

AMENDMENT I TO AGREEMENT

THIS AMENDMENT, hereinafter referred to as "Amendment I", is made and entered into this 28th day of April, 2020, by and between the COUNTY OF FRESNO, a Political Subdivision of the State of California, hereinafter referred to as "COUNTY", **BEACON HEALTH OPTIONS OF CALIFORNIA, INC. formerly known as VALUEOPTIONS OF CALIFORNIA, INC.**, a California For-Profit Organization, whose address is 5665 Plaza Drive, Suite 400 Cypress, CA 90630, herein after referred to as "CONTRACTOR." Reference in this Agreement to "party" or "parties" shall be understood to refer to COUNTY and CONTRACTOR, unless otherwise specified.

WHEREAS, the parties entered into that certain Agreement, identified as COUNTY Agreement No. 18-685, effective December 11, 2018, hereinafter referred to as the Agreement, whereby CONTRACTOR agreed to provide certain 24/7 Substance Use Disorder (SUD) Access Line, SUD Residential Authorizations services to COUNTY's Department of Behavioral Health (DBH); and

WHEREAS, ValueOptions of California, Inc. changed its name to Beacon Health Options of California, Inc. on November 15, 2019; and

WHEREAS the parties desire to amend the Agreement, regarding changes as stated below and restate the Agreement in its entirety.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties hereto agree as follows:

1. That all references in existing COUNTY Agreement No. 18-685 to "ValueOptions of California, Inc." shall be changed to "Beacon Health Options of California, Inc."

2. That the existing COUNTY Agreement No. 18-685, Section Two (2) "TERM", shall be revised by adding the following at Page Three (3), Line Twenty-Six (26) after the word "herein":

"This Agreement shall be extended for an additional twelve (12) month period beginning July 1, 2020 through June 30, 2021."

3. That the existing COUNTY Agreement No. 18-685, Section Four (4) "COMPENSATION", shall be revised by adding the following at Page Five (5), Line Twelve (12) after the number "(\$2,600,000.00):

1 “The maximum compensation amount under this Agreement for the term July 1, 2020
2 through June 30, 2021 shall not exceed One Million, Two Hundred Thirty-Two Thousand, Nine Hundred
3 Twenty-Eight and No/100 Dollars (\$1,232,928.00).

4 The maximum compensation amount under this Agreement for the term December 11,
5 2018 through June 30, 2021 shall not exceed Five Million, Three Hundred Thirty-Two Thousand, Nine
6 Hundred Thirty and No/100 Dollars (\$5,332,930).”

7 4. That Exhibit B, “Budget,” to the existing COUNTY Agreement No. 18-685 shall be
8 replaced with “Exhibit B-1,” which is attached hereto and incorporated herein by reference.

9 5. That all references in existing COUNTY Agreement No. 18-685 to “Exhibit B” shall be
10 changed to read “Exhibit B-1.”

11 6. That Exhibit H, “Business Associated Agreement,” which is attached hereto and
12 incorporated by reference, shall be added to this Agreement.

13 7. COUNTY and CONTRACTOR agree that this Amendment I is sufficient to amend the
14 Agreement; and that upon execution of this Amendment I, the Agreement and Amendment I together
15 shall be considered the Agreement.

16 The Agreement, as hereby amended, is ratified and continued. All provisions, terms,
17 covenants, conditions, and promises contained in the Agreement and not amended herein shall remain
18 in full force and effect. This Amendment I shall be effective upon execution.

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1 IN WITNESS WHEREOF, the parties hereto have executed this Amendment I to Agreement as
2 of the day and year first hereinabove written.

3 **CONTRACTOR:**
4 **BEACON HEALTH OPTIONS OF CALIFORNIA, INC.**

COUNTY OF FRESNO:

5 By 

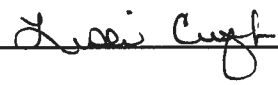
By 
Ernest Buddy Mendes,
Chairman of the Board of Supervisors
of the County of Fresno

7 Print Name: Daniel M. Risku

8 Title: EVP & General Counsel
9 Chairman of the Board, or
10 President, or any Vice President

11 Date: 4/27/2020

BERNICE E. SEIDEL,
Clerk of the Board of Supervisors
County of Fresno, State of California

13 By 
14 Deputy

19 Mailing Address: _____
20 5665 Plaza Drive Suite 400, Cypress, CA
21 90630 Contact: Chief Executive Office

24 Fund/Subclass: 0001/10000
25 Organization: 56302081 (\$5,332,930.00)
26 Account #: 7295

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Beacon Health Options of California, Inc.*Budget**24/7 SUD Access Line and Prior/Concurrent Authorizations of SUD Residential Services*

Implementation Costs (Agreement Execution through December 31, 2018)	\$200,002
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January 1, 2019 - June 30, 2020

Monthly	Cost
Base Charge*	\$164,688
24/7 SUD Access Line**	\$28.80 /call
Prior/Concurrent Authorizations***	\$61.50/authorization
Electronic Health Record Charges****	See Exhibit D for rates

July 1, 2020 - June 30, 2021

Monthly	Cost
Base Charge*	\$100,244
24/7 SUD Access Line**	\$28.80 /call
Prior/Concurrent Authorizations***	\$61.50/authorization
Electronic Health Record Charges****	See Exhibit D for rates

Annual maximums not to exceed

Implementation Costs (Upon execution through December 31, 2018)	\$200,002
January 1, 2019 - June 30, 2019	\$1,300,000
July 1, 2019 - June 30, 2020	\$2,600,000
July 1, 2020 - June 30, 2021	\$1,232,928
Total Agreement Maximum	\$5,332,930

January 1, 2019 - June 30, 2020

*Includes up to 700 calls made to the 24/7 SUD Access Line and up to 400 authorizations processed

**Per call received after initial 700 call volume has been reached

***Per authorization processed after initial 400 authorization has been reached

****Electronic Health Record charges are to be charged to COUNTY according to the rates set forth in Exhibit D

July 1, 2020 - June 30, 2021

*Includes up to 350 calls made to the 24/7 SUD Access Line and up to 150 admissions processed.

**Per call received after initial 350 call volume has been reached

***Per admission processed after initial 150 authorization has been reached

****Electronic Health Record charges are to be charged to COUNTY according to the rates set forth in Exhibit D

CONTRACTOR is to invoice COUNTY according to the COMPENSATION and INVOICING sections of this agreement based on the monthly charges included in this Exhibit B-1

HIPAA Business Associate provision (5/21/2018)**1. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT**

A. The parties to this Agreement shall be in strict conformance with all applicable Federal and State of California laws and regulations, including but not limited to Sections 5328, 10850, and 14100.2 *et seq.* of the Welfare and Institutions Code, Sections 2.1 and 431.300 *et seq.* of Title 42, Code of Federal Regulations (CFR), Section 56 *et seq.* of the California Civil Code, 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 (USC) and its implementing regulations, including, but not limited to Title 45, CFR, Sections 142, 160, 162, and 164, The Health Information Technology for Economic and Clinical Health Act (HITECH) regarding the confidentiality and security of patient information and the Genetic Information Nondiscrimination Act (GINA) of 2008 regarding the confidentiality of genetic information.

Except as otherwise provided in this Agreement, CONTRACTOR, as a Business Associate of COUNTY, may use or disclose Protected Health Information (PHI) to perform functions, activities or services for or on behalf of COUNTY, as specified in this Agreement, provided that such use or disclosure shall not violate the HIPAA, USC 1320d *et seq.* The uses and disclosures of PHI may not be more expansive than those applicable to COUNTY, as the "Covered Entity" under the HIPAA Privacy Rule (45 CFR 164.500 *et seq.*), except as authorized for management, administrative or legal responsibilities of the Business Associate.

Notwithstanding the previous paragraph, CONTRACTOR may use PHI for the proper management and administration of CONTRACTOR or to carry out the legal responsibilities of CONTRACTOR. Furthermore, CONTRACTOR may disclose PHI for the above purposes, provided that such disclosures are required by law, or CONTRACTOR obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person promptly notifies CONTRACTOR of any instances of which it is aware in which the confidentiality of the information has been breached.

To the extent that any PHI exchanged between the parties consists of “patient identifying information” or “records” as defined in 42 C.F.R. § 2.11, originally provided to either party pursuant to a written release, the parties agree that they are both fully bound by the provisions of the federal regulations governing “Confidentiality of Substance Use Disorder Patient Records” (42 C.F.R. Part 2), with respect to such information and records, including, but not limited to, the provisions related to disclosure and re-disclosure thereof.

B. CONTRACTOR, including its subcontractors and employees, shall protect, from unauthorized access, use, or disclosure of names and other identifying information, including genetic information, concerning persons receiving services pursuant to this Agreement, except where permitted in order to carry out data aggregation purposes for health care operations [45 CFR Sections 164.504 (e)(2)(i), 164.504 (3)(2)(ii)(A), and 164.504 (e)(4)(i)]. This pertains to any and all persons receiving services pursuant to a COUNTY funded program. This requirement applies to electronic PHI. CONTRACTOR shall not use such identifying information or genetic information for any purpose other than carrying out CONTRACTOR’s obligations under this Agreement.

C. CONTRACTOR, including its subcontractors and employees, shall not disclose any such identifying information or genetic information to any person or entity, except as otherwise specifically permitted by this Agreement, authorized by Subpart E of 45 CFR Part 164 or other law, required by the Secretary, or authorized by the client/patient in writing. In using or disclosing PHI that is permitted by this Agreement or authorized by law, CONTRACTOR shall make reasonable efforts to limit PHI to the minimum necessary to accomplish intended purpose of use, disclosure or request.

D. For purposes of the above sections, identifying information shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print, or a photograph.

E. For purposes of the above sections, genetic information shall include genetic tests of family members of an individual or individual, manifestation of disease or disorder of family members of an individual, or any request for or receipt of, genetic services by

individual or family members. Family member means a dependent or any person who is first, second, third, or fourth degree relative.

F. CONTRACTOR shall provide access, at the request of COUNTY, and in the time and manner designated by COUNTY, to PHI in a designated record set (as defined in 45 CFR Section 164.501), to an individual or to COUNTY in order to meet the requirements of 45 CFR Section 164.524 regarding access by individuals to their PHI. With respect to individual requests, access shall be provided within thirty (30) days from request. Access may be extended if CONTRACTOR cannot provide access and provide individual with the reasons for the delay and the date when access may be granted. PHI shall be provided in the form and format requested by the individual or COUNTY.

CONTRACTOR shall make any amendment(s) to PHI in a designated record set at the request of COUNTY, or individual, and in the time and manner designated by COUNTY in accordance with 45 CFR Section 164.526.

CONTRACTOR shall provide to COUNTY or to an individual, in a time and manner designated by COUNTY, information collected in accordance with 45 CFR Section 164.528, to permit COUNTY to respond to a request by the individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

G. CONTRACTOR shall report to COUNTY, in writing, any knowledge or reasonable belief that there has been unauthorized access, viewing, use, disclosure, security incident, or breach of unsecured PHI not permitted by this Agreement of which it becomes aware, immediately and without reasonable delay and in no case later than two (2) business days of discovery. Immediate notification shall be made to COUNTY's Information Security Officer and Privacy Officer and COUNTY's DBH HIPAA Representative, within two (2) business days of discovery. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed to have been, accessed, acquired, used, disclosed, or breached.

CONTRACTOR shall take prompt corrective action to cure any deficiencies and any action pertaining to such unauthorized disclosure required by applicable

Federal and State Laws and regulations. CONTRACTOR shall investigate such breach and is responsible for all notifications required by law and regulation or deemed necessary by COUNTY and shall provide a written report of the investigation and reporting required to COUNTY's Information Security Officer and Privacy Officer and COUNTY's DBH HIPAA Representative. This written investigation and description of any reporting necessary shall be postmarked within the thirty (30) working days of the discovery of the breach to the addresses below:

County of Fresno Department of Behavioral Health Services HIPAA Representative (559) 600-6798 3147 N. Millbrook Ave Fresno, CA 93703	County of Fresno Dept. of Public Health Privacy Officer (559) 600-6405 (559) 600-6439 P.O. Box 11867 Fresno, CA 93721	County of Fresno Information Technology Information Security Officer (559) 600-5800 2048 N. Fine Ave Fresno, CA 93727
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H. CONTRACTOR shall make its internal practices, books, and records relating to the use and disclosure of PHI received from COUNTY, or created or received by the CONTRACTOR on behalf of COUNTY, in compliance with HIPAA's Privacy Rule, including, but not limited to the requirements set forth in Title 45, CFR, Sections 160 and 164.

CONTRACTOR shall make its internal practices, books, and records relating to the use and disclosure of PHI received from COUNTY, or created or received by the CONTRACTOR on behalf of COUNTY, available to the United States Department of Health and Human Services (Secretary) upon demand.

CONTRACTOR shall cooperate with the compliance and investigation reviews conducted by the Secretary. PHI access to the Secretary must be provided during the CONTRACTOR's normal business hours, however, upon exigent circumstances access at any time must be granted. Upon the Secretary's compliance or investigation review, if PHI is unavailable to CONTRACTOR and in possession of a Subcontractor, it must certify efforts to obtain the information to the Secretary.

I. Safeguards

CONTRACTOR shall implement administrative, physical, and technical

safeguards as required by the HIPAA Security Rule, Subpart C of 45 CFR 164, that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI, including electronic PHI, that it creates, receives, maintains or transmits on behalf of COUNTY and to prevent unauthorized access, viewing, use, disclosure, or breach of PHI other than as provided for by this Agreement. CONTRACTOR shall conduct an accurate and thorough assessment of the potential risks and vulnerabilities to the confidentiality, integrity and availability of electronic PHI. CONTRACTOR shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of CONTRACTOR's operations and the nature and scope of its activities. Upon COUNTY's request, CONTRACTOR shall provide COUNTY with information concerning such safeguards.

CONTRACTOR shall implement strong access controls and other security safeguards and precautions in order to restrict logical and physical access to confidential, personal (e.g., PHI) or sensitive data to authorized users only. Said safeguards and precautions shall include the following administrative and technical password controls for all systems used to process or store confidential, personal, or sensitive data:

1. Passwords must not be:
 - a. Shared or written down where they are accessible or recognizable by anyone else; such as taped to computer screens, stored under keyboards, or visible in a work area;
 - b. A dictionary word; or
 - c. Stored in clear text
2. Passwords must be:
 - a. Eight (8) characters or more in length;
 - b. Changed every ninety (90) days;
 - c. Changed immediately if revealed or compromised; and
 - d. Composed of characters from at least three of the following four groups from the standard keyboard:

- 1) Upper case letters (A-Z);
- 2) Lowercase letters (a-z);
- 3) Arabic numerals (0 through 9); and
- 4) Non-alphanumeric characters (punctuation

symbols).

CONTRACTOR shall implement the following security controls on each workstation or portable computing device (e.g., laptop computer) containing confidential, personal, or sensitive data:

1. Network-based firewall and/or personal firewall;
2. Continuously updated anti-virus software; and
3. Patch management process including installation of all operating

system/software vendor security patches.

CONTRACTOR shall utilize a commercial encryption solution that has received FIPS 140-2 validation to encrypt all confidential, personal, or sensitive data stored on portable electronic media (including, but not limited to, compact disks and thumb drives) and on portable computing devices (including, but not limited to, laptop and notebook computers).

CONTRACTOR shall not transmit confidential, personal, or sensitive data via e-mail or other internet transport protocol unless the data is encrypted by a solution that has been validated by the National Institute of Standards and Technology (NIST) as conforming to the Advanced Encryption Standard (AES) Algorithm. CONTRACTOR must apply appropriate sanctions against its employees who fail to comply with these safeguards. CONTRACTOR must adopt procedures for terminating access to PHI when employment of employee ends.

J. Mitigation of Harmful Effects

CONTRACTOR shall mitigate, to the extent practicable, any harmful effect that is suspected or known to CONTRACTOR of an unauthorized access, viewing, use, disclosure, or breach of PHI by CONTRACTOR or its subcontractors in violation of the requirements of these provisions. CONTRACTOR must document suspected or known harmful effects and the outcome.

K. CONTRACTOR's Subcontractors

CONTRACTOR shall ensure that any of its contractors, including subcontractors, if applicable, to whom CONTRACTOR provides PHI received from or created or received by CONTRACTOR on behalf of COUNTY, agree to the same restrictions, safeguards, and conditions that apply to CONTRACTOR with respect to such PHI and to incorporate, when applicable, the relevant provisions of these provisions into each subcontract or sub-award to such agents or subcontractors.

L. Employee Training and Discipline

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

M. Termination for Cause

Upon COUNTY's knowledge of a material breach of these provisions by CONTRACTOR, COUNTY shall either:

1. Provide an opportunity for CONTRACTOR to cure the breach or end the violation and terminate this Agreement if CONTRACTOR does not cure the breach or end the violation within the time specified by COUNTY; or
2. Immediately terminate this Agreement if CONTRACTOR has breached a material term of these provisions and cure is not possible.
3. If neither cure nor termination is feasible, the COUNTY Privacy Officer shall report the violation to the Secretary of the U.S. Department of Health and Human Services.

N. Judicial or Administrative Proceedings

COUNTY may terminate this Agreement in accordance with the terms and conditions of this Agreement as written hereinabove, if: (1) CONTRACTOR is found guilty in a criminal proceeding for a violation of the HIPAA Privacy or Security Laws or the HITECH

Act; or (2) a finding or stipulation that the CONTRACTOR has violated a privacy or security standard or requirement of the HITECH Act, HIPAA or other security or privacy laws in an administrative or civil proceeding in which the CONTRACTOR is a party.

O. Effect of Termination

Upon termination or expiration of this Agreement for any reason, CONTRACTOR shall return or destroy all PHI received from COUNTY (or created or received by CONTRACTOR on behalf of COUNTY) that CONTRACTOR still maintains in any form, and shall retain no copies of such PHI. If return or destruction of PHI is not feasible, it shall continue to extend the protections of these provisions to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible. This provision shall apply to PHI that is in the possession of subcontractors or agents, if applicable, of CONTRACTOR. If CONTRACTOR destroys the PHI data, a certification of date and time of destruction shall be provided to the COUNTY by CONTRACTOR.

P. Disclaimer

COUNTY makes no warranty or representation that compliance by CONTRACTOR with these provisions, the HITECH Act, HIPAA or the HIPAA regulations will be adequate or satisfactory for CONTRACTOR's own purposes or that any information in CONTRACTOR's possession or control, or transmitted or received by CONTRACTOR, is or will be secure from unauthorized access, viewing, use, disclosure, or breach. CONTRACTOR is solely responsible for all decisions made by CONTRACTOR regarding the safeguarding of PHI.

Q. Amendment

The parties acknowledge that Federal and State laws relating to electronic data security and privacy are rapidly evolving and that amendment of these provisions may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to amend this agreement in order to implement the standards and requirements of HIPAA, the HIPAA regulations, the HITECH Act and other applicable laws relating to the security or privacy of PHI. COUNTY may terminate this Agreement upon thirty (30) days written notice in the event that

CONTRACTOR does not enter into an amendment providing assurances regarding the safeguarding of PHI that COUNTY in its sole discretion deems sufficient to satisfy the standards and requirements of HIPAA, the HIPAA regulations and the HITECH Act.

R. No Third-Party Beneficiaries

Nothing express or implied in the terms and conditions of these provisions is intended to confer, nor shall anything herein confer, upon any person other than COUNTY or CONTRACTOR and their respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.

S. Interpretation

The terms and conditions in these provisions 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 these provisions shall be resolved in favor of a meaning that complies and is consistent with HIPAA and the HIPAA regulations.

T. Regulatory References

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

U. Survival

The respective rights and obligations of CONTRACTOR as stated in this Section shall survive the termination or expiration of this Agreement.

V. No Waiver of Obligations

No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation on any other occasion.