

**City and County of San Francisco
Office of Contract Administration
Purchasing Division**

First Amendment

THIS **FIRST AMENDMENT** (“Amendment”) is made as of **July 1, 2026**, in San Francisco, California, by and between **Crestwood Behavioral Health Inc.** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

Recitals

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the performance period, increase the contract amount, and update standard contractual clauses; and

WHEREAS, Department is authorized under Administrative Code Section 21A.4 to procure from Service Providers (as that term is defined in Section 21A.4(a)(6)) directly, without the approval of the Purchaser and without adhering to the requirements of Section 21.1 or Chapter 14B of the Administrative Code, or any other applicable competitive procurement requirement; and

WHEREAS, this Amendment is consistent with an approval obtained on February 3, 2025 from the Civil Service Commission under PSC number DHRPSC0004912 in the amount of \$30,500,000 for the period of 60 months; and

WHEREAS, this Amendment is consistent with an approval obtained from the City’s [Board of Supervisors] under [insert resolution number] approved on [insert date of Commission or Board action] in the amount of [insert Dollar Amount] for the period commencing [Insert Start Date] and ending [Insert End Date]; and

Now, THEREFORE, the parties agree as follows:

Article 1 Definitions

The following definitions shall apply to this Amendment:

1.1 **Agreement.** The term “Agreement” shall mean the Agreement dated March 1, 2025 between Contractor and City.

1.2 **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

1.3 **San Francisco Labor and Employment Code.** As of January 4, 2024, San Francisco Administrative Code Chapters 21C (Miscellaneous Prevailing Wage Requirements), 12B (Nondiscrimination in Contracts), 12C (Nondiscrimination in Property Contracts), 12K (Salary History), 12P (Minimum Compensation), 12Q (Health Care Accountability), 12T (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 12U (Sweatfree Contracting) are redesignated as Articles 102 (Miscellaneous Prevailing Wage Requirements), 131 (Nondiscrimination in Contracts), 132 (Nondiscrimination in Property Contracts), 141 (Salary History), 111 (Minimum Compensation), 121 (Health Care Accountability), 142 (City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions), and 151 (Sweatfree Contracting) of the San Francisco Labor and Employment Code, respectively. Wherever this Agreement refers to San Francisco Administrative Code Chapters 21C, 12B, 12C, 12K, 12P, 12Q, 12T, and 12U, it shall be construed to mean San Francisco Labor and Employment Code Articles 102, 131, 132, 141, 111, 121, 142, and 151, respectively.

1.4 **Open For Business Legislative Changes.** In October 2025, San Francisco enacted legislation that reduced obligations City places on contactors. These changes went into effect January 1, 2026. Articles 141 and 142 were repealed, to the extent those conditions appear in this Agreement, they should be treated as nullified. The dollar value threshold for application for Administrative Code Chapters 12F, 12N, 12L, 12Y, and 101 and Labor and Employment Code Article 151 were increased. If the Agreement is valued at less than \$230,000, 12N, 12Y and 101 are not in effect. If the Agreement is valued at \$230,000 or less, 12F and 151 are not in effect. If the Agreement is valued at less than \$1,000,000, Chapter 12L is not in effect. Any clause in the Agreement concerning a condition referenced above that is not in effect shall be treated as nullified.

Article 2 Modifications of Scope to the Agreement

The Agreement is hereby modified as follows:

2.1 **Term of the Agreement.** Article 2 Term of the Agreement of the Original Agreement currently reads as follows:

2.1 **Term.** The term of this Agreement shall commence on March 1, 2025 and expire on June 30, 2026, unless earlier terminated as otherwise provided herein.

2.2 **Options to Renew.** City has the option to renew the Agreement for a period of 10 years. City may exercise this option at City’s sole and absolute discretion by modifying this Agreement as provided in Section 11.5, “Modification of this Agreement.” Extensions may be for the whole or partial period provided for above.

Option 1: July 1, 2026 to June 30, 2027

Option 2: July 1, 2027 to June 30, 2028

Option 3: July 1, 2028 to June 30, 2029

Option 4: July 1, 2029 to June 30, 2030

Option 5: July 1, 2030 to June 30, 2031

Option 6: July 1, 2031 to June 30, 2032

- Option 7: July 1, 2032 to June 30, 2033
- Option 8: July 1, 2033 to June 30, 2034
- Option 9: July 1, 2034 to March 6, 2035

Such section is hereby amended in its entirety to read as follows:

2.1 **Term.** The term of this Agreement shall commence on March 1, 2025 and expire on June 30, 2028, unless earlier terminated as otherwise provided herein.

2.2 **Options to Renew.** City has the option to renew the Agreement for a period of 10 years. City may exercise this option at City's sole and absolute discretion by modifying this Agreement as provided in Section 11.5, "Modification of this Agreement." Extensions may be for the whole or partial period provided for above.

- Option 1: July 1, 2028 to June 30, 2029
- Option 2: July 1, 2029 to June 30, 2030
- Option 3: July 1, 2030 to June 30, 2031
- Option 4: July 1, 2031 to June 30, 2032
- Option 5: July 1, 2032 to June 30, 2033
- Option 6: July 1, 2033 to June 30, 2034
- Option 7: July 1, 2034 to February 28, 2035

2.2 **Financial Matters.** Section 3.3.1 Calculation of Charges of the Original Agreement currently reads as follows:

3.3.1 **Calculation of Charges and Contract Not to Exceed Amount.** The amount of this Agreement shall not exceed **Nine Million Sixty Three Thousand Five Hundred Thirty Seven Dollars (\$9,063,537)**, the breakdown of which appears in Appendix B, "Calculation of Charges." City shall not be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

Such section is hereby amended in its entirety to read as follows:

3.3.1 **Calculation of Charges and Contract Not to Exceed Amount.** The amount of this Agreement shall not exceed **Twenty Six Million Two Hundred Fifty Five Thousand Five Hundred Sixty Six Dollars (\$26,255,566)**, the breakdown of which appears in Appendix B, "Calculation of Charges." City shall not be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this Agreement.

2.3 **Appendix A and A-1.** Appendix A and A-1 are hereby replaced in its entirety by Appendix A and A-1, attached to this Amendment and fully incorporated within the Agreement. To the extent the Agreement refers to Appendix A and A-1 in any place, the true meaning shall be Appendix A and A-1, which is a correct and updated version.

2.4 **Appendix B and B-1.** Appendix B and B-1 are hereby replaced in its entirety by Appendix B and B-1, attached to this Amendment and fully incorporated within the Agreement. To the extent the Agreement refers to Appendix B and B-1 in any place, the true meaning shall be Appendix B and B-1, which is a correct and updated version.

2.5 **Appendix E.** Appendix E is hereby replaced in its entirety by Appendix E, attached to this Amendment and incorporated within the Agreement. To the extent the Agreement refers to Appendix E in any place, the true meaning shall be Appendix E, which is a correct and updated version.

Article 3 Updates of Standard Terms to the Agreement

The Agreement is hereby modified as follows:

3.1 **Article 1 Definitions.** *Article 1 of the Agreement is replaced in its entirety to read as follows:*

Article 1 Definitions

1.1 **“Agreement”** means this contract document, including all attached appendices, and all applicable City Ordinances and Mandatory City Requirements specifically incorporated into this Agreement by reference as provided herein.

1.2 **“Appendices”** means the appendices listed in Article 14 (“Appendices”) herein.

1.3 **“Artificial Intelligence” or “Artificial Intelligence Model”** means an engineered or machine-based system that varies in its level of autonomy and that can, for explicit or implicit objectives, infer from the input it receives how to generate outputs that can influence physical or virtual environments.

1.4 **“Artificial Intelligence System”** means a machine-based system that is designed to operate with varying levels of autonomy and that may exhibit adaptiveness after deployment, and that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments.

1.5 **“Business Associate”** or “BAA” has the meaning given to such term under HIPAA and its implementing regulations, including 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103, as may be amended from time to time.

1.6 **“City”** means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration or the Director’s designated agent, hereinafter referred to as “Purchasing” and the Department of Public Health.

1.7 **“City Data”** means that data as described in Article 13 of this Agreement which includes, without limitation, all data collected, used, maintained, processed, stored, or generated by or on behalf of City in connection with this Agreement. City Data includes, without limitation, Confidential Information.

1.8 **“CMD”** means the Contract Monitoring Division of the City.

1.9 **“Confidential Information”** means confidential City information including, but not limited to, personal identifiable information (“PII”), protected health information (“PHI”), or

individual financial information (collectively, “Proprietary or Confidential Information”) that is subject to local, state or federal laws restricting the use and disclosure of such information. Confidential Information includes, without limitation, City Data..

1.10 **“Contractor”** means **Crestwood Behavioral Health Inc., 520 Capitol Mall, Suite 800, Sacramento, CA 95814.**

1.11 **“Deliverable Data”** means any data that is required to be delivered to City as a Deliverable, or as a part of a Deliverable, under this Agreement.

1.12 **“Deliverables”** means Contractor’s or its subcontractors’ work product, including any partially completed work product and related materials, resulting from the Services provided by Contractor to City during the course of Contractor’s performance of the Agreement, including without limitation, the work product described in the “Scope of Services” attached as Appendix A.

1.13 **“Generative Artificial Intelligence”** means Artificial Intelligence that can generate derived synthetic content, such as text, images, video, and audio, that emulates the structure and characteristics of the Artificial Intelligence’s training data.

1.14 **“Health Care Component”** has the meaning given to such term under HIPAA and its implementing regulations, including 45 C.F.R. Section 164.103, as may be amended from time to time.

1.15 **“Hybrid Entity”** has the meaning given to such term under HIPAA and its implementing regulations, including 45 C.F.R. Section 164.103, as may be amended from time to time.

1.16 **“Mandatory City Requirements”** means those City laws set forth in the San Francisco Municipal Code, including the duly authorized rules, regulations, and guidelines implementing such laws that impose specific duties and obligations upon Contractor.

1.17 **“Party” and “Parties”** means City and Contractor either individually or collectively.

1.18 **“Personal Identifiable Information (PII)”** means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household. Personal information includes, but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could be reasonably linked, directly or indirectly, with a particular individual or household as further defined in the California Consumer Privacy Act.

1.19 **“Services”** means the work performed by Contractor under this Agreement as specifically described in the “Scope of Services” attached as Appendix A, including all services, labor, supervision, materials, equipment, actions and other requirements to be performed and furnished by Contractor under this Agreement.

3.2 **Section 3.3.4 Invoice Format.** Section 3.3.4 of the Agreement is replaced in its entirety to read as follows:

3.3.4 Invoicing. Contractor shall invoice the City for the Services provided under this Agreement on a timely basis, and in no event later than 30 days after delivery of the Services as specified in Appendix B, Calculation of Charges, except for the last invoice of the fiscal year

which must be submitted within [15] days before the end of July. Invoices submitted by Contractor must be in a form acceptable to the Controller and City and include a unique invoice number and a specific invoice date. Payment shall be made by City as specified in Section 3.3.7, or in such alternate manner as the Parties have mutually agreed upon in writing. All invoices must show the PeopleSoft Purchase Order ID Number, PeopleSoft Supplier Name and ID, Item numbers (if applicable), complete description of Services performed, sales/use tax (if applicable), contract payment terms and contract price. Invoices that do not include all required information or contain inaccurate information will not be processed for payment.

3.3 **Section 3.3.6 Getting paid by City for Services.** Section 3.3.6 of the agreement is hereby deleted in its entirety to read as follows:

3.3.6 Reserved

3.4 **Section 3.7 Contract Amendments; Budgeting Revisions.** Section 3.7 of the agreement is hereby deleted in its entirety to read as follows:

3.7 Reserved

3.5 **Section 4.6 Warranty.** Section 4.6 of the agreement is hereby deleted in its entirety to read as follows:

4.6 Reserved

3.6 **Section 6.1 Liability of City.** Section 6.1 of the agreement is hereby replaced in its entirety to read as follows:

6.1 Liability of City. CITY'S TOTAL LIABILITY UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ITS PAYMENT OBLIGATIONS UNDER THIS AGREEMENT, SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 3.3.1, "CALCULATION OF CHARGES AND CONTRACT NOT TO EXCEED AMOUNT" OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

3.7 **Article 10 Additional Requirements Incorporated by Reference.** Article 10 of the Agreement is replaced in its entirety to read as follows:

10.1 Laws Incorporated by Reference. The full text of the laws listed in this Article 10, including enforcement and penalty provisions, are incorporated by reference into this

Agreement. The full text of the San Francisco Municipal Code provisions incorporated by reference in this Article and elsewhere in the Agreement (“Mandatory City Requirements”) are available at http://www.amlegal.com/codes/client/san-francisco_ca/%20.

10.2 Governmental-Conduct Related Contractual Obligations.

10.2.1 Conflict of Interest. By executing this Agreement, Contractor certifies that it does not know of any fact which constitutes a violation of Section 15.103 of the City’s Charter; Article III, Chapter 2 of City’s Campaign and Governmental Conduct Code; Title 9, Chapter 7 of the California Government Code (Section 87100 et seq.); or Title 1, Division 4, Chapter 1, Article 4 of the California Government Code (Section 1090 et seq.), and further agrees promptly to notify City if it becomes aware of any such fact during the term of this Agreement.

10.2.2 Prohibition on Use of Public Funds for Political Activity. In performing the Services, Contractor shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Contractor is subject to the enforcement and penalty provisions in Chapter 12G.

10.2.3 Limitations on Contributions. By executing this Agreement, Contractor acknowledges its obligations under Section 1.126 of the City’s Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves; (ii) a candidate for that City elective office; or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve (12) months after the date City approves the contract. The prohibition on contributions applies to each prospective party to the contract; each member of Contractor’s board of directors; Contractor’s chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than ten percent (10%) in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract and has provided the names of the persons required to be informed to the City department with whom it is contracting.

10.3 Employment-Related Contractual Obligations.

10.3.1 Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Contractor shall comply with all applicable provisions of San Francisco Administrative Code Chapter 14B (“LBE Ordinance”).

10.3.2 Minimum Compensation Ordinance. San Francisco Labor and Employment Code Article 111 applies to this Agreement. Contractor shall pay covered employees no less than the minimum compensation required by Article 111, including a minimum hourly gross compensation, compensated time off, and uncompensated time off. Contractor is subject to the enforcement and penalty provisions in Article 111. Information about and the text of Article 111 is available on the web at <http://sfgov.org/olse/mco>. Contractor is

required to comply with all of the applicable provisions of Article 111, irrespective of the listing of obligations in this Section. By signing and executing this Agreement, Contractor certifies that it complies with Article 111.

10.3.3 Health Care Accountability Ordinance. San Francisco Labor and Employment Code Article 121 applies to this Agreement. Contractor shall comply with the requirements of Article 121. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 121.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission. Information about and the text of Article 121, as well as the Health Commission's minimum standards, is available on the web at <http://sfgov.org/olse/hcao>. Contractor is subject to the enforcement and penalty provisions in Article 121. Any Subcontract entered into by Contractor shall require any Subcontractor with 20 or more employees to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section.

10.3.4 First Source Hiring Program. (Reserved)

10.3.5 Working with Minors. Contractor shall not hire, and shall prevent its subcontractors from hiring, any person for employment or a volunteer position in a position having supervisory or disciplinary authority over a minor if that person has been convicted of any offense listed in Public Resources Code Section 5164. In addition, if Contractor, or any subcontractor, is providing services to City involving the supervision or discipline of minors or where Contractor, or any subcontractor, will be working with minors in an unaccompanied setting on more than an incidental or occasional basis, Contractor and any subcontractor shall comply with any and all applicable requirements under federal or state law mandating criminal history screening for such positions and/or prohibiting employment of certain persons including but not limited to California Penal Code Section 290.95.

10.3.6 Alcohol and Drug-Free Workplace. City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering, purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

Contractor agrees in the performance of this Agreement to maintain a drug-free workplace by notifying employees that unlawful drug use is prohibited and specifying what actions will be taken against employees for violations; establishing an on-going drug-free awareness program that includes employee notification and, as appropriate, rehabilitation. Contractor can comply with this requirement by implementing a drug-free workplace program that complies with the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. § 701) or California Drug-Free Workplace Act of 1990 Cal. Gov. Code, § 8350 et seq.

10.3.7 Nondiscrimination in Contracts. Contractor shall comply with the provisions of San Francisco Labor and Employment Code Articles 131 and 132. Contractor shall incorporate by reference in all subcontracts the provisions of Sections 131.2(a), 131.2(c)-(k), and 132.3 of the San Francisco Labor and Employment Code and shall require all subcontractors to comply with such provisions. Contractor is subject to the enforcement and penalty provisions in Articles 131 and 132.

10.3.8 Nondiscrimination in the Provision of Employee Benefits. San Francisco Labor and Employment Code Article 131.2 applies to this Agreement. Contractor does not as of the date of this Agreement, and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for City elsewhere in the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in Article 131.2.

10.4 Environmental-Related Contractual Obligations.

10.4.1 Packaged Water Prohibition. The scope of Services includes the sale, provision, or distribution of water to or on behalf of City. Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

10.4.2 Tropical Hardwood and Virgin Redwood Ban. Pursuant to San Francisco Environment Code Section 804(b), City urges Contractor not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

10.4.3 Food Service Waste Reduction Requirements. Contractor shall comply with the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including but not limited to the remedies for noncompliance provided therein.

10.4.4 Sugar-Sweetened Beverage Prohibition. The scope of Services in this Agreement includes the sale, provision, or distribution of beverages to or on behalf of City. Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

10.5 Slavery Era Disclosure. (Reserved)

10.6 Nonprofit Contractor Obligations. (Reserved)

3.8 Section 11.2 Compliance with Laws Requiring Access for People with Disabilities.
The following section is hereby replaced in its entirety to read as follows:

11.2 Compliance with Laws Requiring Access for People with Disabilities.

11.2.1 Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to people with disabilities. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and all other applicable federal, state and local disability rights legislation. Contractor agrees not to

discriminate against people with disabilities in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

11.2.2 Contractor shall provide technical assistance to City when responding to reasonable accommodation requests from City employees respecting their use of the information content and technology (“ICT”) and/or Services provided under this Agreement.

11.2.3 **Web and Mobile Content Accessibility.** Contractor shall adhere to the requirements of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. Sec. 1201 et seq.), including the Web Content Accessibility Guidelines (WCAG) 2.1, Level AA, as specified in the Department of Justice’s Title II Rule on the accessibility of web content and mobile applications Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 794d), and the applicable Revised Section 508 Standards published by the U.S. Access Board (<https://www.access-board.gov/ict/>), as amended from time to time]. Contractor shall ensure that all ICT provided under this Agreement fully conforms to the Department of Justice’s Title II rules and, *if applicable*, the applicable Revised 508 Standard, prior to delivery and before the City’s final acceptance of the Services and/or Deliverables.

3.9 **Section 12.1 Third Party Beneficiaries.** *The following section is hereby replaced in its entirety to read as follows:*

12.1 No Third-Party Beneficiaries. The representations, warranties and other terms contained herein are for the sole benefit of the Parties hereto and their respective successors and permitted assigns, and they shall not be construed as conferring any rights on any other person.

3.10 **Section 12.8 City Revisions to Program Budgets** *The following section is hereby added and incorporated in Article 12 of the Agreement:*

12.8 Contract Amendments; Budgeting Revisions.

12.8.1 **Formal Contract Amendment:** Contractor shall not be entitled to an increase in the Compensation or an extension of the Term unless the Parties agree to a Formal Amendment in accordance with the San Francisco Administrative Code and Section 11.5 (Modifications of this Agreement).

12.8.2 **City Revisions to Program Budgets:** The City shall have authority, without the execution of a Formal Amendment, to (1) purchase additional Services within the Statement of Work or (2) reallocate funding among the Services within the Statement of Work. Any change made under this Subsection 12.7.2 must not involve an increase in the Maximum Cost or Amount Not to Exceed or a change to the Term of this Agreement, and must be approved in writing by both Parties, by a person with legal authority to bind their respective Party to its terms. Contractor shall not proceed with any work contemplated in any revision to program budget until Contractor receives written notification from City to commence such work. All revisions to program budget will become part of this Agreement, after written execution by the Parties, which will then form the new baseline upon which future changes will be measured.

3.11 **Article 13 Data and Security.** *Article 13 is hereby replaced in its entirety to read as follows:*

Article 13 Data and Security

13.1 Nondisclosure of Private, Proprietary or Confidential Information.

13.1.1 Protection of Private Information. If this Agreement requires City to disclose “Private Information” to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

13.1.2 City Data; Confidential Information. In the performance of Services, Contractor may have access to, or collect on City’s behalf, City Data, which may include proprietary or Confidential Information that if disclosed to third parties may damage City. If City discloses proprietary or Confidential Information to Contractor, or Contractor collects such information on City’s behalf, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or Confidential Information.

13.2 Payment Card Industry (“PCI”) Requirements. (Reserved)

13.3 Business Associate Agreement. The Parties acknowledge that City is designated as a Hybrid Entity as defined in the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), and all Health Care Components of the City, including a City department involved in this Agreement, are required to comply with the HIPAA rules governing the access, use, disclosure, transmission, storage, and security of protected health information (PHI).

For purposes of this Agreement, Parties agree that if Contractor is performing a service or function for or on behalf of a City department that is a Health Care Component, where such service or function makes Contractor a Business Associate of City, Contractor must comply with the obligations and conditions contained in the Business Associate Agreement (“BAA”) that shall be attached to this Agreement as Appendix E, and incorporated as though fully set forth herein. Parties agree that if Contractor is not performing a service or function that makes Contractor a Business Associate of City, a BAA is not required and will not be attached to this Agreement. Appendix E will be reserved if a BAA is not required. Contractor, however, must still comply with any data privacy and security laws that apply to Contractor, including, but not limited to, HIPAA, CMIA (Cal. Civ. Code Sec. 56 et.seq.), Cal. Welf. & Inst. Code Sec. 5328, and 42 CFR Part 2.

13.4 Management of City Data.

13.4.1 Use of City Data. Contractor agrees to hold City Data received from, or created or collected on behalf of, City, in strictest confidence. Contractor shall not use or disclose City Data except as permitted or required by the Agreement or as otherwise authorized in writing by City. Any work by Contractor or its authorized subcontractors using, or sharing or storage of, City Data outside the United States is prohibited, absent prior written authorization by City. Access to City Data must be strictly controlled and limited to

Contractor's staff assigned to this project on a need-to-know basis only. City Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. Contractor is provided a limited non-exclusive license to use City Data solely for performing its obligations under the Agreement and not for Contractor's own purposes or later use, provided, however, that no City Data may be used by Contractor to train, modify or improve any Artificial Intelligence Systems or Models without City's prior written consent, which may be withheld or withdrawn at City's sole discretion. Nothing herein shall be construed to confer any license or right to City Data, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third-party. Unauthorized use of City Data by Contractor, subcontractors or other third-parties is prohibited. For purpose of this requirement, the phrase "unauthorized use" means the data mining or processing of data and/or machine learning from the data, stored or transmitted by the service, for unrelated commercial purposes, advertising or advertising-related purposes, or for any purpose that is not explicitly authorized other than security or service delivery analysis.

13.4.2 Use of Generative Artificial Intelligence in Deliverables. Contractor is prohibited from using Generative Artificial Intelligence in the development of Deliverables without City's prior written consent. Contractor represents and warrants to City that Deliverables will not be developed in a manner that conflicts with the City's rights in and to the Deliverables under Article 9, "Rights in Deliverables," or the City Data confidentiality and security requirements under Article 13, "Data and Security," of this Agreement.

13.4.3 Disposition of City Data. Except as otherwise provided for in this Agreement, upon City's request, termination or expiration of this Agreement, or the expiration of any required document retention period or litigation hold, Contractor shall promptly, but in no event later than thirty (30) calendar days, return all City Data given to, or collected or created by Contractor on City's behalf, which includes all original media. Once Contractor has received written confirmation from City that the City Data has been successfully transferred to City, Contractor shall within ten (10) business days, securely dispose, clear, purge, and/or physically destroy, all copies of all City Data from its servers, files, hosted environments used in performance of this Agreement (including subcontractors' environments), work stations used to process or produce the data, and any other work files stored by Contractor in whatever medium. Contractor shall provide City with written certification that such secure disposal occurred within five (5) business days of the disposal. Secure disposal shall be accomplished by "clearing," "purging" or "physical destruction," in accordance with National Institute of Standards and Technology (NIST) Special Publication 800-88 or most current industry standard.

13.5 Ownership of City Data. The Parties agree that as between them, all rights, including all intellectual property rights, in and to City Data and any derivative works of City Data is the exclusive property of City.

13.6 Loss or Unauthorized Access to City's Data; Security Breach Notification. Contractor shall comply with all applicable laws that require the notification to individuals in the event of unauthorized release of PII, PHI, or other event requiring notification. Contractor shall notify City of any actual or potential exposure or misappropriation of City Data (any "Leak") within twenty-four (24) hours of the discovery of such, but within twelve (12) hours if the Data Leak involved PII or PHI. Contractor, at its own expense, will reasonably cooperate with City and law enforcement authorities to investigate any such Leak and to notify injured or potentially injured parties. Contractor shall pay for the provision to the

affected individuals of twenty-four (24) months of free credit monitoring services, if the Leak involved information of a nature reasonably necessitating such credit monitoring. The remedies and obligations set forth in this subsection are in addition to any other City may have. City shall conduct all media communications related to such Leak.

13.7 Cybersecurity Risk Assessment. If a Cybersecurity Risk Assessment (“CRA”) was required before entering the Agreement, Contractor must complete an annual CRA to demonstrate that it has maintained the data privacy and information security program required for City contractors. If Contractor does not satisfactorily complete an annual CRA, the City shall have the right, without further obligation or liability to Contractor, to terminate this Agreement or exercise any of its other remedies hereunder. Any failure by Contractor to comply with this Section shall be a material breach of this Agreement.

Article 4 Effective Date

Each of the modifications set forth in Articles 2 and 3 shall be effective on and after the date of this Amendment.

Article 5 Legal Effect

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

CITY
Recommended by:

CONTRACTOR
Crestwood Behavioral Health Inc.

Daniel Tsai
Director of Health
San Francisco Department of Public Health

Elena Mashkevich
Executive Director of Contracts

Approved as to Form:

City Supplier number: 0000022099

David Chiu
City Attorney

By: _____
Deputy City Attorney

Appendix A
Scope of Services – DPH Behavioral Health Services

1. Terms

A. Contract Administrator:

In performing the Services hereunder, Contractor shall report to **Emeterio Garcia**, Program Manager, Contract Administrator for the City, or his / her designee.

B. Reports:

Contractor shall submit written reports as requested by the City. The format for the content of such reports shall be determined by the City. The timely submission of all reports is a necessary and material term and condition of this Agreement. All reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

C. Evaluation:

Contractor shall participate as requested with the City, State and/or Federal government in evaluative studies designed to show the effectiveness of Contractor's Services. Contractor agrees to meet the requirements of and participate in the evaluation program and management information systems of the City. The City agrees that any final written reports generated through the evaluation program shall be made available to Contractor within thirty (30) working days. Contractor may submit a written response within thirty working days of receipt of any evaluation report and such response will become part of the official report.

D. Possession of Licenses/Permits:

Contractor warrants the possession of all licenses and/or permits required by the laws and regulations of the United States, the State of California, and the City to provide the Services. Failure to maintain these licenses and permits shall constitute a material breach of this Agreement.

E. Adequate Resources:

Contractor agrees that it has secured or shall secure at its own expense all persons, employees and equipment required to perform the Services required under this Agreement, and that all such Services shall be performed by Contractor, or under Contractor's supervision, by persons authorized by law to perform such Services.

F. Admission Policy:

Admission policies for the Services shall be in writing and available to the public. Except to the extent that the Services are to be rendered to a specific population as described in the programs listed in Section 2 of Appendix A, such policies must include a provision that clients are accepted for care without discrimination on the basis of race, color, creed, religion, sex, age, national origin, ancestry, sexual orientation, gender identification, disability, or AIDS/HIV status.

G. San Francisco Residents Only:

Only San Francisco residents shall be treated under the terms of this Agreement. Exceptions must have the written approval of the Contract Administrator.

H. Grievance Procedure:

Contractor agrees to establish and maintain a written Client Grievance Procedure which shall include the following elements as well as others that may be appropriate to the Services: (1) the name or title of the person or persons authorized to make a determination regarding the grievance; (2) the opportunity for the aggrieved party to discuss the grievance with those who will be making the determination; and (3) the right of a client dissatisfied with the decision to ask for a review and recommendation from the community advisory board or planning council that has purview over the aggrieved service. Contractor shall provide a copy of this procedure, and any amendments thereto, to each client and to the Director of Public Health or his/her designated agent (hereinafter referred to as "DIRECTOR"). Those clients who do not receive direct Services will be provided a copy of this procedure upon request.

I. Infection Control, Health and Safety:

(1) Contractor must have a Bloodborne Pathogen (BBP) Exposure Control plan as defined in the California Code of Regulations, Title 8, Section 5193, Bloodborne Pathogens (<http://www.dir.ca.gov/title8/5193.html>), and demonstrate compliance with all requirements including, but not limited to, exposure determination, training, immunization, use of personal protective equipment and safe needle devices, maintenance of a sharps injury log, post-exposure medical evaluations, and recordkeeping.

(2) Contractor must demonstrate personnel policies/procedures for protection of staff and clients from other communicable diseases prevalent in the population served. Such policies and procedures shall include, but not be limited to, work practices, personal protective equipment, staff/client Tuberculosis (TB) surveillance, training, etc.

(3) Contractor must demonstrate personnel policies/procedures for Tuberculosis (TB) exposure control consistent with the Centers for Disease Control and Prevention (CDC) recommendations for health care facilities and based on the Francis J. Curry National Tuberculosis Center: Template for Clinic Settings, as appropriate.

(4) Contractor is responsible for site conditions, equipment, health and safety of their employees, and all other persons who work or visit the job site.

(5) Contractor shall assume liability for any and all work-related injuries/illnesses including infectious exposures such as BBP and TB and demonstrate appropriate policies and procedures for reporting such events and providing appropriate post-exposure medical management as required by State workers' compensation laws and regulations.

(6) Contractor shall comply with all applicable Cal-OSHA standards including maintenance of the OSHA 300 Log of Work-Related Injuries and Illnesses.

(7) Contractor assumes responsibility for procuring all medical equipment and supplies for use by their staff, including safe needle devices, and provides and documents all appropriate training.

(8) Contractor shall demonstrate compliance with all state and local regulations with regard to handling and disposing of medical waste.

J. Aerosol Transmissible Disease Program, Health and Safety:

(1) Contractor must have an Aerosol Transmissible Disease (ATD) Program as defined in the California Code of Regulations, Title 8, Section 5199, Aerosol Transmissible Diseases (<http://www.dir.ca.gov/Title8/5199.html>), and demonstrate compliance with all requirements including, but not limited to, exposure determination, screening procedures, source control measures, use of personal protective equipment, referral procedures, training, immunization, post-exposure medical evaluations/follow-up, and recordkeeping.

(2) Contractor shall assume liability for any and all work-related injuries/illnesses including infectious exposures such as Aerosol Transmissible Disease and demonstrate appropriate policies and procedures for reporting such events and providing appropriate post-exposure medical management as required by State workers' compensation laws and regulations.

(3) Contractor shall comply with all applicable Cal-OSHA standards including maintenance of the OSHA 300 Log of Work-Related Injuries and Illnesses.

(4) Contractor assumes responsibility for procuring all medical equipment and supplies for use by their staff, including Personnel Protective Equipment such as respirators, and provides and documents all appropriate training.

K. Acknowledgment of Funding:

Contractor agrees to acknowledge the San Francisco Department of Public Health in any printed material or public announcement describing the San Francisco Department of Public Health-funded Services. Such documents or announcements shall contain a credit substantially as follows: "This program/service/activity/research project was funded through the Department of Public Health, City and County of San Francisco."

L. Client Fees and Third-Party Revenue:

(1) Fees required by Federal, state or City laws or regulations to be billed to the client, client's family, Medicare or insurance company, shall be determined in accordance with the client's ability to pay and in conformance with all applicable laws. Such fees shall approximate actual cost. No additional fees may be charged to the client or the client's family for the Services. Inability to pay shall not be the basis for denial of any Services provided under this Agreement.

(2) Contractor agrees that revenues or fees received by Contractor related to Services performed and materials developed or distributed with funding under this Agreement shall be used to increase the gross program funding such that a greater number of persons may receive Services. Accordingly, these revenues and fees shall not be deducted by Contractor from its billing to the City, but will be settled during the provider's settlement process.

M. DPH Behavioral Health Services (BHS) Electronic Health Records (EHR) System

Treatment Service Providers use the BHS Electronic Health Records System and follow data reporting procedures set forth by SFDPH Information Technology (IT), BHS Quality Management and BHS Program Administration.

N. Patients' Rights:

All applicable Patients' Rights laws and procedures shall be implemented.

O. Under-Utilization Reports:

For any quarter that CONTRACTOR maintains less than ninety percent (90%) of the total agreed upon units of service for any mode of service hereunder, CONTRACTOR shall immediately notify the Contract Administrator in writing and shall specify the number of underutilized units of service.

P. Quality Improvement:

CONTRACTOR agrees to develop and implement a Quality Improvement Plan based on internal standards established by CONTRACTOR applicable to the SERVICES as follows:

- 1) Staff evaluations completed on an annual basis.

- 2) Personnel policies and procedures in place, reviewed and updated annually.
- 3) Board Review of Quality Improvement Plan.

Q. Working Trial Balance with Year-End Cost Report

If CONTRACTOR is a Non-Hospital Provider as defined in the State of California Department of Mental Health Cost Reporting Data Collection Manual, it agrees to submit a working trial balance with the year-end cost report.

R. Harm Reduction

The program has a written internal Harm Reduction Policy that includes the guiding principles per Resolution # 10-00 810611 of the San Francisco Department of Public Health Commission.

S. Compliance with Behavioral Health Services Policies and Procedures

In the provision of SERVICES under BHS contracts, CONTRACTOR shall follow all applicable policies and procedures established for contractors by BHS, as applicable, and shall keep itself duly informed of such policies. Lack of knowledge of such policies and procedures shall not be an allowable reason for noncompliance.

T. Fire Clearance

Space owned, leased or operated by San Francisco Department of Public Health providers, including satellite sites, and used by CLIENTS or STAFF shall meet local fire codes. Providers shall undergo of fire safety inspections at least every three (3) years and documentation of fire safety, or corrections of any deficiencies, shall be made available to reviewers upon request.”

U. Clinics to Remain Open (Reserved)

V. Compliance with Grant Award Notices:

Contractor recognizes that funding for this Agreement may be provided to the City through federal, State or private grant funds. Contractor agrees to comply with the provisions of the City’s agreements with said funding sources, which agreements are incorporated by reference as though fully set forth.

Contractor agrees that funds received by Contractor from a source other than the City to defray any portion of the reimbursable costs allowable under this Agreement shall be reported to the City and deducted by Contractor from its billings to the City to ensure that no portion of the City’s reimbursement to Contractor is duplicated.

2. Description of Services

Contractor agrees to perform the following Services:

All written Deliverables, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

The detailed description of services is listed below and are attached hereto:

Appendix A-1 – Geary Stabilization Unit (aka 822 Geary CSU, Crestwood San Francisco Crisis Stabilization Services)

3. Services Provided by Attorneys. Any services to be provided by a law firm or attorney to the City must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

Contractor Name: Crestwood Behavioral Health Inc.
Program Name: Geary Stabilization Unit

Appendix A-1
Contract Term: 03/01/2025 – 06/30/2028

1. Identifiers:

Program Name: Geary Stabilization Unit
Program Address: 822 Geary Street, San Francisco, CA 94103
Telephone/FAX: 628-216-0303, Fax 628-216-1550
Website Address: <https://crestwoodbehavioralhealth.com>
Contractor Address, City, State, ZIP (if different from above):
520 Capitol Mall, Suite 800
Sacramento, CA 95814
Chief Operating Officer: Patty Blum
Telephone: 916-471-2245
Email Address: pblum@cbhi.net
Program Code(s) (if applicable): TBD

2. Nature of Document:

Original Contract Amendment Revision to Program Budgets (RPB)

3. Goal Statement:

The goal of the Crisis Stabilization Units (CSU) at 822 Geary Street. is to stabilize people experiencing a behavioral health and/or substance use crisis. The service is an alternative to inpatient psychiatric hospitalization, medical emergency rooms, and other institutional settings for individuals whose acute needs can be met in a medically staffed, voluntary, supportive, community-based setting. The service is an crisis stabilization unit, accessible 24-hours/day, 7 days a week, that provides interventions lasting less than 24 hours. 822 Geary maintains capacity to serve up to 16 clients at a time.

822 Geary is designed to serve the immediate community by collaborating and coordinating with the City’s Street Crisis Response, Homeless Outreach and Overdose Response / Outreach Teams, in order to engage with and bring individuals who need crisis stabilization into the CSU from the streets.

822 Geary program serves as a Triage to Alternate Destination (TAD) facility for the San Francisco’s Emergency Medical Services Agency. The facility also collaborates and coordinates referrals with other first responders including EMS, Fire Department, and Police.

Specific goals include:

- a) Stabilize clients experiencing behavioral health and/or substance use crisis.
- b) Reduce risk of harm to self or others.

CID#: 1000035278

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- c) Address immediate minor or moderate medical needs.
- d) Prevent unnecessary inpatient psychiatric hospitalization or locked psychiatric emergency care.
- e) Prevent unnecessary arrests and criminal justice involvement.
- f) Link and refer clients to follow-up and ongoing behavioral and physical health care, and other needed services.
- g) Provide voluntary services for individuals who need crisis stabilization.
- h) Permit CSU access to first responders and outreach teams.

4. Priority Population:

822 Geary prioritizes services to individuals who are predominantly experiencing homelessness and have single or co-occurring mental health, substance use, and physical health condition. The service is accessible to all members of the community who may benefit from immediate intervention lasting less than 24 hours and do not require hospitalization. People served must be at least 18 years of age. People with mobility issues are also served, provided that their needs can be safely met in a community-based setting.

Priority referrals are received from the San Francisco Police Department, the San Francisco Fire Department, San Francisco Department of Emergency Services, and Department of Public Health Behavioral Health Services (BHS), and their corresponding Street Health teams. In addition, the facility also accepts self-referrals from the immediate community, step-down referrals from local emergency departments.

The facility serves individuals of all ethnic and racial backgrounds, regardless of their nationality of origin. Services are provided in alignment with the San Francisco Department of Public Health's Culturally and Linguistically Appropriate Service Standards (CLAS).

5. Modality(s)/Intervention(s):

See Appendix B CRDC

6. Methodology:

A. Outreach, recruitment, promotion, and advertisement:

822 Geary will be listed in the BHS Organizational Manual, The Homeless Advocacy Resource Manual, Crestwood Behavioral Health's website and other service directories.

B. Admission, enrollment and/or intake criteria and process where applicable:

822 Geary receives referrals from collaboration and coordination with the City’s Street Crisis Response, Homeless Outreach and Overdose Response / Outreach Teams. In addition, the CSU also collaborates and coordinates referrals with other first responders: EMS, Fire Department, and Police. These referrals are received under agreement between DPH and The San Francisco Department of Emergency Services Agency, including Local Emergency Services Agency (LEMSA) in alignment with the CSU’s designation as a Triage to Alternate Destination (TAD) facility. The facility also participates in San Francisco’s Department of Emergency Management ReddiNet medical communications system.

The CSU also admits community referrals from other mental health providers in the community and accepts walk-in / self-referrals from people in the immediate community.

Referrals to the CSU are provided with an intake to screen and determine their appropriateness to receive crisis mental health services. All clients receiving Crisis Stabilization shall receive an assessment of their physical and mental health needs. This may be accomplished using protocols approved by a physician or staff on-site. If outside services are needed, a referral that corresponds with the beneficiary's need shall be made.

C. Service delivery model:

822 Geary is designed as a Crisis Stabilization Unit certified by the CA Department of Health Care Services. The program may provide up to 24- hours of service for 16 clients at a time. The service provides immediate intervention to clients in a behavioral health crisis and serves as an access point to behavioral health treatment. The program provides client centered care and support by providing accepted clients with light food and snacks, on-site showers, and laundry when necessary.

All services are captured utilizing the City’s electronic health record system (EPIC). Service documentation complies with all Medi-Cal specialty mental health services reimbursement requirements and CalAIM health payment reform billing requirements.

In addition, 822 Geary delivers service in alignment with community adhering to the City’s Good Neighbor Policy that ensures ongoing communication and collaboration with the immediate community.

All referrals accepted to the program receive (as applicable):

- 1) An assessment and evaluation for behavioral health and physical health needs.

- 2) Triage and referral to involuntary (5150) psychiatric emergency or hospital-based services when indicated
- 3) Mental health crisis intervention, including therapeutic de-escalation, behavioral health medication, and crisis counseling.
- 4) Substance use withdrawal and intoxication management, including use of motivational interviewing.
- 5) Initiation of medication assisted treatment for opioid use disorder.
- 6) Urgent care medical services for mild to moderate physical health needs.
- 7) Crisis medication and administration utilizing on-site medication supply and storage.
- 8) Assistance with self-administration of client's own medication, and/or urgent prescription refill when necessary.
- 9) Prescribe and initiate behavioral health medications per protocol as needed.
- 10) On-site activities and services by culturally sensitive and trauma-informed multi-disciplinary staff.
- 11) Support and peer counseling.
- 12) Individual client-centered counseling to address treatment goals.
- 13) Social service assessment, including referral to housing/shelter, food, care coordination or case management, medical benefits, and other resources.

D. Discharge Planning and exit criteria and process:

All people served by the CSU receive a comprehensive Mental Status Exam (MSE) and evaluation to determine their status, need and ability to transfer to their next destination.

Available community-based residential or treatment destinations may include Behavioral Health Respite, an Acute Diversion Unit, home, navigation centers and others. In addition the CSU may refer clients to outpatient mental health services (OCC, MH OP Clinics) or primary care. Clients deemed too acute to transfer to community settings are diverted to a designated receiving facility.

All clients referred to continuing behavioral health services receive (as applicable):

- 1) Licensed health care assessments for referral to post-crisis treatment, including outpatient or residential mental health care, substance use disorder treatment, or physical health care services.
- 2) Transport to services (including meal-sites) post-CSU discharge.

E. Program staffing:

822 Geary meets all staffing requirements in satisfaction of California Code of Regulations (CCR) Title 9, § 1840.338 (Crisis Stabilization Contact and Site Requirements) and § 1840.348 (Crisis Stabilization Staffing Requirements), all state regulations and LEMSA Policies, and DHCS Medi-Cal billing requirements.

CSU staffing requirement includes:

- 1) A physician on call at all times for the provision of those Crisis Stabilization Services that may only be provided by a physician.
- 2) A minimum of one Registered Nurse, Psychiatric Technician, or Licensed Vocational Nurse on site at all times clients are present.
- 3) A minimum ratio of at least one licensed mental health or waived/registered professional on site for each four clients receiving Crisis Stabilization at any given time.
- 4) Specific licensed professional for clients who are evaluated as needing service activities that can only be provided by a specific type of licensed professional.

822 Geary also meets staffing requirements in satisfaction of California Health & Safety Code § 1801(e) in satisfaction of the Community Paramedicine or Triage to Alternate Destination Act of 2020 (renewed 2024), which states that an alternate destination facility participating as part of an approved program will:

- 1) Always be staffed by a health care professional with a higher scope of practice, such as, at minimum, a registered nurse.

F. Information Technology Considerations:

- 1) Equipment installations in the Intermediate Distribution Frame (IDF) location(s) must align with City-approved guidelines. The City will supply contractor with guidelines documentation. Any deviations from these guidelines must receive prior written approval from the Department's network director (George.powers@sfdph.org). As the City and Contractor will share the IDF location, Contractor agrees to adhere to the City's best practice guidelines for secure access to shared IDF locations.
- 2) The Contractor agrees to adhere to applicable City hardware guidelines when procuring network equipment and related materials. Contractor agrees that network equipment (i.e. network switches, wireless access points, etc.) purchased with funds under this agreement and installed at the service address associated with this agreement shall revert to ownership of the City at such time the Contractor vacates the premises. This shall apply only to the networking equipment semi-permanently mounted at the location and does not extend to endpoints and peripherals such as computers, monitors, printers, and other computing equipment.
- 3) The Contractor understands the Contractor is responsible for arranging the Contractor's site connections from an Internet Service Provider.

7. Objectives and Measurements:

All objectives and descriptions will be measured and contained in the BHS AOA Performance Objectives FY24-25. One objective for the Stabilization Services is 70% of clients will be discharged to a service other than Psychiatric Emergency Services or inpatient psychiatric units.

8. Continuous Quality Improvement:

- 1) Achievement of contract performance objectives and productivity: Program will review monthly performance utilizing Epic reports. These include Units of Service (UOS) and Unduplicated Client (UDC) counts.
- 2) Quality Documentation: The program will establish a quality assurance process to ensure that the technical quality of documentation meets all Medi-Cal requirements. This includes any required referral tracking applicable to TAD referrals.
- 3) Cultural Competency: The program will establish a quality assurance process to ensure that services are delivered in alignment with the City’s Cultural and Linguistic Competency Policy requirements.
- 4) Client Satisfaction: The program will participate in BHS annual client surveys to track services perception and satisfaction. This may be adjusted upon mutual agreement.
- 5) Upon completing one year of full operational service, the program will undergo a comprehensive evaluation in collaboration with the Department of Public Health (DPH). This assessment will examine the program's effectiveness and its capacity to respond to evolving community needs.

9. Required Language:

822 Geary ensures services are in alignment with the DPH Culturally and Linguistically Appropriate Services (CLAS) standards and related SFDPH Cultural and Linguistic Competency Policy. These includes the provision of services (at minimum) in the City’s threshold languages: Chinese (Cantonese and Mandarin), Spanish, Tagalog, Vietnamese, and Russian.

10. Subcontractors & Consultants (for Fiscal Intermediary/Program Management ONLY):
(Reserved)

Appendix B Calculation of Charges

1. Method of Payment

A. For the purposes of this Section, “General Fund” shall mean all those funds, which are not Work Order or Grant funds. “General Fund Appendices” shall mean all those appendices, which include General Fund monies. Compensation for all SERVICES provided by CONTRACTOR shall be paid in the following manner

(1) For contracted services reimbursable by Fee for Service (Monthly Reimbursement by Certified Units at Budgeted Unit Rates)

CONTRACTOR shall submit monthly invoices in the format attached, Appendix F, and in a form acceptable to the Contract Administrator, by the fifteenth (15th) calendar day of each month, based upon the number of units of service that were delivered in the preceding month. All deliverables associated with the SERVICES defined in Appendix A times the unit rate as shown in the appendices cited in this paragraph shall be reported on the invoice(s) each month. All charges incurred under this Agreement shall be due and payable only after SERVICES have been rendered and in no case in advance of such SERVICES.

(2) For contracted services reimbursable by Cost Reimbursement (Monthly Reimbursement for Actual Expenditures within Budget):

CONTRACTOR shall submit monthly invoices in the format attached, Appendix F, and in a form acceptable to the Contract Administrator, by the fifteenth (15th) calendar day of each month for reimbursement of the actual costs for SERVICES of the preceding month. All costs associated with the SERVICES shall be reported on the invoice each month. All costs incurred under this Agreement shall be due and payable only after SERVICES have been rendered and in no case in advance of such SERVICES.

B. Final Closing Invoice

(1) For contracted services reimbursable by Fee for Service Reimbursement:

A final closing invoice, clearly marked “FINAL,” shall be submitted no later than forty-five (45) calendar days following the closing date of each fiscal year of the Agreement, and shall include only those SERVICES rendered during the referenced period of performance. If SERVICES are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to CITY. CITY’S final reimbursement to the CONTRACTOR at the close of the Agreement period shall be adjusted to conform to actual units certified multiplied by the unit rates identified in Appendix B attached hereto, and shall not exceed the total amount authorized and certified for this Agreement.

(2) For contracted services reimbursable by Cost Reimbursement:

A final closing invoice clearly marked “FINAL,” shall be submitted no later than forty-five (45) calendar days following the closing date of each fiscal year of the Agreement, and shall include only those costs incurred during the referenced period of performance. If costs are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to CITY.

C. All amounts paid by CITY to CONTRACTOR shall be subject to audit by CITY.

2. Program Budgets and Final Invoice

A. Program Budgets are listed below and are attached hereto:

Appendix B-1 – Geary Stabilization Unit (aka 822 Geary CSU, Crestwood San Francisco Crisis Stabilization Services)

B. CONTRACTOR understands that, of this maximum dollar obligation listed in section 3.3.1 of this Agreement, **\$1,845,547** is included as a contingency amount and is neither to be used in Program Budgets attached to this Appendix, or available to Contractor without a modification to this Agreement as specified in Section 12.8 Contract Amendments; Budgeting Revisions. Contractor further understands that no payment of any portion of this contingency amount will be made unless and until such modification or budget revision has been fully approved and executed in accordance with applicable City and Department of Public Health laws, regulations and policies/procedures and certification as to the availability of funds by Controller. Contractor agrees to fully comply with these laws, regulations, and policies/procedures.

C. For each fiscal year of the term of this Agreement, CONTRACTOR shall submit for approval of the CITY's Department of Public Health a revised Appendix A, Description of Services, and a revised Appendix B, Program Budget and Cost Reporting Data Collection form, based on the CITY's allocation of funding for SERVICES for the appropriate fiscal year. CONTRACTOR shall create these Appendices in compliance with the instructions of the Department of Public Health. These Appendices shall apply only to the fiscal year for which they were created. These Appendices shall become part of this Agreement only upon approval by the CITY.

D. The amount for each fiscal year, to be used in Appendix B, Budget and available to CONTRACTOR for that fiscal year shall conform with the Appendix A, Description of Services, and Appendix B, Program Budget and Cost Reporting Data Collection form, as approved by the CITY's Department of Public Health based on the CITY's allocation of funding for SERVICES for that fiscal year.

CONTRACTOR understands that the CITY may need to adjust funding sources and funding allocations and agrees that these needed adjustments will be executed in accordance with Section 12.8 of this Agreement. In event that such funding source or funding allocation is terminated or reduced, this Agreement shall be terminated or proportionately reduced accordingly. In no event will CONTRACTOR be entitled to compensation in excess of these amounts for these periods without there first being a modification of the Agreement or a revision to Appendix B, Budget, as provided for in Section 12.8 section of this Agreement.

(1). Estimated Funding Allocations

Contract Term	Estimated Funding Allocation
March 1, 2025 to June 30, 2025	\$1,558,920
July 1, 2025 to June 30, 2026	\$7,471,537
July 1, 2026 to June 30, 2027	\$7,576,139
July 1, 2027 to June 30, 2028	\$7,803,423
Subtotal	\$24,410,019

Contingency @ 12% (March 1, 2025 to June 30, 2028)	\$1,845,547
Total Revised Not-to-Exceed Amount	\$26,255,566

3. Services of Attorneys

No invoices for Services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

4. State or Federal Medi-Cal Revenues

A. CONTRACTOR understands and agrees that should the CITY’S maximum dollar obligation under this Agreement include State or Federal Medi-Cal revenues, CONTRACTOR shall expend such revenues in the provision of SERVICES to Medi-Cal eligible clients in accordance with CITY, State, and Federal Medi-Cal regulations. Should CONTRACTOR fail to expend budgeted Medi-Cal revenues herein, the CITY’S maximum dollar obligation to CONTRACTOR shall be proportionally reduced in the amount of such unexpended revenues. In no event shall State/Federal Medi-Cal revenues be used for clients who do not qualify for Medi-Cal reimbursement.

B. CONTRACTOR further understands and agrees that any State or Federal Medi-Cal funding in this Agreement subject to authorized Federal Financial Participation (FFP) is an estimate, and actual amounts will be determined based on actual services and actual costs, subject to the total compensation amount shown in this Agreement.”

5. Reports and Services

No costs or charges shall be incurred under this Agreement nor shall any payments become due to CONTRACTOR until reports, SERVICES, or both, required under this Agreement are received from CONTRACTOR and approved by the DIRECTOR as being in accordance with this Agreement. CITY may withhold payment to CONTRACTOR in any instance in which CONTRACTOR has failed or refused to satisfy any material obligation provided for under this Agreement.

Appendix B - DPH 1: Department of Public Health Contract Budget Summary

DHCS Legal Entity Number		N/A					Appendix B, Page 1	
Legal Entity Name/Contractor Name		Crestwood Behavioral Health, Inc.					Fiscal Year	
Contract ID Number		1000035278					2026-2027	
Funding Notification Date							Tentative	
Appendix Number	B-1	B-#	B-#	B-#	B-#	B-#		
Provider Number	38LY							
Program Name	Geary Stabilization Unit							
Program Code								
Funding Term	07/01/26-06/30/27							
FUNDING USES							TOTAL	
Salaries	\$ 4,313,688	\$ -					\$ 4,313,688	
Employee Benefits	\$ 1,035,285	\$ -					\$ 1,035,285	
Subtotal Salaries & Employee Benefits	\$ 5,348,973	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,348,973	
Operating Expenses	\$ 1,443,333	\$ -					\$ 1,443,333	
Capital Expenses	\$ -	\$ -					\$ -	
Subtotal Direct Expenses	\$ 6,792,306	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,792,306	
Indirect Expenses	\$ 679,231	\$ -					\$ 679,231	
Indirect %	10.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	
TOTAL FUNDING USES	\$ 7,471,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,471,537	
							Employee Benefits Rate	21.1%
BHS MENTAL HEALTH FUNDING SOURCES								
Prop C - MH Adult Crisis Diversion/ Urgent Care	\$ 7,471,537						\$ 7,471,537	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
TOTAL BHS MENTAL HEALTH FUNDING SOURCES	\$ 7,471,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,471,537	
BHS SUD FUNDING SOURCES								
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
TOTAL BHS SUD FUNDING SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
OTHER DPH FUNDING SOURCES								
							\$ -	
							\$ -	
							\$ -	
TOTAL OTHER DPH FUNDING SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL DPH FUNDING SOURCES	\$ 7,471,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,471,537	
NON-DPH FUNDING SOURCES								
							\$ -	
							\$ -	
TOTAL NON-DPH FUNDING SOURCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL FUNDING SOURCES (DPH AND NON-DPH)	\$ 7,471,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,471,537	
Prepared By	Elena Mashkevich				Phone Number	916-764-5310		

Appendix B - DPH 2: Department of Public Health Cost Reporting/Data Collection (CRDC)

DHCS Legal Entity Number N/A		Appendix Number B-1			
Provider Name Crestwood Behavioral Health, Inc.		Page Number 2			
Provider Number 38LY		Fiscal Year 2026-2027			
Contract ID Number 1000035278		Funding Notification Date Tentative			
Program Name		Geary Stabilization Unit			
Program Code					
Mode/SFC (MH) or Modality (SUD)		10/25-29	10/25-29		
Service Description		DS-Crisis Stab Urgent Care			
Funding Term (mm/dd/yy-mm/dd/yy):		07/01/26-06/30/27			
FUNDING USES		TOTAL			
Salaries & Employee Benefits	\$ 5,348,973	\$ -			\$ 5,348,973
Operating Expenses	\$ 1,443,333	\$ -			\$ 1,443,333
Capital Expenses	\$ -	\$ -			\$ -
Subtotal Direct Expenses	\$ 6,792,306	\$ -	\$ -	\$ -	\$ 6,792,306
Indirect Expenses	\$ 679,231	\$ -			\$ 679,231
Indirect %	10.0%	0.0%	0.0%	0.0%	0.0%
TOTAL FUNDING USES	\$ 7,471,537	\$ -	\$ -	\$ -	\$ 7,471,537
BHS MENTAL HEALTH FUNDING SOURCES	Dept-Auth-Proj-Activity				
					\$ -
					\$ -
					\$ -
Prop C - MH Adult Crisis Diversion/ Urgent Care	10582-240645-21531- 10037398-0007	\$ 7,471,537	\$ -		\$ 7,471,537
					\$ -
TOTAL BHS MENTAL HEALTH FUNDING SOURCES		\$ 7,471,537	\$ -	\$ -	\$ 7,471,537
BHS SUD FUNDING SOURCES	Dept-Auth-Proj-Activity				
					\$ -
					\$ -
					\$ -
This row left blank for funding sources not in drop-down list					\$ -
TOTAL BHS SUD FUNDING SOURCES		\$ -	\$ -	\$ -	\$ -
OTHER DPH FUNDING SOURCES	Dept-Auth-Proj-Activity				
					\$ -
					\$ -
This row left blank for funding sources not in drop-down list					\$ -
TOTAL OTHER DPH FUNDING SOURCES		\$ -	\$ -	\$ -	\$ -
TOTAL DPH FUNDING SOURCES		\$ 7,471,537	\$ -	\$ -	\$ 7,471,537
NON-DPH FUNDING SOURCES					
					\$ -
This row left blank for funding sources not in drop-down list					\$ -
TOTAL NON-DPH FUNDING SOURCES		\$ -	\$ -	\$ -	\$ -
TOTAL FUNDING SOURCES (DPH AND NON-DPH)		7,471,537	-	-	7,471,537
BHS UNITS OF SERVICE AND UNIT COST					
Number of Beds Purchased		16			
SUD Only - Number of Outpatient Group Counseling Sessions					
SUD Only - Licensed Capacity for Narcotic Treatment Programs					
Payment Method	Cost Reimbursement (CR)				
DPH Units of Service	22,500				
Unit Type	Hour		0	0	0
Cost Per Unit - DPH Rate (DPH FUNDING SOURCES Only)	\$ 332.07	\$ -	\$ -	\$ -	\$ -
Cost Per Unit - Contract Rate (DPH & Non-DPH FUNDING SOURCES)	\$ 332.07	\$ -	\$ -	\$ -	\$ -
Published Rate (Medi-Cal Providers Only)	\$ 352.16				
Unduplicated Clients (UDC)	1500				

CHECK: FUNDING USES = FUNDING SOURCES (Should always be ZERO) 0 0 0 0 0 0

FORMULA: DPH UNITS 332.07 - - - - -

Appendix B - DPH 3: Salaries & Employee Benefits Detail

Contract ID Number 1000035278
 Program Name Geary Stabilization Unit
 Program Code _____

Appendix Number B-1
 Page Number 3
 Fiscal Year 2026-2027
 Funding Notification Date Tentative

Funding Term	TOTAL		Dept-Auth-Proj-Activity		Dept-Auth-Proj-Activity		Dept-Auth-Proj-Activity		Dept-Auth-Proj-Activity		Dept-Auth-Proj-Activity		Dept-Auth-Proj-Activity	
	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries
07/01/26-06/30/27			07/01/26-06/30/27		(mm/dd/yy-mm/dd/yy):		(mm/dd/yy-mm/dd/yy):		(mm/dd/yy-mm/dd/yy):		(mm/dd/yy-mm/dd/yy):		(mm/dd/yy-mm/dd/yy):	
Position Title	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries	FTE	Salaries
Administrator	1.05	\$ 231,000.00	1.05	\$ 231,000.00										
Director of Nursing	1.00	\$ 190,000.00	1.00	\$ 190,000.00										
Program Director	0.83	\$ 66,667.00	0.83	\$ 66,666.67										
LVN/LPT	8.70	\$ 940,992.00	8.70	\$ 940,992.00										
Recovery Coach	9.80	\$ 529,984.00	9.80	\$ 529,984.00										
Service Coordinator	0.17	\$ 10,053.00	0.17	\$ 10,053.33										
Peer Support Specialist	8.40	\$ 454,272.00	8.40	\$ 454,272.00										
Business Office Manager	1.00	\$ 74,880.00	1.00	\$ 74,880.00										
Educator	1.00	\$ 58,240.00	1.00	\$ 58,240.00										
Housekeeper	2.80	\$ 151,424.00	2.80	\$ 151,424.00										
Registered Nurse (RN)	10.80	\$ 1,606,176.00	10.80	\$ 1,606,176.00										
Totals:	45.55	\$ 4,313,688.00	45.55	\$ 4,313,688.00	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -	0.00	\$ -
Employee Benefits:	24.00%	\$ 1,035,285.00	24.00%	\$ 1,035,285.12	0.00%		0.00%		0.00%		0.00%		0.00%	
TOTAL SALARIES & BENEFITS		\$ 5,348,973.00		\$ 5,348,973.00		\$ -		\$ -		\$ -		\$ -		\$ -

Appendix B - DPH 4: Operating Expenses Detail

Contract ID Number 1000035278
 Program Name Geary Stabilization Unit
 Program Code _____

Appendix Number B-1
 Page Number 4
 Fiscal Year 2026-2027
 Funding Notification Date Tentative

Expense Categories & Line Items	TOTAL	Dept-Auth-Proj-Activity	Dept-Auth-Proj-Activity	Dept-Auth-Proj-Activity	Dept-Auth-Proj-Activity	Dept-Auth-Proj-Activity	Dept-Auth-Proj-Activity
Funding Term	07/01/26-06/30/27	07/01/26-06/30/27	(mm/dd/yy-mm/dd/yy)	(mm/dd/yy-mm/dd/yy)	(mm/dd/yy-mm/dd/yy)	(mm/dd/yy-mm/dd/yy)	(mm/dd/yy-mm/dd/yy)
Utilities (electricity, water, gas)	\$ 32,815.00	\$ 32,815.00					
Building Repair/Maintenance	\$ 8,400.00	\$ 8,400.00					
Occupancy Total:	\$ 41,215.00	\$ 41,215.00	\$ -	\$ -	\$ -	\$ -	\$ -
Ancillary Expense	\$ 24,777.00	\$ 24,777.00					
Nursing Supplies	\$ 48,791.00	\$ 48,791.00					
Food/Nutrition	\$ 40,962.00	\$ 40,962.00					
Dietary Supplies	\$ 9,122.00	\$ 9,122.00					
Housekeeping Supplies	\$ 20,730.00	\$ 20,730.00					
Administrative/Office Supplies	\$ 54,352.00	\$ 54,352.00					
Program Supplies	\$ 11,831.00	\$ 11,831.00					
Transportation	\$ 10,800.00	\$ 10,800.00					
Software and Technology	\$ 24,000.00	\$ 24,000.00					
Materials & Supplies Total:	\$ 245,365.00	\$ 245,365.00	\$ -	\$ -	\$ -	\$ -	\$ -
Training/Staff Development	\$ 24,000.00	\$ 24,000.00					
Insurance	\$ 14,272.00	\$ 14,272.00					
Professional Licenses	\$ 7,730.00	\$ 7,730.00					
Equipment Lease & Maintenance	\$ 9,887.00	\$ 9,887.00					
General Operating Total:	\$ 55,889.00	\$ 55,889.00	\$ -	\$ -	\$ -	\$ -	\$ -
Travel/Conferences	\$ 36,000.00	\$ 36,000.00					
Staff Travel Total:	\$ 36,000.00	\$ 36,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Consultant/Subcontractor (Provide Consultant/Subcontracting Agency Name, Service Detail w/Dates, Hourly Rate and Amounts)	\$ -	\$ -					
Carrizosa & MacMorran Medical Director/Psychiatrist Services monthly x 12 months, \$80,000/mo 7/1/2025-6/30/2026	\$ 960,000.00	\$ 960,000.00					
Almazar Service Consultant to provide Trauma Informed Care trainings and services, including site visits to coach on implementation of Trauma Informed Approaches 7/1/2025-6/30/2026	\$ 85,000.00	\$ 85,000.00					
Consultant/Subcontractor Total:	\$ 1,045,000.00	\$ 1,045,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Linen Services	\$ 19,864.00	\$ 19,864.00					
Other Total:	\$ 19,864.00	\$ 19,864.00	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OPERATING EXPENSE	\$ 1,443,333.00	\$ 1,443,333.00	\$ -	\$ -	\$ -	\$ -	\$ -

Appendix B - DPH 5: Capital Expenses Detail

Contract ID Number 1000035278
 Program Name Geary Stabilization Unit
 Program Code _____

Appendix Number B-1
 Page Number 5
 Fiscal Year 2026-2027
 Funding Notification Date: Tentative

1. Equipment

Item Description	Quantity	Serial #/VIN #	Dept-Auth-Proj-Activity	Unit Cost	Total Cost
N/A - See DPH 4					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
Total Equipment Cost					\$ -

2. Remodeling

Description	Total Cost
N/A - See DPH 4	\$ -
Total Remodeling Cost	\$ -

Total Capital Expenditure
 (Equipment plus Remodeling Cost)

\$ -

BUDGET JUSTIFICATION

Contract ID Number 100035278

Contractor Name Crestwood Behavioral Health, Inc.

Appendix Number B-1

Program Name Geary Stabilization Unit

Fiscal Year 2026-2027

1a) SALARIES

Staff Position 1: Administrator					
Brief description of job duties: Develop, supervise, evaluate CSS operations - QA, personnel management, accreditation, and licensing.					
Minimum qualifications: Bachelor's in Psychology, SW/RN or Health related field. 5 years MH setting with 1 MH and 2 in supervisor role.					
Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$220,000.00	1.05	12	1.00	1.05	\$ 231,000

Staff Position 2: Director of Nursing					
Brief description of job duties: Supervise nursing CSS operations - overall operations of health, medical, and nursing care.					
Minimum qualifications: RN California license, CPR/First Aid certified					
Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$190,000.00	1.00	12	1.00	1.00	\$ 190,000

Staff Position 3: Program Director					
Brief description of job duties: Responsible for overseeing the delivery, coordination, and compliance of mental health services, supervising staff, and					
Minimum qualifications: BA in behavioral health field, supervisory experience in mental health setting, clinical standards					
Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$80,000.00	1.00	10	0.83	0.83	\$ 66,667

Staff Position 4: LVN/LPT					
Brief description of job duties: Supervises nursing services and medical support working directly with physicians to ensure quality care.					
Minimum qualifications: LVN/LPT California license, knowledge of DBT, WRAP, and psychological rehab principles.					
Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$108,160.00	8.70	12	1.00	8.70	\$ 940,992

Staff Position 5: Recovery Coach					
Brief description of job duties: Provides 1 to 1 support and supervision of clients.					
Minimum qualifications: High school diploma/GED minimum 2 years experience in psych setting.					
Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$54,080.00	9.80	12	1.00	9.80	\$ 529,984

Staff Position 6: Service Coordinator					
Brief description of job duties: Provides counseling, crisis planning, WRAP, community supports and community linkage.					
Minimum qualifications: BA in psychology/social work/mental health 2 years experience in a psych setting with knowledge of DSM-V.					
Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$60,320.00	1.00	2	0.17	0.17	\$ 10,053

Staff Position 7: Peer Support Specialist					
Brief description of job duties: Provides 1 to 1 support and supervision of clients.					
Minimum qualifications: High school diploma/GED minimum 2 years experience in psych setting.					

Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$54,080.00	8.40	12	1.00	8.40	\$ 454,272

Staff Position 8: Business Office Manager

Brief description of job duties: Oversees business office functions including AP, AR, payroll, and petty cash. Staff onboarding/admin support to CSS

Minimum qualifications: AA/BA in business/equivalent education min. 2 years of hospital or health related with medical terminology experience.

Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$74,880.00	1.00	12	1.00	1.00	\$ 74,880

Staff Position 9: Educator

Brief description of job duties: Develops, implements, and evaluates all orientation and educational programs for all departments

Minimum qualifications: One (1) year of full-time experience planning, implementing and evaluating educational programs

Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$58,240.00	1.00	12	1.00	1.00	\$ 58,240

Staff Position 10: Housekeeper

Brief description of job duties: Housekeeping and janitorial services

Minimum qualifications: High school diploma/GED 1 year experience in long-term care facility/hospital.

Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$54,080.00	2.80	12	1.00	2.80	\$ 151,424

Staff Position 11: Registered Nurse

Brief description of job duties: Assures quality across programs and accomplishes quality assurance objectives. Provides support

Minimum qualifications: Bachelor's Degree in Social Work, Psychology, Mental Health or Marriage and Family from an

Annual Salary:	Level of Effort	# Months per Year:	Annualized (if less than 12 months):	FTE	Amount
\$148,720.00	10.80	12	1.00	10.80	\$ 1,606,176

Total FTE: 46.55

Total Salaries: \$ 4,313,688

1b) EMPLOYEE BENEFITS:

**A benefit expense may be added or deleted to reflect the composition of the agency's employee benefits.*

	Amount
Social Security	\$ 160,469.19
Medicare	
Unemployment Insurance	\$ 65,222.96
Worker's Compensation	\$ 67,293.53
Health and Dental	\$ 330,255.95
Retirement: 401 Plan	\$ 108,704.94
Paid Time Off (Vacation, Holidays, Sick)	\$ 278,491.70
Other: Other Employee Benefit, payroll service fees	\$ 22,776.27
Other: Life Ins.	\$ 2,070.57
Total Fringe Benefit:	1,035,285

Fringe Benefit %: 24.00%

TOTAL SALARIES & EMPLOYEE FRINGE BENEFITS: 5,348,973

2) OPERATING EXPENSES:

Occupancy:

Expense Item	Brief Description	Rate	Amount
--------------	-------------------	------	--------

Rent	822 Geary Street rent of \$1/mo x 10 years	\$0/month	-
Utilities (telephone, electricity, water, gas)	Phone, internet, utilities	\$2,735/month	32,815.00
Building Repair/Maintenance	Monthly facility incidental repair/maintenance	\$700/mo	8,400.00
Total Occupancy:			41,215

Materials & Supplies:

Expense Item	Brief Description	Rate	Amount
Ancillary Expense	Pharmacy/Lab/Translation - medication and medical testing		24,777
Nursing Supplies	First Aid/Medical Waste Disposal		48,791
Food/Nutrition	Food, warm meals, snacks and dietician consulting		40,962
Dietary Supplies	Paper goods, serving ware, and food preparation supplies		9,122
Housekeeping Supplies	Cleaning and janitorial supplies		20,730
Administrative/Office Supplies	Courier, paper, postage and staff support supplies		54,352
Program Supplies	Wellness resources, books/games, arts/crafts/spiritual mat.		11,831
Transportation	Transportation vouchers, gas, and vehicle maintenance		10,800
Software and Technology	Software, related licenses, dues and subscriptions, minor equipr		24,000
Total Materials & Supplies:			245,365

General Operating:

Expense Item	Brief Description	Rate	Amount
Training/Staff Development	Education/Training Staff	\$24,000	24,000
Insurance	General liability insurance	\$14,272	14,272
Professional Licenses	Education/fees professional licenses	\$7,730	7,730
Equipment Lease & Maintenance	Copy machine	\$9,887	9,887
Total General Operating:			55,889

Staff Travel:

Purpose of Travel	Location	Expense Item	Rate	Amount
Travel/Conferences	Multiple Locations	Airfare/Hotel/Meals	\$36,000	36,000
Total Staff Travel:				36,000

Consultants/Subcontractors:

Consultant/Subcontractor Name	Service Description	Rate	Amount
Carrizosa and MacMorran, a medical group	Medical Director/Psychiatrist Services monthly x 12 months	\$80,000/mo	960,000
Almazar Service Consultant	Serve as Interim Director of Program Services for Crestwood's Crisis Stabilization Services programs. Consultation regarding the startup of the Geary Crisis Stabilization Services program. On site trainings on trauma informed care	\$250.00 per hour- offsite work; \$2,500 per day- onsite services	85,000
Total Consultants/Subcontractors:			1,045,000

Other:

Expense Item	Brief Description	Rate	Amount
Linen Services	Linen services clients and CSS monthly x 12months	\$1,655/mo	19,864
Total Other:			19,864

TOTAL OPERATING EXPENSES: 1,443,333

3) CAPITAL EXPENSES: *(Remodeling cost or purchase of \$5,000 or more per unit)*

Capital Expense Item	Brief Description	Amount

TOTAL CAPITAL EXPENSES: -

TOTAL DIRECT EXPENSES: 6,792,306

4) INDIRECT EXPENSES

Describe method and basis for Indirect Cost Allocation.	Amount
10% of Proposed Contract Amount	679,231

Indirect Rate: 10%
TOTAL INDIRECT EXPENSES: 679,231

TOTAL EXPENSES: 7,471,537

City and County of San Francisco
Business Associate Agreement

This Business Associate Agreement (“BAA”) supplements and is made a part of the Agreement by and between the City and County of San Francisco, a Hybrid Entity designated under HIPAA, referred herein as the Covered Entity (“CE”), and Crestwood Behavioral Health Inc. (“Contractor”), the Business Associate (“BA”), dated July 1, 2026 (the “Agreement”).

RECITALS

A. CE, by and through the Department of Public Health (“DPH”), wishes to disclose, allow access to, or allow collection of certain information to BA pursuant to the terms of the Agreement, some of which may constitute Protected Health Information (“PHI”) (defined below).

B. For purposes of the Agreement and this BAA, CE requires Contractor, even if Contractor is also a covered entity under HIPAA, to comply with the terms and conditions of this BAA as a BA of CE.

C. CE and BA are committed to complying with all federal and state laws governing the confidentiality, privacy, and security of health information disclosed to BA pursuant to the Agreement, including, but not limited to the Standards for PHI under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“the HITECH Act”), and regulations promulgated there under by the U.S. Department of Health and Human Services (the “HIPAA Regulations”) and other applicable laws with respect to health information, mental health information, and substance use treatment information, including, but not limited to, California Civil Code §§ 56, et seq., California Health and Safety Code § 1280.15, California Civil Code §§ 1798, et seq., California Welfare & Institutions Code §§5328, et seq., and the regulations promulgated there under (the “California Regulations”), and 42 CFR Part 2.

D. CE is required to enter into an agreement containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(a) and (e) and 164.504(e) of the Code of Federal Regulations (“CFR”) and contained in this BAA.

E. BA enters into agreements with CE that require the CE to disclose to BA, or allow BA to create, collect, use, access, maintain, or transmit for or on CE’s behalf, certain identifiable health information. The parties desire to enter into this BAA to permit BA to disclose, create, collect, use, access, maintain, or transmit such information and comply with the BA requirements of HIPAA, the HITECH Act, and the corresponding regulations.

1. Definitions. For purposes of this BAA, the Parties agree that each term below and any capitalized term used in this BAA, but not otherwise defined, has the meaning given to that term in the HIPAA Rules (as defined below), and as each may be amended from time to time.

- a. **Breach** means the acquisition, access, use, or disclosure of PHI in a manner not permitted under the Privacy Rule which compromises the security or privacy of the PHI, as defined in 45 CFR §164.402.
- b. **Breach Notification Rule** means the portion of HIPAA set forth in Subpart D of 45 CFR Part 164.
- c. **Business Associate** means a person or entity that performs certain functions or activities that involve the use or disclosure of protected health information received from a covered entity, but other than in the capacity of a member of the workforce of such covered entity or arrangement, as defined in 45 CFR §160.103.
- d. **Covered Entity** has the meaning given to such term under the Privacy Rule and the Security Rule, including 45 CFR §160.103.
- e. **Data Aggregation** means the combining of PHI by the BA with the PHI received by the BA in its capacity as a BA of one or more other covered entity, to permit data analyses that relate

City and County of San Francisco
Business Associate Agreement

to the Health Care Operations of the respective covered entities, and the meaning given to such term in 45 CFR §164.501.

- f. **Designated Record Set** has the meaning given to such term under the Privacy Rule, including 45 C.F.R. Section 164.501.
- g. **Electronic PHI or ePHI** means any PHI maintained or transmitted by electronic media as defined in 45 CFR §160.103.
- h. **Health Care** has the meaning given to such term under the Privacy Rule, including 45 CFR §164.103.
- i. **Health Care Component** has the meaning given to such term under the Privacy Rule, including 45 CFR §164.103.
- j. **Health Care Operations** has the meaning given to such term under the Privacy Rule, including 45 CFR §164.501.
- k. **HIPAA Rules** means the Privacy, Security, Breach Notification, and Enforcement Rules set forth in 45 CFR Part 160 and Part 164.
- l. **Hybrid Entity** has the meaning given to such term under the Privacy Rule, including 45 CFR §164.103.
- m. **Privacy Rule** means that portion of HIPAA set forth in 45 CFR Part 160 and Part 164, Subparts A and E.
- n. **Protected Health Information or PHI** has the meaning given to such term under the Privacy Rule, including 45 CFR §§160.103 and 164.501, limited to the information created, maintained, stored, transmitted, or received by BA from or on behalf of CE, or another BA of CE.
- o. **Security Incident** means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system, and as defined in the Security Rule, including 45 CFR §164.304.
- p. **Security Rule** means the Security Standards for the Protection of Electronic Health Information provided in 45 CFR Part 160 & Part 164, Subparts A and C.
- q. **Unsecured PHI** has the meaning given to such term under 42 U.S.C. §17932(h) and 45 CFR §164.402.

2. Obligations of Business Associate.

a. User Training. The BA shall provide, and shall ensure that BA subcontractors, provide, training on PHI privacy and security, including HIPAA and HITECH and its regulations, to each employee or agent that will access, use or disclose Protected Information, upon hire and/or prior to accessing, using or disclosing Protected Information for the first time, and at least annually thereafter during the term of the Agreement. BA shall maintain, and shall ensure that BA subcontractors maintain, records indicating the name of each employee or agent and date on which the PHI privacy and security trainings were completed. BA shall retain, and ensure that BA subcontractors retain, such records for a period of seven years after the Agreement terminates and shall make all such records available to CE within fifteen (15) calendar days of a written request by CE.

b. Permitted Uses and Disclosures. BA may use, access, and/or disclose PHI only for the purpose of performing BA's obligations for, or on behalf of, the City and as permitted or required under the Agreement and BAA, or as required by law. Further, BA may use, access, and/or disclose PHI as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE (see 45 CFR §§164.502, 164.504(e)(2), and 164.504(e)(4)(i)). If BA discloses PHI to a third party, if the disclosure is required by law, or otherwise BA must obtain, prior to making such disclosure, (i) reasonable written assurances from such third party that such PHI will be held confidential as provided under this BAA and used or further disclosed only as required by law or for the purpose for which it was disclosed to this third party and (ii) an agreement from this third party to notify BA

City and County of San Francisco
Business Associate Agreement

immediately of any breaches of the confidentiality of the PHI, to the extent it has knowledge of the breach.

c. Prohibited Uses and Disclosures. BA will not use, access, or disclose PHI other than as permitted or required by the Agreement, this BAA, and under the Privacy Rule, or as required by law. BA shall not directly or indirectly receive remuneration in exchange for PHI, except with the prior written consent of CE and as permitted under 42 U.S.C. §17935(d)(2), and, 45 CFR §164.502(a)(5)(ii); however, this prohibition shall not affect payment by CE to BA for services provided under the Agreement.

d. Appropriate Safeguards. BA will use appropriate safeguards to protect the confidentiality, integrity and availability of PHI that it creates, receives, maintains, or transmits on behalf of the CE, and prevent any use or disclosure of PHI other than as permitted by the Agreement or this BAA, including, but not limited to, administrative, physical and technical safeguards under the Security Rule, including, but not limited to, 45 CFR §§164.306, 164.308, 164.310, 164.312, 164.314 164.316, and 164.504(e)(2)(ii)(B). BA will comply with the policies and procedures and documentation requirements of the Security Rule, including, but not limited to, 45 CFR §164.316, and 42 U.S.C. §17931. BA is responsible for any civil penalties assessed due to an audit or investigation of BA, in accordance with 42 U.S.C. §17934(c).

e. Agreements with Subcontractors and Agents. BA will ensure that any of its agents and subcontractors that have access to, or which create, receive, maintain or transmit PHI for or on behalf of BA, agree in writing to the same restrictions and conditions that apply to BA with respect to such PHI and implement the safeguards required by paragraph 2.c. above (see 45 CFR §§164.504(e)(2) through (e)(5), and 164.308(b)). BA must mitigate the effects of any such violation.

f. Accounting of Disclosures. BA will document any disclosures of PHI made by it to account for such disclosures as required by 45 CFR §164.528(a). BA will also make available information related to such disclosures as would be required for CE to respond to a request for an accounting of disclosures in accordance with 45 CFR §164.528. At a minimum, BA will furnish CE the following with respect to any covered disclosures by BA: (i) the date of disclosure of PHI; (ii) the name of the entity or person who received PHI, and, if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of the disclosure which includes the basis for such disclosure.

i. BA will furnish to CE information collected in accordance with this Section 2(e), within ten business days after written request by CE, to permit CE to make an accounting of disclosures as required by 45 CFR §164.528, or in the event that CE elects to provide an individual with a list of its business associates, BA will provide an accounting of its disclosures of PHI upon request of the individual, if and to the extent that such accounting is required under the HITECH Act or under HHS regulations adopted in connection with the HITECH Act.

ii. In the event an individual delivers the initial request for an accounting directly to BA, BA will forward such request to Covered Entity within ten (10) business days of receipt.

g. Access to PHI by Individuals. Upon request, BA agrees to provide CE copies of the PHI maintained by BA in a Designated Record Set in the time and manner designated by CE to enable CE to respond to an individual's request for access to PHI under 45 CFR §164.524. In the event any individual or personal representative requests access to the individual's PHI directly from BA, BA will forward that request to CE within ten (10) business days. Any disclosure of, or decision not to disclose, the PHI requested by an individual or a personal representative and compliance with the requirements applicable to an individual's right to obtain access to PHI shall be the sole responsibility of CE.

h. Amendment of PHI. Upon request and instruction from CE, BA will amend PHI or a record about an individual in a Designated Record Set that is maintained by, or otherwise within the

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possession of, BA as directed by CE in accordance with procedures established by 45 CFR §164.526. Any request by CE to amend such information will be completed by BA within fifteen (15) business days of CE's request. If an individual request an amendment of PHI directly from BA or its agents or subcontractors, BA must forward any such request to CE within ten (10) business days. Any amendment of, or decision not to amend, the PHI or record as requested by an individual and compliance with the requirements applicable to an individual's right to request an amendment of PHI will be the sole responsibility of CE.

i. Governmental Access to Records. BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining CE's or BA's compliance with HIPAA and this BAA.

j. Minimum Necessary. BA, its agents and subcontractors shall request, use, access, and disclose only the minimum amount of PHI necessary to accomplish the intended purpose of such use, access, or disclosure, or request. (see 42 U.S.C. Section 17935(b) and 45 CFR §164.514(d)).

k. Data Ownership. BA acknowledges that BA has no ownership rights with respect to the Protected Information provided by CE to BA or created, received, maintained or transmitted by BA or BA's agents or subcontractors under the Agreement, including any and all forms thereof.

l. Notification of Suspected or Actual Breach. BA shall notify CE within five (5) calendar days of any breach of PHI; any use or disclosure of PHI not permitted by the Agreement or this BAA; any Security Incident (except as otherwise provided below) related to PHI, and any use or disclosure of data in violation of any applicable federal or state laws by BA or its agents or subcontractors. The notification shall include, to the extent possible, the identification of each individual whose unsecured PHI has been, or is reasonably believed by the BA to have been, accessed, acquired, used, or disclosed, as well as any other available information that CE is required to include in notification to the individual, the media, the Secretary, and any other entity under the Breach Notification Rule and any other applicable state or federal laws, including, but not limited, to 45 C.F.R. Section 164.404 through 45 C.F.R. Section 164.408, at the time of the notification required by this paragraph or promptly thereafter as information becomes available. BA shall take prompt corrective action to cure any deficiencies and any action pertaining to unauthorized uses or disclosures required by applicable federal and state laws. [42 U.S.C. Section 17921; 42 U.S.C. Section 17932; 45 C.F.R. 164.410; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]

i. Unsuccessful Security Incident Attempts: The Parties acknowledge and agree that this Section constitutes notification by BA to CE of the ongoing existence and occurrence of attempted Security Incidents that do not result in and/or that BA does not anticipate will result in unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system (including, for example, pings on BA's firewall, port scans, attempts to log onto a system or enter a database with an invalid password or username, denial-of-service attacks that do not result in the system being taken off-line, or malware such as worms or viruses). Unless requested by CE, no further notification of unsuccessful Security Incident attempts is required.

ii. Successful Security Incident Attempts: BA must notify the City within five (5) calendar days of any Security Incident attempt that results in, or that BA anticipates may result in, unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system (such as continuous and/or persistent Security Incident attempts or a suspicious pattern of Security Incident attempts).

iii. Written Request for Security Incident Report: Upon CE's request, BA must provide CE a written Security Incident Report that: (a) identifies the categories of Security Incident

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attempts; (b) indicates whether BA believes its current defensive security measures are adequate to address Security Incidents, given the scope and nature of such attempts; and (c) if the security measures are not adequate, the measures BA will implement to address security inadequacies.

m. Breach Pattern or Practice by Business Associate's Subcontractors and Agents.

Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504(e)(1)(iii), if the BA knows of a pattern of activity or practice of a subcontractor or agent that constitutes a material breach or violation of the subcontractor or agent's obligations under the Agreement or this BAA, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the contractual arrangement with its subcontractor or agent, if feasible. BA shall provide written notice to CE of any pattern of activity or practice of a subcontractor or agent that BA believes constitutes a material breach or violation of the subcontractor or agent's obligations under the Contract or this BAA within five (5) calendar days of discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

n. Audits, Inspection and Enforcement. Within ten (10) calendar days of a request by CE, BA will provide CE with a copy of its most recent independent HIPAA compliance report (AT-C 315), HITRUST certification or other similar mutually agreed upon independent standards-based third-party audit report. CE agrees not to re-disclose BA's audit report. If BA does not have such a report, BA will allow CE or its agents or subcontractors to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this BAA for the purpose of determining whether BA has complied with this BAA or maintains adequate security safeguards. BA shall notify CE within five (5) business days of learning that BA has become the subject of an audit, compliance review, or complaint investigation by the Office for Civil Rights or other state or federal data privacy or security-enforcement government entity.

3. Termination.

a. Material Breach. A breach by BA, or BA's agent or subcontractor, of any obligations under this BAA, as determined by CE, shall constitute a material breach of the Agreement and this BAA and shall provide grounds for immediate termination of the Agreement and this BAA, any provision in the Agreement to the contrary notwithstanding. (45 CFR §164.504(e)(2)(iii).)

b. Judicial or Administrative Proceedings. CE may terminate the Agreement and this BAA, effective immediately, if (i) BA is named as defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which BA has been joined.

c. Effect of Termination. Upon termination of the Agreement and this BAA for any reason, BA shall, at the option of CE, return or destroy all PHI that BA and its agents and subcontractors still maintain in any form, and shall retain no copies of such PHI. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections and satisfy the obligations of Section 2 of this BAA to such information, and limit further use and disclosure of such PHI to those purposes that make the return or destruction of the information infeasible (45 C.F.R. §164.504(e)(2)(ii)(J)). If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI. Per the Secretary's guidance, the City will accept destruction of electronic PHI in accordance with the standards enumerated in the NIST SP 800-88, Guidelines for Media Sanitization. The City will accept destruction of PHI contained in paper records by shredding, burning, pulping, or pulverizing the records so that the PHI is rendered unreadable, indecipherable, and otherwise cannot be reconstructed.

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d. Civil and Criminal Penalties. BA understands and agrees that it is subject to civil or criminal penalties applicable to BA for unauthorized use, access or disclosure of PHI in accordance with the HIPAA Regulations and the HITECH Act including, 42 U.S.C. §17934(c).

e. Disclaimer. CE makes no warranty or representation that compliance by BA with this BAA, HIPAA, the HITECH Act, or the HIPAA Regulations or corresponding California law provisions will be adequate or satisfactory for BA's own purposes. BA is solely responsible for all decisions made by BA regarding the safeguarding of PHI.

4. Amendment to Comply with Law.

The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Agreement or this BAA may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable state or federal laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the updated standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable state or federal laws. CE may terminate the Agreement upon thirty (30) calendar days written notice in the event (i) BA does not promptly enter into negotiations to amend the Agreement or this BAA when requested by CE pursuant to this section or (ii) BA does not enter into an amendment to the Agreement or this BAA providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

5. Litigation or Administrative Proceedings.

BA shall notify CE within forty-eight (48) hours of any litigation or administrative proceedings commenced against BA or its agents or subcontractors. In addition, BA shall make itself, and any subcontractors, employees and agents assisting BA in the performance of its obligations under the Agreement or this BAA, available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers or employees based upon a claimed violation of HIPAA, the HITECH Act, the HIPAA regulations, or other state or federal laws relating to security and privacy, except where BA or its subcontractor, employee or agent is a named adverse party.

6. No Third-Party Beneficiaries.

Nothing express or implied in the Agreement or this BAA is intended to confer, nor shall anything herein confer, upon any person other than CE, BA and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

7. Interpretation.

The provisions of this BAA shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provision in this BAA. This BAA and the Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy of health information. The parties agree that any ambiguity in the terms of this BAA shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, the HIPAA regulations, and other state and federal laws related to security and privacy of health information.