



**ADMINISTRATION & INDIGENT HEALTH**  
1000 San Leandro Boulevard, Suite 300  
San Leandro, CA 94577  
TEL: (510) 618-3452  
FAX: (510) 351-1367

February 8, 2016

The Honorable Board of Supervisors  
Administration Building  
1221 Oak Street  
Oakland, CA 94612

**SUBJECT: APPROVE BUDGET YEAR 2016 SERVICES-AS-NEEDED CONTRACT WITH PSYNERGY PROGRAMS, INC.**

Dear Board Members:

**RECOMMENDATION:**

Approve and sign a new Services-as-Needed contract with Psynergy Programs, Inc. (Principal: Lydia Kaufmann, Director of Government and Public Affairs; Location: Morgan Hill, CA; Master Contract No. 000001; Procurement Contract No. 12980) for the provision of mental health services to Alameda County residents for the period of 3/1/16 - 6/30/16 under a master contract with a maximum allocation of \$5,272,519.

**SUMMARY/DISCUSSION:**

Residential services for TAY and adults with Serious Mental Illness who live in Alameda County are not currently able to meet the demand for care. Consequently, Behavioral Health Care Services (BHCS) is requesting your Board's approval of a new Services-as-Needed (SAN) contract with Psynergy Programs, Inc. (Psynergy) to deliver outpatient services, residential services, supported accommodation and transportation to TAY and adults with (SMIs). Your Board's approval of this contract will help relieve pressure on BHCS for adult and TAY residential care by providing additional treatment options.

Psynergy's adult residential facilities provide a home-like setting coupled with care and supervision that is specifically tailored to meet the needs of individuals with SMI. The program attempts to create an atmosphere that celebrates hope, promotes personal growth, builds social networks and helps individuals realize their full potential.

SAN contracts are paid on a fee-for-service basis. The current rates for outpatient services that Psynergy will provide are as follows: \$121 per hour for case management, \$157 per hour for mental health services, \$289 per hour for medication support, \$233 for crisis intervention. For residential services the rate ranges from \$94 per day to \$125 per day; The Tres Vista Supported Accommodations/Independent Living Program rate is \$30 per day for clients.

**SELECTION CRITERIA AND PROCESS:**

*The availability of service providers in Alameda County that offer mental health rehabilitation and residential services to TAY and adults with SMI is very limited and does not currently meet the service need of clients with a co-occurring mental illness and a developmental disability. Psynergy has been selected based on a search for services that could meet the needs of an individual jointly served by SSA and BHCS with very serious and persistent mental illness and a developmental disability for whom the treatment options after a stay in John George Psychiatric Pavilion are extremely limited. In-county providers are under contract with BHCS but cannot meet the current needs of this client. BHCS anticipates that there will be other individuals in the future who may benefit from the treatment options that Psynergy offers. Psynergy is not located in Alameda County and is not eligible to participate in the Small Local Emerging Business (SLEB) program.*

**FINANCING:**

Funding for this contract is included in the BHCS budget. There is no increase in net County cost as a result of your approval.

Respectfully submitted,



Rebecca Gebhart, Acting Director  
Alameda County Health Care Services Agency

MARCH 29, 2016

#7

Master Contract No. 000001  
Procurement Contract No. 12980

**SERVICES-AS-NEEDED CONTRACT**

THIS CONTRACT, made and entered into by and between the **COUNTY OF ALAMEDA**, a body corporate and politic of the State of California, hereinafter referred to as "**County**", and **Psynergy Programs, Inc.**, a **For-Profit Corporation**, doing business at **18225 Hale Avenue, Morgan Hill, CA 95037**, hereinafter referred to as "**Contractor**".

WITNESSETH:

WHEREAS, County is desirous of contracting with Contractor for the provision of certain services, a description of which is presented in Exhibit A(s), attached hereto; and

WHEREAS, Contractor is receiving funds pursuant to the funding terms indicated in Exhibit B(s); and

WHEREAS, Contractor is willing to provide proof of insurance as specified in Exhibit C; and

WHEREAS, Contractor willingly agrees to participate in audits required by the County as defined in Exhibit D; and

WHEREAS, Contractor is a Business Associate of County as defined in the Health Insurance Portability and Accountability Act and its implementing federal regulations; and

WHEREAS, Contractor agrees to comply with applicable federal suspension and debarment regulations as specified in Exhibit F; and

WHEREAS, Contractor is willing and able to perform duties and render services which are determined by the Board of Supervisors to be necessary or appropriate for the welfare of residents of County; and

WHEREAS, County desires that such duties and services be provided by Contractor, and Contractor agrees to perform such duties and render such services, as more particularly set forth below:

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED as follows:

1. **Term of Agreement**

The Term of this Agreement begins on the 1<sup>st</sup> day of March 2016 and ends on the 30<sup>th</sup> day of June 2016.

Contractor understands and agrees that there is no representation, implication, or understanding that the services provided by Contractor under this Agreement will be purchased by County from Contractor under a new Agreement following expiration or termination of this Agreement. Contractor waives all rights or claims to notice or hearing respecting any failure by County to continue to purchase all or any such service from Contractor following the expiration or termination of this Agreement.

M/C-000001, P/C-12980

**2. Program Description and Performance Requirements - Exhibit A(s)**

This Agreement shall be accompanied by, marked Exhibit A(s), and by this reference made a part hereof, a description of the duties and services to be performed for County by Contractor, and Contractor agrees to comply with all provisions, to perform all work, and to provide all such duties and services set forth in Exhibit A(s) in a professional and diligent manner.

**3. Terms and Conditions of Payment - Exhibit B(s)**

County has agreed to provide funds as described in this Agreement. Unless an amendment to this Agreement otherwise provides, no funds other than those for services described in this Agreement will be used for payment, and County shall under no circumstances be required to pay in excess of that amount. Payment shall be made pursuant to the terms and conditions set forth in Exhibit B(s), attached hereto and by this reference made a part hereof.

Unless it is otherwise provided in Exhibit B(s) to this Agreement, Contractor shall submit invoices no later than 35 calendar days after the last day of the service month. All claims submitted after forty-five (45) days following the ending date of the Agreement will not be subject to reimbursement by the County. Any "obligations incurred" included in claims for reimbursements and paid by the County which remain unpaid by the Contractor after forty-five (45) days following the ending date of the agreement will be disallowed under audit by the County.

Contractor agrees to comply with all requirements which are now, or may hereafter be, imposed by the funding government with respect to the receipt and disbursement of the funds referred to in Exhibit B(s), as well as such requirements as may be imposed by County. Without limiting the generality of the foregoing, Contractor agrees that it will not use funds received pursuant to this Agreement, either directly or indirectly, as a contribution in order to obtain any Federal funds under any Federal programs without prior written approval of County.

**4. Insurance - Exhibit C**

Contractor shall maintain in force, at all times during the term of this Agreement, those insurance and bonding documentation described in Exhibit C attached hereto and made a part of this Agreement, and shall comply with all other requirements set forth in that Exhibit. Contractor shall provide Worker's Compensation insurance at Contractor's own cost and expense, and neither Contractor nor its carrier shall be entitled to recover from the County any costs, settlements, or expenses of Worker's Compensation claims arising out of this Agreement.

**5. Additional Fiscal Provisions**

Contractor shall not claim reimbursement from County for (or apply sums received from County with respect to) that portion of its obligations which has been paid by another source of revenue. Sums received as a result of applications for funds from public or private organizations shall be considered such revenue insofar as such sums are or can be applied to the work to be performed by Contractor pursuant to this Agreement.



Unrestricted or undesignated private charitable donations and contributions shall not be considered revenue applicable to this Agreement; Contractor has total freedom in planning for the usage of such resources in expanding and enriching programs, or in providing for such other operating contingencies as it may desire. Nothing herein shall be deemed to prohibit Contractor from contracting with more than one entity to perform additional work similar to or the same as that herein contracted for.

**6. Business Associate**

Contractor will be performing or assisting County in the performance of certain health care administrative duties that involve the use and/or disclosure of Protected Health Information as defined at 45 CFR. Part 164. As a result, Contractor is a Business Associate of County and shall comply with the provisions set forth in Exhibit E to this Agreement.

**7. Records**

- (1) Contractor shall maintain on a current basis complete financial records including, but not necessarily limited to, books of original entry, source documents in support of accounting transactions, a general ledger, personnel and payroll records, cancelled checks, and related documents in accordance with generally accepted accounting principles and any specific requirements of the applicable funding source.
- (2) Contractor shall maintain on a current basis complete records pertaining to the provision of services and eligibility, including, but not limited to, medical records, client files, participant records, patient logs or other service related documentation in accordance with instructions provided by County.
- (3) Contractor shall maintain on a current basis complete records pertaining to Contractor's organizational structure and activities, including, but not limited to, bylaws, articles of incorporation, documentation of tax exempt status, Board of Directors roster, minutes of meetings of the Board of Directors and committees, administrative program policies and procedures and any other documents required by County or the State or federal government or the applicable funding source.

Contractor will cooperate with County in the preparation of, and will furnish any and all information required for, reports to be prepared by County and/or Contractor as may be required by the rules, regulations, or requirements of County or any other governmental entity or applicable funding source. County shall specify in detail the cooperation required.

Records shall be retained by Contractor, and shall be made available for auditing and inspection, for no less than seven (7) years following the provision of any services pursuant to this Agreement, or for a longer period as required by the applicable funding source. If Contractor enters into any County-approved agreement with any related organization to provide services such agreement shall contain a clause to the effect that the related records of that organization shall be retained, and shall be made available for auditing and inspection, for no less than seven (7) years following its provision of services pursuant to the subcontract, or for a longer period as required by the applicable funding source.

County reserves the right to issue further instructions regarding the extent of records required to be kept, the format to be used, and record retention and access requirements as is necessary to perform audits and to otherwise comply with requirements set forth by applicable funding sources.

**8. Audits**

Contractor's records, as defined in this Agreement, shall be accessible to County for audit and inspection to assure proper accounting of funds, and to certify the nature of, and evaluate Contractor's performance of its obligations as set forth in this Agreement. County shall be entitled to access onto Contractor's premises to observe operations, inspect records or otherwise evaluate performance at all reasonable times and without advance notice. County shall conduct inspections and manage information in a manner consistent with applicable laws relating to confidentiality of records and in a manner that will minimize disruption of Contractor's work.

Separate and apart from the audit and inspection provisions set forth immediately above, Contractor's records will be subject to audits as required by Federal and/or State agencies and/or other funding sources. These audits include those performed pursuant to applicable OMB Circulars, as described more fully in Exhibit D of this Agreement, or audits otherwise authorized by Federal or State law.

**9. Indemnification**

To the fullest extent permitted by law, Contractor shall hold harmless, defend and indemnify the County of Alameda, its Board of Supervisors, employees and agents from and against any and all claims, losses, damages, liabilities and expenses, including but not limited to attorneys' fees, arising out of or resulting from the performance of services under this Agreement, provided that any such claim, loss, damage, liability or expense is attributable to bodily injury, sickness, disease, death or to injury to or destruction of property, including the loss therefrom, or to any violation of federal, state or municipal law or regulation, which arises out of or is in any way connected with the performance of this agreement (collectively "Liabilities") except where such Liabilities are caused solely by the negligence or willful misconduct of any indemnitee. The County may participate in the defense of any such claim without relieving Contractor of any obligation hereunder. The obligations of this indemnity shall be for the full amount of all damage to County, including defense costs, and shall not be limited by any insurance limits.

**10. Subcontracting**

None of the work to be performed by Contractor shall be subcontracted without the prior written consent of County. Contractor shall be as fully responsible to County for the acts and omissions of any subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by Contractor. Contractor shall not transfer any interest in this Agreement (whether by assignment or novation) without prior written approval of County. However, Contractor may assign its rights to receive compensation from the County for performance of the Agreement to financial institutions for the purpose of securing financial resources, provided that written consent from the supervising department shall have first been obtained. No party shall, on the basis of this Agreement, in any way contract on behalf of, or in the name of, the other party to the Agreement, and any attempted violation of the provisions of this sentence shall confer no rights, and shall be void.

**11. Independent Contractor Status**

Neither the Contractor nor any of its employees shall by virtue of this Agreement be an employee of County for any purpose whatsoever, nor shall it or they be entitled to any of the rights, privileges, or benefits of County employees. Contractor shall be deemed at all times an independent contractor and shall be wholly responsible for the manner in which it performs the services required of it by the terms of this Agreement. Contractor assumes exclusively the responsibility for the acts of its employees as they relate to the services to be provided during the course and scope of their employment.

**12. Confidentiality**

Contractor agrees to maintain the confidentiality of any information which may be obtained with this work. Contractor shall comply with whatever special requirements in this regard as are described or referred to in Exhibit A(s) to this Agreement. Confidential information is defined as all information disclosed to Contractor which relates to County's past, present and future activities, as well as activities under this Agreement. Contractor will hold all such information in trust and confidence. Upon cancellation or expiration of this Agreement, Contractor will return to County all written or descriptive matter which contains any such confidential information.

County shall respect the confidentiality of information furnished by Contractor to County as specified in Exhibit A(s) or as otherwise provided by law.

**13. Termination Provisions**

Termination for Cause - If County determines that Contractor has failed, or will fail, through any cause, to fulfill in a timely and proper manner its obligations under the Agreement, or if County determines that Contractor has violated or will violate any of the covenants, agreements, provisions, or stipulations of the Agreement, County shall thereupon have the right to terminate the Agreement by giving written notice to Contractor of such termination. Such termination shall be effective immediately upon receipt of notice, or on a later date as specified in its notice by County.

Without prejudice to the foregoing, Contractor agrees that if prior to or subsequent to the termination or expiration of the Agreement upon any final or interim audit by County, Contractor shall have failed in any way to comply with any requirements of this Agreement, then Contractor shall pay to County forthwith whatever sums are so disclosed to be due to County (or shall, at County's election, permit County to deduct such sums from whatever amounts remain undisbursed by County to Contractor pursuant to this Agreement or from whatever remains due Contractor by County from any other contract between Contractor and County).

Termination Without Cause - County and Contractor shall have the right to terminate this Agreement without cause at any time upon giving at least 60 days written notice prior to the effective date of such termination.

Termination By Mutual Agreement - County and Contractor may otherwise agree in writing to terminate this Agreement in a manner consistent with mutually agreed upon specific terms and conditions.



**14. Compliance with Laws**

Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies, having jurisdiction over the scope of services or any part hereof, including Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), all provisions of the Occupational Safety and Health Act of 1979 and all amendments thereto, and all applicable federal, state, municipal and local safety regulations. All services performed by Contractor must be in accordance with these laws, ordinances, codes and regulations. Contractor shall indemnify and save County harmless from any and all liability, fines, penalties and consequences from any noncompliance or violations of such laws, ordinances, codes and regulations. A violation of such laws, ordinances, codes and regulations shall constitute a material breach of this Agreement and can lead to the termination of this Agreement and appropriate legal proceedings.

**15. Accident Reporting**

If a death, serious personal injury, or substantial property damage occurs in connection with the performance of this Agreement, Contractor shall immediately notify the Supervising Department by telephone. Contractor shall promptly submit a written report, in such form as may be required by Supervising Department, of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of Contractor's subcontractor, if any; (3) name and address of Contractor's liability insurance carrier; and (4) a detailed description of the circumstances surrounding the accident, whether any of County's equipment, tools, materials or staff were involved and the extent of damage to County and or other property; (5) determination of what effect, if any, accident will have upon Contractor's ability to perform services.

**16. Personal Property**

Unless otherwise provided in Exhibit B(s) to this Agreement, in the event that payment under this Agreement is other than by fee-for-service, title to all personal property having a unit purchase price of over \$1,000 acquired by Contractor in connection with this Agreement or the services rendered pursuant thereto shall vest in County, and shall be returned to County at the expiration or termination of the Agreement.

**17. Non-Discrimination**

Contractor assures that he/she will comply with the Americans with Disabilities Act and Title VII of the Civil Rights Act of 1964. Contractor further agrees and that no person shall, on the grounds of race, creed, color, disability, sex, sexual orientation or national origin, age, religion, Vietnam Era Veteran's status, political affiliation, or any other non-merit factors, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement.

**18. Governing Board Limitations: Conflict of Interest**

Contractor shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies regarding conflicts of interest.



If Contractor has entered into this Agreement as a not-for-profit organization as defined by state and federal law, and is in receipt of funds from County based on such status, Contractor shall at all times conduct its business in a manner consistent with that required of a not-for-profit organization by applicable laws.

Contractor, whether or not a not-for-profit organization, shall not permit any member of its governing board to perform for compensation any administrative or operational functions for the Contractor with respect to the performance of this contract, be it in the capacity as director, officer or employee, (including, but not by way of limitation, fiscal, accounting, or bookkeeping functions) without first obtaining the written consent of the County Agency Director/Chief Administrator.

No administrative employee, officer or director of Contractor may do any of the following without first having given advanced written notice to the County Agency Director/Chief Administrator:

- receive funds from County other than those funds provided pursuant to the Agreement;
- simultaneously serve as an employee, officer or director of another community based organization;
- simultaneously serve as a Director of another governing board or commission which could have influence over the operations of Contractor.

Contractor shall not, without having given advanced written notice to County Agency Director/Chief Administrator of its intention, do any of the following:

- Employ any person who is related by blood or marriage to another employee, a manager, or a member of the governing board of the Contractor;
- Contract for the acquisition of goods or services for more consideration than would be paid for equivalent goods or services on the open market from any person who is related by blood or marriage to a manager or a member of the governing board of the Contractor; or
- Contract for the acquisition of goods or services for more consideration than would be paid for equivalent goods or services on the open market from any organization in which any person who is related by blood or marriage to a manager or member of the governing board of the Contractor has a substantial personal financial interest.

Contractor shall not, during the term of this Agreement, permit any member of the governing board of the Contractor to have or acquire, directly or indirectly, any personal financial interest in the performance of the Agreement, as by providing goods or services for compensation, or otherwise, without having first disclosed the same to the board and the County Agency Director/Chief Administrator, and said member shall not participate in board discussion or action on such matter.

Should the County Agency Director/Chief Administrator object to such employment or contracting and a resolution cannot be achieved then the act of proceeding on such employment or contracting shall constitute grounds for Termination of this Agreement for Cause under the provisions of paragraph 12.

**19. Drug-free Workplace**

Contractor and Contractor's employees shall comply with the County's policy of maintaining a drug-free workplace. Neither Contractor nor Contractor's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code Section 812, including marijuana, heroin, cocaine, and amphetamines, at any County facility or work site. If Contractor or any employee of Contractor is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the Contractor, within five days thereafter, shall notify the Supervising Department of the County department/agency for which the Agreement services are performed. Violation of this provision shall constitute a material breach of this Agreement.

**20. Modifications to Agreement**

County shall assign a liaison to Contractor with respect to the performance of this Agreement. Unless otherwise provided in Exhibit A(s) and/or B(s) to this Agreement, any adjustments requested by the Contractor to line items of a budget or to the program description included as an Exhibit to this Agreement may only be made upon written approval of the supervising department. Such adjustments shall not alter (1) services or other performance to be provided under this Agreement, (2) the time of performance of any act hereunder, or (3) the total amount of money allocated hereunder.

This Agreement can be amended only by written agreement of the parties hereto.

**21. Designation of Authorized Personnel**

Contractor shall provide County with a list of Contractor's employees or members of Contractor's Board of Directors who have been authorized to act on behalf of Contractor in its dealings with County. An "act" on behalf of Contractor includes but is not necessarily limited to, execution of Agreement, Agreement amendments and exhibits, signing of claims, and authorization of payment on invoices. The list shall be updated as necessary to accurately reflect such authorizations.

**22. Notice**

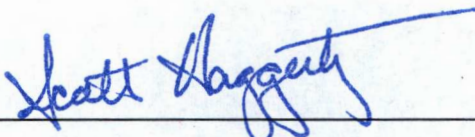
All notices required hereunder will be in writing and served personally or by certified mail, return receipt requested, postage prepaid, at the addresses shown below:

CONTRACTOR Attn: Lydia Kaufmann, Director of Government and Public Affairs  
Psynergy Programs, Inc.  
18225 Hale Avenue  
Morgan Hill, CA 95037

COUNTY: County of Alameda  
Behavioral Health Care Services  
1900 Embarcadero Cove, Suite 205  
Oakland, CA 94606

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date referenced below.

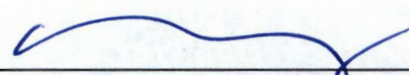
COUNTY OF ALAMEDA

  
\_\_\_\_\_  
President  
Board of Supervisors

3/29/16 Date

Approved as to form:

Donna R. Ziegler, County Counsel,  
Alameda County

By   
\_\_\_\_\_  
K. Scott Dickey, Deputy County Counsel

3/14/2016  
\_\_\_\_\_  
Date

CONTRACTOR

\_\_\_\_\_  
Psynergy Programs, Inc.  
Contractor

\_\_\_\_\_  
18225 Hale Avenue  
Street Address

\_\_\_\_\_  
Morgan Hill, CA 95037  
City, State, Zip Code

\_\_\_\_\_  
74-131675  
Federal ID No.

By   
\_\_\_\_\_  
Authorized Signature of Contractor

Acting President and CEO  
~~Director of Government and Public~~  
~~Affairs~~  
\_\_\_\_\_  
Title

2/26/2016  
\_\_\_\_\_  
Date

**EXHIBIT A**  
**PROGRAM DESCRIPTION AND PERFORMANCE REQUIREMENTS**

<b>Contracting Department</b>	Alameda County Behavioral Health Care Services (BHCS)
<b>Contractor Name</b>	Psynergy Programs, Inc.
<b>Contract Period</b>	March 1, 2016 – June 30, 2016
<b>Type of Contract</b>	Services As Needed (SAN)
<b>Contract Number</b>	000001

**I. Program Names**

Nueva Vista

**II. Contracted Services**

- Outpatient Services
- Residential Services
- Supported Accommodations/Independent Living
- Transportation

**III. Program Information and Requirements**

**A. Program Goals**

Contractor shall provide services to help clients accomplish the following goals:

- Reduce mental health symptoms;
- Increase recovery;
- Increase client ability to maintain themselves in the community; and
- Reduce client placement in locked hospital settings.

**B. Target Population**

Contractor shall provide services to the following populations:

**1. Service Groups**

Contractor shall serve transition-age youth (TAY), adults and older adults with serious mental illness (SMI), who requires treatment that cannot be delivered through an existing County or County-contracted provider.

**2. Referral Process to Program**

Contractor shall only accept referrals from the BHCS designee.<sup>1</sup>

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<sup>1</sup> For this Agreement, the BHCS designee shall be the TAY System of Care Director or designee.



### **3. Program Eligibility**

Through this Agreement, Contractor shall only serve individuals aged 18 years and older with a SMI, who:

- Require treatment that cannot be delivered through an existing County or County-contracted provider; and
- Have been pre authorized for treatment by the BHCS designee.

#### *Additional Requirements for Supported Accommodations/Independent Living*

Contractor shall only serve County clients who are placed in one of Contractor's Housing Units and who are concurrently receiving outpatient services.

#### Pre Authorization

At the time of referral, Contractor will determine the level of care that is required for the specific County client and will notify BHCS of the services it recommends for the specific County client.

BHCS designee will provide Contractor with written confirmation of the authorization within twenty-four hours of admission into Contractor's facility.

Absent prior authorization for placement, Contractor shall not be entitled to any Payment for services rendered with respect to any actual placement.

If a County client needs services that are not included in this Agreement, Contractor must obtain prior written authorization from BHCS designee to provide these services. If the services are in addition to those defined in Exhibit A, a written amendment to this Agreement will be executed.

Under no circumstances shall Contractor make unilateral direct placements to Institutes for Mental Diseases (IMD's) or other facilities without prior authorization from BHCS designee.

#### Re-Authorization

BHCS must reauthorize placements every three months. Contractor shall work with the BHCS designee to coordinate reauthorization at least 30 days before expiration of authorization.

### **4. Limitations of Service Not applicable.**

## **C. Program Description**

Contractor shall maintain programmatic services at or above the following minimum levels:

### **1. Program Design**

Contractor shall only provide services in the attached Rate Sheet as specifically authorized in writing by the BHCS designee for each client.

Contractor's program shall provide an alternative to a locked, crisis setting. Contractor's program shall include a comprehensive, innovative, and coordinated program of services and activities, which shall take a holistic approach and focus on the development of independent living skills and the empowerment of the individual client.

Contractor's program shall provide outpatient and residential treatment (i.e., assessment, medication management and family therapy). Contractor shall utilize motivational interviewing to engage clients. As determined by client need, Contractor shall also utilize other evidence-based or promising practices including assertive community treatment; coping skills training; healthy lifestyle training, social skills training, supported employment; harm reduction; and cognitive and dialectical behavioral therapy.

#### Outpatient Services

Contractor shall provide the following outpatient services:

- Mental health services (i.e., assessment; plan development; individual, group and family therapy; collateral; and individual and group rehabilitations); Case management/brokerage;
- Crisis intervention; and
- Medication support.

#### Residential Services

Contractor's residential program shall include the following components:

- Room and board;
- Care and supervision;
- Daily activities program;
- Recreational and leisure activities program;
- Holistic health and physical fitness programs;
- Vocational readiness;
- Peer and Family Support; and
- Linkage to community resources.

Contractor's staff shall ensure that each client receives a comprehensive psychiatric and clinical assessment within 72 hours of admission. Contractor's staff shall ensure that each client receives a medical assessment within two weeks

of admission. Contractor's staff shall monitor each client's medications on a daily basis.

Contractor's staff shall offer constructive activities and socialization opportunities suited to a wide array of client interests, needs and abilities. These activities may include horticulture, art, music, dance/movement, recreation/leisure, yoga/meditation, equine therapy, pet assisted therapy, walking, weight training, academic development/educational support, as well as volunteer work experience, paid employment and community based, self-help support groups.

Supported Accommodations/Independent Living

Contractor shall provide supported housing services, which include check-ins with individual clients to monitor and support the client's safety and stability in their housing unit. Contractor shall also provide groups to support clients in retaining their housing, including but not limited to independent living skills group training.

Transportation

Transportation shall only include Contractor's transportation of clients to admissions, discharges, court, conservatorship hearings or specialty medical care.

**2. Consumer/Client Flow**

Contractor's staff shall provide services as follows:

<b>Milestone Activity</b>	<b>Timing</b>
Screening	BHCS Behavioral Health Screening Form for Assessment and Treatment as Medically Necessary shall be completed by Contractor's staff over the phone prior to intake.
Episode Opening	Upon client's entry into the program, an episode opening which matches the date of client's entry into the program shall be entered by Contractor's staff in the electronic data collection and claiming system approved by BHCS Information Systems (IS) or into a BHCS approved claim form.
Assessment	Assessments shall be completed and signed by Contractor's staff in accordance with the required timelines of the Mental Health Plan in the County in which the provider is located, and updated annually.
Treatment Plan Development*	Treatment plans shall be completed and signed by Contractor's staff within 60 days from the episode opening date.
Intervention	Residential treatment interventions shall be ongoing between plan development and discharge.

Milestone Activity	Timing
Update of Treatment Plan and Intervention	Plans and interventions shall be updated by Contractor's staff, at a minimum, annually and whenever there is a significant change in goals, mental health objectives, and events in the client's life. Client and Service Information (CSI) Periodic Data shall be updated by Contractor's staff, at a minimum, annually.

*\* Treatment Plan Development shall be strength-based, conducted in partnership with the client and family whenever possible, and include clear goals, objectives and criteria for successful discharge from the program.*

### **3. Discharge Criteria and Process**

Contractor shall work with the BHCS designee, in coordinating client discharge at least 30 days prior to the anticipated discharge date.

### **4. Hours of Operation**

Contractor shall maintain the following hours of operation: 24 hours a day, seven days a week.

### **5. Service Delivery Sites**

Contractor shall provide services at the following location:

18225 Hale Avenue, Morgan Hill, CA 95037

Contractor shall obtain written approval from BHCS through the BHCS Program Contract Manager before implementing any changes in service delivery sites.

## **IV. Contract Deliverables and Requirements**

### **A. Process Measures**

Contractor shall provide authorized services for up to five clients per year.

### **B. Outcome Measures Not applicable.**

## **V. Reporting and Evaluation Requirements**

### **A. Reporting Requirements**

Contractor shall complete forms and any special reports at the request of BHCS. As a condition of funding, Contractor must comply with the reporting requirements of County, State, or Federal agencies, and applicable law and regulations.



**B. Evaluation Requirements**

Contractor shall submit periodic and annual reviews of program delivery and fiscal reporting as required by County, State, and Federal funding sources.

**VI. Additional Requirements**

**A. Site Certification/Licensure**

Contractor shall have and maintain Medi-Cal Certification.

**B. Other Requirements** Not applicable.

**C. Supplemental Terms and Conditions**

Contractor agrees to comply with the following supplemental terms and conditions attached to this Exhibit A:

- Exhibit A-1: Additional Terms and Conditions of Program and Performance.
- Exhibit A-2: Addendum for Quality Assurance.

## EXHIBIT A-1

### COMMUNITY BASED ORGANIZATION MASTER CONTRACT Additional Terms and Conditions of Program and Performance

Contracting Department: **Behavioral Health Care Services (BHCS)**  
Contractor Name: **Psynergy Programs, Inc.**  
Contract Period: **3/1/2016 to 6/30/2016**  
Master Contract Number: **000001**

1. **Confidentiality.** Contractor shall comply with all applicable federal and state laws and regulations pertaining to the confidentiality of individually identifiable health information including, but not limited to, the Health Insurance Portability and Accountability Act (HIPAA) and Welfare and Institutions Code requirements regarding confidentiality of patient information, and records, commencing with Section 5328. Contractor shall inform and train its officers, employees and agents of the provisions for confidentiality of all information and records as set forth in applicable laws and policies referenced above.

Contractor shall follow California state and federal guidelines pertaining to breaches of confidentiality. Contractor agrees to hold BHCS harmless for any breaches or violations arising from the actions/inactions of Contractor, their staff and subcontractors.

Contractor shall provide necessary client information to any other service provider within the Alameda County Behavioral Health Care Services (BHCS) System of County-operation and County-contracted providers for treatment activities (including the need to make timely referrals among programs for purposes of providing integrated services within this system of care) and/or for payment activities of said providers, and/or for health care operations of said providers if each of the entities has or had a relationship with the client. Contractor shall obtain clients' informed consent whenever possible, however the absence of such consent will not preclude the exchange of information with other BHCS service providers. Contractor shall obtain client consent, in a form mandated by applicable state or federal law, before releasing information to those who are outside the BHCS system of services except as otherwise provided by law. In accordance with the law, Contractor shall disclose to appropriate treatment providers information concerning clients served pursuant to this Agreement for purposes of securing treatment, and to the extent minimally necessary to accomplish the purpose of coordinating or managing health care and to perform the functions specified in the California Welfare and Institutions Code.

2. **Maintenance of Records.** The maintenance, access, disposal and transfer of records shall be in accordance with professional standards and applicable County, State, and Federal laws and regulations including, if applicable, the specified regulations of the Substance Abuse and Crime Prevention Act of 2000.

Records shall contain sufficient detail to make it possible for contracted services to be evaluated. Contractor shall permit authorized BHCS personnel to make periodic inspections of the records. Contractor shall furnish information and patient records such as these personnel

may require for monitoring, reviewing and evaluating fiscal and clinical effectiveness, adherence to regulations, appropriateness, and timeliness of the services being rendered under this contract. County policies and procedures in regards to this section may be found in the Quality Assurance Manual posted online at: [http://www.acbhcs.org/providers/QA/qa\\_manual.htm](http://www.acbhcs.org/providers/QA/qa_manual.htm).

3. Patient Rights. Patients' rights shall be assured in compliance with Welfare and Institutions Code, Division 5, Section 5325; and California Code of Regulations, Title 9, Article 6. Patient records must comply with all appropriate state and federal requirements.

4. General Supervision. Services shall be under the general supervision of the Director of BHCS, as specified in Section 521 of the California Code of Regulations. Further, said Section allows the aforementioned Director to supervise and specify as to the kind, quality, and amount of the services provided and the criteria used for determining patient eligibility.

5. Enrollment. All Contractors that bill third parties for provisions of services (e.g., Medi-Cal, Medicare, HealthPAC) shall check each client's insurance status upon client's first entry into their program (admission/case opening/episode opening) and monthly thereafter. Contractor shall inform uninsured clients about options for health care coverage, including but not limited to federal and local programs, such as Medi-Cal, Medicare, HealthPAC, or other sources of payment, such as private insurance. Contractor is responsible for the verification of benefits. Contractor shall provide or arrange for, through referrals or otherwise, assistance with benefits enrollment and/or re-enrollment where benefits do not exist or coverage has lapsed.

6. Organizational Chart. Contractor shall have and maintain an organizational chart reflecting the current operating structure on file with BHCS. Contractor shall provide BHCS with an updated version of this document in the event of any change to the operational structure.

7. Administrative and Program Standards: Contractor shall comply with all administrative standards and program requirements as specified by specific State and Federal guidelines. Contractor shall comply by the Ethical Code of Conduct of all professional organizations that applies to their licensure.

8. Licenses, Permits and Certificates: Contractor shall obtain and maintain during the term of this Contract, all appropriate licenses, permits and certificates required by all applicable Federal, State, County and/or municipal laws, regulations, guidelines and/or directives as may be amended from time to time for the operation of its facility and/or for the provision of services hereunder.

9. Quality Assurance (QA): Contractor shall comply with the following QA provisions. Contractor shall comply with BHCS' Consumer Grievance and Appeal Policy and Procedures, as set forth in the BHCS QA Manual and such amendments as posted on the BHCS website, at <http://www.acbhcs.org/providers/QA/QA.htm>. Contractor shall submit reports of client deaths and sentinel events to the BHCS QA Office within 14 days of the knowledge of a beneficiaries' death, or other sentinel event and shall also adhere to State reporting guidelines for Unusual Occurrences per the appropriate State licensing agency. Contractor shall comply with the formalized case review policies as set forth in the BHCS QA Manual.

10. Continuity of Services. Contractor shall have a plan for the continuity of services to clients, including the maintenance and security of records. The continuity plan must provide for the transition of services and records in the event that a direct service staff dies or becomes unable to continue providing services, or in the event that a program closes.

11. Program Modification: Contractor shall secure the prior written approval of the Director of BHCS, or their Designee, in the event contracted services and activities require modification during the contract year. The request for modification shall be submitted to BHCS in writing.

12. Compliance with Contract Provisions. Contractors not in compliance with contract provisions, State or Federal law and/or regulation shall be immediately responsible for remedy and/or a plan of correction subject to BHCS approval. The cost of the plan of correction shall be borne by the Contractor/Provider.



## EXHIBIT A-2

### COMMUNITY BASED ORGANIZATION MASTER CONTRACT Quality Assurance Addendum

Contractor shall be responsible for knowing and implementing the policies contained in Alameda County Behavioral Health Care Services' (BHCS') Quality Assurance (QA) Manual as may be updated from time to time by BHCS. The manual and updates shall be available on the BHCS website, at <http://www.acbhcs.org/providers/QA/QA.htm>. Email communications may be made to notify providers of periodic updates and changes made to the QA Manual. Contractor shall have and maintain a QA Plan that meets the requirements of the BHCS Office of QA. This plan shall be available on-site for review by BHCS.

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- **UPDATES:** Contractor shall be responsible for informing the QA Office of any changes to Contractor's primary email address.
- **CREDENTIALING:** Contractor shall be responsible for verifying the credentials and licensing of their staff and employees as contained in BHCS, state and federal requirements. Contractor shall ensure that staff providing services under this Agreement are in good standing with Centers for Medicare and Medicaid Standards (CMS) and not on any list of providers who are excluded from participation in federal health care programs.
- **DOCUMENTATION STANDARDS:** Contractors shall comply with Documentation Standards, Policy and Procedures as set forth in the QA Manual and as may be amended by notice on the BHCS Provider website. In particular, Contractors shall reference the following tools within the QA Manual: Clinical Documentation Standards, Regulatory Compliance Sheet, the Clinical Quality Review Team (CQRT) Manual and the CQRT Sheet. Contractor's lead QA staff shall attend the following trainings, provided by BHCS, annually: Clinical Documentation Training, CQRT Training and, for Contractors providing Medication Support Services, Evaluation and Management Training.
- **QA AUDITS:** Contractor shall cooperate with BHCS in any review and/or audit initiated by BHCS.
- **UTILIZATION MANAGEMENT:** Contractor shall comply with policies related to the Utilization Management Program of BHCS as set forth in the QA Manual and the Clinical Quality Review Team (CQRT) Manual as may be updated from time to time by BHCS.
- **OTHER APPLICABLE POLICIES:** All Contractors/Providers shall comply with all other applicable policies as set forth in the QA Manual and such amendments as posted on the BHCS Provider website.

**EXHIBIT B**  
**TERMS AND CONDITIONS OF PAYMENT**  
**(Short-Doyle Realignment)**

In return for the aforementioned services as set forth in Exhibit A of this agreement, the County agrees to reimburse the Contractor on the following basis:

1. Total Remuneration

Remuneration to the Contractor under this agreement shall be known as net reimbursable cost. Contractor understands and acknowledges that this contract is one of a pool of contracts with a not-to-exceed total amount of \$5,272,519. Contractor understands and acknowledges that it is one of a number of contractors receiving payment from the not-to-exceed amount for the same or similar services. The parties agree that the total compensation payable to the pool of Contractors under the pool of contracts designated by County shall not exceed \$5,272,519.

2. Basis for Reimbursement During Contract Period

Contractor shall be reimbursed on the basis of negotiated rate(s) specified in the Exhibit B Attachment: Method and Rate of Reimbursement. County shall determine Contractor's final net reimbursable cost by: (a) multiplying the negotiated rate by the applicable units of service provided; (b) subtracting deductible revenues as defined in State DHCS Letter 84-10 and the Fiscal Year 2013-14 State DHCS Cost Report Instruction Manual; and (c) paying the resultant net amount.

3. Final Cost Report Requirements

Contractor acknowledges that it is not possible for County to determine actual units of service and net reimbursable cost until the end of the contract period and/or until an audit of Contractor's books for the contract period covered herein has been completed by both the State and County auditors, or their designees, and also by Federal auditors, or their designees, should any portion of this agreement be provided with Federal funds. To facilitate this final accounting, Contractor shall certify, in a format designated by the County, the units of service and deductible revenues as defined in Paragraph 2 above, and the amount of reimbursement received from County pursuant to this agreement.

4. Submittal Deadline for Claims & Client Data

Contractor shall submit monthly claim data to the County by the tenth (10th) calendar day of the month following the month of service. If Contractor provides direct treatment service, Contractor shall submit with the monthly invoice, client data for all Alameda County-funded patients.

Should Contractor fail to meet the above-indicated deadlines, Contractor shall be considered in non-compliance with the contract provisions and County shall withhold payment of Contractor's outstanding claims until such time that County is assured of Contractor's future compliance.

**EXHIBIT B ATTACHMENT:  
METHOD AND RATE OF REIMBURSEMENT  
SERVICES-AS-NEEDED  
RATE SHEET  
FY 15/16**

**Contractor: Psynergy Programs, Inc.**

Reporting Unit	Service / Program	Reimbursement Method	Rate	
<b>Pending</b>	<b>Outpatient Mental Health Services</b>	Negotiated Rate		
	Case Management		\$121.20	per hour
	Mental Health Services		\$156.60	per hour
	Medication Support		\$289.20	per hour
	Crisis Intervention		\$232.80	per hour
<b>Pending</b>	<b>Nueva Vista - Residential Services Only</b>	Negotiated Rate		
	Moderate		\$94.00	per day
	Severe		\$125.00	per day
<b>Pending</b>	<b>Tres Vista - Supported Accommodations/Independent Living</b>	Negotiated Rate	\$30.00	per day
<b>N/A</b>	<b>Transportation</b>	Negotiated Rate	\$50.00	per hour



**EXHIBIT C**  
**COUNTY OF ALAMEDA MINIMUM INSURANCE REQUIREMENTS**

Without limiting any other obligation or liability under this Agreement, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following minimum insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES		MINIMUM LIMITS
<b>A</b>	<b>Commercial General Liability</b> Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability; Abuse, Molestation, Sexual Actions, and Assault and Battery	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
<b>B</b>	<b>Commercial or Business Automobile Liability</b> All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses. Personal Automobile Liability is acceptable for individual contractors with no transportation or hauling related activities	\$1,000,000 per occurrence (CSL) Any Auto Bodily Injury and Property Damage
<b>C</b>	<b>Workers' Compensation (WC) and Employers Liability (EL)</b> Required for all contractors with employees	WC: Statutory Limits EL: \$1,000,000 per accident for bodily injury or disease
<b>D</b>	<b>Professional Liability/Errors &amp; Omissions</b> Includes endorsements of contractual liability and defense and indemnification of the County	\$1,000,000 per occurrence \$2,000,000 project aggregate
<b>E</b>	<b><u>Endorsements and Conditions:</u></b>  <ol style="list-style-type: none"> <li><b>ADDITIONAL INSURED:</b> All insurance required above with the exception of Professional Liability, Commercial or Business Automobile Liability, Workers' Compensation and Employers Liability, shall be endorsed to name as additional insured: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees, volunteers, and representatives. The Additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13.</li> <li><b>DURATION OF COVERAGE:</b> All required insurance shall be maintained during the entire term of the Agreement. In addition, Insurance policies and coverage(s) written on a claims-made basis shall be maintained during the entire term of the Agreement and until 3 years following the later of termination of the Agreement and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement.</li> <li><b>REDUCTION OR LIMIT OF OBLIGATION:</b> All insurance policies, including excess and umbrella insurance policies, shall include an endorsement and be primary and non-contributory and will not seek contribution from any other insurance (or self-insurance) available to the County. The primary and non-contributory endorsement shall be at least as broad as ISO Form 20 01 04 13. Pursuant to the provisions of this Agreement insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties.</li> <li><b>INSURER FINANCIAL RATING:</b> Insurance shall be maintained through an insurer with a A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to the County. Acceptance of Contractor's insurance by County shall not relieve or decrease the liability of Contractor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor.</li> <li><b>SUBCONTRACTORS:</b> Contractor shall include all subcontractors as an insured (covered party) under its policies or shall verify that the subcontractor, under its own policies and endorsements, has complied with the insurance requirements in this Agreement, including this Exhibit. The additional Insured endorsement shall be at least as broad as ISO Form Number CG 20 38 04 13.</li> <li><b>JOINT VENTURES:</b> If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by one of the following methods: <ul style="list-style-type: none"> <li>Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured" (covered party), or at minimum named as an "Additional Insured" on the other's policies. Coverage shall be at least as broad as in the ISO Forms named above.</li> <li>Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured".</li> </ul> </li> <li><b>CANCELLATION OF INSURANCE:</b> All insurance shall be required to provide thirty (30) days advance written notice to the County of cancellation.</li> <li><b>CERTIFICATE OF INSURANCE:</b> Before commencing operations under this Agreement, Contractor shall provide Certificate(s) of Insurance and applicable insurance endorsements, in form and satisfactory to County, evidencing that all required insurance coverage is in effect. The County reserves the rights to require the Contractor to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent as set forth in the Notices provision.</li> </ol>	



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## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/02/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER <b>USI Southern California PHD</b> <b>Lic # 0351162</b> <b>21700 Oxnard Street, Suite 1200</b> <b>Woodland Hills, CA 91367</b>	CONTACT NAME:	
	PHONE (A/C, No, Ext): <b>818 251-3000</b>	FAX (A/C, No):
INSURED <b>Psynergy Programs, Inc.</b> <b>18225 Hale Avenue</b> <b>Morgan Hill, CA 95037</b>	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: <b>Harleysville Insurance Company</b>	NAIC #: <b>23582</b>
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER: 002

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC		MPA00000085511V	06/08/2015	06/08/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$300,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/OP AGG \$3,000,000 \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.I. EACH ACCIDENT \$ E.I. DISEASE - EA EMPLOYEE \$ E.I. DISEASE - POLICY LIMIT \$
A	<b>Professional Liab</b>		MPA00000085511V	06/08/2015	06/08/2016	1,000,000/3,000,000
A	<b>Abuse/Molestation</b>		MPA00000085511V	06/08/2015	06/08/2016	1,000,000/3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Complete Named Insured reads: Psynergy Programs, Inc.

dba: Nueva Vista

dba: Cielo Vista

dba: Nueva Vista Sacramento

Holder is named as additional insured per forms CG2026, CG7360 & CG7308 contained in the policy with regard

(See Attached Descriptions)

## CERTIFICATE HOLDER

## CANCELLATION

<b>County of Alameda</b> <b>1900 Embarcadero #205</b> <b>BHCS, Ins Coordinator</b> <b>Oakland, CA 94606</b>	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Natalie Berend</i>

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## DESCRIPTIONS (Continued from Page 1)

to the referenced locations.

Complete name of holder to read: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and representatives

Loc# 1 - 18225, 27 & 17 Hale Avenue; Morgan Hill, CA

Loc# 2 - 806 Elm Avenue; Greenfield, CA

Loc# 4 - 4604 Roosevelt Avenue; Sacramento, CA

Loc# 5 - 4608 Roosevelt Avenue; Sacramento, CA



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## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/02/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> <b>USI Southern California PHD</b> <b>Lic # 0351162</b> <b>21700 Oxnard Street, Suite 1200</b> <b>Woodland Hills, CA 91367</b>	<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext): 818 251-3000</b> <b>FAX (A/C, No):</b> <b>E-MAIL ADDRESS:</b> <table border="1"> <tr> <th data-bbox="803 388 1404 420">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1404 388 1528 420">NAIC #</th> </tr> <tr> <td data-bbox="803 420 1404 451"><b>INSURER A : Harleysville Insurance Company</b></td> <td data-bbox="1404 420 1528 451"><b>23582</b></td> </tr> <tr> <td data-bbox="803 451 1404 483"><b>INSURER B :</b></td> <td data-bbox="1404 451 1528 483"></td> </tr> <tr> <td data-bbox="803 483 1404 514"><b>INSURER C :</b></td> <td data-bbox="1404 483 1528 514"></td> </tr> <tr> <td data-bbox="803 514 1404 546"><b>INSURER D :</b></td> <td data-bbox="1404 514 1528 546"></td> </tr> <tr> <td data-bbox="803 546 1404 577"><b>INSURER E :</b></td> <td data-bbox="1404 546 1528 577"></td> </tr> <tr> <td data-bbox="803 577 1404 609"><b>INSURER F :</b></td> <td data-bbox="1404 577 1528 609"></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	<b>INSURER A : Harleysville Insurance Company</b>	<b>23582</b>	<b>INSURER B :</b>		<b>INSURER C :</b>		<b>INSURER D :</b>		<b>INSURER E :</b>		<b>INSURER F :</b>	
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<b>INSURER D :</b>															
<b>INSURER E :</b>															
<b>INSURER F :</b>															
<b>INSURED</b> <b>Psynergy Programs, Inc.</b> <b>18225 Hale Avenue</b> <b>Morgan Hill, CA 95037</b>															

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDLSUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/POP AGG \$ \$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS		BA00000085512V	06/08/2015	06/08/2016	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Holder named as additional insured per form CA2048 contained in the policy

Full name of holder to read: County of Alameda, its of Board of Supervisors, the individual members thereof, and all County officers, agents, employees and representative

## CERTIFICATE HOLDER

## CANCELLATION

<b>County of Alameda</b> <b>1900 Embarcadero #205</b> <b>BHCS, Insurance Coordinator</b> <b>Oakland, CA 94606</b>	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  <b>AUTHORIZED REPRESENTATIVE</b> <i>Natalie Berard</i>
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12/02/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> USI Southern California PHD Lic # 0351162 21700 Oxnard Street, Suite 1200 Woodland Hills, CA 91367	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): 818 251-3000 FAX (A/C, No): E-MAIL ADDRESS: <table border="1"> <tr> <th data-bbox="803 388 1404 420">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1404 388 1526 420">NAIC #</th> </tr> <tr> <td data-bbox="803 420 1404 451">INSURER A : Cypress Insurance Company (CA)</td> <td data-bbox="1404 420 1526 451">10855</td> </tr> <tr> <td data-bbox="803 451 1404 483">INSURER B :</td> <td data-bbox="1404 451 1526 483"></td> </tr> <tr> <td data-bbox="803 483 1404 514">INSURER C :</td> <td data-bbox="1404 483 1526 514"></td> </tr> <tr> <td data-bbox="803 514 1404 546">INSURER D :</td> <td data-bbox="1404 514 1526 546"></td> </tr> <tr> <td data-bbox="803 546 1404 577">INSURER E :</td> <td data-bbox="1404 546 1526 577"></td> </tr> <tr> <td data-bbox="803 577 1404 602">INSURER F :</td> <td data-bbox="1404 577 1526 602"></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Cypress Insurance Company (CA)	10855	INSURER B :		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER C :															
INSURER D :															
INSURER E :															
INSURER F :															
<b>INSURED</b> Psynergy Programs, Inc. 18225 Hale Avenue Morgan Hill, CA 95037															

## COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER: 001

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N Y	N/A	PSWC602565	06/01/2015	06/01/2016	X WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

## \*\* Workers Comp Information \*\*

Proprietors/Partners/Executive Officers/Members Excluded:

Michael Weinstein, CFO, Treasurer

Arturo Uribe, Chief Ops Officer

L. Jean Edwards, Chief Comm Off & Secy

(See Attached Descriptions)

## CERTIFICATE HOLDER

County of Alameda 1900 Embarcadero #205 BHCS, Ins Coordinator Oakland, CA 94606
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## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
AUTHORIZED REPRESENTATIVE <i>Natalie Berend</i>

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## DESCRIPTIONS (Continued from Page 1)

This certificate issued as proof only

Full named of holder to read: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and representatives

Loc# 1 - 18225 Hale Avenue; Morgan Hill, CA

Loc# 2 - 806 Elm Street; Greenfield, CA

Loc# 4 - 4604,08,12,16,20 & 4516 Roosevelt Avenue; Sacramento, CA

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**HUMAN SERVICES LIABILITY ENDORSEMENT**

This endorsement modifies insurance provided by the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

It is understood and agreed that the following extensions only apply in the event that no other more specific coverage for the indicated loss exposure is provided by your policy in addition to the coverages provided by the Commercial General Liability Coverage Part. If such other more specific coverage applies, the terms, conditions and limits of such other more specific coverage are the sole and exclusive coverage applicable under this policy, unless otherwise expressly stated on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy's and this endorsement's contract wording.

Coverage Applicable	Limit of Insurance	Page Number
Damage to Premises Rented to You	\$1,000,000	2
Extended Property Damage	Included	2
Non-Owned Watercraft	Less than 58 feet	2
Medical Payments	\$20,000	3
Medical Payments-Extended Reporting Period	3 years	3
Athletic Activities	Amended	3
Supplementary Payments – Bail Bonds	\$7,500	3
Supplementary Payment – Loss of Earnings	\$1,500 per day	3
Employee Indemnification Defense Coverage for Employee	\$25,000	3
Named Insured – Newly Acquired	Included	3
Named Insured – Broadened Named Insured	Included	4
Additional Insured – Medical Directors and Administrators	Included	4
Additional Insured – Funding Source	Included	4
Additional Insured – Home Care Providers	Included	4
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	4
Additional Insured – Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You	Included	4
Additional Insured – Grantors of Permits	Included	4
Additional Insured – Broad Form Vendors	Included	5
Additional Insured – Grantor of Franchise	Included	5
Additional Insured – As Required by Contract	Included	6
Additional Insured – State or Political Subdivisions	Included	7
Limited Rental Lease Agreement Contractual Liability	\$100,000 limit	8
Damage to Property You Own, Rent or Occupy	\$50,000 limit	8
Transfer of Rights of Recovery Against Others To Us	Clarification	8
Duties in the Event of Occurrence, Claim or Suit	Included	8
Unintentional Failure to Disclose Hazards	Included	9
Liberalization	Included	9
Bodily Injury – includes Mental Anguish	Included	9
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	9
Key and Lock Replacement – Janitorial Services Client Coverage	\$15,000 Limit	10

**A. Damage to Premises Rented to You**

1. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the word "fire" is changed to "fire, lightning, explosion, smoke or leakage from automatic fire protective systems" where it appears in:
  - a. The last paragraph of SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Subsection 2. Exclusions;
  - b. The first paragraph immediately following Exclusion j.(6) of SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY under Subsection 2. Exclusions
  - c. SECTION III – LIMITS OF INSURANCE, Paragraph 6.;
  - d. SECTION V – DEFINITIONS, Paragraph 9.a.
2. If damage by fire to premises rented to you is not otherwise excluded from this Coverage Part, the term "Fire insurance" is changed to "insurance for fire, lightning, explosion, smoke, or leakage from automatic fire protective systems" where it appears in:
  - a. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Subsection 4. **Other Insurance**, Paragraph b. **Excess Insurance**, items b.(1)(a)(ii).
3. The Damage to Premises Rented to You Limit shown on the Declarations is deleted and replaced by \$1,000,000. \$1,000,000 is the only limit of liability for Damage to Premises Rented to You and this limit will not be combined with the limit shown on the Declarations for this coverage. This is the most we will pay for all damage proximately caused by the same event, whether such damage results from fire, lightning, explosion, smoke, or leaks from automatic fire protective systems or any combination thereof.

Provided, however, that if you assume liability in a contract or agreement regarding the rental or lease of a premises on behalf of your client, this Damage to Premises Rented by You limit is superceded and replaced by the limit of insurance provided by **Section I. Limited Rental Lease Agreement Contractual Liability** of this endorsement. The term client as used in this section has the same meaning as provided by **Section I. Limited Rental Lease Agreement Contractual Liability** herein.

**B. Extended "Property Damage"**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. **Exclusions**, Paragraph a. is deleted and replaced by the following:

**a. Expected or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**C. Non-Owned Watercraft**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. **Exclusions**, Paragraph g. (2) is deleted and replaced by the following:

(2) A watercraft you do not own that is:

- (a) Less than 58 feet long; and
- (b) Not being used to carry persons or property for a charge;

This provision applies to any person, who with your consent, either uses or is responsible for the use of such a watercraft. This insurance is excess over any other valid and collectible insurance available to the insured whether primary, excess or contingent.

**D. Medical Payments – Limit Increased to \$20,000, Extended Reporting Period**

If **COVERAGE C MEDICAL PAYMENTS** is not otherwise excluded from this Coverage Part:

1. The Medical Expense Limit shown on the Declarations is deleted and replaced by \$20,000. \$20,000 is the only limit of insurance for Medical Expenses and this limit will not be combined with the limit shown on the Declarations for this coverage.
2. **COVERAGE C MEDICAL PAYMENTS**, Subsection 1. **Insuring Agreement**, Paragraph a(3)(b) is amended to read:
 

provided that:

  - (b) The expenses are incurred and reported to us within three years of the date of the accident; and



**E. Athletic Activities**

**SECTION I – COVERAGES, COVERAGE C MEDICAL PAYMENTS, Subsection 2. Exclusions, Exclusion e. Athletic Activities** is deleted and replaced with the following:

**e. Athletic Activities**

To a person injured while practicing or participating in any physical exercises or games, sports, or athletic contests. This exclusion shall not apply to an insured while providing instruction with respect to any physical exercises or games, sports, or athletic contests.

**F. Supplementary Payments**

Under the **SUPPLEMENTARY PAYMENTS – COVERAGE A AND B** provision, items 1.b. and 1.d. are amended as follows:

1. The limit for the cost of bail bonds is changed from \$250 to \$7,500; and
2. The limit for loss of earnings is changed from \$250 a day to \$1,500 a day.

**G. Employee Indemnification Defense Coverage**

Under the **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** provision, the following is added:

3. We will reimburse you for defense costs that you incur in the defense of an "employee" who is directly involved in a criminal proceeding that arises out of such "employee's" acts or omissions within the scope of their employment by you or while performing duties related to the conduct of your business and which would otherwise be covered by this insurance.

The most we will reimburse you for defense costs that you incur in the defense of an "employee" who is alleged to be directly involved in a criminal proceeding is \$25,000, subject to an aggregate limit of \$25,000 for all reimbursements that we make during the policy period on behalf of all "employees", regardless of the numbers of "employees", claims or "suits" brought or persons or organizations making claims or bringing "suits".

**H. SECTION II – WHO IS AN INSURED** is amended as follows:

1. If coverage for newly acquired or formed organizations is not otherwise excluded from this Coverage Part, Paragraph 3.a. is deleted and replaced with the following:
  - a. Coverage under this provision is afforded until the end of the policy period during which you acquired or formed the organization.
2. Each of the following is also an insured:
 

Broadened Named Insured – Any organization and subsidiary thereof which you control and actively manage (whether through ownership of voting securities, by contract or otherwise) on the effective date of this Coverage Part which is not named in the Declarations as a Named Insured, and which is also not insured under another similar policy, or would not have been insured but for such policy's termination or the exhaustion of its limits of insurance.
3. Each of the following is also an additional insured:
  - a. Medical Directors and Administrators – Your medical directors and administrators, but only while acting within the scope of and during the course of their duties as such. Such duties do not include the furnishing or failure to furnish professional services as a physician or psychiatrist in the treatment of a patient.
  - b. Funding Source – Any person or organization with respect to their liability arising out of:
    - (1) Their financial control of you; or
    - (2) Premises they own, maintain or control while you lease or occupy these premises.

This insurance does not apply to:

    - (a) Any "occurrence" or offense which takes place after you cease to lease or occupy that premises; or
    - (b) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.
  - c. Home Care Providers – At the first Named Insured's option, any person or organization under your direct supervision and control while providing on your behalf private home respite or foster home care for the developmentally disabled.
  - d. Managers, Landlords, or Lessors of Premises – Any person or organization with respect to their liability arising out of the ownership, maintenance or use of that part of the premises leased or rented to you subject to the following additional exclusions:



This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to be a tenant in that premises; or
  - (2) Structural alterations, new construction or demolition operations performed by or on behalf of that person or organization.
- e. Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You – Any person or organization from whom you lease equipment when you and such organization or person have agreed in writing in a contract or agreement that such person or organization is to be added as an additional insured on your policy. Such person or organization is an insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization and only as specified by such written contract or agreement.
- A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.
- With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
- f. Grantors of Permits – Any state or political subdivision granting you a permit in connection with your premises subject to the following additional provision:
- (1) This insurance applies only with respect to the following hazards for which the state or political subdivision has issued a permit in connection with the premises you own, rent, or control and to which this insurance applies:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures; or
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.
- g. Broad Form Vendors - Any person(s) or organization(s) which or who is or are a vendor of "your products" with whom you agreed under a written contract or agreement to add as an additional insured to your policy, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:
- The insurance afforded the vendor does not apply to:
1. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  2. Any express warranty unauthorized by you;
  3. Any physical or chemical change the vendor intentionally made to the product;
  4. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  5. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
  6. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  7. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  8. "Bodily injury" or "property damage" arising out of the negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf and which was not caused in whole or in part by you or any person or organization acting on your behalf. However, this exclusion does not apply to:
    - (a) The exceptions contained in Subparagraphs 4. or 6.; or
    - (b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

The insurance provided to such additional insured vendor by this endorsement is further limited as follows:

1. The additional insured is covered only for such sums that such additional insured is legally obligated to pay as damages under tort law principles to the injured party because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies, and in accordance with the stated policy limits, exclusions, limitations and conditions except as expressly modified by this endorsement.
2. The limits of insurance are those set forth in the policy Declarations or those specified in the written contract or agreement referenced above in the first paragraph of this subsection g., whichever is less.

This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

#### Other Insurance

1. If specifically required by the written contract or agreement referenced above in the first paragraph of this subsection g., any coverage provided by this endorsement to an additional insured shall be primary and any other valid and collectible insurance available to the additional insured shall be non-contributory with this insurance. If the written contract does not require this coverage to be primary and the additional insured's coverage to be non-contributory, then this insurance will be excess over any other valid and collectible insurance available to the additional insured.
  2. Even if the requirements of paragraph 1. immediately above are met establishing this coverage as primary and the additional insured's coverage as being non-contributory, this coverage will be excess over any other insurance available to the additional insured which is conferred onto said person or organization by a separate additional insured endorsement.
- h. Grantor of Franchise – Any person(s) or organization(s) with whom you agreed under a written contract or agreement to add as an additional insured to your policy but only with respect to their liability as grantor of a franchise to you.

The insurance provided to such additional insured franchisor by this endorsement is further limited as follows:

1. The additional insured is covered only for such sums that such additional insured is legally obligated to pay as damages under tort law principles to the injured party because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies, and in accordance with the stated policy limits, exclusions, limitations and conditions except as expressly modified by this endorsement.
2. The limits of insurance are those set forth in the policy Declarations or those specified in the written contract or agreement referenced above, whichever is less.

#### Other Insurance

1. If specifically required by the written contract or agreement referenced above in the first paragraph of this subsection h., any coverage provided by this endorsement to an additional insured shall be primary and any other valid and collectible insurance available to the additional insured shall be non-contributory with this insurance. If the written contract does not require this coverage to be primary and the additional insured's coverage to be non-contributory, then this insurance will be excess over any other valid and collectible insurance available to the additional insured.
2. Even if the requirements of paragraph 1. immediately above are met establishing this coverage as primary and the additional insured's coverage as being non-contributory, this coverage will be excess over any other insurance available to the additional insured which is conferred onto said person or organization by a separate additional insured endorsement.

- i. As Required by Contract - Any person or organization for whom "you" are performing operations, or to whom you are leasing, subleasing or otherwise entrusting the use or occupancy of premises owned by or rented to "you", only as specified under a written contract, lease, sublease or agreement that requires that such person or organization be added as an additional insured on "your" policy. Such person or organization is an additional insured only with respect to liability caused, in whole or in part, by the acts or omissions of the "Named Insured" in the performance of the "Named Insured's" ongoing operations for the additional insured or in connection with such premises owned by or rented to a "Named Insured", but in both instances only as specified under the written contract, lease, sublease or agreement. A person's or organization's status as an additional insured under this endorsement ends the earlier of when "your" on-going operations for that additional insured are completed or when "you" no longer are contractually required to include such person or organization as an additional insured under "your" policy.

The insurance provided to an additional insured by this endorsement is limited as follows:

1. The additional insured is covered only for such damages which are caused, in whole or in part, by the acts or omissions of the "Named Insured" to which the additional insured is entitled to be indemnified by the "Named Insured" pursuant to the written contract, lease, sublease or agreement referenced in the first paragraph of this subsection i. above and only for those sums that the additional insured is legally obligated to pay as damages under tort law principles to the injured party because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies, and in accordance with the stated policy limits and policy conditions. This coverage does not apply for defense or indemnity of the additional insured if state or federal law does not permit indemnification of the additional insured by the "Named Insured" for the claim of the third party.
2. The limits of insurance are those set forth in the policy and Declarations or those specified in the written contract, lease, sublease or agreement referenced in the first paragraph of this subsection i., whichever is less.

With respect to the insurance afforded to an additional insured under this subsection i., the following exclusions are added:

1. This insurance does not apply if the written contract, lease, sublease or agreement referenced in the first paragraph of this subsection i. above was not executed by the "Named Insured" prior to the "occurrence" giving rise to the additional insured's potential liability.
2. This insurance does not apply to the additional insured's liability to indemnify, defend or hold harmless a third party.
3. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" for which the additional insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the additional insured would have in the absence of the contract or agreement.
4. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or, surveying services, including:
  - (a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
  - (b) Supervisory, inspection, architectural or engineering activities.
5. "Bodily injury" or "property damage" occurring after:
  - (a) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the site of the covered operations has been completed; or
  - (b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

#### Other Insurance

1. If specifically required by the written contract, lease, sublease or agreement referenced in the first paragraph of this subsection i. above, any coverage provided by this endorsement to an additional insured shall be primary and any other valid and collectible insurance available to the additional insured shall be non-contributory with this insurance. If the written contract, lease or sublease does not require this coverage to be primary and the additional insured's coverage to be non-contributory, then this insurance will be excess over any other valid and collectible insurance available to the additional insured.
2. Even if the requirements of paragraph 1. immediately above are met establishing this coverage as primary and the additional insured's coverage as being non-contributory, this coverage will be excess over other insurance available to the additional insured which is conferred onto said person or organization by a separate additional insured endorsement.

#### Definitions

Solely for purposes of the insurance afforded to an additional insured by this endorsement:

"Named Insured" is defined as the entity to whom the insurance policy is issued as shown on the Declarations.

"You" or "your" means a "Named Insured" as defined above.

- j. State or Political Subdivisions – Any state or political subdivision with whom you agreed under a written contract or agreement to add as an additional insured to your policy but only with respect to their liability with respect to on-going operations performed by you or on your behalf for which the state or political subdivision has issued a permit or license.



This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or political subdivision; or
2. "Bodily injury" or "property damage" included within the "products-completed operations hazard".

The insurance provided to such additional insured state or political subdivision by this endorsement is further limited as follows:

1. The additional insured is covered only for such sums that such additional insured is legally obligated to pay as damages under tort law principles to the injured party because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies, and in accordance with the stated policy limits, exclusions, limitations and conditions except as expressly modified by this endorsement.
2. The limits of insurance are those set forth in the policy Declarations or those specified in the written contract or agreement referenced above, whichever is less.

**Other Insurance**

1. If specifically required by the written contract or agreement referenced above, any coverage provided by this subsection k. to an additional insured shall be primary and any other valid and collectible insurance available to the additional insured shall be non-contributory with this insurance. If the written contract does not require this coverage to be primary and the additional insured's coverage to be non-contributory, then this insurance will be excess over any other valid and collectible insurance available to the additional insured.
2. Even if the requirements of paragraph 1. immediately above are met establishing this coverage as primary and the additional insured's coverage as being non-contributory, this coverage will be excess over any other insurance available to the additional insured which is conferred onto said person or organization by a separate additional insured endorsement.

**I. Limited Rental Lease Agreement Contractual Liability**

The following is added to paragraph (2) of Exclusion **b. Contractual Liability** of **SECTION I – COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, under Subsection 2. **Exclusions**:

We agree to indemnify the Named Insured for their liability expressly assumed in a contract or agreement regarding the rental or lease of a premises on behalf of their client, up to \$100,000 per "occurrence". This limit of insurance is the only limit of insurance for your liability expressly assumed in a contract or agreement regarding the rental or lease of a premises on behalf of your client whether or not such contract qualifies as an "insured contract". This limit will not be combined with the Each Occurrence Limit set forth in **Section III – Limits of Insurance** and is included within and not in addition to the Each Occurrence Limit. This coverage extension only applies to rental lease agreements. This coverage is excess over any renter's liability insurance of the client.

Any and all damages paid under the terms and conditions of this provision will further be applied against and will reduce the Aggregate Limit of Insurance shown on the Declarations page, as provided in the Commercial General Liability Coverage Form in the same manner and in addition to all other coverages of the Commercial General Liability Coverage Form that are also subject to the Aggregate Limit.

**J. Damage to Property You Own, Rent or Occupy**

**SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, Subsection 2. **Exclusions**, Paragraph **j. Damage to Property**, Item (1) is deleted in its entirety and is replaced with the following:

Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property, unless the damage to property is caused by your client, in which case we will provide coverage for such "property damage" for which you are legally obligated to pay up to a \$50,000 limit per "occurrence". This limit is the only limit of insurance for such "property damage" and will not be combined with the Each Occurrence Limit set forth in **Section III – Limits of Insurance** and will be included within and not be in addition to the Each Occurrence Limit. A client, as used in this provision, is defined as a person under your direct care and supervision for whom you are providing goods and/or services.

Any and all damages paid under the terms and conditions of this provision will further be applied against and will reduce the Aggregate Limit of Insurance shown on the Declarations page, as provided in the Commercial General Liability Coverage Form in the same manner and in addition to all other coverages of the Commercial General Liability Coverage Form that are also subject to the Aggregate Limit.

**K. Transfer of Rights of Recovery Against Others To Us**

As a clarification, the following is added to **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph 8. **Transfer of Rights of Recovery Against Others To Us**:

Therefore, the insured can waive the insurer's Rights of Recovery prior to the occurrence of a loss, provided the waiver is expressly made in a written contract.



**L. Duties In the Event of Occurrence, Claim or Suit**

1. The requirement in Paragraph 2.a. of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** that you must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim or a "suit", applies only when the "occurrence" or offense which may result in a claim or a "suit" is known to:
  - a. You, if you are an individual;
  - b. A partner, if you are a partnership; or
  - c. An executive officer or insurance manager, if you are a corporation.
2. The requirement in Paragraph 2.b. of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** that you must see to it that we receive notice of a claim or "suit" as soon as practicable will not be considered breached unless the breach occurs after such claim or "suit" is known to:
  - a. You, if you are an individual;
  - b. A partner, if you are a partnership; or
  - c. An executive officer or insurance manager, if you are a corporation.

**M. Unintentional Failure to Disclose Hazards**

It is agreed that, based on our reliance on your representations as to existing hazards, if you should unintentionally fail to disclose all such hazards prior to the beginning of the policy period of this Coverage Part, we shall not deny coverage under this Coverage Part because of such failure.

**N. Liberalization**

If we make a change which broadens coverage under this edition of this endorsement without additional premium charge, that change will automatically apply to your insurance as of the date we implement the change in your state, provided that this implementation date falls within 45 days prior to or during the policy period stated in the Declarations.

This Liberalization Clause does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of this endorsement; or
2. Another amendatory endorsement.

**O. Bodily Injury – Mental Anguish**

**SECTION V – DEFINITIONS**, Paragraph 3. is deleted in its entirety and replaced by the following:

"Bodily Injury":

- a. Means bodily injury, sickness or disease sustained by a person, and includes mental anguish resulting from any of these; and
- b. Except for mental anguish, includes death resulting from the foregoing (Item a. above) at any time.

**P. Personal and Advertising Injury – Abuse of Process, Discrimination**

If **COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY COVERAGE** is not otherwise excluded from this Coverage Part, the definition of "personal and advertising injury" is amended as follows:

1. **SECTION V – DEFINITIONS**, Paragraph 14.b. is amended to read:
  - b. Malicious prosecution or abuse of process;
2. **SECTION V – DEFINITIONS**, Paragraph 14. is amended to include the following:
 

"Personal and advertising injury" also means injury, including consequential "bodily injury", arising out of discrimination based on race, color, religion, sex, age or national origin, except when:

  - (1) Done intentionally by or at the direction of, or with the knowledge or consent of:
    - (a) Any insured; or
    - (b) Any executive officer, director, stockholder, partner or member of the insured; or
  - (2) Directly or indirectly related to the employment, former or prospective employment, termination of employment, demotion, failure to promote or application for employment of any person or persons by an insured; or
  - (3) Directly or indirectly related to the sale, rental, lease or sublease or prospective sales, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured; or
  - (4) Insurance for such discrimination is prohibited by or held in violation of law, public policy, legislation, court decision or administrative ruling.

This coverage does not apply to fines or penalties imposed because of discrimination.

**Q. Key and Lock Replacement – Janitorial Services Client Coverage**

1. We will pay for the cost to replace keys and locks at the "client's" premises due to theft or other loss to keys entrusted to you by your "client", up to a \$15,000 limit per occurrence/\$15,000 policy aggregate.
2. We will not pay for loss or damage resulting from theft or any other dishonest or criminal act that you or any of your partners, members, officers, "employees", "managers", directors, trustees, authorized representatives or any one to whom you entrust the keys of a "client" for any purpose commit, whether acting alone or in collusion with other persons.
3. The following, when used in this coverage only, are defined as follows:
  - a. "Client" means an individual, company or organization with whom you have a written contract or work order for your services for a described premises and you have billed for your services.
  - b. "Employee" means:
    - (1) Any natural person:
      - (a) While in your services or for 30 days after termination of service;
      - (b) Who you compensate directly by salary, wages or commissions; and
      - (c) Who you have the right to direct and control while performing services for you; or
    - (2) Any natural person who is furnished temporarily to you:
      - (a) To substitute for an "employee" as defined in Paragraph 1. above, who is on leave; or
      - (b) To meet seasonal or short-term workload conditions;
 while that person is subject to your direction and control and performing services for you.
    - (3) "Employee" does not mean:
      - (a) Any agent, broker, person leased to you by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
      - (b) Any "manager", director or trustee except while performing acts coming within the scope of the usual duties of an "employee".
  - c. "Manager" means a person serving in a directorial capacity for a limited liability company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **ADDITIONAL INSURED – OTHER INSURANCE AMENDMENT**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

If specifically required by a written contract or agreement, any coverage provided to an additional insured shall be primary and any other valid and collectible insurance available to the additional insured shall be non-contributory with this insurance. If the written contract does not require this coverage to be primary and the additional insured's coverage to be non-contributory, then this insurance will be excess over any other valid and collectible insurance available to the additional insured.

Even if the requirements of the above paragraph are met establishing this coverage as primary and the additional insured's coverage as being non-contributory, this coverage will be excess over any other insurance available to the additional insured which is conferred onto said person or organization by a separate additional insured endorsement.

## EXHIBIT D

### AUDIT REQUIREMENTS

The County contracts with various organizations to carry out programs mandated by the Federal and State governments or sponsored by the Board of Supervisors. Under the Single Audit Act Amendments of 1996 (31 U.S.C.A. §§ 7501-7507) and Board policy, the County has the responsibility to determine whether organizations receiving funds through the County have spent them in accordance with applicable laws, regulations, contract terms, and grant agreements. To this end, effective with the first fiscal year beginning on and after December 26, 2014, the following are required.

#### **I. AUDIT REQUIREMENTS**

##### **A. Funds from Federal Sources:**

1. Non-Federal entities which are determined to be subrecipients by the supervising department according to 2 CFR § 200.330 and which expend annual Federal awards in the amount specified in 2 CFR § 200.501 are required to have a single audit performed in accordance with 2 CFR § 200.514.
2. When a non-Federal entity expends annual Federal awards in the amount specified in 2 CFR § 200.501(a) under only one Federal program (excluding R&D) and the Federal program's statutes, regulations, or terms and conditions of the Federal award do not require a financial statement audit of the auditee, the non-Federal entity may elect to have a program-specific audit conducted in accordance with 2 CFR § 200.507 (Program Specific Audits).
3. Non-Federal entities which expend annual Federal awards less than the amount specified in 2 CFR § 200.501(d) are exempt from the single audit requirements for that year except that the County may require a limited-scope audit in accordance with 2 CFR § 200.503(c).

##### **B. Funds from All Sources:**

Non-Federal entities which expend annual funds from any source (Federal, State, County, etc.) through the County in an amount of:

1. \$100,000 or more must have a financial audit in accordance with the U.S. Comptroller General's Generally Accepted Government Auditing Standards (GAGAS) covering all County programs.
2. Less than \$100,000 are exempt from these audit requirements except as otherwise noted in the contract.

Non-Federal entities that are required to have or choose to do a single audit in accordance with 2 CFR Subpart F, Audit Requirements are not required to have a financial audit in the same year. However, Non-Federal entities that are



required to have a financial audit may also be required to have a limited-scope audit in the same year.

C. General Requirements for All Audits:

1. All audits must be conducted in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States (GAGAS).
2. All audits must be conducted annually, except for biennial audits authorized by 2 CFR § 200.504 and where specifically allowed otherwise by laws, regulations, or County policy.
3. The audit report must contain a separate schedule that identifies all funds received from or passed through the County that is covered by the audit. County programs must be identified by contract number, contract amount, contract period, and amount expended during the fiscal year by funding source. An exhibit number must be included when applicable.
4. If a funding source has more stringent and specific audit requirements, these requirements must prevail over those described above.

## II. **AUDIT REPORTS**

A. For Single Audits

1. Within the earlier of 30 calendar days after receipt of the auditor's report or nine months after the end of the audit period, the auditee must electronically submit to the Federal Audit Clearinghouse (FAC) the data collection form described in 2 CFR § 200.512(b) and the reporting package described in 2 CFR § 200.512(c). The auditee and auditors must ensure that the reporting package does not include protected personally identifiable information. The FAC will make the reporting package and the data collection form available on a web site and all Federal agencies, pass-through entities and others interested in a reporting package and data collection form must obtain it by accessing the FAC. As required by 2 CFR § 200.512(a)(2), unless restricted by Federal statutes or regulations, the auditee must make copies available for public inspection.
2. A notice of the audit report issuance along with two copies of the management letter with its corresponding response should be sent to the County supervising department within ten calendar days after it is submitted to the FAC. The County supervising department is responsible for forwarding a copy of the audit report, management letter, and corresponding responses to the County Auditor within one week of receipt.

B. For Audits other than Single Audits

At least two copies of the audit report package, including all attachments and any management letter with its corresponding response, should be sent to the County supervising department within six months after the end of the audit year, or other time frame as specified by the department. The County supervising department is responsible for forwarding a copy of the audit report package to the County Auditor within one week of receipt.

**III. AUDIT RESOLUTION**

Within 30 days of issuance of the audit report, the entity must submit to its County supervising department a corrective action plan consistent with 2 CFR § 200.511(c) to address each audit finding included in the current year auditor's report. Questioned costs and disallowed costs must be resolved according to procedures established by the County in the Contract Administration Manual. The County supervising department will follow up on the implementation of the corrective action plan as it pertains to County programs.

**IV. ADDITIONAL AUDIT WORK**

The County, the State, or Federal agencies may conduct additional audits or reviews to carry out their regulatory responsibilities. To the extent possible, these audits and reviews will rely on the audit work already performed under the audit requirements listed above.

## EXHIBIT E

### HIPAA BUSINESS ASSOCIATE AGREEMENT

This Exhibit, the HIPAA Business Associate Agreement ("Exhibit") supplements and is made a part of the underlying agreement ("Agreement") by and between the County of Alameda, ("County" or "Covered Entity") and **Psynergy Programs, Inc.**, ("Contractor" or "Business Associate") to which this Exhibit is attached. This Exhibit is effective as of the effective date of the Agreement.

#### **I. RECITALS**

Covered Entity wishes to disclose certain information to Business Associate pursuant to the terms of the Agreement, some of which may constitute Protected Health Information ("PHI"); Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI disclosed to Business Associate pursuant to the Agreement in compliance with 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"), the regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "HIPAA Regulations"), and other applicable laws; and

The Privacy Rule and the Security Rule in the HIPAA Regulations require Covered Entity to enter into a contract, containing specific requirements, with Business Associate prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, sections 164.314(a), 164.502(e), and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and as contained in this Agreement.

#### **II. STANDARD DEFINITIONS**

Capitalized terms used, but not otherwise defined, in this Exhibit shall have the same meaning as those terms are defined in the HIPAA Regulations. In the event of an inconsistency between the provisions of this Exhibit and the mandatory provisions of the HIPAA Regulations, as amended, the HIPAA Regulations shall control. Where provisions of this Exhibit are different than those mandated in the HIPAA Regulations, but are nonetheless permitted by the HIPAA Regulations, the provisions of this Exhibit shall control. All regulatory references in this Exhibit are to HIPAA Regulations unless otherwise specified.

The following terms used in this Exhibit shall have the same meaning as those terms in the HIPAA Regulations: Data Aggregation, Designated Record Set, Disclosure, Electronic Health Record, Health Care Operations, Health Plan, Individual, Limited Data Set, Marketing, Minimum Necessary, Minimum Necessary Rule, Protected Health Information, and Security Incident.

The following term used in this Exhibit shall have the same meaning as that term in the HITECH Act: Unsecured PHI.

#### **III. SPECIFIC DEFINITIONS**

*Agreement.* "Agreement" shall mean the underlying agreement between County and Contractor, to which this Exhibit, the HIPAA Business Associate Agreement, is attached.

*Business Associate.* "Business Associate" shall generally have the same meaning as the term "business associate" at 45 C.F.R. section 160.103, the HIPAA Regulations, and the HITECH Act, and in reference to a party to this Exhibit shall mean the Contractor identified above. "Business Associate" shall also mean any subcontractor that creates, receives, maintains, or

transmits PHI in performing a function, activity, or service delegated by Contractor.

*Contractual Breach.* "Contractual Breach" shall mean a violation of the contractual obligations set forth in this Exhibit.

*Covered Entity.* "Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 C.F.R. section 160.103, and in reference to the party to this Exhibit, shall mean any part of County subject to the HIPAA Regulations.

*Electronic Protected Health Information.* "Electronic Protected Health Information" or "Electronic PHI" means Protected Health Information that is maintained in or transmitted by electronic media.

*Exhibit.* "Exhibit" shall mean this HIPAA Business Associate Agreement.

*HIPAA.* "HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.

*HIPAA Breach.* "HIPAA Breach" shall mean a breach of Protected Health Information as defined in 45 C.F.R. 164.402, and includes the unauthorized acquisition, access, use, or Disclosure of Protected Health Information which compromises the security or privacy of such information.

*HIPAA Regulations.* "HIPAA Regulations" shall mean the regulations promulgated under HIPAA by the U.S. Department of Health and Human Services, including those set forth at 45 C.F.R. Parts 160 and 164, Subparts A, C, and E.

*HITECH Act.* "HITECH Act" shall mean the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (the "HITECH Act").

*Privacy Rule and Privacy Regulations.* "Privacy Rule" and "Privacy Regulations" shall mean the standards for privacy of individually identifiable health information set forth in the HIPAA Regulations at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

*Secretary.* "Secretary" shall mean the Secretary of the United States Department of Health and Human Services ("DHHS") or his or her designee.

*Security Rule and Security Regulations.* "Security Rule" and "Security Regulations" shall mean the standards for security of Electronic PHI set forth in the HIPAA Regulations at 45 C.F.R. Parts 160 and 164, Subparts A and C.

#### **IV. PERMITTED USES AND DISCLOSURES OF PHI BY BUSINESS ASSOCIATE**

Business Associate may only use or disclose PHI:

- A. As necessary to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Agreement, provided that such use or Disclosure would not violate the Privacy Rule if done by Covered Entity;
- B. As required by law; and
- C. For the proper management and administration of Business Associate or to carry out the legal responsibilities of 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.

**V. PROTECTION OF PHI BY BUSINESS ASSOCIATE**

- A. *Scope of Exhibit.* Business Associate acknowledges and agrees that all PHI that is created or received by Covered Entity and disclosed or made available in any form, including paper record, oral communication, audio recording and electronic display, by Covered Entity or its operating units to Business Associate, or is created or received by Business Associate on Covered Entity's behalf, shall be subject to this Exhibit.
- B. *PHI Disclosure Limits.* Business Associate agrees to not use or further disclose PHI other than as permitted or required by the HIPAA Regulations, this Exhibit, or as required by law. Business Associate may not use or disclose PHI in a manner that would violate the HIPAA Regulations if done by Covered Entity.
- C. *Minimum Necessary Rule.* When the HIPAA Privacy Rule requires application of the Minimum Necessary Rule, Business Associate agrees to use, disclose, or request only the Limited Data Set, or if that is inadequate, the minimum PHI necessary to accomplish the intended purpose of that use, Disclosure, or request. Business Associate agrees to make uses, Disclosures, and requests for PHI consistent with any of Covered Entity's existing Minimum Necessary policies and procedures.
- D. *HIPAA Security Rule.* Business Associate agrees to use appropriate administrative, physical and technical safeguards, and comply with the Security Rule and HIPAA Security Regulations with respect to Electronic PHI, to prevent the use or Disclosure of the PHI other than as provided for by this Exhibit.
- E. *Mitigation.* Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or Disclosure of PHI by Business Associate in violation of the requirements of this Exhibit. Mitigation includes, but is not limited to, the taking of reasonable steps to ensure that the actions or omissions of employees or agents of Business Associate do not cause Business Associate to commit a Contractual Breach.
- F. *Notification of Breach.* During the term of the Agreement, Business Associate shall notify Covered Entity in writing within twenty-four (24) hours of any suspected or actual breach of security, intrusion, HIPAA Breach, and/or any actual or suspected use or Disclosure of data in violation of any applicable federal or state laws or regulations. This duty includes the reporting of any Security Incident, of which it becomes aware, affecting the Electronic PHI. Business Associate shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized use or Disclosure required by applicable federal and/or state laws and regulations. Business Associate shall investigate such breach of security, intrusion, and/or HIPAA Breach, and provide a written report of the investigation to Covered Entity's HIPAA Privacy Officer or other designee that is in compliance with 45 C.F.R. section 164.410 and that includes the identification of each individual whose PHI has been breached. The report shall be delivered within fifteen (15) working days of the discovery of the breach or unauthorized use or Disclosure. Business Associate shall be responsible for any obligations under the

HIPAA Regulations to notify individuals of such breach, unless Covered Entity agrees otherwise.

- G. *Agents and Subcontractors.* Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions, conditions, and requirements that apply through this Exhibit to Business Associate with respect to such information. Business Associate shall obtain written contracts agreeing to such terms from all agents and subcontractors. Any subcontractor who contracts for another company's services with regards to the PHI shall likewise obtain written contracts agreeing to such terms. Neither Business Associate nor any of its subcontractors may subcontract with respect to this Exhibit without the advanced written consent of Covered Entity.
- H. *Review of Records.* Business Associate agrees to make internal practices, books, and records relating to the use and Disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity available to Covered Entity, or at the request of Covered Entity to the Secretary, in a time and manner designated by Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Regulations. Business Associate agrees to make copies of its HIPAA training records and HIPAA business associate agreements with agents and subcontractors available to Covered Entity at the request of Covered Entity.
- I. *Performing Covered Entity's HIPAA Obligations.* To the extent Business Associate is required to carry out one or more of Covered Entity's obligations under the HIPAA Regulations, Business Associate must comply with the requirements of the HIPAA Regulations that apply to Covered Entity in the performance of such obligations.
- J. *Restricted Use of PHI for Marketing Purposes.* Business Associate shall not use or disclose PHI for fundraising or Marketing purposes unless Business Associate obtains an Individual's authorization. Business Associate agrees to comply with all rules governing Marketing communications as set forth in HIPAA Regulations and the HITECH Act, including, but not limited to, 45 C.F.R. section 164.508 and 42 U.S.C. section 17936.
- K. *Restricted Sale of PHI.* Business Associate shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of Covered Entity and as permitted by the HITECH Act, 42 U.S.C. section 17935(d)(2); however, this prohibition shall not affect payment by Covered Entity to Business Associate for services provided pursuant to the Agreement.
- L. *De-Identification of PHI.* Unless otherwise agreed to in writing by both parties, Business Associate and its agents shall not have the right to de-identify the PHI. Any such de-identification shall be in compliance with 45 C.F.R. sections 164.502(d) and 164.514(a) and (b).
- M. *Material Contractual Breach.* Business Associate understands and agrees that, in accordance with the HITECH Act and the HIPAA Regulations, it will be held to the same standards as Covered Entity to rectify a pattern of activity or practice that constitutes a material Contractual Breach or violation of the HIPAA Regulations. Business Associate further understands and agrees that: (i) it will also be subject to the same penalties as a Covered Entity for any violation of the HIPAA Regulations, and (ii) it will be subject to

periodic audits by the Secretary.

## **VI. INDIVIDUAL CONTROL OVER PHI**

- A. *Individual Access to PHI.* Business Associate agrees to make available PHI in a Designated Record Set to an Individual or Individual's designee, as necessary to satisfy Covered Entity's obligations under 45 C.F.R. section 164.524. Business Associate shall do so solely by way of coordination with Covered Entity, and in the time and manner designated by Covered Entity.
- B. *Accounting of Disclosures.* Business Associate agrees to maintain and make available the information required to provide an accounting of Disclosures to an Individual as necessary to satisfy Covered Entity's obligations under 45 C.F.R. section 164.528. Business Associate shall do so solely by way of coordination with Covered Entity, and in the time and manner designated by Covered Entity.
- C. *Amendment to PHI.* Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set as directed or agreed to by Covered Entity pursuant to 45 C.F.R. section 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. section 164.526. Business Associate shall do so solely by way of coordination with Covered Entity, and in the time and manner designated by Covered Entity.

## **VII. TERMINATION**

- A. *Termination for Cause.* A Contractual Breach by Business Associate of any provision of this Exhibit, as determined by Covered Entity in its sole discretion, shall constitute a material Contractual Breach of the Agreement and shall provide grounds for immediate termination of the Agreement, any provision in the Agreement to the contrary notwithstanding. Contracts between Business Associates and subcontractors are subject to the same requirement for Termination for Cause.
- B. *Termination due to Criminal Proceedings or Statutory Violations.* Covered Entity may terminate the Agreement, effective immediately, if (i) Business Associate is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that Business Associate has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which Business Associate has been joined.
- C. *Return or Destruction of PHI.* In the event of termination for any reason, or upon the expiration of the Agreement, Business Associate shall return or, if agreed upon by Covered Entity, destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall retain no copies of the PHI. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.

If Business Associate determines that returning or destroying the PHI is infeasible under this section, Business Associate shall notify Covered Entity of the conditions making return or destruction infeasible. Upon mutual agreement of the parties that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Exhibit to such PHI



and limit further uses and Disclosures to those purposes that make the return or destruction of the information infeasible.

## VIII. MISCELLANEOUS

- A. *Disclaimer.* Covered Entity makes no warranty or representation that compliance by Business Associate with this Exhibit, HIPAA, the HIPAA Regulations, or the HITECH Act will be adequate or satisfactory for Business Associate's own purposes or that any information in Business Associate's possession or control, or transmitted or received by Business Associate is or will be secure from unauthorized use or Disclosure. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.
- B. *Regulatory References.* A reference in this Exhibit to a section in HIPAA, the HIPAA Regulations, or the HITECH Act means the section as in effect or as amended, and for which compliance is required.
- C. *Amendments.* The parties agree to take such action as is necessary to amend this Exhibit from time to time as is necessary for Covered Entity to comply with the requirements of HIPAA, the HIPAA Regulations, and the HITECH Act.
- D. *Survival.* The respective rights and obligations of Business Associate with respect to PHI in the event of termination, cancellation or expiration of this Exhibit shall survive said termination, cancellation or expiration, and shall continue to bind Business Associate, its agents, employees, contractors and successors.
- E. *No Third Party Beneficiaries.* Except as expressly provided herein or expressly stated in the HIPAA Regulations, the parties to this Exhibit do not intend to create any rights in any third parties.
- F. *Governing Law.* The provisions of this Exhibit are intended to establish the minimum requirements regarding Business Associate's use and Disclosure of PHI under HIPAA, the HIPAA Regulations and the HITECH Act. The use and Disclosure of individually identified health information is also covered by applicable California law, including but not limited to the Confidentiality of Medical Information Act (California Civil Code section 56 *et seq.*). To the extent that California law is more stringent with respect to the protection of such information, applicable California law shall govern Business Associate's use and Disclosure of confidential information related to the performance of this Exhibit.
- G. *Interpretation.* Any ambiguity in this Exhibit shall be resolved in favor of a meaning that permits Covered Entity to comply with HIPAA, the HIPAA Regulations, the HITECH Act, and in favor of the protection of PHI.

This EXHIBIT, the HIPAA Business Associate Agreement is hereby executed and agreed to by  
**CONTRACTOR:**

**Name:** Psynergy Programs, Inc.

**By (Signature):** \_\_\_\_\_

**Print Name:**

Arturo Uribe  
~~Lydia Kaufmann~~  
Acting President and CEO  
~~Director of Government and Public Affairs~~

**Title:**

## EXHIBIT F

### COUNTY OF ALAMEDA DEBARMENT AND SUSPENSION CERTIFICATION

(Applicable to all agreements funded in part or whole with federal funds and contracts over \$25,000).

The contractor, under penalty of perjury, certifies that, except as noted below, the contractor, its principals, and any named and unnamed subcontractor:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any federal agency within the past three years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three years.

If there are any exceptions to this certification, insert the exceptions in the following space or attach an additional page.

Exceptions will not necessarily result in denial of award, but will be considered in determining contractor responsibility. For any exception noted above, indicate below to whom it applies, initiating agency, and dates of action.

Notes: Providing false information may result in criminal prosecution or administrative sanctions. The above certification is part of the contracting process.

By signing this contract and Exhibit F, Debarment and Suspension Certification, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations, including but not limited to 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.

CONTRACTOR: Psynergy Programs, Inc.

PRINCIPAL: Arturo Uribe TITLE: Acting President and CEO  
Lydia Kaufmann TITLE: Director of Government and Public Affairs

SIGNATURE: [Signature] DATE: 2/26/2016