualify for such services. The County desires to insure the quality, consistency, and efficiency, and to fix the costs of indigent defense services. The County enters into this contract and the two related contracts to achieve those goals;

WHEREAS, contractor is a duly licensed attorney who represents that he is capable of providing such legal defense services;

WHEREAS, this is a personal services contract in which County relies upon Contractor to provide the services herein described;

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions contained in this Agreement, the parties hereby agree as follows:

III. SERVICES PROVIDED BY CONTRACTOR.

A. Contractor shall furnish to the County those services set forth in Attachment A, attached hereto and by reference incorporated herein.

B. Contractor shall provide such services in a manner consistent with his obligations as an

attorney at law in the State of California.

C. Contractor shall inform the court when, in the opinion of Contractor, his representation of a criminal defendant would constitute a conflict of interest. Once so informed, the court shall appoint the appropriate other contract attorney to represent that criminal defendant.

D. Contractor agrees to abide by the Rules of Professional Conduct of the State Bar of California. Contractor agrees not to engage in any private representation which would conflict with his ability to represent indigent defendants under this Contract.

E. Contractor shall, at his own expense, comply with all continuing legal education requirements mandated by law, rules of court, and rules of professional responsibility.

F. In performing all services under this Contract, Contractor shall use his best efforts to conform to local judicial requirements and expectations for attorneys practicing in Mono County courts. Among other things, Contractor shall (to the extent practicable) be present in court and ready to proceed with his matters at the date and time they are scheduled to be heard. In that regard, Contractor shall (to the extent practicable) conduct client meetings and otherwise prepare for his client's court appearances in advance of the court sessions at which those appearances are scheduled to occur.

#### IV. TERM; COMPENSATION TO CONTRACTOR.

A. This Agreement commences on January 1, 2010 and terminates on December 31, 2012; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties.

B. During calendar year 2010, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum of fourteen thousand five hundred fifty-seven dollars and fifty cents (\$14,557.50) increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2008 to September 2009. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

C. During calendar year 2011, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum pursuant to section (B) of this Article IV increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2009 to September 2010. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

D. During calendar year 2012, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum pursuant to section (C) of this Article IV increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2010 to September 2011. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

E. A "complex case" means a felony case requiring more than fifty (50) hours of Contractor's personal time to handle. When a case becomes complex, Contractor's time spent on that case (beyond the first 50 hours) shall be compensated at the court's then-current hourly rate of compensation for appointed counsel in felony cases. All time personally spent by Contractor on a felony case shall be counted in determining whether it has become "complex" and, if so, how much additional compensation is owing. No additional compensation shall be owed for the first 50 hours of time, which are deemed included in the Contractor's base compensation. Contractor shall invoice County for any additional compensation alleged to be owing with respect to a complex case, which shall include appropriate time records indicating, at a minimum, the name of the case, the dates the legal services were rendered, the general nature of those services, and the Contractor's time measured in tenths of an hour. County shall pay such an invoice within 30 days of receipt.

F. Contractor shall maintain and provide proof of professional liability insurance with an amount of coverage satisfactory to the County throughout the term of the contract.

G. Except as otherwise provided herein, Contractor shall not be entitled to, nor receive, any other additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this agreement. Specifically, Contractor shall not be entitled, by virtue of this agreement, to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever.

H. The compensation set forth herein does not include compensation for ancillary professional services, including but not limited to, investigators, photographers, accident reconstruction experts, chemists, criminalist, psychologists, psychiatrists, and other expert consultants. These services, which are subject to Court approval, shall be billed to the County and paid separately. Notwithstanding the foregoing, the County may at its own expense retain a private investigator to provide investigative services to Contractor and to other contractors providing indigent defense counsel services. County shall solicit and duly consider Contractor's opinion regarding the qualifications of any such proposed investigator, but the County in its sole discretion shall make the final decision regarding the investigator retained and the terms and conditions of that retention. If and when the County so retains an investigator to provide services to Contractor, then Contractor shall utilize that investigator for Contractor's investigative needs under this contract to the fullest extent possible, provided that the investigator is willing and legally able to provide services to Contractor. In the event that the investigator is ever legally unable to provide services to Contractor on a particular matter (e.g., due to conflict of interest),

then Contractor may with Court approval utilize any other investigator for that matter, the cost of which shall be billed to the County and paid separately.

I. County has no obligation to withhold any taxes or other payments from the sums paid Contractor by County pursuant to this Agreement. Payment of taxes as required by law is the sole responsibility of Contractor.

J. Contractor shall provide such office space, supplies, equipment, vehicles reference materials, and telephone services as is necessary for Contractor to provide the services identified in Attachment A to this Agreement. County is not obligated to reimburse or to pay contractor for any expense or cost incurred by contractor in procuring or maintaining such items. Responsibility for the costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor. Except as set forth in Section (K) of this Article IV, Contractor will not be paid or reimbursed for travel expenses or per diem which Contractor incurs in providing services and work requested by County under this Agreement.

K. With respect to travel and lodging requirements out of Mono County in the event of defense services including, but not limited to, cases where the venue is transferred out at Mono County, and, cases where Contractor is required to meet out of County with children and witnesses involved in juvenile cases when mandated by the Welfare and Institutions Code or reasonably appropriate for competent representation, County shall pay per diem travel expenses for vehicle mileage, meals and lodging at a rate not to exceed that which is established for County employees.

#### V. TERMINATION.

A. Contractor may terminate this Agreement only for good cause shown. Good cause means that the County has breached a material term of this Agreement and has failed to cure or correct that breach after being given at least 30 days written notice of the alleged breach by the Contractor. Under no circumstances shall the nature or quantity of work required of Contractor pursuant to and during the term of this Agreement -- nor the effect of that nature or quantity of work on Contractor's actual or estimated financial costs, profits, or losses incurred in rendering services under this Agreement -- constitute good cause or grounds under any other legal theory for Contractor to terminate this Agreement.

B. County may terminate this Agreement upon good cause shown. Good cause means that Contractor has not or is unable to provide services in the manner required by the relevant professional standard. Good cause may be determined only by the Board of Supervisors of County after a hearing at which Contractor has the opportunity to appear and provide evidence.

## VI. INDEPENDENT CONTRACTOR STATUS OF CONTRACTOR.

A. This Agreement is made pursuant to Penal Code Section 987.2 (b). All acts of Contractor, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as independent contractors, and not as agents, officers, or employees of County. Contractor, by virtue of this Agreement has no authority to bind or incur any obligation on behalf of County. Contractor has no authority or responsibility to exercise any rights or power vested in the County. No agent, officer, or employee of the County is to be considered an employee of the Contractor. It is understood by both Contractor and County that this Agreement shall not under *any* circumstances be construed or considered to create an employer-employee relationship or joint venture.

As an independent contractor:

B. Contractor shall determine the method, details, and means of performing the work and services to be provided by Contractor under this Agreement.

C. Contractor shall be responsible to County only for the requirements specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to County's control with respect to Contractor's fulfillment of this Agreement.

D. Contractor, its agents, officers, and employees are independent contractors, and at all times during the term of this Agreement, shall conduct themselves as independent contractors, and not as employees of County.

E. Contractor shall provide his own law office space, telephone, secretarial services, and all other services, tools and equipment necessary for him to carry out the terms of this Agreement. County may, from time to time and at its sole option, provide interview rooms in which Contractor can conduct interviews. Contractor will, however, have such reasonable access to the Mono County Law Libraries located in the Mammoth Lakes Superior Court and the County Courthouse in Bridgeport as is necessary for him to carry out the terms of this Agreement, including keys to the Law Libraries provided the Judges of the County's Courts consent to such an arrangement.

F. Contractor shall bear the cost and responsibility for obtaining any mandatory and/or continuing legal education required by statutes, applicable rules of court, or the State Bar of California, in order to perform the services required by this Agreement. Contractor shall use his best efforts to focus such education in areas of the law germane to the services required by this Agreement.

G. Contractor's obligation is to perform in a timely manner the services described in this Agreement. It is understood by the parties that the provision of such services will require a varied work schedule. County shall have no control over the work schedule of Contractor or the manner in which the services are provided by Contractor except as otherwise expressly set forth in this Agreement.

## VII. DEFENSE AND INDEMNIFICATION.

A. Contractor shall defend, indemnify, and hold harmless County, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the provision of indigent defense services pursuant to this Agreement by Contractor, or Contractor's agents, officers, or employees. Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Contractor's obligation under this paragraph extends to any claim, damage, loss liability, expense or other costs which is caused in whole or in part by any act or omission of the Contractor, its agents, and employees, or anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them may be liable.

B. To the extent permitted by law, County shall defend, indemnify and hold harmless Contractor, its agents, officer, and employees from and against all claims, damages, losses, judgment, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, or resulting from, the active negligence, or wrongful acts of County, its officers or employees.

## VIII. MISCELLANEOUS PROVISIONS.

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

B. This Agreement represents the entire Agreement by and between the parties hereto. The parties agree that no other representations have been made, whether orally or in writing, by either of them as an inducement to enter into this Agreement. There are no oral agreements between the parties.

C. This Agreement may be amended or modified only by a written agreement duly executed by the parties, and each of them.

D. Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or County shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first class mail to, the respective parties as follows:

COUNTY OF MONO:

County Administrative Office  
P.O. Box 696  
Bridgeport, CA 93517

CONTRACTOR:

Gerald F. Mohun, Jr.  
Liebersbach, Mohun, Carney & Reed  
Sherwin Plaza I11  
587 Old Mammoth Road  
P.O. Box 3337  
Mammoth Lakes, CA 93546

E. ATTORNEY'S FEES -- If either of the parties hereto brings an action or proceeding against the other, including, but not limited to, an action to enforce or declare the cancellation, termination, or revision of the Agreement, the prevailing party in such action or proceeding shall be entitled to receive from the other party all reasonable attorney's fees and costs incurred in connection therewith.

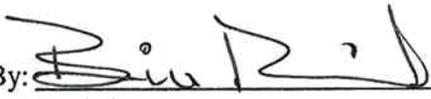
F. Contractor shall keep such reasonable records as are necessary to comply with Penal Code Section 987.8 or other such records and statistics as mutually agreed upon by the parties. Among other things, Contractor shall keep records of actual time spent performing juvenile dependency legal services every month and shall supply such time records to the County no later than 15 days after the end of each month in which juvenile dependency services were performed. Such records shall provide such detail as the Courts may require in order to compensate the County for providing such services to the Courts (under a separate agreement). Also, no later than January 31<sup>st</sup> of each year, Contractor shall provide a written summary for the prior calendar year of the number and type of cases handled and the number of hours worked on each type

IX. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless executed in writing by the parties hereto.

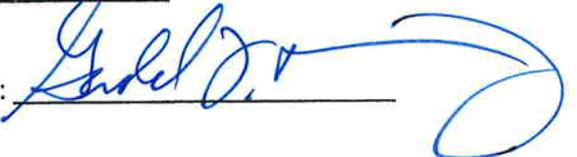
IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS \_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

COUNTY OF MONO

By:   
Bill Reid, Chairman  
Board of Supervisors

Dated: 8-11-09

CONTRACTOR

By: 

Dated: 9/3/09

Taxpayer's Identification or Social Security  
Number: 77-0418098

APPROVED AS TO FORM:

  
\_\_\_\_\_  
County Counsel

APPROVED AS TO RISK MGMT/INSURANCE:

  
\_\_\_\_\_  
Rita Sherman, Deputy CAO/Risk Mgmt.

ATTACHMENT A

AGREEMENT BETWEEN THE COUNTY OF MONO  
AND GERALD F. MOHUN, JR., AND LIEBERSBACH, MOHUN, CARNEY & REED

Contractor agrees that he will provide legal services for the following persons before the courts of Mono County when any Mono County Court determines that a person is eligible to have legal counsel appointed to him or her:

Contractor shall assume those cases assigned to contractor by the Mono County Superior Court. Cases include:

- 1 Felony arraignments and preliminary hearings
- 2 Felony trials and motions
- 3 Misdemeanor arraignments, trials and motions
- 4 Felony writs
- 5 W&I 601 and 602 cases on behalf of minors and parents, if necessary
- 6 W&I 300 cases on behalf of parents and siblings, if necessary
7. Mental health cases filed in Superior Court, including, but not limited to:
  - a. Conservatorships, including writs and posts certification hearings and certification review hearings (Welfare and Institutions Code Section 5350 and related sections);
  - b. Demonstrably dangerous commitments, (Welfare and Institutions Code Section 5300);
  - c. Commitments of dangerous mentally retarded persons (Welfare and Institutions Code Section 6500);
  - d. All post adjudication of criminal mental health status cases (Penal Code Section 1026.2, restoration of sanity hearings);
  - e. Welfare and Institutions Code Section 5158 and other mental health proceedings.
8. Misdemeanor appeals to Superior Court; family support cases, including Penal Code 270 and contempt filings. and child support crimes and contempts, and writs of Habeas Corpus.

Contractor shall act as second conflicts counsel for Mr. Hammon and Mr. Gephart. Mr. Gephart shall act as first conflict counsel, and Mr. Hammon shall act as second conflict counsel for contractor.

Life imprisonment without possibility of parole, third strike, and homicide cases shall be assigned to contractor on a rotational basis with the other two contract indigent defense counsel. The rotational order of assignment on such cases shall be: 1. Mr. Gephart; 2. Mr. Hammon; and 3. Mr. Mohun. Once such a case is assigned, the next such case shall be assigned to the next attorney.

The contractors may cooperate to make adjustments to their respective duties to ensure that indigent defender services continue to be provided pursuant to the terms and conditions of the contract.

The scope of work of this Agreement also includes any other types of cases not expressly mentioned above with respect to which the County is legally obligated to provide defense to indigent persons pursuant to Penal Code Section 987.2 (b), unless such case is already expressly included within the scope of work of another attorney on contract with the County to provide indigent defense services during the term of this Agreement.

If any case arises; which is not expressly covered by this agreement or the other two agreements for the provision of indigent services, then the contractors shall determine which contractor shall assume representation for such case.

**LIEBERSBACH, MOHUN, CARNEY & REED**  
A PROFESSIONAL CORPORATION

RICHARD W. LIEBERSBACH  
GERALD F. MOHUN, JR. †  
R. MARK CARNEY  
JAMES S. REED  
ANNE C. WINSTON  
MIRTH WHITE  
† Admitted in California and Nevada

LINDA D. HESS, *Of Counsel*

POST OFFICE BOX 3337  
587 OLD MAMMOTH ROAD, 2<sup>ND</sup> FLOOR  
MAMMOTH LAKES, CA 93546-3337

MAMMOTH LAKES: Tel (760) 934-4558  
Fax (760) 934-2530  
SANTA BARBARA: Tel (805) 845-7860  
Fax (805) 845-7861  
BISHOP: Tel (760) 873-7716

[www.mammothlaw.com](http://www.mammothlaw.com)

September 3, 2009

Ms. Ruth Hansen  
Contract Management Officer  
Department of Finance, County of Mono  
P.O. Box 556  
Bridgeport, CA 93517-0556

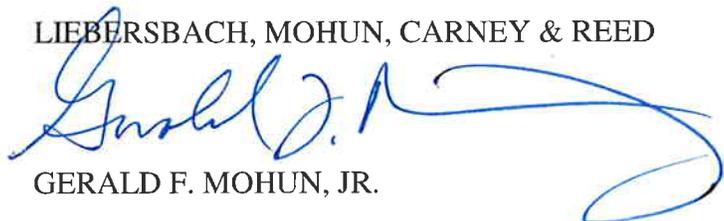
Re: Agreement with Mono County

Dear Ms. Hansen:

Pursuant to your request, enclosed is the Agreement Between the County of Mono and Gerald F. Mohun, Jr., and Liebersbach, Mohun, Carney & Reed, for the Provision of Indigent Defense Counsel Services which I have dated and signed.

Very truly yours,

LIEBERSBACH, MOHUN, CARNEY & REED



GERALD F. MOHUN, JR.

Enclosure

Contract Number #90363  
Vendor Number 1575

*Board  
contract*

**CONTRACT COVER SHEET**

**ROUTING:**

County Counsel ✓  
Risk Management ✓

Insurance Required      General Liability      \_\_\_ (Check If Required)  
                                 Automobile Liability      \_\_\_ (Check If Required)  
                                 Workers Compensation      \_\_\_ (Check If Required)  
                                 Professional Liability      \_\_\_ (Check If Required)  
                                 Medical Malpractice      \_\_\_ (Check If Required)  
                                 Pollution Liability      \_\_\_ (Check If Required)

Board Bill Kud  
Finance \_\_\_\_\_  
Human Resources \_\_\_\_\_  
CAO \_\_\_\_\_

**CONTRACT INFORMATION**

County Department CAO  
Vendor / Contractor Gerald F. Mohr Co.  
Lieberbach, Mohr, Carney & Reed  
Contract Limit (not to exceed) 14,557.50 ea year  
Contract Term 11/1/10 - 12/31/12  
Renew ea year for 3 years

*2011 & 2012 - amount will increase  
see contract*

*Handwritten initials*

# Carolina Casualty Insurance Company

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Declarations Page

## Lawyers' Professional Liability Insurance

### CLAIMS MADE WARNING FOR DECLARATIONS

**NOTICE: THIS POLICY PROVIDES COVERAGE ON A CLAIMS MADE AND REPORTED BASIS SUBJECT TO ITS TERMS. THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED AND REPORTED TO THE INSURER DURING THE POLICY PERIOD, THE AUTOMATIC EXTENDED REPORTING PERIOD, OR THE PURCHASED EXTENDED REPORTING PERIOD. THE LIMITS OF LIABILITY AVAILABLE TO PAY DAMAGES SHALL BE REDUCED AND MAY BE EXHAUSTED BY AMOUNTS INCURRED AS CLAIMS EXPENSE AND CLAIMS EXPENSE SHALL BE APPLIED TO THE DEDUCTIBLE.**

**PLEASE READ AND REVIEW THE POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT OR BROKER.**

Whenever printed in this Declarations Page, the boldface type terms shall have the same meanings as indicated in the Policy.

Policy Form: LP 29200 (05-99)

Policy Number: 9999766

Item 1. **Name and Address of Named Insured:**  
Liebersbach, Mohun, Carney & Reed, A Professional Corporation  
2nd Floor  
587 Old Mammoth Road  
Mammoth Lakes, CA 93546

Person designated to receive all correspondence from the Insurer:  
Gerald F. Mohun, Jr.  
Secretary

Item 2. **Policy Period:** From January 1, 2011 (inception date) to January 1, 2012 (expiration date)  
*(Both dates at 12:01 a.m. Standard Time at the address of the Named Insured)*

Item 3. **Limit of Liability for the Policy Period (inclusive of Damages and Claims Expense):**  
A. \$1,000,000 each Claim, but in no event exceeding  
B. \$1,000,000 in the aggregate for all Claims.

Item 4. **Applicable Deductible:** \$15,000

Item 5. **Premium:** \$32,742

Item 6. **Endorsements attached:**  
294310 (05-99) Addition to Section IV. Past Acts Exclusion

Item 7. **Notice to the Insurer as provided in sections VII. A. and VII. B. and any information furnished to the Insurer as provided in section VI. A. shall be sent to:**

Monitor Liability Managers, LLC, Claims Department  
Address: 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039  
Fax: (847) 806-4017  
Email: newclaim@monitorliability.com

All other notices required to be given to the Insurer under this Policy shall be sent to:  
Monitor Liability Managers, LLC  
Address: 2850 West Golf Road, Suite 800, Rolling Meadows, IL 60008-4039  
Fax: (847) 806-6282

These Declarations along with the completed and signed Proposal Form and the Lawyers Professional Liability Insurance Policy, shall constitute the contract between the Named Insured and the Insurer.

Authorized Representative: *Sandra C. Nelson*

Date Issued: January 12, 2011

**Carolina Casualty Insurance Company**

4600 Touchton Road East, Building 100, Suite 400, Jacksonville, FL 32246

Page 1 of 1

**Addition to Section IV.  
Past Acts Exclusion**

In consideration of the premium paid for this Policy, it is understood and agreed that section IV. Exclusions of this Policy is amended by the addition of the following:

- IV.: based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:
1. any **Wrongful Act** which occurred on or before January 1, 1995, or
  2. any **Wrongful Act** occurring on or subsequent to January 1, 1995 which, together with a **Wrongful Act** occurring prior to such date, would constitute a **Related Wrongful Act**.

Whenever printed in this Endorsement, the boldface type terms shall have the same meanings as indicated in the Policy Form. All other provisions of the Policy remain unchanged.

Insured Liebersbach, Mohun, Carney & Reed, A Professional Corporation	Policy Number 9999766
Effective Date of This Endorsement 01/01/2011	Authorized Representative

**LIEBERSBACH, MOHUN, CARNEY & REED**  
A PROFESSIONAL CORPORATION

# B000062

RICHARD W. LIEBERSBACH  
GERALD F. MOHUN, JR. †  
R. MARK CARNEY  
JAMES S. REED  
ANNE C. WINSTON  
MIRTH WHITE

POST OFFICE BOX 3337  
587 OLD MAMMOTH ROAD, 2<sup>ND</sup> FLOOR  
MAMMOTH LAKES, CA 93546-3337

MAMMOTH LAKES: Tel (760) 834-4558  
Fax (760) 834-2530  
SANTA BARBARA: Tel (805) 845-7860  
Fax (805) 845-7861

† Admitted in California and Nevada

www.mammothlaw.com

**FAX TRANSMISSION**

**DATE:** 2/22/2011                      **PAGES:** 3                      **BY:**                      **TIME:**

**TO:** Ruth Hansen                      **FAX NO.:** 760-932-5481  
Mono County Finance Department                      **TEL. NO.:** 760-932-5486

**FROM:** Annette Rodriguez, Assistant to Gerald F. Mohun, Jr.  
LIEBERSBACH, MOHUN, CARNEY & REED

**RE:** *Proof of Liability Insurance*

**TRANSMITTED:** California Casualty Insurance Company Declarations Page

**MESSAGE:**

**CAUTION:** The information contained in this facsimile communication may be confidential and is intended solely for the use of the recipient named above. If you are not the intended recipient, or a person responsible for delivering it to the intended recipient, any dissemination, distribution, copying, or other use of this communication is strictly prohibited. If you have received this communication in error, please telephone the sender immediately, and mail the communication to the sender at the above address. This communication is confidential and protected pursuant to the attorney-client privilege and the work-product doctrine.

#90337

AGREEMENT BETWEEN THE COUNTY OF MONO  
AND DAVID D. HAMMON,  
FOR THE PROVISION OF INDIGENT DEFENSE COUNSEL SERVICES

I. PARTIES.

The parties to this Agreement are the COUNTY OF MONO ["County"], a political subdivision of the State of California and DAVID D. HAMMON ["Contractor"], an attorney licensed by the State of California.

II. RECITALS.

WHEREAS the County intends to contract to divide performance of Indigent Defense Counsel Services between three independent contractors pursuant to California Penal Code Section 987.2 (b). The purpose of these contracts is to provide competent and effective legal representation to qualified indigent persons appearing before the various Courts of the County and to fix the expenditures of County funds for the payment of private attorneys where the other indigent contract counsel is unable to appear due to a conflict of interest. This contract is part of a joint proposal which contemplates the cooperative, but separate and independent, provision of indigent legal services and the coverage of conflicts for Mono County between Contractor and Gerald F. Mohun, Jr. and Randall L. Gephart;

WHEREAS, the County requires professional services for the purpose of providing legal representation for certain qualified indigent persons before the various courts of said county;

WHEREAS, the County is required as a matter of law to provide legal defense services and juvenile services pursuant to California Penal Code to persons who qualify for such services. The County desires to insure the quality, consistency, and efficiency, and to fix the costs of indigent defense services. The County enters into this contract and the two related contracts to achieve those goals;

WHEREAS, contractor is a duly licensed attorney who represents that he is capable of providing such legal defense services;

WHEREAS, this is a personal services contract in which County relies upon Contractor to provide the services herein described;

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions contained in this Agreement, the parties hereby agree as follows:

III. SERVICES PROVIDED BY CONTRACTOR.

A. Contractor shall furnish to the County those services set forth in Attachment A, attached hereto and by reference incorporated herein.

B. Contractor shall provide such services in a manner consistent with his obligations as an

attorney at law in the State of California.

C. Contractor shall inform the court when, in the opinion of Contractor, his representation of a criminal defendant would constitute a conflict of interest. Once so informed, the court shall appoint the appropriate other contract attorney to represent that criminal defendant.

D. Contractor agrees to abide by the Rules of Professional Conduct of the State Bar of California. Contractor agrees not to engage in any private representation which would conflict with his ability to represent indigent defendants under this Contract.

E. Contractor shall, at his own expense, comply with all continuing legal education requirements mandated by law, rules of court, and rules of professional responsibility.

F. In performing all services under this Contract, Contractor shall use his best efforts to conform to local judicial requirements and expectations for attorneys practicing in Mono County courts. Among other things, Contractor shall (to the extent practicable) be present in court and ready to proceed with his matters at the date and time they are scheduled to be heard. In that regard, Contractor shall (to the extent practicable) conduct client meetings and otherwise prepare for his client's court appearances in advance of the court sessions at which those appearances are scheduled to occur.

#### IV. TERM; COMPENSATION TO CONTRACTOR.

A. This Agreement commences on January 1, 2010 and terminates on December 31, 2012; unless sooner terminated as provided herein or unless extended by mutual agreement of the parties.

B. During calendar year 2010, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum of fourteen thousand five hundred fifty-seven dollars and fifty cents (\$14,557.50) increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2008 to September 2009. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

C. During calendar year 2011, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum pursuant to section (B) of this Article IV increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2009 to September 2010. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

D. During calendar year 2012, each month while this Agreement is in effect, payable on the last day of the month, Contractor shall receive the sum pursuant to section (C) of this Article IV increased by an amount equal to a cost-of-living adjustment (COLA) based on the percentage change in the Consumer Price Index (CPI) for U.S. Cities West for All Urban Consumers (All Items Indexed) of the Bureau of Labor Statistics, United States Department of Labor, from September 2010 to September 2011. Should the COLA calculation result in a reduction, the monthly payment shall not change. In addition, County shall compensate Contractor at an hourly rate for any "complex cases" as described in Section (E) of this Article IV below.

E. A "complex case" means a felony case requiring more than fifty (50) hours of Contractor's personal time to handle. When a case becomes complex, Contractor's time spent on that case (beyond the first 50 hours) shall be compensated at the court's then-current hourly rate of compensation for appointed counsel in felony cases. All time personally spent by Contractor on a felony case shall be counted in determining whether it has become "complex" and, if so, how much additional compensation is owing. No additional compensation shall be owed for the first 50 hours of time, which are deemed included in the Contractor's base compensation. Contractor shall invoice County for any additional compensation alleged to be owing with respect to a complex case, which shall include appropriate time records indicating, at a minimum, the name of the case, the dates the legal services were rendered, the general nature of those services, and the Contractor's time measured in tenths of an hour. County shall pay such an invoice within 30 days of receipt.

F. Contractor shall maintain and provide proof of professional liability insurance with an amount of coverage satisfactory to the County throughout the term of the contract.

G. Except as otherwise provided herein, Contractor shall not be entitled to, nor receive, any other additional consideration, compensation, salary, wages, or other type of remuneration for services rendered under this agreement. Specifically, Contractor shall not be entitled, by virtue of this agreement, to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays, or other paid leaves of absence of any type or kind whatsoever.

H. The compensation set forth herein does not include compensation for ancillary professional services, including but not limited to, investigators, photographers, accident reconstruction experts, chemists, criminalist, psychologists, psychiatrists, and other expert consultants. These services, which are subject to Court approval, shall be billed to the County and paid separately. Notwithstanding the foregoing, the County may at its own expense retain a private investigator to provide investigative services to Contractor and to other contractors providing indigent defense counsel services. County shall solicit and duly consider Contractor's opinion regarding the qualifications of any such proposed investigator, but the County in its sole discretion shall make the final decision regarding the investigator retained and the terms and conditions of that retention. If and when the County so retains an investigator to provide services to Contractor, then Contractor shall utilize that investigator for Contractor's investigative needs under this contract to the fullest extent possible, provided that the investigator is willing and legally able to provide services to Contractor. In the event that the investigator is ever legally unable to provide services to Contractor on a particular matter (e.g., due to conflict of interest),

then Contractor may with Court approval utilize any other investigator for that matter, the cost of which shall be billed to the County and paid separately.

I. County has no obligation to withhold any taxes or other payments from the sums paid Contractor by County pursuant to this Agreement. Payment of taxes as required by law is the sole responsibility of Contractor.

J. Contractor shall provide such office space, supplies, equipment, vehicles reference materials, and telephone services as is necessary for Contractor to provide the services identified in Attachment A to this Agreement. County is not obligated to reimburse or to pay contractor for any expense or cost incurred by contractor in procuring or maintaining such items. Responsibility for the costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor. Except as set forth in Section (K) of this Article IV, Contractor will not be paid or reimbursed for travel expenses or per diem which Contractor incurs in providing services and work requested by County under this Agreement.

K. With respect to travel and lodging requirements out of Mono County in the event of defense services including, but not limited to, cases where the venue is transferred out at Mono County, and, cases where Contractor is required to meet out of County with children and witnesses involved in juvenile cases when mandated by the Welfare and Institutions Code or reasonably appropriate for competent representation, County shall pay per diem travel expenses for vehicle mileage, meals and lodging at a rate not to exceed that which is established for County employees.

#### V. TERMINATION.

A. Contractor may terminate this Agreement only for good cause shown. Good cause means that the County has breached a material term of this Agreement and has failed to cure or correct that breach after being given at least 30 days written notice of the alleged breach by the Contractor. Under no circumstances shall the nature or quantity of work required of Contractor pursuant to and during the term of this Agreement -- nor the effect of that nature or quantity of work on Contractor's actual or estimated financial costs, profits, or losses incurred in rendering services under this Agreement -- constitute good cause or grounds under any other legal theory for Contractor to terminate this Agreement.

B. County may terminate this Agreement upon good cause shown. Good cause means that Contractor has not or is unable to provide services in the manner required by the relevant professional standard. Good cause may be determined only by the Board of Supervisors of County after a hearing at which Contractor has the opportunity to appear and provide evidence.

## VI. INDEPENDENT CONTRACTOR STATUS OF CONTRACTOR.

A. This Agreement is made pursuant to Penal Code Section 987.2 (b). All acts of Contractor, its agents, officers, and employees, relating to the performance of this Agreement, shall be performed as independent contractors, and not as agents, officers, or employees of County. Contractor, by virtue of this Agreement has no authority to bind or incur any obligation on behalf of County. Contractor has no authority or responsibility to exercise any rights or power vested in the County. No agent, officer, or employee of the County is to be considered an employee of the Contractor. It is understood by both Contractor and County that this Agreement shall not under *any* circumstances be construed or considered to create an employer-employee relationship or joint venture.

As an independent contractor:

B. Contractor shall determine the method, details, and means of performing the work and services to be provided by Contractor under this Agreement.

C. Contractor shall be responsible to County only for the requirements specified in this Agreement, and except as expressly provided in this Agreement, shall not be subjected to County's control with respect to Contractor's fulfillment of this Agreement.

D. Contractor, its agents, officers, and employees are independent contractors, and at all times during the term of this Agreement, shall conduct themselves as independent contractors, and not as employees of County.

E. Contractor shall provide his own law office space, telephone, secretarial services, and all other services, tools and equipment necessary for him to carry out the terms of this Agreement. County may, from time to time and at its sole option, provide interview rooms in which Contractor can conduct interviews. Contractor will, however, have such reasonable access to the Mono County Law Libraries located in the Mammoth Lakes Superior Court and the County Courthouse in Bridgeport as is necessary for him to carry out the terms of this Agreement, including keys to the Law Libraries provided the Judges of the County's Courts consent to such an arrangement.

F. Contractor shall bear the cost and responsibility for obtaining any mandatory and/or continuing legal education required by statutes, applicable rules of court, or the State Bar of California, in order to perform the services required by this Agreement. Contractor shall use his best efforts to focus such education in areas of the law germane to the services required by this Agreement.

G. Contractor's obligation is to perform in a timely manner the services described in this Agreement. It is understood by the parties that the provision of such services will require a varied work schedule. County shall have no control over the work schedule of Contractor or the manner in which the services are provided by Contractor except as otherwise expressly set forth in this Agreement.

## VII. DEFENSE AND INDEMNIFICATION.

A. Contractor shall defend, indemnify, and hold harmless County, its agents, officers, and employees from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, resulting from, or in connection with, the provision of indigent defense services pursuant to this Agreement by Contractor, or Contractor's agents, officers, or employees. Contractor's obligation to defend, indemnify, and hold the County, its agents, officers, and employees harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Contractor's obligation under this paragraph extends to any claim, damage, loss liability, expense or other costs which is caused in whole or in part by any act or omission of the Contractor, its agents, and employees, or anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them may be liable.

B. To the extent permitted by law, County shall defend, indemnify and hold harmless Contractor, its agents, officer, and employees from and against all claims, damages, losses, judgment, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, or resulting from, the active negligence, or wrongful acts of County, its officers or employees.

## VIII. MISCELLANEOUS PROVISIONS.

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

B. This Agreement represents the entire Agreement by and between the parties hereto. The parties agree that no other representations have been made, whether orally or in writing, by either of them as an inducement to enter into this Agreement. There are no oral agreements between the parties.

C. This Agreement may be amended or modified only by a written agreement duly executed by the parties, and each of them.

D. Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or County shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first class mail to, the respective parties as follows:

COUNTY OF MONO:

County Administrative Office  
P.O. Box 696  
Bridgeport, CA 93517

CONTRACTOR:

David D. Hammon  
308 W. Line Street, Suite C  
Bishop, CA 93515

E. ATTORNEY'S FEES -- If either of the parties hereto brings an action or proceeding against the other, including, but not limited to, an action to enforce or declare the cancellation, termination, or revision of the Agreement, the prevailing party in such action or proceeding shall be entitled to receive from the other party all reasonable attorney's fees and costs incurred in connection therewith.

F. Contractor shall keep such reasonable records as are necessary to comply with Penal Code Section 987.8 or other such records and statistics as mutually agreed upon by the parties. Among other things, Contractor shall keep records of actual time spent performing juvenile dependency legal services every month and shall supply such time records to the County no later than 15 days after the end of each month in which juvenile dependency services were performed. Such records shall provide such detail as the Courts may require in order to compensate the County for providing such services to the Courts (under a separate agreement). Also, no later than January 31<sup>st</sup> of each year, Contractor shall provide a written summary for the prior calendar year of the number and type of cases handled and the number of hours worked on each type

IX. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless executed in writing by the parties hereto.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS THIS \_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_\_.

COUNTY OF MONO

By: Bill Reid  
Bill Reid, Chairman  
Board of Supervisors

Dated: 8-11-09

CONTRACTOR

By: David Hammon

Dated: 08-24-2009

Taxpayer's Identification or Social Security Number: 366 58 3542

APPROVED AS TO FORM:

\_\_\_\_\_

County Counsel

APPROVED AS TO RISK MGMT/INSURANCE:



Rita Sherman, Deputy CAO/Risk Mgmt.

ATTACHMENT A

AGREEMENT BETWEEN THE COUNTY OF MONO  
AND DAVID D. HAMMON,  
FOR THE PROVISION OF INDIGENT DEFENSE COUNSEL SERVICES

Contractor agrees that he will provide legal services for the following persons before the courts of Mono County when any Mono County Court determines that a person is eligible to have legal counsel appointed to him or her:

Contractor shall assume those cases assigned to contractor by the Mono County Superior Court. Cases include:

- 1 Felony arraignments and preliminary hearings
- 2 Felony trials and motions
- 3 Misdemeanor arraignments, trials and motions
- 4 Felony writs
- 5 W&I 601 and 602 cases on behalf of minors and parents, if necessary
- 6 W&I 300 cases on behalf of parents and siblings, if necessary
7. Mental health cases filed in Superior Court, including, but not limited to:
  - a. Conservatorships, including writs and posts certification hearings and certification review hearings (Welfare and Institutions Code Section 5350 and related sections);
  - b. Demonstrably dangerous commitments, (Welfare and Institutions Code Section 5300);
  - c. Commitments of dangerous mentally retarded persons (Welfare and Institutions Code Section 6500);
  - d. All post adjudication of criminal mental health status cases (Penal Code Section 1026.2, restoration of sanity hearings);
  - e. Welfare and Institutions Code Section 5158 and other mental health proceedings.
8. Misdemeanor appeals to Superior Court; family support cases, including Penal Code 270 and contempt filings. and child support crimes and contempts, and writs of Habeas Corpus.

Contractor shall act as second conflicts counsel for Mr. Mohun and first conflicts counsel for Mr. Gephart. Mr. Gephart shall act as first conflict counsel, and Mr. Mohun shall act as second conflict counsel for contractor.

Life imprisonment without possibility of parole, third strike, and homicide cases shall be assigned to contractor on a rotational basis with the other two contract indigent defense counsel. The rotational order of assignment on such cases shall be: 1. Mr. Gephart; 2. Mr. Hammon; and 3. Mr. Mohun. Once such a case is assigned, the next such case shall be assigned to the next attorney.

The contractors may cooperate to make adjustments to their respective duties to ensure that indigent defender services continue to be provided pursuant to the terms and conditions of the contract.

The scope of work of this Agreement also includes any other types of cases not expressly mentioned above with respect to which the County is legally obligated to provide defense to indigent persons pursuant to Penal Code Section 987.2 (b), unless such case is already expressly included within the scope of work of another attorney on contract with the County to provide indigent defense services during the term of this Agreement.

If any case arises; which is not expressly covered by this agreement or the other two agreements for the provision of indigent services, then the contractors shall determine which contractor shall assume representation for such case.

Contract Number 90337  
Vendor Number 732

Board  
Contract

**CONTRACT COVER SHEET**

**ROUTING:**

County Counsel \_\_\_\_\_

Risk Management \_\_\_\_\_

Insurance Required      General Liability      \_\_\_ (Check If Required)  
                                         Automobile Liability      \_\_\_ (Check If Required)  
                                         Workers Compensation      \_\_\_ (Check If Required)  
                                         Professional Liability      \_\_\_ (Check If Required)  
                                         Medical Malpractice      \_\_\_ (Check If Required)  
                                         Pollution Liability      \_\_\_ (Check If Required)

Board      Bill Reid

Finance      \_\_\_\_\_

Human Resources      \_\_\_\_\_

CAO      \_\_\_\_\_

**CONTRACT INFORMATION**

County Department      CAO - 020

Vendor / Contractor      David D. Hammon

Contract Limit (not to exceed)      14,557.50 ea yr

Contract Term      1/1/2010 - 12/31/12

*Auto Renew term for 3 years*

*2011 & 2012*

## VERIFICATION OF INSURANCE

THIS IS TO CERTIFY that the insurance hereinafter described has been bound with Various Underwriters at Lloyd's London (hereinafter called the "Underwriters") by Complete Equity Markets Inc., 1190 Flex Court Lake Zurich, IL 60047 under authority granted to them by the Underwriters.

Policy Number: TBA

Insured: LAW OFFICE OF DAVID HAMMON  
P. O. Box 1176  
Bishop CA 93514

Term: March 14, 2011 12:01 A.M. to March 14, 2012 12:01 A.M.

Type of Insurance: Lawyers Professional Liability

Professional Liability	\$250,000	Each Claim Including Costs & Expenses
Liability Limits:	\$500,000	Aggregate Including Costs & Expenses
Delectible:	\$1,000	Each and Every Claim Including Costs & Expenses
Reactive date:	March 14, 2011	
Personal Injury	\$100,000	Each Claim Including Costs & Expenses
Liability Limits:	\$300,000	Aggregate Including Costs & Expenses
Delectible:	\$1,000	Each and Every Claim Including Costs & Expenses
Reactive date:	March 14, 2011	
Punitive Damages Coverage	\$50,000	Each Claim
Liability Limits:	\$50,000	Aggregate
Delectible:	\$1,000	Each and Every Claim
Reactive date:	March 14, 2011	

Locations or Other Schedules: Coverage is solely for court appointed defense work. No coverage for any privately retained case work.  
No coverage for any known claims or circumstances.

This document is furnished to you as a matter of information only. The issuance of this document does not make the person or the organization to whom it is issued an additional insured, nor does it modify in any manner the contract of insurance between the Assured and the Insurers. Any amendment, change or extension of such contract can only be effected by specific endorsement attached thereto.

Should the above mentioned contract of insurance be cancelled, assigned or changed during the above named policy period in such manner as to affect this document, we, the undersigned, will endeavor to give written notice to the holder of this document, but failure to give such notice shall impose no obligation of any kind upon the undersigned or upon the Insurers.

37\* 23  
Dated: March 16, 2011

Complete Equity Markets, Inc.  
dba Complete Equity Markets Insurance Agency, Inc.  
(CASL#0D44077)  
1190 Flex Court  
Lake Zurich, Illinois 60047

By

*Laurence T.P. Molloy*



OFFICE OF THE CLERK  
OF THE BOARD OF SUPERVISORS

## REGULAR AGENDA REQUEST

Print

**MEETING DATE** December 16, 2014

**Departments: Economic Development**

**TIME REQUIRED** 60 Minutes

**SUBJECT** Economic Development Strategic  
Plan Update

**PERSONS  
APPEARING  
BEFORE THE  
BOARD**

Alicia Vennos/Jeff Simpson; Jeff  
Lucas, Cummunity Development  
Services

### AGENDA DESCRIPTION:

(A brief general description of what the Board will hear, discuss, consider, or act upon)

Presentation by Alicia Vennos, Jeff Simpson and Jeff Lucas from Community Development Services regarding the Economic Development Strategic Plan Update.

### RECOMMENDED ACTION:

Receive presentation, discuss proposed next steps, and provide direction to staff regarding the pursuit of small business loan programs through federal funding sources.

### FISCAL IMPACT:

None at this time.

**CONTACT NAME:** Alicia Vennos

**PHONE/EMAIL:** 760-924-1743 / [avennos@mono.ca.gov](mailto:avennos@mono.ca.gov)

SUBMIT THE ORIGINAL DOCUMENT WITH  
ATTACHMENTS TO THE OFFICE OF  
THE COUNTY ADMINISTRATOR  
**PRIOR TO 5:00 P.M. ON THE FRIDAY**  
**32 DAYS PRECEDING THE BOARD MEETING**

### SEND COPIES TO:

### MINUTE ORDER REQUESTED:

YES  NO

### ATTACHMENTS:

Click to download

- [Staff Report](#)
- [Power Point](#)
- [Memo](#)
- [Survey Results](#)

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**History**

<b>Time</b>	<b>Who</b>	<b>Approval</b>
12/10/2014 4:07 PM	County Administrative Office	Yes
12/11/2014 10:09 AM	County Counsel	Yes
12/10/2014 4:44 PM	Finance	Yes



# MONO COUNTY

## ECONOMIC DEVELOPMENT and SPECIAL PROJECTS

P.O. BOX 603, MAMMOTH LAKES, CALIFORNIA 93546  
(760) 924-1743 • (760) 924-6897 (Fax)

Alicia Vennos  
Economic Development Director  
Avennos@mono.ca.gov  
760-924-1743

Jeff Simpson  
Economic Development Assistant  
Jsimpson@mono.ca.gov  
760-924-4634

### STAFF REPORT

**SUBJECT:** Economic Development Strategic Plan Update

**RECOMMENDATION:** Receive presentation; discuss recommended next steps and provide direction to staff. Determine and approve county involvement and responsibility regarding the pursuit of federal funding sources to provide financing programs to local small business.

**BACKGROUND:** After presenting the Economic Development Strategic Plan at RPAC community meetings in August, September and October, staff received and compiled feedback regarding prioritization of the various strategic platforms recommended in the plan. In addition, staff sent out a survey to all stakeholders to help determine the top economic development priorities as viewed by residents, employees and small business owners. The feedback has informed staff's recommendations for which economic development strategies are perceived as most important to community members.

In cooperation with the Bridgeport Development Corporation, the County of Mono applied for and received State Community Development Block Grant funds for the purpose of developing technical assistance and loan programs to meet local business needs. The County contracted with the economic development consulting firm Community Development Services (CDS) to assess the local economy, pursue funding for business loan and assistance programs, train County staff, and lay the groundwork for long term program sustainability. County staff have been working with Jeff Lucas, CDS, closely in this effort. Mr. Lucas will share the highlights of these programs with the Board, including benefits to local economic development and county involvement.

**DISCUSSION:** On October 22, 2014, staff presented the above update to the Mono County Tourism/Film Commission and the Economic Development Strategic Plan Sub-committee at the Tourism Commission's special meeting in June Lake. The consensus from Commission, Sub-committee members, and stakeholders in attendance was positive with respect to the recommended prioritization of strategic direction and the group suggested that the Board review and offer direction.

**FISCAL IMPACT:** None.

# Mono County Business Needs Survey Results

Prepared by Community Development Services (CDS) on behalf of the  
Mono County Economic Development Department  
December 4, 2014

20 Businesses Surveyed from 11/3/14-11/25/14  
Business Sectors Called: Accommodations and Lodging, Restaurant,  
Sporting Goods and Guide Service, Specialty Retail

# Mono County Business Needs Survey Results- Background

- Community Development Services (CDS) an economic development consulting firm, conducted a phone survey of Mono County Businesses from 11/3/14-11/25/14.
- The goal of the survey was to assess business needs in Mono County and determine what Technical and Financial assistance would be beneficial to Mono businesses.
- CDS attempted to contact over sixty businesses in Mono County but several were closed due to seasonal business.
- Twenty businesses were surveyed from the Accommodations and Lodging, Restaurant, Sporting Goods and Guide Service, and Specialty Retail sectors of the Mono County economy.

# Mono County Business Needs Survey Results- Background

- Businesses contacted reflect seasonal recreational based economy of Mono County.
- Some overlap in classification i.e.; Some businesses self-identified as Sporting Goods Retailers as well as providing Activities Guiding Services.
- The majority of businesses surveyed classified Summer as their busy season.
- Businesses classified the majority of their customers as either *Visitors/Tourists* or as *Local Residents*.

# Mono County Business Needs Survey Results- Background

- The vast majority of businesses surveyed had been operating in Mono County for over 10 years (Eighteen of twenty businesses).
- Fourteen of twenty business owners are very satisfied with their current business location but many owners would like to make building improvements.
- Energy efficiency and Solar conversion projects would like to be made by ten of twenty businesses owners.
- Signage, Store Front Restoration and Lighting were the next most popular improvements wanted among business owners.
- Sixteen of twenty business owners would require financing for these improvements.

# Mono County Business Needs Survey Results- Critical Factors

- Business owners cite *Tourism Visitation (keeping the pass open as long as possible)* and *Access to Recreational Product (snow and water for fishing)* as the two most critical factors for the success of their business with *Strong Economy* and *Qualified Workers* being the next two most critical factors.
- The most common problems affecting Mono County businesses today are;
  - *Lack of customer traffic*
  - *Economic conditions*
  - *Financing/cash flow*
  - *Government regulations*
  - *Quality of workers*

# Mono County Business Needs Survey Results

- Business owners are interested in receiving assistance in the following areas:

- 1. *Financing***
- 2. *Grants (Federal and State)***
- 3. *Workforce Training***
- 4. *Marketing and Promotion***
- 5. *Property Improvements***
- 6. *Government Regulations***
- 7. *Human Resource Services***
- 8. *Business Planning***
- 9. *Customer Service***

# Mono County Business Needs Survey Results- Localized Economy

- All but one business surveyed does the majority of their business by selling products or services in Mono County.
- The most important materials and supplies used by businesses include (depending on the business) food, beverage, and related products. Also, hunting, fishing and outdoor recreational related products.
- One business sells fishing products online and has seen a huge increase in online business in the past few years. This online increase in business has surpassed the business done in Mono County, however, business done in the County is still a vital part of the businesses cash flow.
- All businesses surveyed utilize trucking or UPS the majority of the time to receive and ship goods.

# Mono County Business Needs Survey Results- Economy

- Nine of twenty business owners describe their business activity over the past twelve months of operation as declining (less clients/income, fewer sales).
- Six of twenty business owners describe their business activity over the past twelve months as holding their own (same level of business, fairly steady).
- Three of twenty business owners describe their business activity over the past twelve months as growing moderately.
- Two of twenty business owners describe their business activity over the past twelve months as greatly expanding, major growth. One business has greatly expanded due to increased online business.

# Mono County Business Needs Survey Results- Economy

- The economic downturn of the last five years has affected the vast majority of businesses resulting in reduced sales and layoffs.
- Small business owners were generally optimistic about the economy recovering but fifteen of twenty thought it would take 3-5 years.
- When asked which business services would help them, business owners answered; *marketing techniques, customer service training, and understanding and managing cash flow* as the top three.

# Mono County Business Needs Survey Results- Banking/Financing

- Sixteen of twenty business owners listed banking accessibility as a barrier for their business.
- The majority of business owners bank with either Eastern Sierra or Union Bank.
- Seventeen of twenty business owners would be interested in a lending program that could take out a portion of their existing business debt and replace it with low interest, long term debt.

# Mono County Business Needs Survey Results- Other Services

- When asked what other services would help you, business owners' responses were:
- *Improved cell phone services and increase in carriers*
- *Improved Internet services*
- *Increase in number and quality of public restrooms, potable water and trash receptacles to assist with tourism*
- *Permitting assistance*
- *Increased fish planting*
- *Low income housing*
- *Access to affordable financing for mom and pop businesses*

**To:** Alicia Vennos, Manager, Economic Development & Film Commission  
Jeff Simpson, Staff, Economic Development & Film Commission

**From:** Jeff Lucas, Community Development Services

**Subject: Recommendations to Establish Small Business Loan and Technical Assistance Programs.**

**Date:** December 2, 2014

## **Background**

In cooperation with the Bridgeport Development Corporation, the County of Mono applied for and received State Community Development Block Grant funds for the purpose of developing technical assistance and loan programs to meet local business needs. The County contracted with the economic development consulting firm Community Development Services (CDS) to assess the local economy, pursue funding for business loan and assistance programs, train County staff, and lay the groundwork for long term program sustainability. County staff have been working with CDS closely in this effort. The following is a brief summary of tasks performed to date, and a plan of action designed to obtain business loan and technical assistance program funding.

## **Tasks**

**1. CDS training with County staff regarding government programs to fund economic development, business loan & technical assistance programs.**

Completed, and after review and comparison of various programs it has been decided to pursue three USDA programs.

**2. CDS training with County staff regarding business program outreach, marketing and referral practices.**

Completed, County staff have been referring businesses to CDS for assessment and assistance where possible.

**3. CDS training with County staff covering business loan underwriting practices, reading and understanding financials, determining loan structure, understanding the 5 C'S of credit analysis and the 6 HUD CDBG lending criteria, as well as loan closing and loan servicing functions.**

County staff determined that given the complexity and time consuming nature of commercial underwriting that it would be more efficient to contract out that specialized work.

#### **4. Assess the local economy and survey local business needs.**

Completed, Assessment of the local economy and results of local business needs survey are as follows:

##### **Summary:**

To gather feedback about the current local economy from business owners over a period from 11/3/14-11/25/14, CDS phoned 65 Businesses throughout Mono County. Due to the seasonal business climate of Mono County several businesses had already been closed for the winter season. Twenty business needs surveys were completed and the data has been compiled to proportionally represent the economy of Mono County. The business sectors surveyed included *Accommodations and Lodging, Restaurant, Sporting Goods and Guide Service, and Specialty Retail.*

Mono County has historically been a winter ski destination as well as a year round trout fishing destination. With a small population of 14,202 residents, the County's economy relies strongly on tourism. The State of California experienced severe drought in 2014 which negatively impacted the economy of Mono County. Drought and lack of snow are key factors in the winter tourism economy and business owners have to wisely plan their inventory for the following season due to several months of significant decrease in business income due to the seasonality of tourism traffic.

Many of the businesses surveyed said they would be interested in low interest, long term financing that could replace all or a portion of their existing business debt. Mono County business owners expressed interest in capital improvements for their businesses such as repaving of parking lots, energy efficiency and solar conversion projects, signage, marketing, roof and general repairs, lighting and new amenities. The majority, 80% of business owners, would need new financing and a restructure of existing debt to complete these improvement projects for their businesses. Furthermore, 75% of business owners would be interested in receiving Technical Assistance in one or several forms including marketing techniques, customer service training and understanding and managing cash flow.

Please see attached Mono County Business Needs Survey Results power point presentation.

##### **Recommendations**

Prepare applications for the following three USDA programs:

##### **1. Rural Microentrepreneur Assistance Program (RMAP)**

The purpose of the RMAP program is to support the development and ongoing success of rural microentrepreneurs and microenterprises. Direct loans and grants are made to selected Microenterprise Development Organizations (MDO).

### **How much are the loans?**

An MDO may borrow a minimum of \$50,000 and a maximum of \$500,000 for a single loan under this program in any given Federal fiscal year. In no case will the aggregate outstanding balance, of a single MDO, owed to the USDA exceed \$2.5 million. A microborrower that has received financial assistance from an MDO is limited to a loan of \$50,000 or less. Eligible MDOs will automatically be eligible to receive technical assistance grants to provide technical assistance and training to microentrepreneurs that have received or are seeking a microloan under the RMAP. These grants are limited to an amount equal to not more than 25 percent of the total outstanding balance of microloans made under the RMAP.

### **What organizations are eligible to become an MDO?**

Non-profit entities, Indian tribes, and public institutions of higher education that, for the benefit of rural microentrepreneurs and microenterprises, provides training and technical assistance, makes microloans or facilitates access to capital or another related service, and/or has a demonstrated record of delivering, or an effective plan to develop a program to deliver such services.

### **Who can apply for loan funds from the local MDO?**

The following entities are generally eligible to apply for loans from MDOs provided they owe no delinquent debt to the Federal Government:

- Individual citizens or individuals who have been legally admitted to the U.S.,
- Those located in a rural area defined as an area of a State not in a city or town that has a population of more than 50,000 inhabitants and the contiguous and adjacent urbanized area.
- A microentrepreneur, or microenterprise as defined is a business entity with not more than 10 full-time equivalent employees that is in need of \$50,00 or less in business capital and/or in need of business based technical assistance and training.

### **What types of projects are eligible?**

RMAP funding may be used to provide fixed interest rate microloans to rural microentrepreneurs for startup and growing microenterprises. Eligible MDOs will be automatically eligible to receive microlender technical assistance grants to provide technical assistance and training to microentrepreneurs that have received or are seeking a microloan under RMAP. Some examples of eligible use of loan funds are:

Loans:

- Working capital
- Purchase of furniture, fixtures, supplies, inventory or equipment
- Debt refinancing
- Business acquisitions
- Purchase or lease of real estate that is already improved and will be used for the location of the subject business only (construction of any type is strictly prohibited).

Technical Assistance Grants:

Provision of education, guidance, or instruction to one or more rural microentrepreneurs to:

- Prepare them for self-employment;
- Improve the state of their existing rural microenterprises;
- Increase their capacity in a specific technical aspect of the subject business; and,
- Assist a rural microentrepreneur in achieving a degree of business preparedness and/or functions that will allow them to obtain or have the ability to obtain business loans independently.

### **Availability of Funds**

Each year, Congress provides program funding as called for in the Federal Budget. Fiscal Year funding levels will be made available as soon as possible after the beginning of each Fiscal Year.

**Recommendation:** Apply for \$300,000 in loan funds & \$50,000 in technical assistance funds.

## **2. RURAL BUSINESS ENTERPRISE GRANTS (RBEG) PROGRAM**

The RBEG program provides grants for rural projects that finance and facilitate development of small and emerging rural businesses help fund distance learning networks, and help fund employment related adult education programs. To assist with business development, RBEGs may fund a broad array of activities.

### **How much are the grants?**

There is no maximum level of grant funding. However, smaller projects are given higher priority. Generally grants range \$10,000 up to \$500,000.

### **Who is eligible?**

Rural public entities (towns, communities, State agencies, and authorities), Indian tribes and rural private non-profit corporations are eligible to apply for funding. At least 51 percent of the outstanding interest in any project must have membership or be owned by U.S. citizens or resident aliens.

### **Define Rural**

Rural is defined as any area other than a city or town that has a population of greater than 50,000 and the urbanized area contiguous and adjacent to such a city or town according to the latest decennial census. At least 51 percent of the outstanding interest in any project must have membership or be owned by U.S. citizens or resident aliens.

### **What types of projects are eligible?**

The RBEG program is a broad based program that reaches to the core of rural development in a number of ways. Examples of eligible fund use include: Acquisition or development of land, easements, or rights of way; construction, conversion, renovation, of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities; pollution control and abatement; capitalization of revolving loan funds including funds that will make loans for start ups and working capital; training and technical assistance; distance adult learning for job training and advancement; rural transportation improvement; and project planning. Any project funded under the RBEG program should benefit small and emerging private businesses in rural areas. Small and emerging private businesses are those that will employ 50 or fewer new employees and have less than \$1 million in projected gross revenues.

### **Availability of Funds**

Each year, Congress provides program funding as called for in the Federal Budget. Fiscal Year funding levels will be made available as soon as possible after the beginning of each Fiscal Year.

**Recommendation:** Apply for \$50,000 for small business technical assistance.

### **3. INTERMEDIARY RELENDING PROGRAM (IRP)**

The purpose of the IRP program is to alleviate poverty and increase economic activity and employment in rural communities. Under the IRP program, loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to assist with financing business and economic development activity to create or retain jobs in disadvantaged and remote communities. Intermediaries are encouraged to work in concert with State and regional strategies, and in partnership with other public and private organizations that can provide complimentary resources.

### **How much are the loans?**

An intermediary may borrow up to \$2 million under its first financing and up to \$1 million at a time thereafter. Total aggregate debt is capped at \$15 million. For purposes of Fiscal Year 2007, the maximum loan request that an intermediary may borrower is \$750,000. An ultimate recipient borrower may borrow up to \$250,000.

### **What organizations are eligible to become an intermediary?**

Private non-profit corporations, Indian groups, and cooperatives with at least 51 percent rural membership aimed at increasing income for producer members or purchasing power for consumer members may apply for intermediary lender status.

### **Who can apply for loan funds from the intermediaries?**

The following entities are generally eligible to apply for loans from intermediary lenders provided they owe no delinquent debt to the Federal Government:

- Individual citizens or individuals who have been legally admitted to the U.S.,
- Those located in a rural area defined as an area with a population of 25,000 or less,
- An entity that is able to incur debt, give security, and repay the loan,
- A corporation, partnership, LLC, individual, non-profit corporation, public body.

### **What types of projects are eligible?**

IRP funding may be used for a number of purposes but to be eligible, ultimate recipients must be located in a rural area. Under the IRP, a rural area is any area that is not inside a city with a population of 25,000 or more according to the latest decennial census. Some examples of eligible use of loan funds are:

- The acquisition, construction, conversion, enlargement, or repair of a business or business facility, particularly when jobs will be created or retained.
- The purchase or development of land (easements, rights of way, buildings, facilities, leases, materials)
- To purchase equipment, leasehold improvements, machinery, supplies
- Start up costs and working capital
- Pollution control and abatement
- Transportation Services
- Hotels, motels, B&Bs, convention centers

### **Availability of Funds**

Each year, Congress provides program funding as called for in the Federal Budget. Fiscal Year funding levels will be made available as soon as possible after the beginning of each Fiscal Year

**Recommendation:** Apply for \$500,000 in IRP funds.

## **Summation**

The funding applications for the programs described above should go through a local nonprofit economic development corporation to the USDA. Given that the Bridgeport Development Corporation initiated the process to obtain CDBG funding through the County, it would be the logical entity in whose name the applications would be submitted.

The long term development of local business assistance and business lending operations would be enhanced by way of a cooperative relationship between the County and the EDC, with the County providing a location and staff support to the emerging EDC programs, and the EDC providing a governing board, loan committee, and administrative support for the business assistance operations. Initially, in order to gain points within the funding applications, CDS would be identified as the loan underwriter, and the program management lead. In time, local individuals would be recruited to operate the programs on an ongoing basis, with CDS providing back up as needed.

## **Mono County Business Needs Survey Results and Summary**

### **Introduction:**

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### **Summary:**

Mono County has historically been a winter ski destination as well as a year round trout fishing destination. With a small population of 14,202 residents, the County's economy relies strongly on tourism. The State of California experienced severe drought in 2014 which negatively impacted the economy of Mono County. Drought and lack of snow are key factors in the winter tourism economy and business owners have to wisely plan their inventory for the following season due to several months of significant decrease in business income due to the seasonality of tourism traffic.

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Mono County Business Needs Survey Results  
November 25, 2014

**20 Businesses Surveyed**

Survey Question	Total	Percentage
<b>1. What is the nature of your business?</b>		
Restaurant	9	
Lodging/Hotel	1	
General Retail	2	
Specialty Retail	1	
Sporting Goods	7	
Recreational	3	
Tour operator/Activities guiding service	2	
<b>2. What is your primary product or service?</b>		
Product	10	
Service	10	
<b>2.B) Is it Seasonal?</b>		
Yes	17	
No	3	
<b>2.C) What is your busy season?</b>		
Summer	14	
Winter	4	
<b>3. Who are the majority of your customers?</b>		
Regular customers/clients	3	
Visitors/Tourists	17	
Local Residents	18	
Internet		
<b>4. How long has the business been operating in the County?</b>		
1-4 Years	1	
5-9 Years	1	
10 Years or more	18	
<b>5. Do you own or lease your space?</b>		
Own	13	
Lease	7	
<b>6. How many people do you employ?</b>		
Full Time	114	
Part Time	120	
<b>7. How satisfied are you with your current business location?</b>		
Very Satisfied	14	
Moderately Satisfied	6	
Not Satisfied		

<b>8. What, if any building or Merchandising improvements do you plan to make, or would like to make?</b>		
Exterior/Interior painting	3	
Signs	7	
Lighting	5	
New Amenities	4	
Store Front restoration	6	
Expanded merchandise	1	
Display fixtures	1	
Window/Door replacement or modification	4	
Energy efficiency/Solar conversion projects	10	
Other: New computer system, Repave parking lot		
<b>9. Would you require financing for these improvements?</b>		
Yes	16	80%
No	4	
<b>10. What are the most critical factors for the success of your business?</b>		
Qualified workers	7	
Strong economy	8	
Tourism visitation	14	
Tourism product	3	
Inventory level	2	
Pedestrian traffic	0	
Up-to-date equipment	0	
Access to recreational product	11	
Air Service	0	
Access to financing	4	
Public Parking	5	
Signage	3	
Other		
<b>11. Are you currently having any problems that are affecting your business?</b>		
Financing/Cash flow	5	
Waste solutions	1	
Economic conditions	6	
Operating costs	3	
Outdated equipment/inventory	2	
Government regulation Local/State/Federal	5	
Parking	3	
Competition	1	
Customer traffic	8	
Quality of workers	5	
Internet access	1	
Public safety/crime	0	

Inadequate space	1	
Availability of workers	5	
Other		
<b>12. Are there any areas of your business for which you are interested in receiving assistance?</b>		
Financing	10	
Business Planning	2	
Accounting	0	
Property improvements	3	
Customer service	1	
Marketing, promotion	4	
Merchandising	0	
Workforce training	4	
Computer usage	0	
Grants (Federal & State)	9	
Human Resources Services	3	
Government regulations	3	
Other		
<b>13. How are most of your supplies delivered?</b>		
Trucking	10	
Mail	0	
U.P.S.	7	
<b>14. How is your product shipped?</b>		
Trucking	0	
Mail	0	
U.P.S	5	
<b>15. What are the three most important materials, supplies or services that your business uses?</b>		
Hunting, fishing, customer service	5	
Bedding, cleaning, customer service	3	
Food, beverage, customer service	9	
Gas, food, customer service	1	
Fishing, souvenirs, guide service	2	
Carpet, flooring, tile	1	
Inventory, freight, snow removal	1	
Snow machines, governmental coordination	1	
Bikes, biking accessories, mechanical services	1	
Labor, food costs, hospitality	1	
<b>16. Where does your business sell most of its products or services?</b>		
In the County	19	
In the rest of California	1	
In the rest of the U.S.	2	
In the rest of the World	1	

<p><b>17. Considering technology changes and competitive pressures in your industry, what are some of the new types of job openings you may be looking to hire?</b></p> <p>Cook and or server</p> <p>Counter person</p>	<p>5</p> <p>4</p>	
<p><b>18. How would you describe your current business activity level for the last 12 months of operation?</b></p> <p>Declining business activity (less clients/income, fewer sales)</p> <p>Holding your own (same level of business, fairly steady)</p> <p>Business is moderately growing, increasing</p> <p>Business is greatly expanding, major growth</p>	<p>9</p> <p>6</p> <p>3</p> <p>2</p>	
<p><b>19. Which of the following best describes your business plans within the next three years?</b></p> <p>Staying at the same site, no plans to increase or decrease</p> <p>Staying at the same site, plan to decrease size</p> <p>Staying at the same site, plan to increase size</p> <p>Moving to another location in County</p> <p>Moving outside of County area</p> <p>Going out of business</p>	<p>14</p> <p>0</p> <p>4</p> <p>1</p> <p>0</p> <p>1</p>	
<p><b>20. How has the economic downturn affected your business during the past five years?</b></p> <p>Reduced sales</p> <p>Layoffs</p> <p>Other</p>	<p>18</p> <p>6</p>	
<p><b>21. When do you think the economy will recover?</b></p> <p>1 to 2 years</p> <p>3 to 5 years</p> <p>5 to 10 years</p> <p>Never</p>	<p>0</p> <p>15</p> <p>4</p> <p>1</p>	
<p><b>22. What business services would help you?</b></p> <p>Understanding and managing cash flow</p> <p>Receivables management</p> <p>Quick books</p> <p>Marketing techniques</p> <p>Merchandising</p> <p>Employee management training</p> <p>Labor law issues</p> <p>Customer service training</p> <p>Other</p>	<p>2</p> <p>0</p> <p>0</p> <p>7</p> <p>0</p> <p>1</p> <p>0</p> <p>5</p>	

<p><b>23. Who do you bank with?</b></p>		
Eastern Sierra	6	
Union Bank	6	
U.S. Bank	1	
Bank of America	1	
Oak Valley Community Bank	1	
<p><b>23. B) Is banking accessibility a barrier for you?</b></p>		
Yes	16	
No	4	
<p><b>24. Would you be interested in a lending program that could take out a portion of your existing business debt and replace it with low interest, long term debt?</b></p>		
Yes	17	
No	3	
<p><b>25. What other services would help you?</b></p>		
Improved cell phone service and carriers		
Improved internet service		
Keep June Lake open to automobile traffic		
A county wide cohesive marketing strategy (some feel the focus is only on Mammoth Lakes)		
Increased fish planting in rivers and lakes		
Permitting within the County		
Access to affordable financing for mom and pop businesses		
Less business regulation and tax		
Increased investment by County in Winter Recreation Map		
Increase in number and quality of public restrooms, potable water and trash receptacles to assist with tourism		
Low income housing		
<p><b>Comments:</b></p>		
<ul style="list-style-type: none"> <li>• Some business owners perceive favoritism towards Mammoth Lakes. Some believe Mammoth Lakes has the most power in the County and therefore gets all the money and publicity.</li> <li>• One owner would like a cohesive and all inclusive marketing strategy with several of the ski resorts included.</li> <li>• One business owner would like to see more planting of trophy fish.</li> <li>• With seasonal business cycles it is difficult for businesses to plan inventory for the following years' seasons.</li> <li>• Many businesses have little or no income for several months out of the year.</li> <li>• The federal government should not seek to eradicate "invasive species" such as Brown, Brooke and Rainbow trout with regard to protecting the Lahontan trout in Mono County.</li> </ul>		

<ul style="list-style-type: none"><li>• Automobile traffic flow is essential to business prosperity on Hwy 158 around June Lake. If the Hwy is converted to a pedestrian traffic only road it would be devastating to June Lake businesses.</li><li>• Keeping the pass open longer will help with business.</li><li>• Cooperation regarding allowance of signage from the County would be appreciated.</li><li>• The opportunity for solar conversion project assistance from the County would benefit many businesses.</li><li>• Improved public transportation is needed.</li><li>• Better public parking is needed.</li><li>• Please continue to support the 4<sup>th</sup> of July fireworks at Crowley Lake, it is a big draw for the area and it may appear that Mammoth is trying to impede with its own 4<sup>th</sup> of July festivities.</li></ul>		
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