

California Mental Health Services Authority

Request for Proposals (RFP)

BEHAVIORAL HEALTH CLINICAL AI TOOLS

Applications due by 5 p.m. (PST) on August 4, 2025.

Potential responders must submit proposals only through CalMHSA's e-Procurement Portal at <https://calmhsa.bonfirehub.com/>

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The RFP does not constitute a contract or an offer. In addition, any contract awarded because of this RFP is subject to any additional restrictions, limitations, or conditions required by CalMHSA in any manner. CalMHSA reserves the right to make one award, multiple awards, or to reject all proposals, in whole or in part, submitted in response to this RFP.

CalMHSA reserves the right to amend this RFP via written addendum, addendum or cancel the RFP at any time.



1. Behavioral Health Clinical Artificial Intelligence (“AI”) Tools RFP Summary

The California Mental Health Services Authority (“CalMHSA”) is a Joint Powers of Authority – an independent government entity – formed in 2009 by counties and cities throughout the state to focus on collaborative, multi-county projects that improve behavioral health care for all Californians. By pooling resources, forging partnerships, and leveraging technical expertise on behalf of counties, CalMHSA develops strategies and programs with an eye toward transforming community mental health; creates cross-county innovations; and is dedicated to addressing equity to better meet the needs of our most vulnerable populations.

CalMHSA is seeking one or more Clinical AI tools (“AI Tools”) capable of tight integration with and/or complementing CalMHSA’s SmartCare Electronic Health Record (“EHR”) system to support and enhance various clinical roles and workflows to reduce clinician burnout, improve documentation quality, and other similar benefits. Applicants will provide a comprehensive overview of their AI Tools and their application within the behavioral health industry and to EHR systems, specifically. The overview should include a detailed description of the AI Tools and their key functions that add value to behavioral health clinical workflows, as well as how the applicant’s AI Tools are defederated from other marketplace tools, solutions or services.

This RFP does not commit CalMHSA to contract for any supply, product or service whatsoever. In addition, applicants are advised that CalMHSA will not pay for any information or administrative costs incurred in response to this RFP; all **costs** associated with responding to this RFP will be solely at the applicant’s expense. Not responding to this RFP does not preclude participation in any future RFP, if any is issued.

2. Project Scope of Work

The scope of this project includes the design, deployment, and evaluation of a pilot implementation of AI Tools intended for integration with CalMHSA’s EHR system. The objective of the pilot is to assess the feasibility, impact, and scalability of these tools in supporting behavioral health providers across clinical settings.

Key components of the project scope include:

- A. Pilot Design and Planning. The applicant will collaborate with CalMHSA to define pilot parameters, including participating sites, provider roles, use cases, success metrics, and technical requirements. The applicant must be able to articulate a clear implementation strategy that is compatible with behavioral

health clinical workflows and the EHR ecosystem. CalMHSA's network includes 27 California counties of varying sizes, with pilot implementation beginning with a subset of interested providers and potential for broader deployment based on pilot results.

- B. Tool Integration and Configuration. The AI Tools proposed must be capable of interoperating with CalMHSA's EHR system, with an emphasis on security, data privacy, and ease of use. Preference will be given to tools that offer seamless EHR integration (e.g., via APIs, FHIR standards, or native modules) and support documentation, clinical decision support, and workflow automation.
- C. Training and Change Management. The applicant will provide training and support materials for pilot users, including live sessions, documentation, and user guides. A clear change management approach should be proposed to support clinician adoption and to address potential workflow disruptions.
- D. Data Collection and Evaluation. Throughout the pilot, the applicant will work with CalMHSA to collect qualitative and quantitative data related to usability, efficiency gains, clinical outcomes, and user satisfaction. The applicant will also provide reporting tools or dashboards for real-time monitoring and periodic evaluation.
- E. Scalability and Recommendations. Based on the pilot outcomes, the applicant will provide a final assessment that includes lessons learned, recommendations for broader deployment, and any enhancements needed to scale effectively across the provider network.

3. Deliverables

The deliverables which applicant will be expected to complete and deliver for this scope of work include, but are not limited to, the following:

- A. Pilot Implementation Plan. Applicant's plan should include proposed pilot scope, timeline, evaluation methodology, and success metrics, with an emphasis on time savings. Proposed plan should also explain potential for scalability across CalMHSA's growing county network that currently consists of 27 counties.
- B. Integration Approach Plan. Applicant may propose either (a) direct SmartCare EHR system integration via API/embedded controls, OR (b) standalone

solutions that complement existing workflows with a clear path to future EHR system integration.

- I. For integrated approaches, applicants should provide detailed technical documentation for SmartCare integration.
 - II. For standalone approaches, applicant should provide an explanation detailing how clinicians would use the proposed tool alongside SmartCare and how data would flow between systems.
- C. Training and Change Management. Applicant should provide training materials and change management approach.
- D. Evaluation Framework. Applicant should provide evaluation framework focusing on time savings as the primary metric.
- E. Scalability Assessment. Applicant should provide scalability assessment and recommendations.

4. RFP Requirements

The primary requirements of the RFP and proposed AI Tools are listed below. Applicant must meet and, where applicable, demonstrate compliance with the listed requirements otherwise they may be considered non-responsive, and the proposal may be rejected at CalMHSA's sole discretion.

- A. Integration capability with SmartCare EHR through API or embedded solution.
- B. Real-time transcription and note-writing assistance.
- C. HIPAA compliance.
- D. Pilot program capability starting with a small group of counties or users.
- E. Applicant's personnel with access to CalMHSA's or CalMHSA's customers' PHI or other sensitive data must be located within the continental United States.
- F. Applicant must not currently have a settlement agreement or claim against them with any of CalMHSA's member counties or any state agency. If there are current claims against the applicant in excess of \$10,000 within the last five (5) years, applicant must disclose claims information as part of their response submittal.
- G. Applicant must be willing and able to agree to CalMHSA's standard contractual terms and conditions attached hereto. See attached Attachment A – Terms and Conditions.

- H. Applicant must be willing and able to comply with CalMHSA's standard insurance requirements. See attached Attachment B – Insurance Requirements.

5. Requested Information

The following response components are required to be submitted with applicant's submitted application. CalMHSA is not responsible for costs associated with the development of responses nor delivery of the same.

Please submit the following components as part of your response.

A. Cover Sheet.

B. Narrative description of applicant's AI Tool's capabilities, to include, but not limited to:

- I. Prior experience applying the proposed AI Tool in behavioral health settings and to EHR systems. Applicant should include examples of relevant previous work similar in scope and complexity.
- II. Key functions of applicant's AI Tool and how it supports various clinical roles and enhances, streamlines and adds value to workflows within behavioral health settings and EHR systems. Applicant's description should:
 - a. Specifically address how their AI Tools support different clinical roles (i.e. prescribers vs. therapists) and various workflow patterns (i.e. real-time assistance during sessions vs. post-session documentation).
 - b. Emphasize solutions that maximize face-to-face client time while improving documentation quality and completeness.
 - c. Clearly explain their AI model training approach, including:
 - i. Foundation model architecture and training data sources;
 - ii. Any healthcare-specific fine-tuning or specialization;
 - iii. how the model handles medical/behavioral health terminology and contexts;
 - iv. measures taken to address potential bias in healthcare applications;
 - v. data sources and methodologies used for model validation in clinical settings.

- d. Provide evidence of effectiveness in medical/behavioral health contexts, which may include clinical studies, pilot program results, performance benchmarks, customer case studies, or other validation data.
 - e. **CalMHSA prioritizes transparency** regarding AI model capabilities and limitations and expects these to be clearly outlined in the proposal.
 - III. Explanation of how applicant's AI Tool operates defederated from other tools or platforms in the marketplace.
 - IV. An overview of API and integration tools and/or capabilities.
 - a. Applicant must provide an explanation of their integration philosophy, including whether Applicant prefers deep EHR integration or believes standalone tools can deliver value while minimizing technical complexity.
 - i. Please note: CalMHSA will consider piloting external solutions that prove their value before pursuing full integration, so long as there's a clear roadmap for eventual integration if the pilot succeeds.
 - ii. For integrated approaches, Applicant must provide detailed API documentation, explain integration options (API + custom UX vs. embedded controls), and propose a specific integration approach for SmartCare EHR system.
- C. Narrative description of applicant's company overview, to include, but not limited to:
 - i. Summary of applicant's organization and operational history.
 - ii. List of relevant certificates held by applicant.
 - iii. Security measures implemented to protect applicant's AI Tool and customer data.
 - iv. Total amount of organizations currently served by applicant.
 - v. Total amount of active users currently using applicant's proposed AI Tool(s).
- D. Implementation roadmap and high-level tasks/milestones, including a timeline for completion of the Pilot Implementation Plan and Integration Approach Plan based on the scope of work and requirements provided in this RFP.
- E. Provide a detailed proposed pricing model that includes a complete breakdown of all costs associated with licensing, modules, user tiers, and any usage-based

or subscription fees. The proposal should clearly distinguish initial implementation and setup fees from ongoing support, maintenance, and renewal costs.

For the pilot stage, applicant should provide detailed pricing, inclusive of duration, scope, and deliverables, as well as available options for piloting applicant's tools across multiple instances. Additionally, applicant should indicate the availability of pricing incentives for multiparty-based procurement, large-scale deployments, or multi-year agreements.

CalMHSA prioritizes flexible pricing models based on actual utilization, in addition to traditional per-user licensing. Flexible pricing models might include transaction-based pricing, minutes of transcription used, number of notes generated, or other usage metrics that allow counties to scale adoption gradually. While per-user-per-month ("PUPM") models will be considered, applicant should demonstrate how its pricing supports pilot testing and organic growth rather than requiring upfront commitment to full user bases.

- F. Financial Information: Applicant is required to submit copies of applicant's most recent audited financial statements verifying applicant's financial viability and long-term stability.
- G. Two (2) signed letters of support, including references from organizations with whom the applicant has contractual or other business relationships who can substantiate the applicant's capacity to provide such AI Tools and/or services as described in the Project Scope of Work, above.

If applicant is unable to provide signed letters of support, applicant should provide an explanation for such inability while also providing alternative evidence of applicant's capacity to provide AI Tools and/or services described in the Project Scope of Work. Acceptable forms of alternative evidence include detailed case studies, pilot program results, etc.

6. CalMHSA Rights and Responsibilities

CalMHSA is not responsible for representations made by any of its officers or employees prior to the execution of an agreement unless such understanding or representation is included in this RFP or any written addenda to this RFP.

CalMHSA has the right to amend the RFP by written addendum. CalMHSA is responsible only for that which is expressly stated in the solicitation document and any authorized written addendum thereto. Such addendum shall be made available to each person or organization which CalMHSA records indicate has received this RFP. Should such addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the applicant's proposal package not being considered, as determined in the sole discretion of CalMHSA. CalMHSA is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf.

6. CalMHSA Option to Reject Proposal Packages

CalMHSA, at its sole discretion, may reject any or all responsive proposal packages submitted in response to this solicitation. CalMHSA shall not be liable for any cost incurred by an applicant in connection with preparation and submittal of any proposal package.

7. Truth and Accuracy of Representations

False, misleading, incomplete, or deceptively unresponsive statements in connection with a proposal package shall be sufficient cause for rejection of the proposal package. The evaluation and determination in this area shall be at CalMHSA's sole judgment and its judgment shall be final.

8. Submission Instructions and Requirements

Proposal Timeline

<u>EVENT</u>	<u>Key Dates</u>
RFP Issued	July 22, 2025
RFP Questions Due	July 28, 2025
RFP Questions Answered	July 30, 2025
Deadline for Responses to be Submitted	August 4, 2025
Application Review	September 26, 2025
Notice of Intent to Award	TBD

Submittal Address

All submissions must be made electronically using CalMHSA's e-Procurement Portal, at <https://calmhsa.bonfirehub.com/>.

9. RFP Questions and Clarifications

All questions and requests must be submitted through CalMHSA's e-Procurement Portal at: <https://calmhsa.bonfirehub.com/>. The deadline to submit questions for this RFP is July 28, 2025. The FAQ responding to the questions will be posted on July 30, 2025, at <https://calmhsa.bonfirehub.com/> and on the CalMHSA website at <https://www.calmhsa.org/bids-contracting-opportunities/>.

To ensure all parties have access to the same information at the same time, except as stated below, CalMHSA will NOT respond to questions as they are received and will not accept telephonic questions.

It is the sole responsibility of the Applicant to refer to the FAQs, which will be posted on CalMHSA's e-Procurement Portal at <https://calmhsa.bonfirehub.com/>.

If applicant is unable to submit questions via the Bonfire e-Procurement Portal, the applicant must provide CalMHSA with an email justification at info@calmhsa.org outlining why the Applicant is unable to do so.

If a question relates to a proprietary or trade secrets aspect of a proposal and the question would expose proprietary information if disclosed to competitors, the applicant must mark the question as "CONFIDENTIAL." With the question, the applicant must submit a statement explaining why the question is sensitive. If CalMHSA concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered by email reply, and both the question and answer will be kept confidential. If CalMHSA does not concur regarding the proprietary nature of the question, the question will not be answered in this manner and the applicant will be notified and asked whether the applicant would like the question to receive a public response or no response at all.

10. Withdrawal/Proposal Amendment

Applicant may withdraw or amend its proposal, but only before the application submission deadline, directly on CalMHSA's e-Procurement Portal at <https://calmhsa.bonfirehub.com/>.

11. Review of Applications

CalMHSA will receive all applications for completeness and adherence to the RFP rules stated in this document. Following the initial review, all qualified applications will be reviewed and scored by a review panel. The evaluation panel will conduct a fair and impartial evaluation of proposals received in response to this RFP.

CalMHSA may select one or more applicants to provide all or part of the services sought in this procurement. Selection of a proposal will not be based exclusively on price. Other factors will be considered including, but not limited to, applicant's experience, proposed implementation timeline and demonstrated ability to meet necessary deadlines. CalMHSA will negotiate with one or more applicants who, in the opinion of the review panel, have submitted the best proposal(s) when all factors are considered. If no agreement is reached, CalMHSA may negotiate with other applicants or may choose to extend the proposal period and invite additional proposals. After initial review of all proposals, CalMHSA reserves the right to meet with selected applicants to gather additional information. Additional information may include, but is not limited to, a demonstration of skills or services described in the proposal.

12. Protest Procedures

Protests must be received **no later than five (5) business days after the Notice of Intent to Award is posted on the CalMHSA website**. The sole bases for protest are that the award was (1) in violation of law, (2) in violation of the provisions of this RFP, or (3) in violation of CalMHSA's procurement process. All protests must be in writing and (1) state in detail each and every ground asserted for the protest, citing to the law, RFP provision, or particular provision of the procurement policy on which the protest is based; (2) explain why the error prevented the aggrieved organization from being awarded the contract; and (3) identify the remedy sought.

Written protests can be sent to the following:

Via Email:

info@calmhsa.org

Via Certified Mail:

CalMHSA

Attn: Director of Contract Management and Legal Counsel

1610 Arden Way, Suite 175

Sacramento, CA 95815

Within 14 days of receipt of any protest, CalMHSA's Executive Director will provide a written decision which shall be final upon transmission to the protesting party. If the Executive Director determines that the error identified by the protesting party has deprived that party from receiving the contract, the Executive Director may act to rectify the error, including but not limited to: cancellation of the RFP or proposed contract, correction or other revision of the awarded contract, termination of an improperly awarded contract, or affirmation of an existing contract if the discovered defect is immaterial or the Executive Director determines that affirmation is in the best interest of CalMHSA.

13. Notice Regarding Public Records Act Requests

CalMHSA is subject to the Ralph M. Brown Act and the California Public Records Act. All proposals received for this RFP are ultimately subject to public review; however, during the competitive bid process, all proposals will be kept confidential. Upon award and execution of the contract by awardee(s), all proposals and supplemental information will be subject to public review, with the exception of those elements of a proposal which contain elements that are clearly marked as confidential or trade secrets. Any such designation should be accompanied by a brief explanation of the reason the information is non-public and protected from disclosure under California law. CalMHSA reserves the right to disregard such designations if they have been applied indiscriminately to non-protected information, and in no event shall CalMHSA, its agents, representatives, consultants, Directors, or Officers be liable to a responding party for the intentional or inadvertent disclosure of all or a portion of a proposal submitted under this RFP, regardless of whether it was marked as confidential or trade secret.

Although the California Public Records Act allows certain confidential or trade secret information to be protected from disclosure, CalMHSA may not be in a position to establish that the information submitted is protected. If CalMHSA receives a request for public disclosure of all or any portion of a proposal that has been designated as exempt from disclosure, CalMHSA will use reasonable efforts to notify the responding party of the request and give such party an opportunity to assert, at its own expense, a claimed exception under the California Public Records Act or other applicable law within the time period specified in the notice issued by CalMHSA and allowed under the California Public Records Act.

14. CalMHSA Contract

The selected applicant (or applicants for multiple awards) must be able to execute a services contract with CalMHSA based on CalMHSA's paper and terms prior to the project

start date (or as otherwise specified by CalMHSA). A Certificate of Insurance in alignment with CalMHSA's contract terms will be required prior to contract execution.

15. Format of Proposals

Proposals must be submitted through CalMHSA's e-Procurement Portal at: <https://calmhsa.bonfirehub.com/>. Submissions by other methods will not be accepted. Internet Explorer 11, Microsoft Edge, Google Chrome, or Mozilla Firefox are recommended. JavaScript must be enabled.

Browser cookies must be enabled. Applicants should contact Bonfire at Support@GoBonfire.com for technical questions related to submissions or visit Bonfire's help forum at: <https://bonfirehub.zendesk.com/hc>.

Submission materials should be prepared in the file formats listed under Requested Information for this opportunity in the Bonfire Portal. All PDFs documents must be formatted in Times New Roman, 12 pt. font, double spaced, unless otherwise indicated in the Requested Information. The maximum upload file size is 1000 MB. Documents should not be embedded within uploaded files, as the embedded files will not be accessible or evaluated.

ATTACHMENT A – TERMS AND CONDITIONS

FUNDING AND FUND AVAILABILITY

Funding and Fund Availability: Maximum payments by CalMHSA to Contractor under this Agreement shall not exceed the amount stated in the Scope of Work including all expenses. CalMHSA is not responsible for any fees or costs incurred above the contracted amount and shall have no obligation to purchase additional services or products. This Agreement is subject to fund availability for the Program and is valid and enforceable only if sufficient funds are available for the purposes of this Program. This Agreement is also subject to any additional restriction, limitations or conditions enacted by one or more member counties of CalMHSA (“County Members”), which may affect the provisions, terms, or funding of this Agreement in any manner. If it is determined funds are not available or become unavailable, CalMHSA reserves the right to terminate the Agreement without penalty. Notification of such action will be issued to the Contractor no later than thirty (30) calendar days after CalMHSA has made such funding determination.

Funding Allocation: CalMHSA may reduce, revise, or terminate deliverables, including retroactively, which may impact the funding amount and or funding allocation per deliverable. Funding allocation changes made by CalMHSA shall not require an Agreement amendment unless such changes increase the full Agreement amount. All funding allocation changes are effective upon written notification by CalMHSA.

COMPENSATION, BILLING AND PAYMENT

Compensation: Contractor shall be compensated as set out in the Scope of Work which represents full compensation for all Services and shall be inclusive of all of Contractor’s out-of-pocket expenses incurred in the performance of this Agreement, including travel, unless otherwise agreed to herein.

Budget for Hourly Services: If CalMHSA and Contractor agree that Contractor shall be compensated on an hourly basis, Contractor shall submit a written budget to CalMHSA prior to the provision of any of the Services for CalMHSA’s approval. If Contractor reasonably anticipates that hours billed to CalMHSA may exceed Contractor’s budget, Contractor must promptly notify CalMHSA and obtain CalMHSA’s written approval to amend the budget. CalMHSA will not be responsible for payments to Contractor above the existing budget if Contractor does not receive CalMHSA approval for any amended budget. Contractor budget changes require an Agreement Amendment.

Invoices: Contractor shall submit its invoice to CalMHSA monthly by the 10th of each month for Services performed/deliverables met in the previous month. Contractor shall submit its final invoice within fifteen (15) business days from the final deliverable

completion/acceptance date. Invoices received outside of these provisions are subject to non-payment. Contractor shall submit the original invoice to accounting as follows:

- A. Email to: accountspayable@calmhsa.org
- B. Each invoice shall contain the following information, at a minimum: Contractor name, invoice number and date; remittance address and phone number; the service month; Agreement account number (provided by CalMHSA); description of completed deliverable; deliverable fee charged; an invoice total; and any additional information required by CalMHSA.
- C. Invoices shall be rendered in arrears.

Payment: CalMHSA shall pay within thirty (30) business days from the date of receipt of a satisfactory invoice, subject to the conditions of this Section 5 and compliance with the Agreement. Deliverables will be paid only upon completion, and not in fractions of the total pricing for such deliverable. Payment shall be made to Contractor only after services have been rendered or deliverables are met, and acceptance has been made by CalMHSA according to CalMHSA's policy for assessing deliverable completion.

Withholding: CalMHSA may delay or withhold any monetary payments due to the Contractor for any of the following reasons (in addition to any other remedies available at law or under this Agreement): a) Payment may be reduced, delayed, or withheld at the discretion of CalMHSA due to contract non-compliance, including failure to meet Service requirements or any deliverables in full and/or on a timely basis; b) CalMHSA will conduct a settlement under this Agreement based on an assessment of completion level of all Services and Deliverables and compliance with the Agreement, the results of which may result in offsets of the remaining amount to be paid.

INDEPENDENT CONTRACTOR. Contractor is an independent contractor and no employer and employee is created by this Agreement. The Contractor and its employees or consultants shall not be considered officers, employees or agents of CalMHSA. CalMHSA shall not be liable for any acts or omissions of, nor for any obligations or liabilities incurred by, Contractor, its employees, consultants or subcontractors. Contractor shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind. Contractor assumes full responsibility for its acts and/or omissions as they relate to the Services to be provided under this Agreement. Contractor is solely responsible for payment of all federal, state and local taxes or contributions, including unemployment insurance, social security and income taxes. Contractor agrees to indemnify and hold CalMHSA harmless from any and all liability which CalMHSA may incur because of Contractor's failure to pay such amounts.

CONFIDENTIALITY. During performance of this Agreement, information and data of a confidential or proprietary nature may be disclosed to the Contractor. Such information which is disclosed by CalMHSA to Contractor, its employees, or its subcontractors during the Term and which is not available in the public domain, already known by the Contractor, or independently developed by the Contractor (hereafter referred to as “Confidential Information”), shall be considered by Contractor as confidential in nature. Contractor agrees to accept such data in confidence, to not disclose such data to others, to comply with all applicable state and federal laws, including all laws governing the confidentiality of patient information and health records, and to refrain from using such data for purposes other than those permitted by the Agreement. Contractor shall be governed by all statutory guarantees of client confidentiality in handling any documents related to specific clients. Contractor may engage in activities with CalMHSA and counties, cities, or other regions to share data for the coordination of public presentations and other purposes as deemed appropriate and acceptable by both parties. Contractor shall use Confidential Information only for internal purposes which are directly related to the duties set out in this Agreement. In the absence of any written consent by CalMHSA, Contractor agrees to use all reasonable and practicable efforts to prevent disclosure of Confidential Information to third parties. It is understood that this obligation of confidentiality shall not apply to information that (a) is already in Contractor’s possession at the time of disclosure thereof, (b) is or later becomes part of the public domain through no fault of Contractor, (c) is received by Contractor from a third party having no obligations of confidentiality to CalMHSA, (d) is independently developed by Contractor, or (e) is required by law or regulation to be disclosed. Upon expiration or early termination of this Agreement, Contractor shall, at CalMHSA’s sole discretion, destroy or otherwise dispose of the confidential information subject to this Section. Contractor must agree to all confidentiality requirements set forth above prior to commencing work under this Agreement.

INTELLECTUAL PROPERTY. Contractor hereby assigns ownership of all nonproprietary data, documents, and reports produced under this Agreement (“works”) to CalMHSA. Contractor agrees to cause its agents and employees to execute any documents necessary to secure or perfect CalMHSA’s legal rights and worldwide ownership in such materials, including documents relating to patent, trademark and copyright applications. Contractor is authorized to maintain a copy of all information necessary to comply with its contractual obligations and applicable professional standards. Notwithstanding the foregoing, Contractor’s Intellectual Property (“Contractor IP”) that pre-exists this Agreement shall remain the sole and exclusive property of Contractor. Contractor shall not incorporate any Contractor IP into the works prepared pursuant to this Agreement that would limit CalMHSA’s use of the works without Contractor’s written approval. To the extent that Contractor incorporates any Contractor

IP into the Works, Contractor hereby grants to CalMHSA a non-exclusive, non-transferable, perpetual, worldwide, royalty-free license to use and reproduce the Contractor IP to the extent required to utilize the works solely in connection with Contractor's use of the deliverable works. Contractor acknowledges and agrees that, notwithstanding any provision herein to the contrary, CalMHSA's Intellectual Property ("CalMHSA IP") in the information, documents and other materials provided to Contractor shall remain the sole and exclusive property of CalMHSA, and CalMHSA grants to Contractor a non-exclusive, royalty-free, non-transferable license to use and reproduce CalMHSA IP solely for the purposes of performing its obligations under this Agreement. Any information, documents or materials provided by CalMHSA pursuant to this Agreement and all copies thereof (including Confidential Information) shall upon the earlier of CalMHSA's request or the expiration or termination of this Agreement be returned to CalMHSA, unless retention is permitted or required by the Agreement.

TERMINATION. For Convenience: Either party may terminate this Agreement for convenience at any time upon giving the other party thirty (30) calendar days' written notice. If such notice is given by CalMHSA, upon receipt, Contractor shall stop all work in a timely manner and use its reasonable efforts to limit any outstanding financial commitments under this Agreement. Contractor shall reimburse CalMHSA for any advance funds received and shall only retain the appropriate amount for any of the Services provided up to the date of notice, including non-cancellable obligations. In the event CalMHSA terminates Contractor's work for convenience, Contractor shall be entitled to payment for any of the Services provided prior to the effective date of said termination, subject to the terms of the Agreement. **For Cause:** Failure of either party to comply with any material provision of this Agreement shall constitute a material breach. In the event of such a breach the non-breaching party will notify the breaching party of such determination and afford the breaching party a reasonable time period within which to cure the breach; the breaching party shall provide a plan for correction within fifteen (15) business days of notification of breach; the non-breaching party shall provide an approval or rejection of such plan within ten (10) business days of receipt of plan; and the non-breaching party may withhold payment during breach. Should the parties not reach consensus on the correction plan or should the breaching party not correct the deficiencies within the period agreed to by the parties, the non-breaching party may terminate this Agreement immediately by written notice of termination. If Contractor fails to perform as required under the Agreement, CalMHSA may recover or deduct from amounts otherwise owing under the Agreement any costs it sustains resulting from Contractor's breach. Upon receipt of notice of termination pursuant to this Section, Contractor shall stop work as of the date specified, and transfer to CalMHSA any materials that would have been required to be furnished to CalMHSA. In addition, the

non-breaching party may avail itself of any other remedies available at law or under this Agreement.

INDEMNIFICATION. Contractor shall indemnify, hold harmless and defend CalMHSA, its officers, directors, employees, agents, members and consultants from and against any and all claims, costs, losses, fees, penalties, fines, injury, damage(s) and liabilities arising from the Services or work provided or to be provided under the Agreement or due to Contractor's failure to comply with the term of the Agreement.

AUDITS; ACCESS TO RECORDS. Contractor agrees that CalMHSA, or its designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment unless a longer period of records retention is stipulated or required by applicable law. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, in the event the value of this Agreement exceeds \$10,000, Contractor understands that the State of California may audit records and interview staff regarding any contract or subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896). If such records are not kept and maintained by Contractor within the State of California, Contractor shall, upon request of CalMHSA, make such records available to CalMHSA for inspection at a location within the state or Contractor shall pay to CalMHSA the reasonable, and necessary costs incurred by CalMHSA in inspecting Contractor's records, including, but not limited to, travel, lodging and subsistence costs. Contractor shall provide such assistance as may be reasonably required in the course of such inspection. Upon request by CalMHSA, Contractor shall provide CalMHSA a copy of Contractor's most recent compiled, reviewed or audited financial reports. CalMHSA may request updated reports during the term of the contract.

PUBLIC RECORDS. All correspondence, documents, records, or other written materials submitted to CalMHSA become the property of CalMHSA, and are therefore potentially subject to disclosure under the California Public Records Act ("CPRA"; see Govt. Code Section 6250 et seq.).

AMENDMENT. No amendment or variation of the terms of this Agreement (including but not limited to the Scope of Work) shall be valid unless made in writing signed by the parties. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.

QUALIFICATION TO DO BUSINESS IN CALIFORNIA. Contractor hereby certifies that its directors, officers, partners, agents, employees, and subcontractors have obtained and maintain all licenses, permits, certifications, and other documents necessary for Contractor's performance of this Agreement. Contractor shall immediately notify CalMHSA of any suspension, termination, lapses, non-renewals, or restrictions of licenses, permits, certificates, or other documents that relate to Contractor's performance of this Contract and qualification to do business in the State of California.

DISPUTES/ALTERNATIVE DISPUTE RESOLUTION. During any dispute, Contractor shall continue with the responsibilities under this Agreement, unless directed otherwise by CalMHSA in writing. Disputes do not include the Contractor's failure to perform any requirements under this Agreement, and this Agreement may be terminated by CalMHSA with or without cause without following the dispute process. The parties agree that any dispute or claim arising out of or relating to the Agreement or the services provided hereunder shall first be submitted to non-binding mediation as a prerequisite to litigation. Mediation may take place at a location designated by the parties. If, after good faith efforts, the parties are unable to resolve their dispute through mediation within ninety (90) calendar days after the issuance by one of the parties of a request for mediation, then the parties are free to pursue all other legal and equitable remedies available to them. Nothing herein shall preclude Contractor from filing a timely formal claim in accordance with applicable California law provided, however, that Contractor shall, if permitted, seek a stay of said claim during the pendency of any mediation. Either party may seek to enforce any written agreement reached by the parties during mediation in any court of competent jurisdiction.

FINAL SETTLEMENT. Contractor agrees to maintain and retain all appropriate records and allow access to those records as provided in this Agreement. Contractor agrees to furnish duly authorized representatives from CalMHSA access to records and to disclose to CalMHSA representatives all financial records necessary to review the Services and to evaluate the cost, quality, appropriateness and timeliness of same. If the appropriate court, federal or state agency, or CalMHSA, determines that all, or any part of, the payments made by CalMHSA to Contractor pursuant hereto are or were not payable in accordance with this Agreement, or any other applicable provision of law, ordinance, code, regulation, contract, or applicable agreement; or that the Contractor, its officers, agents, employees or subcontractor committed fraud or abuse in connection with work arising out of the performance of this Agreement, said payments or related amounts shall be repaid on demand by Contractor to CalMHSA. Prior to receiving final payment hereunder, Contractor shall submit a signed, written release discharging CalMHSA, its officers and staff, from all liabilities, obligations, and claims arising out of or under the Agreement, except for any claims specifically described in detail in such release. At the conclusion of the Services to be provided hereunder this Agreement, and as part of the

content to be delivered to CalMHSA and its agents hereunder, Contractor shall execute any documents necessary to effectuate any transfer of rights described in this Agreement. Contractor shall also arrange for execution of any necessary documents by those subcontractors, if any, involved in any development of work as to which CalMHSA is obtaining rights pursuant to this Agreement.

INSPECTION OF DOCUMENTS AND MATERIALS. Contractor shall maintain and make available to CalMHSA for its inspection and use during the term of this Agreement, all documents and materials required to be provided to CalMHSA under this Agreement. Contractor's obligations hereunder shall continue for three years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by CalMHSA), and Contractor shall in no event dispose of, destroy, alter or mutilate said documents and materials, for three years following CalMHSA's last payment to Contractor under this Agreement. It is the responsibility of Contractor to ensure all documents and materials comply with applicable industry regulations and standards.

CONFLICT OF INTEREST PROHIBITION. Contractor represents and warrants that Contractor has no business, professional, personal, or other interest that would conflict in any manner with the performance of its obligations under this Agreement. If any such actual or potential conflict of interest arises, Contractor shall immediately inform CalMHSA in writing of such conflict and if, in the reasonable judgment of CalMHSA, such conflict poses a material conflict to and with the performance of Contractor's obligations under this Agreement, then CalMHSA may terminate the Agreement immediately upon written notice to Contractor with such termination effective upon notice receipt.

USE OF PUBLIC FUNDS. Contractor, including its officers and members, shall not use funds received from CalMHSA pursuant to this Agreement to support or pay for costs or expenses related to 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 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 citizen, as long as public funds are not used; nor does this provision limit Contractor from merely reporting the results of a poll or survey of its membership.

DISCLAIMER OF RESPONSIBILITY FOR CONTENT OF CONTRACTOR'S PUBLICATIONS. CalMHSA will not be responsible for the content of Contractor's publications, whether electronic, broadcast, printed, or otherwise. If CalMHSA is identified as a sponsor of, or otherwise identified in, Contractor's website, blog, social media page, or other site, and if Contractor allows members of the public to contribute to its website,

blog, social media page, or other site, Contractor shall display a disclaimer substantially similar to the following:

All information, data, text, software, music, sound, photographs, video, messages, blog posts, user comments and other materials, whether publicly posted or privately transmitted, are the sole responsibility of the individual source of said content. Individuals using this site are entirely responsible for the content they upload, post, e-mail, transmit, or otherwise make available here. [Contractor Name] and CalMHSA are in no way responsible for the content posted here, and therefore cannot guarantee its accuracy, integrity, or quality. By using this site, you may be exposed to content that is offensive or objectionable. Under no circumstances are we liable for content that includes errors or omissions, or for loss or damage of any kind incurred as a result of using this site's content.

CO-MARKETING/USE OF BRANDING. The parties may agree to co-operate together and co-market successful work and Services completed as part of this Agreement or any part thereof related to a Program but are not required to do so. Each party must consent to any proposed marketing or co-marketing related to the Services provided under the Agreement, including the scope, channel(s), content and limitations of same. Neither party may use the other party's name, copyrights, trademarks, branding, IP, content, social media channels, or content protections without the written consent of the other party nor disparage the other party and if the parties agree to allow marketing jointly or otherwise, the posting party must follow the branding guidelines of the non-posting party. The parties may also agree to collaborate on publicity content upon the written consent of both parties regarding the concept, form, channel, content and related items.

FORCE MAJEURE. The following shall be considered force majeure events: revolutions, insurrections, riots, wars, acts of enemies, pandemics (except for Covid-19), government-declared emergencies, strikes, floods, fires, acts of god, or any cause, whether of the class of causes enumerated above or not, that is outside the control of the party whose performance is or will be impaired and which such party is unable to prevent by the exercise of reasonable diligence. Upon occurrence of a force majeure event, the non-performing party shall promptly notify the other party that a force majeure event has occurred and explain its anticipated effect on performance, including its expected duration. The non-performing party shall furnish the other party with periodic reports regarding the progress of the force majeure event. The non-performing party shall use reasonable diligence to minimize damages and to resume performance. If the parties

agree that because of the force majeure event the purposes of the Agreement will be substantially frustrated, the Agreement will be deemed to have been terminated as of the time of such agreement, and the obligations of the parties will be those set forth in the Termination section regarding contracts terminated for convenience.

PUBLIC HEARINGS. If public hearings on a subject matter dealt with in the Agreement are held within one year from the Agreement expiration date to the extent that it can do so, Contractor shall make available to testify the personnel assigned to the Agreement at the actual rates of compensation of such personnel. CalMHSA shall reimburse Contractor for actual travel and compensation costs of said personnel for such testimony as may be requested by CalMHSA. Compensation and travel rates may not exceed those normally permissible by Contractor under its own policies or regulations.

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

TIME OF ESSENCE. Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be

construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.

GOVERNING LAW. This Agreement shall be governed by the laws of the State of California without regard to its choice of law provisions.

SUBSTITUTION/NON-DELEGATION. Contractor's key personnel may not be substituted without notice to and non-objection by CalMHSA. Contractor shall not subcontract, assign or delegate any portion of this Agreement's duties or obligations hereunder without CalMHSA's prior written approval.

WAIVER. No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

ENTIRE AGREEMENT. This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between CalMHSA and Contractor relating to its subject matter. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties.

SURVIVAL. The obligations of this Agreement, which by their nature would continue beyond the termination or expiration of the Agreement, including without limitation, Indemnification, Final Settlement, Intellectual Property, Confidentiality, and Audits/Access to Records, shall survive termination or expiration.

SEVERABILITY. If an administrative tribunal or court of competent jurisdiction holds any provision of this Agreement, or the application of any provision or part, to be illegal, unenforceable, or invalid in whole or in part, the validity and enforceability of the remaining provisions, or portions or applications of them, shall remain valid and enforceable to the fullest extent permitted by law.

NOTICE. All notices, requests, demands, or communications under this Agreement shall be in writing unless otherwise noted in this Agreement. Notices shall be given as follows: Personal delivery: When personally delivered to the recipient, notice is effective on delivery; First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a USPS office or mailbox.; Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt;

Overnight Delivery: When delivered by overnight delivery with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service; Email: When delivered via email, notice is effective upon (i) a "received" or "read" receipt when the sender has no reason to believe the party being emailed will not receive the message, or (ii) upon acknowledgement of receipt by the recipient. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the delivery service.

AUTHORITY TO SIGN. By signing this agreement, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement.

Exhibit A – Privacy and Data Security Policy

PRIVACY AND SECURITY REQUIREMENTS

- A. **Purpose of Exhibit.** This Exhibit sets forth the privacy and security requirements that apply to all Personally Identifiable Information (PII) that Contractor obtains, maintains, transmits, uses or discloses from or to CalMHSA or County Members pursuant to this Agreement. The parties agree to all terms and conditions of this Exhibit to ensure the integrity, security, and confidentiality of the information exchanged pursuant to this Agreement and to allow disclosure and use of such information only as permitted by law and only to the extent necessary to perform functions and activities pursuant to this Agreement. This Exhibit establishes requirements in accordance with applicable federal and state privacy and security laws including, but not limited to, the Information Practices Act (California Civil Code section 1798 et seq.), and where applicable, the Health Insurance Portability and Accountability Act (42 U.S.C. section 1320d-d8), and the Health Information Technology for Economic and Clinical Health Act and their implementing regulations at 45 C.F.R. Parts 160 and 164 (collectively, "HIPAA").
- B. **Definitions.** The following definitions shall apply to this Exhibit:
1. **Breach:** Shall mean either: i) the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to PII, whether

- physical, or electronic; or ii) a reasonable belief that unauthorized acquisition of PII that compromises the security, confidentiality or integrity of the PII has occurred
2. **Disclosure:** The release, transfer, provision of access to, or divulging in any other manner of PII outside the entity holding the information.
 3. **Personal Information or PI:** Information that identifies or describes an individual, including, but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. It includes statements made by, or attributed to, the individual. (California Civil Code section 1798.3)
 4. **Personally Identifiable Information or PII:** Information which can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc. (OMB M-07-16.) PII includes Federal Tax Information (FTI), Personal Information (PI) and Protected Health Information (PHI).
 5. **Protected Health Information or PHI:** Individually Identifiable Health Information that is transmitted by electronic media, maintained in electronic media, or is transmitted or maintained in any other form or medium, as defined in 45 C.F.R. section 160.103.
 6. **Security Incident:** The act of violating an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification, or destruction. Adverse events such as floods, fires, electrical outages, and excessive heat are not considered incidents. (Computer Matching Agreement, Agreement No. 2013-11, p.5.)

- C. **Applicable Laws.** Contractor shall comply with all federal and state privacy and security laws, including but not limited to the Health Insurance Portability and Accountability Act (42 U.S.C. section 1320d-d8), the Health Information Technology for Economic and Clinical Health Act and their implementing regulations at 45 C.F.R. Parts 160 and 164 (collectively, “HIPAA”), and the Information Practices Act of 1977, California Civil Code section 1798 et seq. To the extent a conflict arises between any laws or other requirements, Contractor agrees to comply with the applicable requirements imposing the more stringent privacy and security standards.

D. **Security Controls and Safeguards**

1. **Safeguards:** At a minimum, contractor shall establish and implement operational, technical, administrative and physical safeguards consistent with any applicable laws to ensure:
 - a. The confidentiality, integrity, and availability of personally identifiable information created, collected, used, and/or disclosed by CalMHSA or its County Members;
 - b. Personally identifiable information is only used by or disclosed to those authorized to receive or view it;
 - c. Personally identifiable information is protected against any reasonably anticipated threats or hazards to the confidentiality, integrity, and availability of such information;
 - d. Personally identifiable information is protected against any reasonably anticipated uses or disclosures of such information that are not permitted or required by law; and
 - e. Personally identifiable information is securely destroyed or disposed of in an appropriate and reasonable manner and in accordance with retention schedules.
2. **Encryption:** Contractor shall encrypt all PII that is in motion or at rest, including but not limited to data on portable media devices, using commercially reasonable means, consistent with applicable Federal and State laws, regulations and agency guidance, including but not limited to the U.S. Department of Health and Human Services guidance specifying the technologies and methodologies that render PII unusable, unreadable, or indecipherable to unauthorized individuals for purposes of the breach notification requirements or issued by the National Institute for Standards and Technology (“NIST”) concerning the protection of identifiable data such as PII.

Data centers shall be encrypted or shall otherwise comply with industry data security best practices.

3. **Hardware:** Contractor shall ensure that any and all hardware, including but not limited to personal computers, laptops, jump-drives, smart phones or other devices upon which PII is stored, is secured, password-protected and only accessible by Contractor or Contractor's agents, employees or sub-contractors in accordance with the terms of this Exhibit. Contractor shall at all times remove and permanently delete any and all PII before any such hardware is transferred or sold to a third-party or is otherwise subject to any change in ownership or control.
4. **Log-In Credentials:** Contractor shall at all times ensure that each individual user of any CalMHSA or County Member computer system through which PII is accessed maintains his or her own unique user-id and password. Contractor shall strictly refrain from sharing individual log-in credentials and shall at all times assume responsibility for ensuring that the log-in credentials of any former employees, sub-contractors, agents or other representatives who are no longer subject to this Agreement are de-activated or otherwise changed to prevent unauthorized access by any such individuals.
5. Contractor shall update these safeguards as appropriate and as requested by CalMHSA.

E. Policies and Procedures:

1. Contractor shall implement and maintain written policies and procedures to ensure the privacy and security of PII stored, maintained, or accessed in compliance with this Agreement and any applicable laws. Such policies shall address
 - a. Implementation of consumer rights as required by this Exhibit;
 - b. Reasonable safeguards as required by this Exhibit;
 - c. Monitoring, periodically assessing, and updating security controls and related system risks to ensure the continued effectiveness of those controls; and
 - d. Training employees, contractors, and subcontractors.
2. Upon request, Contractor shall provide CalMHSA with written policies and procedures adopted by Contractor to meet its obligations under this Section.

F. **Subcontractors**. Contractor shall be bound by and be responsible for the acts and omissions of its subcontractors, agents or vendors in the exchange of data with CalMHSA. Contractor shall take reasonable steps to ensure compliance with the Agreement by its subcontractors, agents and vendors. Contractor agrees to enter into written contracts with its agents and contractors (collectively, "subcontractors") that obligate Contractor's subcontractors to abide by the same privacy and security standards and obligations that Contractor has agreed to in this Agreement. Contractor represents and agrees that it shall only request that CalMHSA transmit data to subcontractors with whom it has such agreements and only to the extent such information is necessary to carry out the purposes authorized by this Agreement. Upon request, Contractor shall provide CalMHSA with a copy of any written agreement or contract entered into by Contractor and its subcontractors to meet the obligations of Contractor under this Exhibit.

G. **Breaches & Security Incidents**

1. Contractor shall immediately report to CalMHSA any actual or suspected Breaches or Security Incidents involving PII created or received under this Agreement. Contractor's report shall contain the following information to the extent applicable and known at that time:
 - a. A brief description of what happened including the date of the incident and the date of the discovery of the incident;
 - b. The names or identification numbers of the individuals whose PII has been, or is reasonably believed to have been accessed, acquired, used or disclosed;
 - c. A description of the types of PII that were involved in the incident, as applicable;
 - d. Information regarding any information system intrusion and any systems potentially compromised;
 - e. A brief description of Contractor's investigation and mitigation plan; and
 - f. Any other information necessary for CalMHSA to investigate and include in notifications to the individual(s) or relevant regulatory authorities under applicable privacy and security requirements.
2. Upon completion of the initial report, Contractor shall immediately commence an investigation in accordance with applicable law to determine the scope of the incident; mitigate harm that may result from the incident; and restore the security of the system to prevent any further harm or incidents.

3. Contractor shall cooperate with CalMHSA in investigating the actual or suspected incident and in meeting CalMHSA's obligations, if any, under applicable laws.
 4. Contractor shall mitigate to the extent practicable any harmful effect of any Incident that is known or reasonably discoverable to Contractor.
 5. After conducting its investigation, and within fifteen (15) calendar days, unless an extension is granted by CalMHSA, Contractor shall file a complete report with the information listed above in subsection (1), if available. Contractor shall make all reasonable efforts to obtain all relevant information and shall provide an explanation if any information cannot be obtained. The complete report shall include a corrective action plan that describes the steps to be taken to prevent any future re-occurrence of the incident.
 6. Contractor shall cooperate with CalMHSA in developing content for any public statements and shall not give any public statements without the express written permission of CalMHSA.
 7. If a Breach requires notifications and reporting under applicable laws and the cause of the Breach is attributable to Contractor, its agents or subcontractors, Contractor shall Be fully responsible for providing breach notifications and reporting as required under applicable laws; pay any costs of such Breach notifications as well as any costs or damages associated with the incident; and should CalMHSA in its sole discretion determine that credit monitoring is an appropriate remedy, arrange for and bear the reasonable, out-of-pocket cost of providing to each such affected individual one (1) year of credit monitoring services from a nationally recognized supplier of such services.
 8. If Contractor determines that an impermissible acquisition, use, or disclosure of PII does not require breach notifications or reporting, it shall document its assessment and provide such documentation to CalMHSA within one week of its completion. Notwithstanding the foregoing, CalMHSA reserves the right to reject Contractor's assessment and direct Contractor to treat the incident as a Breach.
- H. **Right to Inspect.** CalMHSA may inspect the facilities, systems, books, and records of Contractor to monitor compliance with this Exhibit at any time. Contractor shall promptly remedy any violation reported to it by CalMHSA and shall

certify the same to CalMHSA in writing. The fact that CalMHSA inspects, fails to inspect, fails to detect violations of this Exhibit or detects but fails to notify Contractor of the violation or require remediation is not a waiver of CalMHSA's rights under the Agreement and this Exhibit.

- I. **Indemnification.** Contractor shall indemnify, hold harmless, and defend CalMHSA from and against any and all costs (including mailing, labor, administrative costs, vendor charges, and any other costs CalMHSA determines to be reasonable), losses, penalties, fines, and liabilities arising from or due to Contractor's failure to comply with the requirements of this Exhibit, including a breach or other non-permitted use or disclosure of PII by Contractor or its subcontractors or agents. CalMHSA shall give notice of any claims to Contractor after discovery thereof. If Contractor should publish or disclose PII to others, CalMHSA shall be entitled to injunctive relief or any other remedies to which it is entitled under law or equity, without posting a bond.

Termination of Agreement. If Contractor breaches its obligations under this Exhibit as determined by CalMHSA, CalMHSA may, at its option: Require Contractor to submit to a plan of monitoring and reporting that CalMHSA may deem necessary to maintain compliance with this Agreement; provide Contractor with an opportunity to cure the breach; or after giving Contractor an opportunity to cure the breach, or upon breach of a material term of this Exhibit, terminate this Agreement for cause. A failure of CalMHSA to exercise any of these options shall not constitute a waiver of its rights hereunder. Upon expiry or termination of the Agreement, at CalMHSA's direction, Contractor shall either return all PII to CalMHSA, or shall destroy all PII in a manner consistent with applicable State and Federal laws, regulations, and agency guidance on the destruction of PII. If return or destruction of PII is not feasible, Contractor shall explain in writing to CalMHSA why return or destruction is not feasible. The obligations of Contractor under the Agreement to protect PII and to limit its use or disclosure shall continue and shall survive until all PII is either returned to CalMHSA

ATTACHMENT B – INSURANCE REQUIREMENTS

INSURANCE. Contractor and its CalMHSA authorized subcontractors utilized on this Agreement shall purchase and maintain policies of insurance with an insurer or insurers. If Contractor has any employees or offices in the State of California, its insurers must be admitted in the State of California, and with a current A.M. Best's rating of no less than A-. If Contractor subcontracts any portion of Contractor's duties, Contractor shall require any such subcontractor to purchase and maintain insurance coverage as provided below. If Contractor is a California public entity, Contractor may satisfy the below requirements through commercial insurance or through self-insurance. Insurance shall include:

- A. If Contractor has employees, Contractor shall carry workers' compensation insurance per the laws of the State of California (or the laws of the State in which the employees perform their work), and such insurance shall waive subrogation against CalMHSA.
- B. Contractor shall carry automobile liability insurance including coverage for owned and hired vehicles. For non-owned vehicles, employees, consultants of Contractors and any subcontractors must be required to carry their own insurance. Such insurance is required should Contractor, its employee, consultants, or its subcontractor use a vehicle in the performance of any of the Services under this Agreement.
- C. Contractor shall also carry commercial general liability insurance with coverage for liability assumed by contract. Such policies shall have limits of not less than \$1,000,000 per accident or occurrence. In the event this Agreement is for a total amount of \$5,000,000 or more, such policies shall have limits of at least \$2,000,000 per accident or occurrence.
- D. If applicable (i.e., Contractor or its employees, contractors or subcontractors are providing professional services, advisory services, are professionals or licensed in their field or are providing technology/development work), Contractor shall carry professional liability insurance applicable to wrongful acts, errors or omissions that may cause financial loss to CalMHSA, including contractual liability, with limits of at least \$1,000,000 per claim, or at least \$2,000,000 per claim if the total amount of this Agreement exceeds \$5,000,000. Such insurance shall be maintained during the term of this Agreement and renewed for a period of at least four years thereafter. Contractor must provide its and its subcontractors' professional liability insurance coverage certificate each year or when asked by CalMHSA.
- E. If Contractor has employees with access to CalMHSA funds or financial accounts, Contractor shall maintain a commercial crime (fidelity) policy with third-party property and employee dishonesty coverage with a minimum limit of \$1,000,000.

- F. Each policy of insurance required in Subsection C shall name CalMHSA and its agents, officers, governing board, and employees as additional insureds; shall state that, with respect to the operations of Contractor hereunder, such policy is primary and any insurance carried by CalMHSA or its agents, officers, governing board or employees is excess and non-contributory with such primary insurance; shall state that not less than thirty (30) calendar days' written notice shall be given to CalMHSA prior to cancellation of such policy; and, shall waive all rights of subrogation against the additional insureds. The additional insured endorsement issued on the commercial general liability policy shall be a CG 2010 or equivalent.
- G. Contractor shall notify CalMHSA of any material change in each policy required under this Section at least thirty (30) calendar days prior to any such change. Contractor shall immediately, and in no instance later than seven (7) calendar days after, notify CalMHSA in the event of the cancellation or failure to renew of any policy required in this Section.
- H. As to any policy of insurance required by this Section, Contractor shall disclose any self-insured retention or deductible exceeding \$5,000. CalMHSA may require that an endorsement be obtained reducing or eliminating such self-insured retention or deductible as to the CalMHSA and its officers, agents, board and employees; or may require Contractor to provide a financial guarantee guaranteeing payment of any necessary expenses of investigation, costs of defense, settlement or judgments.
- I. Prior to commencing work, and with no additional request from CalMHSA, Contractor shall deliver to CalMHSA certificates of insurance ("COI") and at the beginning of each new year of the Term and any COIs for professional liability coverage for each of the 4 years following the end of the Term per Section C, as well as any required additional insured endorsements demonstrating compliance with these requirements. Upon request by CalMHSA, Contractor shall provide copies of any required insurance policies within ten (10) business days. In the event Contractor fails to secure or maintain any required policy of insurance, CalMHSA may, at its sole discretion, terminate this Agreement, or secure such insurance in the name of and for the account of Contractor, and in such event, Contractor shall reimburse CalMHSA upon demand for the cost thereof. Any failure of CalMHSA to require certificates of insurance and additional insured endorsements shall not operate as a waiver of these requirements.
- J. If Contractor does not include all subcontractors as insureds under Contractor's own policies, Contractors shall provide CalMHSA with each subcontractor's evidence of insurance coverage as required of Contractor. Contractor shall be responsible for verifying each subcontractor complies with the required insurance provisions herein and shall require that each subcontractor name CalMHSA and Contractor as additional insureds on the subcontractor's commercial general

liability policy. Contractor shall obtain CalMHSA's prior written approval of any subcontractor request for modification of the required insurance.

Certificate holder on the policy as "California Mental Health Services Authority (CalMHSA) 1610 Arden Way, Suite 175, Sacramento, CA 95815"