

|                                     |
|-------------------------------------|
| AGREEMENT NUMBER<br><b>10-30242</b> |
| REGISTRATION NUMBER                 |

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

STATE AGENCY'S NAME

California Department of Mental Health – Patton State Hospital

CONTRACTOR'S NAME

Arrowhead Regional Medical Center

2. The term of this Agreement is: July 1, 2010, or upon DGS approval (whichever occurs later), through June 30, 2014

3. The maximum amount of this Agreement is: \$2,227,190.40  
(Two Million, Two Hundred Twenty Seven Thousand, One Hundred Ninety Dollars and Forty Cents)

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

|  |         |
|--|---------|
| Exhibit A – Scope of Work  | 8 pages |
| Exhibit B – Budget Detail and Payment Provisions   | 2 pages |
| Exhibit C* – General Terms and Conditions  | GTC 307 |
| Check mark one item below as Exhibit D:  |         |
| <input checked="" type="checkbox"/> Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement) | 6 pages |
| <input type="checkbox"/> Exhibit - D* Special Terms and Conditions   |         |
| Exhibit E – Confidentiality and Information Security Provisions  | 5 pages |
| Exhibit F – Insurance Requirements   | 2 pages |
| Exhibit G – Security Regulations   | 6 pages |

Items shown with an Asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.  
These documents can be viewed at [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language)

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

**CONTRACTOR**

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

Arrowhead Regional Medical Center

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Gary C. Ovitt, Chairman, Board of Supervisorse

ADDRESS

400 N. Pepper Avenue  
Colton, CA 92324-1819

**STATE OF CALIFORNIA**

AGENCY NAME

California Department of Mental Health – Patton State Hospital

BY (Authorized Signature)



DATE SIGNED(Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Stanley A. Bajorin, Deputy Director of Administrative Services

ADDRESS

3102 E. Highland Avenue  
Patton, CA 92369

**California Department of General  
Services Use Only**

☐ Exempt per:

## EXHIBIT A

## SCOPE OF WORK

**Important Disclaimer: Where approval from the California Department of General Services (DGS) applies, this contract shall be of no force or effect until it is signed by both parties (DMH and Contractor) and approved by the DGS. The Contractor is not to begin work until a contract has been made, all approvals have been obtained, and the contract has been fully executed. Should work begin before all approvals are obtained, services will be considered voluntary.**

1. Arrowhead Regional Medical Center, hereafter referred to as the Contractor, agrees to provide Psychiatry Medical Residents, hereafter referred to as Residents, to the California Department of Mental Health, Patton State Hospital (PSH) for the purpose of obtaining training required in the field of psychiatry in order to meet the conditions of the Psychiatric Medical Residency Program (PMRP).
2. The services shall be performed at Patton State Hospital, 3102 E. Highland Ave., Patton, CA 92369.
3. The services at PSH shall be provided 24 hours per day, 7 days per week.
4. The project representative during the term of this agreement will be:

|               |  |             |  |
|---------------|--|-------------|--|
| State Agency: | <u>Patton State Hospital</u>                                     | Contractor: | <u>Arrowhead Regional Medical Center</u>             |
| Name:         | <u>Wadsworth Murad, D.O.<br/>Chief of Professional Education</u> | Name:       | <u>Yvonne Flores<br/>Contract Compliance Analyst</u> |
| Phone:        | <u>(909) 425-6141</u>  | Phone:      | <u>(909) 580-6132</u>                                |
| Fax:          | <u>(909) 425-7501</u>  | Fax:        | <u>(909) 580-1040</u>                                |

Direct All Inquiries To:

|               |   |               |   |
|---------------|---|---------------|---|
| State Agency: | <u>Patton State Hospital</u>                      | Contractor:   | <u>Arrowhead Regional Medical Center</u>              |
| Section/Unit: | <u>Contracts Office</u>                           | Section/Unit: | <u>Accounting Office</u>                              |
| Attention:    | <u>Annette Calderon<br/>Contract Analyst</u>      | Attention:    | <u>Becky Webb<br/>Accounting Technician</u>           |
| Address:      | <u>3102 E. Highland Ave.<br/>Patton, CA 92369</u> | Address:      | <u>400 N. Pepper Avenue<br/>Colton, CA 92324-1819</u> |
| Phone:        | <u>(909) 425-6888</u>                             | Phone:        | <u>(909) 580-1239</u>                                 |
| Fax:          | <u>(909) 425-6243</u>                             | Fax:          | <u>(909) 580-1190</u>                                 |

5. Contractor shall provide all equipment, materials, supplies, personnel, transportation, licenses, permits, and insurance required to perform the duties required of a Resident in the field of Psychiatry.

**A. General Requirements**

- i. Residents provided by the Contractor shall assist the PSH Medical staff with the duties and responsibilities associated with Psychiatry for the purpose of becoming Board eligible after completing a four (4) year residency program at PSH.
- ii. PSH Medical staff and the Contractor shall ensure that all Residents participating in the PMRP abide by the requirements and standards set by Licensing (Title 22), Joint Commission on Accreditation of Healthcare Organizations (Joint Commission) and the American Osteopathic Association (AOA) accreditation, as applicable.

- iii. Residents are required to comply with California state laws, rules, and regulations regarding certification or licensure by the California Board of Medical Quality Assurance or the California Board of Osteopathic Examiners.
- iv. Prior to the initiation of training and Resident assignment, Residents must comply with the following PSH requirements:
  - a. Health Clearance: An initial and annual health clearance must be completed to include tuberculosis (TB) screening and the Hepatitis B vaccine series, which is required by PSH policy of all state employees, contract employees and volunteers in order to meet state facility licensing requirements. Initial TB screening may include, but not be limited to, 2-step TST/PPD testing, X-ray, and TB questionnaire. Annual TB screening may include, but not be limited to, 1-step TST/PPD testing, X-ray and TB questionnaire.
- v. In order to maintain continuity of services and ensure the safety of all workers, Contractor agrees to provide Residents who have completed all components of residency orientation as provided by Contractor.
- vi. Contractor shall maintain in effect at all times, during the term of this Agreement, a valid Certificate of Insurance in accordance with State of California requirements as referenced in Exhibit F.
- vii. Contractor shall maintain in effect at all times, during the term of the Agreement, current licenses, certifications, and permits in accordance with Federal, State, and local government requirements.
- viii. Contractor and Residents shall follow the duties and tasks as assigned by PSH, the bylaws, Medical Rules and Regulations, PSH Policies and Procedures, including but not limited to the Confidentiality and Information Security Provisions as referenced in Exhibit E.
- ix. Contractor and Residents must present a valid picture identification (e.g., Department of Motor Vehicles (DMV) license, California I.D. issued by DMV, military card, etc.) in order to be admitted into secured compounds and must be in possession of a valid ID at all times while in Secured Compounds.
- x. Contractor and Residents shall cooperate with PSH security procedures as referenced in Exhibit G.
- xi. It is understood by the Contractor and PSH that the Residents will be on the premises of PSH for the exclusive purpose of training and are not to be considered employees of PSH. Residents provided by the Contractor shall not be deemed employees of PSH for the purposes of compensation or furnished benefits; worker's compensation, unemployment compensation, minimum wage laws or for any other purpose because of their participation in the training program.

## **B. Contractor Requirements**

- i. Contractor shall provide, to PSH staff and Residents, continuing education resources which are associated with the teachings in the area of Psychiatry and other medical topics related to mental health. All topics which apply to continuing education shall be agreed upon between the Contractor and the PSH Contract Coordinator. A schedule will be provided to the PSH Contract Coordinator for review and approval.
- ii. Training, conferences, and seminars may include but are not limited to:
  - a. Clinical Psychopharmacology: Review of major categories of psychotropic medicines, pharmacodynamics, pharmacokinetics, theory of action, clinical risks and benefits, and drug interactions.
  - b. Introduction to Psychiatric Interviewing: Fundamentals of the clinical interview using the DSM-IV-TR. Strategies for rapport, information gathering techniques, assessment of mental status and interview skills. Obtain videotape of house staff teaching interviews and role-playing.

- c. Emergency Psychiatry: Assessment and evaluation of violent and assault behavior, suicidal behavior, laboratory testing, recognition and treatment of acute psychiatric signs and symptoms.
- d. Clinical Case Conference: Case presentation and clinical review by Residents, medical students, and multidisciplinary staff with guest discussions.
- e. Journal Club: Review and discussion of new research and journal articles aimed at evidence-based clinical practice. Guest discussions from the Community.
- f. Introduction to Psychotherapy: Introduction to theory and practice of basic principles of long term and brief psychotherapy in an outpatient setting, applicable to year two only.
- g. Psychopharmacology: Review basic pharmacology issues, i.e., pharmacokinetics, physiologic effects, etc.: and the principles of drug use in an outpatient setting. Various readings, case studies, and specific case discussions are used to illustrate principles of drug usage for neuroleptics, antidepressants, mood stabilizers, and anxiolytics, applicable to year two only.
- h. Child Development I: Review of normal development by age and by skills progression through both literature and child observation, applicable to year two only.
- i. Essentials of Psychoanalytic Thought: Study of early psychoanalytic thought with reading of Freud's original cases and the development of Psychoanalytic Theory. Review of the literature in Ego psychology and self-Psychology with a focus on the major theoretical contributions, applicable to year two only.
- j. Group Psychotherapy: Required readings and observation of a group process annotated by senior faculty, applicable to year two only.
- k. Emergency Psychiatry Seminar: Review of major topics in Emergency Psychiatry and Medicine including evaluation of crisis intervention, rapid neuroleptization interfaced between medical and psychiatric needs, different diagnostic skills, and medical management, applicable to year two only.
- l. History of Psychiatry: Presentations with readings of seminal developments in psychiatric thought and practice. Psychology and healing practices from Greek to present times are considered as non-western traditions including Native American and Buddhist practice, applicable to year two only.
- m. Neurosciences: Provide a basic understanding of brain structure, function, and relationship to behavioral and cognitive functioning, applicable to year two only.
- n. Forensic Psychiatry: Experience testifying in court, including conservatorships, writs, and consent to medicate involuntarily. Experience with DNR and competency issues on Consultation/Liaison service. Review of legal issues in Consultation/Liaison psychiatry, applicable to year two only.
- o. Consultation Liaison Series/Behavioral Medicine: Structured curriculum covering major topics in consultation/liaison including assessment of delirium, chronic illness, AIDS, chronic pains, compliance issues, medical legal issue, etc., applicable to year two only.
- p. Geropsychiatry Lecture Series: Structured curriculum covering major topics in Geropsychiatry including psychopharmacology for elderly, dementia, and the aging mentally ill, applicable to year two only.
- q. Addictive illness: Review of the major drugs of dependence (alcohol, opiates, and stimulants); the natural history of dependence and recovery, and an overview of theoretical models of addiction and treatment, applicable to year two only.

- r. Neurosciences II: Neurochemistry, autonomic and limbic physiology, language, memory, emotion, and perception, applicable to year three only.
- s. Child Development II: Abnormal development milestones and personality formulation, correlation to psychopathology, and family system, applicable to year three only.
- t. Psychological Disorders and Neurological Testing: Neuropsychiatric assessment and examination of consciousness, attention, learning and memory, including testing of IQ, applicable to year three only.
- u. Neurology for Psychiatric Services: Functional neurology, neurophysiology, and neuropsychiatric dysfunction, circular rhythm, movement disorders, mind-brain connection and movement disorder, applicable to year three only.
- v. Family and Marital Therapy: Survey models of family and marital therapies, practice and conceptual uses, including case presentation and discussion on cultural and ethical dilemmas and choice of different modalities, applicable to year three only.
- w. Cognitive and Behavioral Therapies: Review of the principles of cognitive and behavioral therapies and work book and assessment. Role of combination therapy in anxiety and common psychiatric disorders, applicable to year three only.
- x. Cultural Competency: Community and cross-cultural psychiatry with emphasis in inner-city and minority/jail population, including field trips, community programs, and guest lecturers, applicable to year three only.
- y. Axis II and Personality Disorders: Review of the personality disorder clusters and defense mechanisms and impulse control disorders influenced by Axis II pathology, applicable to year three only.
- z. Child Psychiatry Core Curriculum Series: Disorders first recognized in childhood, psychopathology and developmental disorders, attention deficit disorder, eating disorders of childhood, TIC disorders and autistic spectrum, applicable to year three only.
- aa. Religion, Spirituality, and Psychiatry: Epidemiology of spirituality and healing, toxic religiosity and development, and structure of the religious personality. Guest lectures on Hispanic, North American, African, Chinese, and traditional medical practice, applicable to year three only.
- bb. Residency Education Policy Committee: An experimental learning of the Administrative Process. Chief Residents participate in and observe the complex process of running a residency-training program, balancing a multitude of factors, and coordinating several different rotational sites, applicable to year four only.
- cc. Psychosocial Therapies: Survey of models of family and marital therapies, practice and conceptual uses, including case presentation and discussion on cultural and ethical dilemmas and choice of different modalities, applicable to year four only.
- dd. Termination Seminar: Helps Residents identify and therapeutically deal with issues around termination in psychotherapy, including issues of transference and counter transference, applicable to year four only.
- ee. Medical Economics: Addresses issues relevant of medical economics in a changing world of medicine. Helps resident identify current and future trends in Psychiatry including managed care, community psychiatry, etc., and introduce them to the real world of psychiatric practice, applicable to year four only.
- ff. Pain Management: Issues relevant to psychosocial and psychopharmacological management of chronic pain and associated psychological sequelae, applicable to year four only.

- gg. The Portrayal of Psychiatrists and Psychiatry in Literature and the Popular Media: A look at psychopathology and the portrayal of psychiatry in literature and the popular media through the last one hundred years, and its significance to the perception of our profession in the eyes of patients and society, applicable to year four only.
  - hh. Chief Resident Elective: Administrative, clinical, and teaching responsibility available within a number of services including Consultation/Liaison, Geropsychiatry, Chemical Dependence, and Inpatient and Outpatient Psychiatry, applicable to year four only.
  - ii. Scholarly Work: Senior requirements of a written work of original research, literature review, or case study, applicable to year four only.
  - jj. Research Seminar: Residents are encouraged to participate in ongoing departmental research or begin their own research projects. They are trained in various research methodologies, statistical analysis, formulation of research questions, and grant writing, applicable to year four only.
  - kk. Short Term Psychotherapies: A systematic review of short term approaches including dynamic brief psychotherapy, interpersonal psychotherapy, dialectic behavioral therapy, and short-term cognitive behavioral therapy. Multiple references are used from literature including Davenloo, Sifneos, and Linehan, applicable to year four only.
  - ll. Ethics: Overview of legal and ethical issues relating to evaluation and treatment of the psychiatric patient, including such areas as Sexual and Racial Discrimination, Employment Interview, Sexual Harassment, Americans with Disabilities Act, and therapist-Patient Sexual Prohibitions. Review of ethnobiology, gender, age, ethics, and cultural competency and evaluation of minority patients in addition to end of life and physician assisted suicide. Formal and discussion formats will be used. Discussions of cases from real patient contact as well as cases from such publications as the APA ethics manual will be utilized, applicable to year four only.
- iii. Prescheduled lectures (Grand Rounds)
- a. Contractor shall provide, on a weekly basis, an attending physician to visit PSH in order to provide medical lectures and Grand Rounds, which allows Residents and other PSH staff the ability to present and hear medical problems and treatment of an anonymous individual to a group of other doctors, Residents and hospital staff for the purpose of training.
  - b. Lecture series and didactic presentations of relevant topics in Psychiatric by experts in various fields. Residents in Program Year 2, Program Year 3, and Program Year 4 will present at least one Grand Round per year with faculty administration followed by Question and Answer series and discussion.
- iv. For any and all continuing education conferences, lectures and seminars, Contractor shall provide all handouts, transparencies, and other necessary materials that are needed to successfully support the organization of training that is provided by the Contractor.
- v. Contractor shall be responsible for recruitment and selection of qualified Residents for the PMRP at PSH. Residents shall be at the Post Graduate Year 1 level or above and must be able to pass background check and other related security requirements for access to PSH. Contractor shall ensure all Residents assigned will be eligible to participate in the PMRP. If a Resident is unable to fulfill the duties required and becomes ineligible to participate in the PMRP, the Contractor shall provide a replacement Resident to take his/her place.
- vi. Contractor shall provide, if needed, library services and other educational resources to PSH physicians that supervise and assist psychiatry Residents from Contractor's facility for training and educational purposes as it relates to the PMRP.

- vii. Contractor shall provide academic supervision and responsibility for all Residents, including full responsibility for all matters related to the training program, curriculum, rotational assignments, attendance, academic records, and other educational issues.
- viii. Contractor shall provide PSH with an annual schedule of rotations for Residents by the month of June each year.
- ix. Contractor shall inform all Residents that they are required to comply with the following:
  - a. Arrange and pay for their transportation, support, maintenance, and living accommodations,
  - b. Report to clinical facilities on time,
  - c. Assume responsibility for personal illness, necessary immunizations, tuberculin tests, chest x-rays, rubella titer and annual health examinations,
  - d. Be free from any diseases that are known to be infectious or transferable by way of contact.
- x. Contractor and PSH shall reach a mutual agreement prior to the commencement of each educational year on the following matters:
  - a. Number of Residents placed into the PMRP (not to exceed 8 Residents). Contractor shall ensure that active Residents complete at least 25% of total residency hours required for 8 Residents each on-site at PSH per educational year,
  - b. Resident schedules,
  - c. Placement of Residents in clinical assignments,
  - d. Attendance at any conference, course, or program which might be conducted or sponsored by PSH.
- xi. If Contractor should be unable to supply the full number of hours as listed in Exhibit B during any calendar month, the monthly invoice shall be reduced accordingly on a pro-rated basis. Should this become a recurrent problem, representatives of the Contractor and PSH agree to meet and resolve the problem.
- xii. Upon reasonable and adequate notice, PSH shall allow the Contractor and other agencies, which are responsible for the accreditation of residency education programs, the ability to inspect PSH facilities and treatment services as they relate to the PMRP.
- xiii. Contractor shall allow the project coordinator to participate in the Contractors Graduate Medical Education Committee, Contractor Resident Evaluation Committee, Resident Recruitment and Screening Committee and the Medical Student Curriculum Committees as requested by PSH.

### **C. Residency Requirements**

- i. First Year Residents
  - a. Residents shall take a patient (individual) history; perform a mental status examination; make an assessment and diagnosis; initiate, review and revise treatment and therapy plans; and record and present pertinent data in a manner meaningful to the supervising physician. In addition, the Resident is expected to demonstrate the ability to independently manage routine and moderately complex patients (individuals).
  - b. Residents shall order any diagnostic test. Residents may order any service from any department at PSH unless prohibited by the supervising physician.

- c. Residents shall be involved with the treatment team, work with interdisciplinary staff and lead group therapy for patients (individuals).
  - d. Residents shall provide supportive and brief psychotherapy to patients (individuals).
  - e. Residents shall initiate arrangements for admission, complete forms and charts which are pertinent to the patients (individuals) record.
  - f. Residents shall instruct and counsel patients (individuals) regarding matters pertaining to their physical and mental health in accordance with their age, education and physical or mental capabilities. Counseling may include topics such as medications, diets, social habits, family planning, normal growth and development, aging and understanding of long-term management of their disease.
  - g. Residents shall administer medication to patients (individuals) in addition to prescribing medication to be administered by others.
- ii. Second, Third, and Fourth Year Residents
- a. Residents shall perform the duties of a first year Residents in addition to the following duties:
  - b. Residents shall oversee first year Residents by mentoring them with development of assessment and plan for patient (individual) care.
  - c. Residents shall work with clinical therapist to facilitate the referral of patients (individuals) to the appropriate health facilities, agencies and resources of the community.
  - d. Residents shall provide consultation and liaison with all medical disciplines within PSH.
  - e. Residents shall assist in the orientation and training of first year Residents as needed.
- iii. Supervising Physicians
- a. Supervising Physician for PSH and the Contractor shall accept full legal and ethical responsibility of all professional activities throughout residency.
  - b. Supervising Physician for PSH and the Contractor shall be available in person or by electronic communication at all times while Residents are caring for patients (individuals).
  - c. Supervising Physician for PSH and the Contractor shall have the overall responsibility for the continuing care and progress of the patient (individual).

**D. PSH Requirements**

- i. PSH shall schedule Orientation for each Resident and introductions to program areas in which the Resident will be assigned. The Orientation shall include but is not limited to Infection Control, Therapeutic Strategies Intervention, Special Incident Review, Fire, Life and Safety, etc.
- ii. PSH shall provide access to all PSH facilities (e.g. Staff Library, Medical Clinics, etc.) for the purposes of teaching faculty and Residents as needed.
- iii. PSH shall provide the Residents with a variety of clinical educational experiences as determined by the Contractor, consistent with the requirements of AOA.



- iv. PSH shall provide an opportunity for each Resident to participate in patient (individual) evaluations and treatment to gain clinical experience in the management and treatment of forensic psychiatric patients (individuals) with adequate supervision at PSH, which is consistent with the educational objectives of the PMRP.
- v. Residents shall be supervised by a qualified licensed clinical supervisor as indicated; in addition, PSH Chief of Professional Education (or designee) shall oversee the overall instruction of the medical Resident.
- vi. PSH shall provide the opportunity for each Resident to select one or more project areas for study for administrative assistance or for research from within the subject areas described above and to develop such a project under the supervision indicated above so as to submit a paper report or other end product acceptable both to PSH and to the Contractor.
- vii. PSH shall advise the Contractor of any serious barriers displayed in the ability of a Resident's progress toward achieving the stated objectives of the PMRP. It will then be the mutual responsibility of the PSH physician and Contractor's Educational Coordinators to take appropriate action in accordance with the Contractor's Program policies.
- viii. PSH shall evaluate the performance of each Resident on a regular basis using the evaluation tool which is regularly used by PSH. The completed final evaluation will be forwarded to the Contractor within one (1) week following the conclusion of each Resident's clinical experience.
- ix. PSH shall suspend the right of any Resident participating under this Agreement from access to PSH facilities if, in the sole judgment and discretion of PSH, the conduct or attitude of the Resident threatens the health, safety or welfare of any patients (individuals), invitees, or employees at PSH or the confidentiality of any information relating to such persons, either as individuals or collectively. This action may be taken by PSH on a temporary basis prior to consultation with Contractor. PSH and the Contractor shall consult regarding the suspension, including meeting with the Resident and attempting to resolve the suspension, but the final decision regarding the Residents continued access to the PSH facilities is vested solely in PSH.
- x. PSH shall notify Contractor of any changes in its personnel, operation, or policies, which may affect the clinical experience for Residents.
- xi. PSH shall issue personal security equipment including a personal alarm device, keys, and accessories to all Residents. At the time of issuance, instructions on how to operate and maintain each device shall be given by PSH staff. In the event of negligent loss or damage of the issued equipment, Contractor agrees to reimburse PSH for the replacement cost.

## EXHIBIT B

## BUDGET DETAIL AND PAYMENT PROVISIONS

## 1. Invoicing and Payment

- A. This Agreement must be fully executed and approved by the State before any payments for services can be made.
- B. For services satisfactorily rendered as specified in EXHIBIT "A", Scope of Work, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified to Exhibit B, Item 3.
- C. Invoices for services to be paid by PSH must be submitted in duplicate within forty-five (45) days after the services were performed and shall include the PSH Agreement Number, Date of Services Performed, Description of Services Provided, Itemization of Costs, and Total Amount Due. Invoice(s) shall be submitted in arrears to:

Patton State Hospital  
ATTN: ACCOUNTING/Accounts Payable  
3102 E. Highland Avenue  
Patton, CA 92369-0999

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

## 2. Budget Contingency Clause

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

## 3. Budget Detail

## Resident Cost for FY 2010/2011

| Description of Services                                     | Quantity | Unit Rate        | Minimum Amount of Hours | Monthly Fees |
|---|----------|------------------|-------------------------|--------------|
| Personal Service Cost                                       |          |                  |                         |              |
| • Residents   | 8        | 30.15 (per hour) | 50                      | \$12,060.00  |
| • Supervising Physician                                     | 4        | 33.20 (per hour) | 16                      | \$2,124.80   |
| Operating Expenses  |          |                  |                         |              |
| • Monthly Training Courses (Residents Only)                 | 1        | \$2,000.00       | --                      | \$2,000.00   |
| • Monthly Conferences (Residents & PSH Staff)               | 1        | \$2,500.00       |                         | \$2,500.00   |
| • Monthly Seminars (Residents & PSH Staff)                  | 1        | \$2,500.00       | --                      | \$2,500.00   |
| • Prescheduled Lectures (Grand Rounds)                      | 4        | \$4,500.00       | --                      | \$18,000.00  |
| Equipment/Supplies  | 12       | \$50.00          | --                      | \$600.00     |
| Overhead  | 12       | \$300.00         | --                      | \$3,600.00   |
| Fringe Benefits (25%)                                       | 1        | --               | --                      | \$3,015.00   |
| Travel Expenses   | N/A      | --               | --                      | N/A          |
| Rent  | N/A      | --               | --                      | N/A          |
| Monthly Total   |          |                  |                         | \$46,399.80  |
| Total for 2010/2011 Fiscal Year (Monthly Total x 12 Months) |          |                  |                         | \$556,797.60 |

## Budget Detail (Continued)

**Resident Cost for FY 2011/2012**

| Description of Services  | Quantity | Unit Rate        | Minimum Amount of Hours | Monthly Fees        |
|--|----------|------------------|-------------------------|---------------------|
| Personal Service Cost  |          |                  |                         |                     |
| • Residents  | 8        | 30.15 (per hour) | 50                      | \$12,060.00         |
| • Supervising Physician  | 4        | 33.20 (per hour) | 16                      | \$2,124.80          |
| Operating Expenses   |          |                  |                         |                     |
| • Monthly Training Courses (Residents Only)                        | 1        | \$2,000.00       | --                      | \$2,000.00          |
| • Monthly Conferences (Residents & PSH Staff)                      | 1        | \$2,500.00       | --                      | \$2,500.00          |
| • Monthly Seminars (Residents & PSH Staff)                         | 1        | \$2,500.00       | --                      | \$2,500.00          |
| • Prescheduled Lectures (Grand Rounds)                             | 4        | \$4,500.00       | --                      | \$18,000.00         |
| Equipment/Supplies   | 12       | \$50.00          | --                      | \$600.00            |
| Overhead   | 12       | \$300.00         | --                      | \$3,600.00          |
| Fringe Benefits (25%)  | 1        | --               | --                      | \$3,015.00          |
| Travel Expenses  | N/A      | --               | --                      | N/A                 |
| Rent   | N/A      | --               | --                      | N/A                 |
| <b>Monthly Total</b>   |          |                  |                         | <b>\$46,399.80</b>  |
| <b>Total for 2011/2012 Fiscal Year (Monthly Total x 12 Months)</b> |          |                  |                         | <b>\$556,797.60</b> |

**Resident Cost for FY 2012/2013**

| Description of Services  | Quantity | Unit Rate        | Minimum Amount of Hours | Monthly Fees        |
|--|----------|------------------|-------------------------|---------------------|
| Personal Service Cost  |          |                  |                         |                     |
| • Residents  | 8        | 30.15 (per hour) | 50                      | \$12,060.00         |
| • Supervising Physician  | 4        | 33.20 (per hour) | 16                      | \$2,124.80          |
| Operating Expenses   |          |                  |                         |                     |
| • Monthly Training Courses (Residents Only)                        | 1        | \$2,000.00       | --                      | \$2,000.00          |
| • Monthly Conferences (Residents & PSH Staff)                      | 1        | \$2,500.00       | --                      | \$2,500.00          |
| • Monthly Seminars (Residents & PSH Staff)                         | 1        | \$2,500.00       | --                      | \$2,500.00          |
| • Prescheduled Lectures (Grand Rounds)                             | 4        | \$4,500.00       | --                      | \$18,000.00         |
| Equipment/Supplies   | 12       | \$50.00          | --                      | \$600.00            |
| Overhead   | 12       | \$300.00         | --                      | \$3,600.00          |
| Fringe Benefits (25%)  | 1        | --               | --                      | \$3,015.00          |
| Travel Expenses  | N/A      | --               | --                      | N/A                 |
| Rent   | N/A      | --               | --                      | N/A                 |
| <b>Monthly Total</b>   |          |                  |                         | <b>\$46,399.80</b>  |
| <b>Total for 2012/2013 Fiscal Year (Monthly Total x 12 Months)</b> |          |                  |                         | <b>\$556,797.60</b> |

**Resident Cost for FY 2013/2014**

| Description of Services  | Quantity | Unit Rate        | Minimum Amount of Hours | Monthly Fees        |
|--|----------|------------------|-------------------------|---------------------|
| Personal Service Cost  |          |                  |                         |                     |
| • Residents  | 8        | 30.15 (per hour) | 50                      | \$12,060.00         |
| • Supervising Physician  | 4        | 33.20 (per hour) | 16                      | \$2,124.80          |
| Operating Expenses   |          |                  |                         |                     |
| • Monthly Training Courses (Residents Only)                        | 1        | \$2,000.00       | --                      | \$2,000.00          |
| • Monthly Conferences (Residents & PSH Staff)                      | 1        | \$2,500.00       | --                      | \$2,500.00          |
| • Monthly Seminars (Residents & PSH Staff)                         | 1        | \$2,500.00       | --                      | \$2,500.00          |
| • Prescheduled Lectures (Grand Rounds)                             | 4        | \$4,500.00       | --                      | \$18,000.00         |
| Equipment/Supplies   | 12       | \$50.00          | --                      | \$600.00            |
| Overhead   | 12       | \$300.00         | --                      | \$3,600.00          |
| Fringe Benefits (25%)  | 1        | --               | --                      | \$3,015.00          |
| Travel Expenses  | N/A      | --               | --                      | N/A                 |
| Rent   | N/A      | --               | --                      | N/A                 |
| <b>Monthly Total</b>   |          |                  |                         | <b>\$46,399.80</b>  |
| <b>Total for 2013/2014 Fiscal Year (Monthly Total x 12 Months)</b> |          |                  |                         | <b>\$556,797.60</b> |

Note: The above Budget Detail is based upon eight (8) Medical Residents, should less than eight Residents be enrolled in the program, the Monthly Fees for Resident's Personal Service Cost and Fringe Benefits will be reduced accordingly.

## EXHIBIT D

## SPECIAL TERMS AND CONDITIONS

1. **SUBCONTRACTS:** Except for subcontracts identified in the proposal in accordance with the Request for Proposal or Invitation for bid, Contractor shall submit any subcontracts which are proposed to be entered into in connection with this Contract to the State Agency (State) for its prior written approval before entering into the same. No work shall be subcontracted without the prior written approval of the State. Upon the termination of any subcontract, State shall be notified immediately. Any subcontract shall include all the terms and conditions of this Contract and its attachments.
2. **PUBLICATIONS AND REPORTS:**
  - A. If a publication and/or report is required under this Contract, Contractor shall:
    - i. Incorporate any comments or revisions required by the State into any publication or report and shall not publish any material until it receives final State approval.
    - ii. Furnish two copies of each publication and report required plus one reproducible original.
    - iii. Prepare all illustrations, maps and graphs in a manner which allows the complete illustration to be contained on a single 8-1/2 by 11 page unless specific written approval is given to the contrary.
    - iv. Print all graphs, illustrations and printed materials in a single color throughout each publication unless prior State approval is granted.
    - v. Place the Contractor's name only on the cover and title page of publications and reports and summaries. Covers and title pages shall read as follows:

DEPARTMENT OF MENTAL HEALTH  
TITLE  
By (Contractor)
  - B. The State reserves the right to use and reproduce all publications, reports, and data produced and delivered pursuant to this Contract. State further reserves the right to authorize others to use or reproduce such materials, provided the author of the report is acknowledged in any such use or reproduction.
  - C. If the publication and/or report are prepared by non-employees of the State, and the total cost for such preparation exceeds \$5,000, the publication and/or report shall contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of the publication and report in a separate section of the report (Government Code Section 7550).
3. **PROGRESS REPORTS:** If progress reports are required by the Contract, Contractor shall provide a progress report in writing, or orally if approved by the State Contract Manager, at least once a month to the State Contract Manager. This progress report shall include, but not limited to, a statement that the Contractor is or is not on schedule, any pertinent reports, or interim findings. Contractor shall cooperate with and shall be available to meet with the State to discuss any difficulties, or special problems, so that solutions or remedies can be developed as soon as possible.
4. **PRESENTATION:** Upon request, Contractor shall meet with the State to present any findings, conclusions, and recommendations required by the Contract for approval. If set forth in the Contract, Contractor shall submit a comprehensive final report for approval. Both the final meeting and the final report shall be completed on or before the date indicated in the Contract.
5. **DEPARTMENT OF MENTAL HEALTH STAFF:** Department of Mental Health staff shall be permitted to work side by side with Contractor's staff to the extent and under conditions as directed by the State Contract Manager. In this connection, Department of Mental Health staff shall be given access to all data, working papers, etc., which Contractor seeks to utilize.

## 6. CONFIDENTIALITY OF DATA AND DOCUMENTS:

- A. Contractor shall not disclose data or documents or disseminate the contents of the final or any preliminary report without written permission of the State Contract Manager. However, all public entities shall comply with California Public Records Act (Government Code Sections 6250 et seq.) and the Freedom of Information Act (Title 5 of the United States Code Section 552), as applicable.
- B. Permission to disclose information or documents on one occasion shall not authorize Contractor to further disclose such information or documents on any other occasions except as otherwise provided in the Contract or required by law.
- C. Contractor shall not comment publicly to the press or any other media regarding the data or documents generated, collected, or produced in connection with this contract, or the State's actions on the same, except to the Department of Mental Health staff, Contractor's own personnel involved in the performance of this Contract, or as required by law.
- D. If requested by State, Contractor shall require each of its employees or officers who will be involved in the performance of this Contract to agree to the above terms in a form to be approved by State and shall supply State with evidence thereof.
- E. Each subcontract shall contain the foregoing provisions related to the confidentiality of data and nondisclosure.
- F. After any data or documents submitted has become a part of the public records of the State, Contractor may at its own expense and upon written approval by the State Contract Manager, publish or utilize the same data or documents but shall include the following Notice:

### LEGAL NOTICE

This report was prepared as an account of work sponsored by the Department of Mental Health (Department), but does not necessarily represent the views of the Department or any of its employees except to the extent, if any, that it has formally been approved by the Department. For information regarding any such action, communicate directly with the Department at P.O. Box 952050, Sacramento, California, 94252-2050. Neither said Department nor the State of California, nor any officer or employee thereof, or any of its contractors or subcontractors makes any warranty, express or implied, or assumes any legal liability whatsoever for the contents of this document. Nor does any party represent that use of the data contained herein, would not infringe upon privately owned rights without obtaining permission or authorization from any party who has any rights in connection with the data.

## 7. PROVISIONS RELATING TO DATA:

- A. "Data" as used in this Contract means recorded information, regardless of form or characteristics, of a scientific or technical nature. It may, for example, document research, experimental, developmental or engineering work; or be usable or be used to define a design or process; or support a premise or conclusion asserted in any deliverable document called for by this Contract. The data may be graphic or pictorial delineations in media, such as drawings or photographs, charts, tables, mathematical modes, collections or extrapolations of data or information, etc. It may be in machine form, as punched cards, magnetic tape, computer printouts, or may be retained in computer memory.
- B. "Generated data" is that data, which a Contractor has collected, collated, recorded, deduced, read out or postulated for utilization in the performance of this Contract. Any electronic data processing program, model or software system developed or substantially modified by the Contractor in the performance of this Contract at State expense, together with complete documentation thereof, shall be treated in the same manner as generated data.
- C. "Deliverable data" is that data which under terms of this Contract is required to be delivered to the State. Such data shall be property of the State.

- D. Prior to the expiration of any legally required retention period and before destroying any data, Contractor shall notify the State of any such contemplated action; and State may within 30 days of said notification determine whether or not this data shall be further preserved. The State shall pay the expense of further preserving this data. State shall have unrestricted reasonable access to the data that is preserved in accordance with this Contract.
- E. Contractor shall use best efforts to furnish competent witnesses to identify such competent witnesses to testify in any court of law regarding data used in or generated under the performance of this Contract.
8. APPROVAL OF PRODUCT: Each product to be approved under this Contract shall be approved by the Contract Manager. The State's determination as to satisfactory work shall be final absent fraud or mistake.
9. SUBSTITUTIONS: Contractor's key personnel as indicated in its proposal may not be substituted without Contract Manager's prior written approval.
10. NOTICE: Notice to either party shall be given by first class mail properly addressed, postage fully prepaid, to the address beneath the name of each respective party. Such notice shall be effective when received as indicated by post office records or if deemed undeliverable by post office, such notice shall be effective nevertheless 15 days after mailing. Alternatively, notice may be given by personal delivery by any means whatsoever to the party, and such notice shall be deemed effective when delivered.
11. WAIVER: No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Contract shall be taken and construed as cumulative; that is, in addition to every other remedy provided therein or by law. The failure of State to enforce at any time the provisions of this Contract, or to require at any time performance by the Contractor of any of the provisions, shall in no way be construed to be a waiver of such provisions not to affect the validity of this Contract or the right of State to enforce said provisions.
12. GRATUITIES AND CONTINGENCY FEES: The State, by written notice to the Contractor, may terminate the right of Contractor to proceed under this Contract if it is found, after notice and hearing by the State, that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the State with a view toward securing a contract or securing favorable treatment with respect to the awarding, amending, or performing of such contract.

In the event this Contract is terminated as provided in the paragraph above, State shall be entitled (a) to pursue the same remedies against Contractor as it could pursue in the event of the breach of the Contract by the Contractor, and (b) as a predetermined amount of liquidated damages, to exemplary damages in an amount which shall not be less than three times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

The rights and remedies of the State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

The Contractor warrants by execution of this Contract that no person or selling agency has been employed or retained to solicit or secure this Contract upon a Contract or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of Contractor, for the purpose of securing business. For breach or violation of this warranty, the State shall have the right to annul this Contract without liability, paying only for the values of the work actually returned, or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

13. INSURANCE: Contractor hereby warrants that it carries and shall maintain in full force and effect during the full term of this contract and any extensions to said term:

Sufficient and adequate Worker's Compensation Insurance for all of its employees who shall be engaged in the performance of this Contract and agrees to furnish to State satisfactory evidence thereof at any time the State may request the same; and

Sufficient and adequate Liability Insurance to cover any and all potential liabilities and agrees to furnish to State satisfactory evidence thereof upon request by State.

14. **CONTRACT IS COMPLETE:** Other than as specified herein, no document or communication passing between the parties hereto shall be deemed a part of this Contract.
15. **CAPTIONS:** The clause headings appearing in this Contract have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit or extend the scope or intent of the clauses to which they pertain.
16. **PUBLIC HEARINGS:** If public hearings on the subject matter dealt with in this Contract are held within one year from the contract expiration date, Contractor shall make available to testify the personnel assigned to this Contract at the hourly rates specified in the Contractor's proposed budget. State shall reimburse Contractor for travel of said personnel at the contract rates for such testimony as may be requested by State.
17. **DVBE:** Unless specifically waived by the Deputy Director of Administrative Services of the Department, Contractor shall comply with the Disabled Veteran Business Enterprises participation goal in accordance with the provisions of Public Contract Code Section 10115 et seq.
18. **FORCE MAJEURE:** Neither the State nor the Contractor shall be deemed to be in default in the performance of the terms of this Contract if either party is prevented from performing the terms of this Contract by causes beyond its control, including without being limited to: acts of God; interference, rulings or decision by municipal, Federal, State or other governmental agencies, boards or commissions; any laws and/or regulations of such municipal, State, Federal, or other governmental bodies; or any catastrophe resulting from flood, fire, explosion, or other causes beyond the control of the defaulting party. If any of the stated contingencies occur, the party delayed by force majeure shall immediately give the other party written notice of the cause of delay. The party delayed by force majeure shall use reasonable diligence to correct the cause of the delay, if correctable.
19. **PERMITS AND LICENSES:** The Contractor shall procure and keep in full force and effect during the term of this Contract all permits, registrations and licenses necessary to accomplish the work specified in this Contract, and give all notices necessary and incident to the lawful prosecution of the work.

The Contractor shall keep informed of, observe, comply with, and cause all of its agents and employees to observe and to comply with all prevailing Federal, State, and local laws, and rules and regulations made pursuant to said Federal, State, and local laws, which in any way affect the conduct of the work of this Contract. If any conflict arises between provisions of the plans and specifications and any such law above referred to, then the Contractor shall immediately notify the State in writing.

20. **LITIGATION:** The State, promptly after receiving notice thereof, shall notify the Contractor in writing of the commencement of any claim, suit, or action against the State or its officers or employees for which the contractor must provide indemnification under this Contract. The failure of the State to give such notice, information, authorization or assistance shall not relieve the Contractor of its indemnification obligations. The Contractor shall immediately notify the State of any claim or action against it which affects, or may affect, this Contract, the terms and conditions hereunder, or the State, and shall take such action with respect to said claim or action which is consistent with the terms of this Contract and the interest of the State.
21. **DISPUTES:** Contractor shall first discuss and attempt to resolve any dispute arising under or relating to the performance of this Contract, which is not disposed of by the Contract, informally with the State Contract Manager. If the dispute cannot be disposed of at this level, then the dispute shall be decided by the Department of Mental Health's Deputy Director of Administration. All issues pertaining to this dispute shall be submitted in written statements and addressed to the Deputy Director of Administration, Department of Mental Health, 1600 9th Street, Room 150, Sacramento, California 95814. Such written notice must contain the Contract Number. The decision of the Deputy Director of Administrative Services shall be final and binding to all parties. Within ten days of receipt of the written grievance report from the Contractor, the Deputy Director of Administration Director of Administration or his/her designee, the Contractor shall proceed diligently with the performance of the Contract. Neither the pendency of a dispute, nor its consideration by the Deputy Director of Administration, shall excuse the Contractor from full and timely performance of the services required in accordance with the terms of the contract.

Notwithstanding any other provisions of this Contract, after recourse to the procedure set forth in the paragraph above, any controversy or claim arising out of or relating to this Contract or breach thereof shall be settled by arbitration at the election of either party in accordance with California Public Contract Code Section 10240 et. seq. and judgment upon the award rendered by the arbitration may be entered in any court having jurisdiction thereof.

22. **EVALUATION OF CONTRACTOR'S PERFORMANCE:** The Contractor's performance under this Contract shall be evaluated by the State after completion of the contract. A copy of the written evaluation shall be maintained in the contract file and may be submitted to the Office of Legal Services, Department of General Services.
23. **TRAVEL:** Contractor's headquarters for purposes of payment of travel shall be the city designated in the signature block unless otherwise specified in the contract.

For travel necessary to the performance of this Contract, contractor shall use and submit travel reimbursement forms provided by the Department. All reimbursements shall be made in accordance with, and shall not exceed the rates authorized by, the State Administrative Manual and the Policies and Procedures of the Department. All requests to exceed any base reimbursement rate established in the State Administrative Manual or the Policies and Procedures of the Department must be made and approved prior to the date of travel and must be submitted in writing to the State's Contract Manager.

24. **TERMINATION:** The Department may terminate this contract by giving 30 days written notice to the contractor. The notice of termination shall specify the effective date of termination.

Upon the Contractor's receipt of notice of termination from the State, and except as otherwise directed in the notice, the Contractor shall:

- A. Stop work on the date specified in the notice.
- B. Place no further orders or enter into any further subcontracts for materials, services or facilities except as necessary to complete work under the Contract up to effective date of termination.
- C. Terminate all orders and subcontracts;
- D. Promptly take all other reasonable and feasible steps to minimize any additional cost, loss, or expenditure associated with work terminated, including, but not limited to reasonable settlement of all outstanding liability and claims arising out of termination of orders and subcontracts;
- E. Deliver or make available to the Department all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by the Contractor under this Contract, whether completed, partially completed, or in progress.

In the event of termination, an equitable adjustment in the price provided for this Contract shall be made. Such adjustment shall include reasonable compensation for all services rendered, materials supplies, and expenses incurred pursuant to this Contract prior to the effective date of termination.

## 25. CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS:

- A. The Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code, Section 431.300 et seq. of Title 42, Code of Federal Regulations, and the Health Insurance Portability and Accountability Act (HIPAA), and it's implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162 and 164) regarding the confidentiality and security of individually identifiable health information (IIHI).
- B. Nondisclosure

Contractor shall not use or disclose confidential, individually identifiable, or sensitive information other than as permitted or required by the Contract and as required by law.



26. AUDITS, INSPECTION AND ENFORCEMENT:

- A. From time to time, the State may inspect the facilities, systems, books and records of Contractor to monitor compliance with the Contract.
- B. Contractor shall promptly remedy any violation of any provision of the Contract and shall certify the same to the Department Information Security Officer in writing.
- C. The fact that the State inspects, or fails to inspect, or has the right to inspect Contractor's facilities, systems, and procedures does not relieve Contractor of its responsibility to comply with the Contract.
- D. The State's failure to detect or the State's detection of any unsatisfactory practices, but failure to notify Contractor or require Contractor's remediation of the unsatisfactory practices does not constitute acceptance of such practice or a waiver of the State's enforcement rights under the Contract.

27. USE OF STATE FUNDS: Contractor, including its officers and members, shall not use funds received from the Department pursuant to this contract to support or pay for costs or expenses related to the following:

- A. Campaigning or other partisan activities to advocate for either the election or defeat of any candidate for elective office, or for or against the passage of any proposition or ballot measure; or,
- B. Lobbying for either the passage or defeat of any legislation.

This provision is not intended and shall not be construed to limit any expression of a view, opinion, or position of any member of Contractor as an individual or private citizens, as long as state funds are not used; nor does this provision limit Contractor from merely reporting the results of a poll or survey of its membership.

28. DRUG-FREE WORKPLACE CERTIFICATION: Contractor shall comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and shall provide a drug-free workplace.

29. CONFLICT OF INTEREST CERTIFICATION: In accordance with State laws and Departmental policy, no employees (including contractors) shall participate in incompatible activities, which are in conflict with their job duties. In addition, State law requires employees whose positions are designated in the Department's Conflict of Interest Code to file statements of economic interest. Employees whose positions have been designated will be notified by the Department if a statement is required.

In signing this contract, I certify that I have read and understand GOVERNMENT CODE 19990.

## EXHIBIT E

## CONFIDENTIALITY AND INFORMATION SECURITY PROVISIONS

## 1. Confidentiality and Information Security Provisions

A. The Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code, Section 431.300 et seq. of Title 42, Code of Federal Regulations (CFR), and the Health Insurance Portability and Accountability Act (HIPAA), including but not limited to Section 1320 d et seq. of Title 42, United States Code and its implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162 and 164) regarding the confidentiality and security of Individually Identifiable Health Information (IIHI).

## B. Permitted Uses and Disclosures of IIHI by the Contractor

## i. Permitted Uses and Disclosures

Except as otherwise provided in this Agreement, the Contractor, may use or disclose IIHI to perform functions, activities or services identified in this Agreement provided that such use or disclosure would not violate federal or state laws or regulations.

## ii. Specific Uses and Disclosures Provisions

Except as otherwise indicated in the Agreement, the Contractor may:

- a. Use and disclose IIHI for the proper management and administration of the Contractor or to carry out the legal responsibilities of the Contractor, provided that such use and disclosures are permitted by law.
- b. Use IIHI to provide data aggregation services to DMH. Data aggregation means the combining of IIHI created or received by the Contractor for the purposes of this contract with IIHI received by the Contractor in its capacity as the Contractor of another HIPAA covered entity, to permit data analyses that relate to the health care operations of DMH.

## C. Safeguards

Contractor shall develop and maintain an information privacy and security program that includes the implementation of administrative, technical, and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities. The information privacy and security program shall reasonably and appropriately protect the confidentiality, integrity, and availability of the IIHI that it creates, receives, maintains, or transmits; and prevent the use or disclosure of IIHI other than as provided for by this Agreement. The Contractor shall provide DMH with information concerning such safeguards as DMH may reasonably request from time to time.

The Contractor shall implement administrative, technical, and physical safeguards to ensure the security of DMH information on portable electronic media (e.g., floppy disks and CD-Rom) and in paper files. Administrative safeguards to be implemented shall include, but are not limited to training, instructions to employees, and policies and procedures regarding the HIPAA Privacy Rule. Technical safeguards to be implemented shall include, but are not limited to, role-based access, computer passwords, timing out of screens, storing laptop computers in a secure location (never leaving the equipment unattended at workplace, home or in a vehicle) and encryption. Physical safeguards to be implemented shall include, but are not limited to, locks on file cabinets, door locks, partitions, shredders, and confidential destruct.

D. The Contractor shall implement appropriate authentication methods to ensure information system access to confidential, personal (e.g., IIHI) or sensitive data is only granted to properly authenticated and authorized persons. If passwords are used in user authentication (e.g., username/password combination), the Contractor shall implement strong password controls on all compatible computing systems that are consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-68 and the SANS Institute Password Protection Policy. The Contractor shall:

- i. Implement the following security controls on each server, workstation, or portable (e.g., laptop computer) computing device that processes or stores confidential, personal, or sensitive data:
  - a. Network-based firewall and/or personal firewall
  - b. Continuously updated anti-virus software
  - c. Patch-management process including installation of all operating system/software vendor security patches
- ii. Encrypt all confidential, personal, or sensitive data stored on portable electronic media (including, but not limited to, CDs and thumb drives) and on portable computing devices (including, but not limited to, laptop computers, smart phones and PDAs) with a solution that uses proven industry standard algorithms.
- iii. Prior to disposal, sanitize all DMH confidential data contained in hard drives, memory devices, portable electronic storage devices, mobile computing devices, and networking equipment in a manner consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-88.

The Contractor shall not transmit confidential, personal, or sensitive data via e-mail or other Internet transport protocol over a public network unless, at minimum, a 128-bit encryption method (for example AES, 3DES, or RC4) is used to secure the data.

#### E. Mitigation of Harmful Effects

Contractor shall mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of IIHI by Contractor or its subcontractors in violation of the requirements of this Agreement.

#### F. Notification of Breach

During the term of this Agreement:

- i. **Discovery of Breach.** Contractor shall immediately notify the DMH Information Security Officer by telephone call plus e-mail upon the discovery of breach of security of IIHI in all forms (paper, electronic, or oral) if the IIHI was, or is reasonably believed to have been, acquired by an unauthorized person, or within 24 hours by email or fax of the discovery of any suspected security incident, intrusion or unauthorized use or disclosure of IIHI in violation of this Agreement, or potential loss of confidential data affecting this Agreement. If the incident occurs after business hours or on a weekend or holiday and involves IIHI, notification shall be provided by calling the DMH Information Security Officer. Contractor shall take:
  - a. Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment; and
  - b. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- ii. **Investigation of Breach.** Contractor shall immediately investigate such security incident, breach, or unauthorized use or disclosure of IIHI or confidential data. Within 72 hours of discovery (of the breach), Contractor shall notify the DMH Information Security Officer of:
  - a. What data elements were involved and the extent of the data involved in the breach,
  - b. A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed IIHI or confidential data,

- c. A description of where the IIHI or confidential data is believed to have been improperly transmitted, sent, or utilized,
- d. A description of the probable causes of the improper use or disclosure; and
- e. Whether Civil Code sections 1798.29 or 1798.82 or any other federal or state laws requiring individual notifications of breaches are triggered

iii. Written Report

Contractor shall provide a written report of the investigation to the DMH Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall include, but not be limited to, the information specified above, an estimation of cost for remediation, as well as a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure.

iv. Notification of Individuals

Contractor shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and to pay any costs of such notifications, as well as any costs associated with the breach. Notification shall be made in the most expedient time possible without reasonable delay. The DMH Information Security Officer shall approve the time, manner and content of any such notifications.

v. DMH Contact Information

Contractor shall direct communications to the DMH Information Security Officer and the Contractor shall initiate contact as indicated herein. DMH reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Agreement to which it is incorporated.

Information Security Officer  
California Department of Mental Health  
1600 9th Street, Room 433  
Sacramento, CA 95814  
Phone: (916) 651-6776  
E-mail: ISO@dmh.ca.gov

G. Agents and Subcontractors of the Contractor

Contractor shall ensure that any agent, including a subcontractor to which the Contractor provides IIHI received from, or created or received by the Contractor under this Agreement, shall comply with the same restrictions and conditions that apply through this Agreement to the Contractor with respect to such information.

H. Internal Practices

Contractor shall make Contractor's internal practices, books and records relating to the use and disclose of IIHI received from DMH, or created or received by the Contractor under this Agreement, available to DMH or to the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by DMH or by the Secretary, for purposes of determining DMH's compliance with the HIPAA regulations.

I. Employee Training and Discipline

Contractor shall train and use reasonable measures to ensure compliance with the requirements of this Agreement by employees who assist in the performance of functions or activities under this Agreement and use or disclose IIHI; and discipline such employees who intentionally violate any provisions of this Agreement, including by termination of employment.

## J. Effect of Termination

Upon termination or expiration of this Agreement for any reason, Contractor shall return or destroy all IIHI received from DMH (or created or received by Contractor under this Agreement that Contractor still maintains in any form, and shall retain no copies of such IIHI or, if return or destruction is not feasible, it shall continue to extend the protections of this Agreement to such information, and limit further use of such IIHI to those purposes that make the return or destruction of such IIHI infeasible. This provision shall apply to IIHI that is in the possession of subcontractors or agents of the Contractor.

## K. Miscellaneous Provisions

### i. Disclaimer

DMH makes no warranty or representation that compliance by Contractor with this Agreement, HIPAA or the HIPAA regulations shall be adequate or satisfactory for Contractor's own purposes or that any information in the Contractor's possession or control, or transmitted or received by the Contractor, is or shall be secure from unauthorized use or disclosure. Contractor is solely responsible for all decisions made by Contractor regarding the safeguarding of IIHI.

### ii. Assistance in Litigation or Administrative Proceedings

Contractor shall make itself, and use its best efforts to make any subcontractors, employees or agents assisting Contractor in the performance of its obligations under this Agreement, available to DMH at no cost to DMH to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DMH, its directors, officers or employees for claimed violation of HIPAA, the HIPAA regulations or other laws relating to security and privacy based upon actions or inactions of the Contractor and/or its subcontractor, employee, or agent, except where Contractor or its subcontractor, employee, or agent is a named adverse party.

#### a. No Third-Party Beneficiaries

Nothing expressed or implied in the terms and conditions of this Agreement is intended to confer, nor shall anything herein confer, upon any person other than DMH or Contractor and their respective successors or assignees, any rights remedies, obligations or liabilities whatsoever.

#### b. Interpretation

The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HIPAA regulations and applicable State laws. The parties agree that any ambiguity in the terms and conditions of this Agreement shall be resolved in favor of a meaning that complies and is consistent with state and federal law, including HIPAA and the HIPAA regulations.

#### c. Regulatory References

A reference in the terms and conditions of this Agreement to a section in the HIPAA regulations means the section as in effect or as amended.

#### d. Survival

The respective rights and obligations of Contractor under this Agreement shall survive the termination or expiration of this Agreement.

2. Violations reported to U.S. Department of Health and Human Services. Upon DMH's knowledge of a material breach of this Agreement by Contractor, that has not been cured or for which termination of the Agreement is not feasible, the DMH Information Security Officer shall report the violation to the Secretary of the U.S. Department of Health and Human Services.

3. Judicial or Administrative Proceedings. DMH may terminate this Agreement, effective immediately, if (i) Contractor is found liable in a civil or criminal proceeding for a violation of the HIPAA Privacy or Security Rule or (ii) a finding or stipulation that the Contractor has violated a privacy or security standard or requirement of HIPAA, or other security or privacy laws is made in an administrative or civil proceeding in which the Contractor is a party.

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## EXHIBIT F

## INSURANCE AND BOND REQUIREMENTS

1. The insurance and/or bonds identified below with a marked box are a part of this Agreement. Only the insurance and/or bonds with marked box have any force or effect under this Agreement. Evidence of liability insurance coverage, in the form a certificate acceptable to the State, shall be provided prior to the execution of this Agreement and the commencement of services.

☐ Commercial General Liability

Contractor shall maintain commercial general liability insurance covering bodily injury, property damage, and personal injury with limits not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. Said policy shall apply separately to each insured against whom any claim is made or suit is brought subject to the Contractor's limits of liability.

☐ Pollution/Environmental Impairment Liability

Contractor shall maintain Pollution Liability covering the Contractor's liability for bodily injury, property damage and environmental damage resulting from pollution and related cleanup costs incurred, all arising out of the work or services to be performed under this contract. Coverage shall be provided for both work performed on site, as well as during the transport of hazardous materials. Limits of not less than \$1,000,000 bodily injury and property damage combined single limit per occurrence shall be provided.

**The certificate of insurance for the insurance marked above must contain the following endorsement:**

*State of California, its officers, employees, agents and servants are included as additional insured, but only insofar as operations under this contract are concerned.*

☐ Motor Vehicle Liability

Contractor shall maintain motor vehicle liability insurance with limits not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of an accident involving a motor vehicle in use by the Contractor during the prosecution of services under this Agreement, including, but not limited to, Contractor owned, hired, and non-owned motor vehicles.

☐ Professional Liability

Contractor shall maintain Professional Liability/Medical Malpractice insurance covering any damages caused by an error, omission or any negligent acts. The limit shall be not less than \$2,000,000.

In the event a medical professional performing services under this Agreement is a subcontractor or is performing services through a registry, the medical professional actually performing the services shall be the insured and shall comply with the Professional Liability/Medical Malpractice insurance requirements of this Agreement. The prime contractor shall be responsible to enforce this provision and employ only those medical professionals meeting this requirement. Evidence of compliant insurance shall be provided to the DMH prior to the commencement of services.

☐ Performance Bond

Insures Contractor will faithfully complete the work on schedule in accordance with this Agreement. Should Contractor fail to meet the schedule, the State can seek a claim with the surety for any losses incurred. If Contractor WILL NOT complete the work, the State may seek another contractor and be reimbursed for the costs of the second contractor. The amount of the bond shall equal the amount of this Agreement.

2. Insurance shall be in effect for the entire term of this agreement. If the insurance expires prior to the end of the term of the Agreement, a new certificate must be received by the State at least ten (10) days prior to the expiration of the insurance.



3. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event, subject to the provisions of this Agreement.
4. All insurance certifications must contain the following endorsement:

*The insurer will not cancel the insured's coverage without 30 days prior written notice to the State.*

## EXHIBIT G

SECURITY REGULATIONS

TO: Independent Service Providers  
Contractors  
Vendors

FROM: Ed Halsell, Chief of Plant Operations III

The following items are of great importance to Patton State Hospital (PSH) and are summarized for your convenience. Patton State Hospital has abnormal site conditions and these administrative directives (A.D.'s) must be strictly adhered to.

The following, A.D. # 4.26 "Clothing and Grooming Standards", should be in the same paragraph that contains information about the Mandatory Site Inspection, as it describes the type of clothing that shall not be worn, if a contractor/vendor/or visitor is to visit behind the secured compound. In this scenario, the contractors/vendors will have to go behind the secured compounds.

Another A.D. that must be in the same paragraph as the information about the Mandatory Site Inspection is #6.08 "Access Control". Anyone going behind the secured compound must have legal picture identification, such as driver's license, military card, state identification, etc.

Should you have any questions or would like detailed copies of the Patton State Hospital Administrative Directives, please contact the Patton's Contract Office at (909) 425-7931.

1. A.D. 1.08 – Administrative Rules for Employees

PSH does not allow cellular telephones with camera capabilities. These types of phones are considered cameras, which are not allowed on the hospital grounds without the Executive Director and/or designee's approval.

2. A.D. 1.16 – Code of Ethics

The Hospital's mission and ultimate objective is to help its patients "to get better faster," by means of clinical and forensic evaluation, treatment, and protection. This administrative directive describes the Hospital's philosophy, values, and mission, which supports the Professional Code of Ethics.

3. A.D. 3.05 – Sexual Harassment

PSH will not tolerate sexual harassment of employees or non-employees who engage in sexual harassment of employees/non-employees in the workplace. PSH will take reasonable measures to prevent/correct violation of this policy.

The purpose of this administrative directive is to provide a work environment that is free from any form of sexual harassment. All sexual harassment is unprofessional and discourteous and may lead to interruption or damage to careers or harm to the well-being of employees/non-employees. All employees//non-employees have the right to work in an environment that is free from all forms of discrimination, including sexual harassment.

4. A.D. 4.08 – Employee Clinic Services

Visitors or volunteers who become injured or acutely ill will be given first aid. They will be promptly evaluated and referred to the appropriate primary care provider outside of the Hospital.

5. A.D. 4.13 – Smoke/Tobacco Free Policy

Patton State Hospital is a "Smoke/Tobacco Free" facility. It is the hospital's policy to provide an environment, which is free of tobacco smoke and its undesirable effects. Therefore, smoking shall be prohibited in all areas of the hospital. There will be no exceptions made in regards to smoking anywhere on the grounds (includes inside of buildings) or in state vehicles.

Cigarettes and/or any other smoking/tobacco products and lighters are considered contraband items and are prohibited from secured compounds. Any of these items brought onto hospital grounds by employees or visitors should be kept locked in personal vehicles.

6. A.D. 4.22 – Staff/Patient Relationships

The purpose of this directive is to define the standards for patient/staff relationships. Contractors are not to engage in conversation with Hospital patients. If Contractor encounters a patient who tries to promote conversation or contact, contact the PSH Job Manager/Inspector at once. PSH Job Manager/Inspector will notify staff and/or Grounds Presence Staff immediately.

7. A.D. 4.26 – Clothing and Grooming Standards

Because the Penal Code patients wear a specific uniform, persons/or your employees are not to wear a combination of clothing, which might be mistaken for a patient's uniform. Patient uniform clothing is as follows: MALE PATIENT clothing consists of khaki shirt and trousers; FEMALE PATIENT clothing consists of khaki shirt and brown slacks.

8. A.D. 6.01 – Security of Grounds (Laws, Rules, & Regulations)

Correctional Officers/Highway Patrol shall enforce vehicle speed and parking regulations, and issue citations answerable to the San Bernardino Municipal Court. Employees and visitors shall not bring upon the grounds of PSH any intoxicating liquor, narcotic, medicine, or drug for the purpose of furnishing same to a patient. Firearms and ammunition, cameras, aluminum cans, glass bottles, or printed publications which are also prohibited.

9. A.D. 6.02 – Traffic and Parking Control

The California Highway Patrol, By Agreement, is responsible for the enforcement of traffic laws at PSH.

PSH/Dept. of Corrections, under W.I.C., Div. 4, Part I, Chapter 2, Article 3, commencing with Section 4300, has the authority to regulate vehicle traffic upon PSH with respect to speed, place of parking, types of vehicles permitted to enter, and to enforce the regulations enacted. The State reserves the right for its authorized officers to inspect any person or vehicle entering or leaving PSH to determine whether articles detrimental to the welfare of the patients are being taken into the grounds or state property is being illegally removed.

The Hospital speed limit is 11 m.p.h. within secured compounds and 15 m.p.h. outside the secured compounds. All vehicles must be kept locked.

10. A.D. 6.03 – Key Control

A set of loaner keys can be obtained by the Contractor, strictly on a daily basis and must be returned to Plant Operations by 4:00 p.m. for the express purpose of access to their work area only.

Patients are expressly prohibited from having hospital keys in their possession. At no time, under any circumstances, shall the Contractor permit a patient to have official keys in his/her possession.

Should a Contractor or their employees lose any keys inside of the security compounds they are to notify Plant Operations immediately at Extension 7578 and the Department of Corrections at Extension 7780. Plant Operations will take immediate steps to secure the area and initiate a search.

11. A.D. 6.04 – Security Procedures within Compounds

The Department of Corrections staff at PSH is responsible for processing all staff going in/out of the Sallyports. ("Use of Vehicles Behind Fenced Areas"). Vehicles with loose/unguarded/unsecured materials or tools will not be allowed to enter. All unneeded tools or equipment will be left between the Sallyport gates.

Procedures for inspection of vehicles entering/exiting the PC compounds are as follows: All entering and exiting vehicles will be entered in the Sallyport Log Books. All drivers are to stop the engine, exit the vehicle, and open the hood. A Correctional Officer will inspect the vehicle prior to entering/departure of the compounds. The Sallyport Gate Officer will not open the outermost gate until the Searching Officer gives his/her approval that the vehicle has been thoroughly searched. Vehicles are subject to a thorough physical inspection on a random basis or because of suspicious circumstances.

12. A.D. 6.08 – Access Control (Passes and Badges)

Identification (ID) cards must be visibly worn at all times and must be attached to the upper torso of that person. PSH Identification cards will be blue, no photo. Persons wearing identification cards must at all time carry proper I.D. with photo (e.g., DMV license, CA I.D. issued by DMV, etc.). There are four (4) types of Official Hospital Badges:

White with Photo: Permanent employees, retired annuitants, permanent intermittent, CNS Registry staff and PSH CDC Staff.

White without Photo: Temporary badge issued for on-shift only, to employees who forgot their badges and to those employees who have lost their badge.

Grey with Photo: Independent Service Providers (ISP's), students, interns, court appointees, contractors, volunteers, and summer youth employees, etc.

Grey without Photo: Alcoholics/Narcotic Anonymous Volunteers and/or Visitors.

Identification cards shall be returned to the Sallyport Gate Officer upon departure.

Loss of identification cards shall be reported immediately to a Hospital Supervisor. Corrections shall be alerted at Extension 7781 and a search conducted. If I.D. card is not found, the person who lost the I.D. shall be escorted to the Sallyport by someone who is familiar to him/her. A replacement card will cost \$10.00 (payable at the Accounting Office and \$25.00 thereafter for each occurrence).

13. A.D. 6.09 – Tool Control

It is the intent of this policy to restrict items from the Hospital grounds which present a serious threat to the health and safety of patients, employees, visitors, volunteers, students, and all other persons conducting business on Hospital grounds.

All tools, equipment, and materials used in the project shall be controlled. The Contractor will provide a storage bin to secure his/her tools, equipment, and materials, which is to be locked at the end of each working day.

14. A.D. 6.11 – Individual Served Committed Offenses

The purpose of this directive is to ensure that all employees/visitors understand their responsibility with regards to handling assaults and to delineate reporting and investigative responsibilities in the event of such an incident.

15. A.D. 6.14 – Closure of Hospital Security Compounds

This directive sets forth the policy and procedures for the closure of the Hospital grounds from patient activities.

16. A.D. 10.08 – Infection Control Practices

Patton State Hospital has implemented this directive to control the transmission of infections among personnel, patients, and visitors.

17. A.D. 10.25 – Medical Emergency Response System

All physicians and nursing staff shall immediately respond to medical emergencies upon notification, whether involving a patient, employee, or visitor. Medical emergencies are defined as conditions requiring immediate medical attention to prevent death, disability, serious illness, injury or complications, or to alleviate pain or suffering.

For Contractor Information: The closest Hospital that treats urgent care is St. Bernardine's Hospital located at the corner of Highland and Waterman Avenues in San Bernardino.

When an employee or visitor refuses emergency medical care during routine business hours, he/she should be escorted to the Employee Clinic for observation. Nursing staff shall obtain a signed statement refusing medical treatment. The ACNS and MOD shall record their observations.

18. A.D. 15.16 – Allowable Items/Contraband

The purpose of this directive is to identify the controls on contraband and property.

19. A.D. 15.22 –Grounds Presence

Grounds presence will be provided by nursing level-of-care staff who will enforce rules and regulations as they apply to patients on grounds. This directive will provide increased safety and security for all staff, patients, and visitors.

20. A.D. 18.01 – Fire Rules and Regulations

This directive outlines the responsibilities of staff and to define their actions in fire prevention, fire emergencies, and fire reporting.

An up-to-date Fire Plan shall be prominently displayed in every unit and work area of the institution. The Fire Plan shall consist of a current floor plan of the unit, work area with emergency escape routes, exits, fire alarms, fire alarm panels, fire extinguishers and locations, and fire control and first aid stations clearly indicated with all pertinent information available.

21. A.D. 18.02 – Fire Watch Procedures

Avoid accumulation of combustibles. All trash must be placed in metal containers with tight fitting covers or approved Rubbermaid trash containers with lids. NO SMOKING signs or painted stencils shall be posted in all areas where combustibles are stored.

The Contractor will store building/combustible materials in designated areas and will provide a portable early fire detection device in each enclosed storage area. The Contractor shall be responsible to keep the premises free of debris and trash and shall "police the area" and make proper disposal of all debris at the completion of each working day. Necessity for additional fire fighting equipment will be assessed by the Fire Protection Officer and staff will be trained as to location and use, if additional equipment is provided.

The Department of Corrections staff will patrol grounds on continuous surveillance and will be especially alert to early signs of fire.

22. A.D. 18.03 – Safety Program

The Safety Program establishes, supports, and maintains a safety management program that is based on monitoring and evaluating organizational experience, applicable laws and regulations, and acceptable practices.

In addition, this directive establishes a risk assessment program that proactively evaluates the impact on patient and public safety of the buildings, grounds, equipment, occupants, and internal physical systems.

23. A.D. 18.05 – Safety Program – Footwear

It is the policy of PSH that all employees (including vendors/contractors) who work within the security compounds and those exposed to foot injuries from hot, corrosive poisonous substances, falling objects, crushing or penetrating actions, which may cause abnormal wet conditions must wear appropriate foot protection.

Footwear, which is defective or inappropriate to the extent that its ordinary use creates the possibility of foot injury, shall not be worn. The following types of footwear shall not be worn: zories/flip flops or other type of shower shoes; shoes with steel taps on heels.

24. A.D. 18.06 – Lockout/Blockout Procedures

It is the policy of PSH to use practices, means methods, operations, and processes which are reasonably adequate to render a safe, healthful place of employment. The purpose of this directive is to establish uniform procedures to provide a safe environment for patients and employees during construction, servicing, and equipment repairs.

Every prime mover or power driven machine equipped with lockable controls or readily adaptable to lockable controls shall be locked or positively sealed in the "OFF" position during repair work and setting-up operations. Those not equipped with lockable controls or readily adaptable to lockable controls shall be de-energized for disconnected from their power source to prevent the prime mover or machine from being started.

Caution signs or tags with adequate wording ("Caution - Working on Machines - Do Not Start," or equivalent) shall be placed on the controls of the machines and prime movers during repair work. Signs shall be equipped with a permanently attached means (string, wire, or adhesive) which can be readily attached to the control. This shall be signed and dated by the person performing repairs.

25. A.D. 18.08 – Emergency Management Plan

PSH shall have an emergency preparedness plan (meeting the requirements of the Department of Mental Health, Joint Commission on Accreditation of Health Care Organizations, and Title 22) designed to provide for effective management and utilization of resources should a disaster or emergency occur to such an extent that normal operations of the Hospital would be severely disrupted.

26. A.D. 18.09 – Emergency Alarm Systems Operation

To report a fire, dial 7311. The call is answered by the San Bernardino City Fire Dispatcher and is monitored by the Hospital Telephone Office. Every Contractor and his/her employees shall be instructed as to the location and operation of fire alarm and protection systems in the designated work area. All efforts shall be taken to avoid setting off a false alarm.

The operating procedures for the alarm system will be posted adjacent to each alarm system device. All responses to alarms shall be done in such a manner as to prevent injury or incidents resulting from response.

27. A.D. 18.10 – Protective Equipment for Hazardous Substance

It is the policy of PSH that protective equipment including personal protective equipment (PPE) for eyes, face, head, and extremities, protective clothing respiratory devices, protective shields, and barriers shall be provided, used, and maintained in a sanitary and reliable condition wherever it is necessary by reason of hazards of processes or environment, chemical hazards, radiological hazards, or mechanical irritants encountered in a manner capable of causing injury or impairment in the function of any part of the body through absorption, inhalation, or physical contact. The purpose of PPE is to assist in protecting the individual from harmful exposures.

28. A.D. 18.11 – Hazardous Substance Handling Storage and Disposal

It is the policy of PSH to assure that all hazardous materials be managed in accordance with all applicable laws, rules, and regulations, and in a manner that protects the health of patients, employees, and visitors, and safeguards the environment of the community. All hazardous materials and hazardous waste shall be handled, transported, and stored in accordance with prevailing regulations.

Material Safety Data Sheets describing the use and character of hazardous substance shall be maintained in accessible locations to employees/Contractor and staff who handle hazardous substances. Employees of PSH/Contractor and staff shall have knowledge of hazardous materials ingredients, physical data, fire and explosive data, first aid and health hazard data, spill or leak procedures, Hazard Communication Act, Right-To-Know, and use of protective equipment.

A record of all hazardous substances shall be maintained at all storage sites. This will include the name of the hazardous substance, amount of each hazardous substance on hand and the location where the hazardous substance was used. These hazardous substance containers must be labeled with one of the following hazard codes: Corrosive, Explosive, Combustible, Flammable, or Ignitable.

The Safety Committee shall review and analyze statistics on the incidences and/or causes of accidents and injuries to employees, patients, visitors, and Contractor and staff, and damage to property, and make recommendations for prevention and corrective action. The Health and Safety Officer, who is a member of the Safety Committee, is responsible for carrying out the functions of the Safety Management Program, including administration and implementation of safety policies and the decisions of the Safety Committee, and all their functions designated in this directive, as assigned by the Executive Director.

Whenever hazardous conditions exist that poses an immediate threat to life, health, equipment, or buildings, the Health and Safety Officer shall have the authority to take appropriate action as needed and to order intervention and shall immediately report the intervention to the Executive Director or designee.

Contracting is responsible for reading, understanding, and following instructions for handling chemical substances or hazardous materials, including the wearing of protective clothing or gear when appropriate.

#### 29. A.D. 18.13 – Interim Fire, Life, Safety Measures

As part of PSH's Life Safety Management Program, it is necessary to provide for adequate fire protection, as well as environment and grounds safety at all times. During times of construction/renovation in buildings and grounds, extraordinary measures must be taken to compensate for hazards posed by any existing life safety deficiencies that will be diminished by construction. Responsibility for the assessment, development, and implementations of any interim, fire, life, safety measures that might be necessary that are of the Hospital Health and Safety Officer, in conjunction with the Chief of Plant Operations, Fire Chief and others as needed.

The Chief of Plant Operations/designee will notify the Health and Safety Officer of proposed construction/renovation projects and will assist in providing information such as pertinent codes and regulations, site visits, impact on patient care, documents on the specifics of the project, the scope and duration of the project to assess the project for any interim life safety measures that might be necessary. The Health and Safety Officer will attend the Start Meeting to assure that the Contractor and project coordinators are aware of, and assist in the implementation of all interim safety measures designated for the project.