

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

760



**FROM:** Department of Public Social Services

**SUBMITTAL DATE:**  
March 16, 2016

**SUBJECT:** Amendment #09 to Agreement AA-02834 with Jaguar Computer Systems, Inc. for Managed IT Services. [All Districts]; [\$73,311 total; Federal: 57.40%; State: 15.94%; County: 0.06%; Realignment: 26.28%; Other: 0.32%].

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Chair of the Board to sign the attached amendment to Agreement AA-02834 with Jaguar Computer Systems, Inc. for the period of July 1, 2014 through June 30, 2019, increasing the maximum reimbursable amount by \$73,311 to an amount not to exceed \$488,275.
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign amendments that do not change the substantive terms of the Agreement, including amendments to the compensation provision that do not exceed a 10% contingency, based on the availability of fiscal funds for required services as approved to form by County Counsel.

**BACKGROUND:**

Summary (continued on next page)

*Susan von Zabern*  
Susan von Zabern  
Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 25,000	\$ 14,239	\$ 73,311	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 15	\$ 9	\$ 44	\$ 0	

**SOURCE OF FUNDS:** Federal Funding: 57.40% State Funding: 15.94%;  
County Funding: 0.06%; Realignment Funding: 26.28%; Other Funding: 0.32%

Budget Adjustment: No  
For Fiscal Year: 15/16 - 18/19

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Jennifer L. Sargent*  
Jennifer L. Sargent

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley  
Nays: None  
Absent: None  
Date: May 24, 2016  
xc: DPSS, Purchasing

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

Prev. Agn. Ref.: 3.48 (June 17, 2014) | District: All | Agenda Number:

**3-15**

RCIT: Steve Reneker, CIO  
 PURCHASING & FLEET SERVICES:  
 Lisa Brandl, Director  
 Departmental Concurrence  
 BY: GREGORY P. PRIAMOS  
 DATE: 4/18/16  
 FORM APPROVED COUNTY COUNSEL

- A-30
- Positions Added
- 4/5 Vote
- Change Order

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11: Amendment #09 to Agreement with Jaguar Computer Systems, Inc. for Managed IT Services, All Districts; [\$73,311 total]; Federal: 57.40%; State: 15.94%; County: 0.06%; Realignment: 26.28%; Other: 0.32%**

**DATE:** March 16, 2016

**PAGE:** Page 2 of 3

**BACKGROUND:**

**Summary (continued)**

The Department of Public Social Services (DPSS) maintains a public computer network to provide internet access in its GAIN Resource Rooms and to DPSS contractors providing services to DPSS clients. As this is a public access network, it cannot be provided through CORNET. Jaguar installs the network hardware, installs software on workstations, arranges internet connectivity, maintains a web portal, manages and monitors the network, and provides helpdesk and on-site support. DPSS supplies PCs and printers for the project.

GAIN is DPSS' welfare to work program. DPSS provides GAIN clients computer access to training materials, along with internet access to perform job searches and to submit resumes and applications to prospective employers.

The network is also used by Maximus, who assists eligible clients to find health care providers and will be used by Smooth Transitions to administer GED testing to DPSS clients.

Jaguar Computer Systems, Inc. was awarded this contract as a result of Request for Quotation DPARC-363. Jaguar was selected as the lowest responsive/responsible vendor, submitting a total cost of \$414,964 over five years. The other bidder's proposal was \$1,814,382 over five years.

This amendment is increasing maximum reimbursable amount of the agreement to accommodate new projects being completed by DPSS. In Fiscal Year 15/16, these include:

1. Increasing the bandwidth at the Hemet DPSS office;
2. Moving the Moreno Valley DPSS Office to a new office location;
3. Facilitating internet connectivity for Smooth Transitions to administer GED testing for DPSS clients;
4. Re-imaging 276 public access workstations with new software.

In succeeding fiscal years, the amendment includes additional funding to cover projected facility moves and projected increased telecom costs.

The agreement is being increased annually as follows:

Fiscal Year	Original Amount	Requested Annual Increase	Revised Total
FY14/15	\$84,127		
FY15/16	\$80,148	\$25,000	\$105,148
FY16/17	\$81,761	\$14,239	\$96,000
FY17/18	\$83,547	\$16,453	\$100,000
FY18/19	\$85,381	\$17,619	\$103,000
<b>TOTAL</b>	<b>\$414,964</b>	<b>\$73,311</b>	<b>\$488,275</b>

**Impact on Residents and Businesses**

This program assists the residents of Riverside County to locate employment, helping to move them toward self-sufficiency.

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**FORM 11:** Amendment #09 to Agreement with Jaguar Computer Systems, Inc. for Managed IT Services, All Districts; [\$73,311 total]; Federal: 57.40%; State: 15.94%; County: 0.06%; Realignment: 26.28%; Other: 0.32%

**DATE:** March 16, 2016

**PAGE:** Page 3 of 3

**SUPPLEMENTAL:**  
**Contract History**

NUMBER	AMOUNT	PERCENT	DESCRIPTION
AA-02834-01	\$5,183		Added PCs to the Hemet DPSS Resource Room and increased bandwidth.
AA-02834-02	\$95		Added document to the DPSS GAIN webpage.
AA-02834-03	\$860		Relocated Maximus staff in the Indio DPSS office.
AA-02834-04	\$6,315		Added PCs to the Desert Hot Springs DPSS and Norco DPSS Resource Rooms and increased bandwidth in both.
AA-02834-05			This was the fiscal year 14/15 renewal at \$80,148.
AA-02834-06	\$890		Relocate the Perris Family Resource Center.
AA-02834-07	\$695		Added workstations at the La Sierra DPSS office.
AA-02834-08	\$190		Relocated Maximus staff in the Moreno Valley DPSS office.

SvZ:bt

RIVERSIDE COUNTY DEPARTMENT OF PUBLIC SOCIAL SERVICES  
 AMENDMENT # 09  
 PROFESSIONAL SERVICES AGREEMENT WITH

Jaguar Computer Systems Inc.  
 Mangaged IT Services

PROFESSIONAL  
 SERVICES CONTRACT: AA-02834

EFFECTIVE DATE  
 OF AMENDMENT: Upon Execution

The agreement between the Riverside County Department of Public Social Services hereinafter referred to as County and Jaguar Computer Systems Inc, hereinafter referred to as Contractor, is amended to increase the aggregate amount from \$414,964 to \$488,275 to account for new projects and growth. The agreement is amended in the following particulars and no others:

1. On the Recitals Page, amend the Effective Period to read, "July 1, 2014 through June 30, 2019"
2. On the Recitals Page, amend the Maximum Reimbursable Amount to read, "Not to exceed \$488,275".
3. Amend paragraph IV.A.2 "Scope of Service" to read, "Provide all network hardware and infrastructure, including appliances/servers, firewalls, and switches."
4. Amend paragraph C.I "Maximum Reimbursable Amount" to read:  
 "Total payment under this shall not exceed \$488,275 in aggregate.

Payments in each Fiscal Year shall not exceed:

FY14/15	\$84,127
FY15/16	\$105,148
FY16/17	\$96,000
FY17/18	\$100,000
FY18/19	\$103,000

4. Amend paragraph C.2 "Unit of Service Cost" to read:  
 Contractor will be paid annually amounts not to exceed:

Fiscal Year	Network Connectivity	Maintenance & Support	Projects
14/15	\$40,467	\$29,690	\$13,970
15/16	\$45,047	\$36,132	\$23,969
16/17	\$45,629	\$36,132	\$14,239
17/18	\$47,415	\$36,132	\$16,453
18/19	\$49,249	\$36,132	\$17,619

Contractor will be paid actual amounts for network connectivity and provide a monthly itemized statement of those costs.

5. Amend paragraph IV.C.f "Records, Inspections, and Audits" to read:  
"Contractors that expend \$750,000 or more in a year in Federal funding shall obtain an audit performed by an independent auditor in accordance with generally accepted governmental auditing standards covering financial and compliance audits as per the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996, as per OMB Circular A-133. However, records must be available for review and audit by appropriate officials of Federal, State and County agencies."
  
6. Amend paragraph IV.D.3 "Hold Harmless/Indemnification" to read:  
"CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability, action, claim or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. CONTRACTOR shall defend the Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services."

With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR indemnification to Indemnitees as set forth herein.

CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims."

7. Amend paragraph V.A "Effective Period" to read:  
"This Agreement shall be effective July 1, 2014 to June 30, 2019, unless terminated earlier. Contractor shall commence performance upon the effective date of this Agreement and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement."
  
8. Amend paragraph V.C "Availability of Funds" to read:  
"County's' obligation for payment of any Agreement is contingent upon the availability of funds from which payment can be made."


The County's obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of County funding from which payment can be made, and invoices shall be rendered "monthly" in arrears. In the State of California, Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the County shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, County shall immediately notify Contractor in writing; and this Agreement shall be deemed terminated, have no further force, and effect."


- 9. Delete Schedule A in its entirety.
- 10. Delete Exhibit B, "HIPAA Business Associate Agreement" in its entirety and replace with Exhibit B attached hereto.

The undersigned, as authorized representatives of DPSS and Contractor, respectively, certify the establishment of the Amendment #09 to the Agreement.

Riverside County

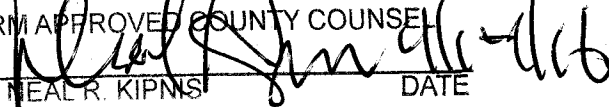
Jaguar Computer Systems Inc.

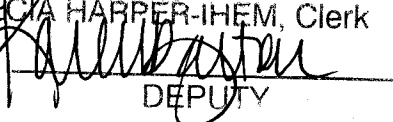
  
\_\_\_\_\_  
John J. Benoit  
Chair, Board of Supervisors

  
\_\_\_\_\_  
George F. Hoanzl  
Marketing Vice President

MAY 24 2016  
Date

April 21, 2016  
Date

FORM APPROVED COUNTY COUNSEL  
BY:   
NEAL R. KIPNS DATE

ATTEST:  
KECIA HARPER-IHEM, Clerk  
By:   
DEPUTY

HIPAA Business Associate Agreement  
Addendum to Contract

Between the County of Riverside and Jaguar Computer Systems Inc.

This HIPAA Business Associate Agreement (the "Addendum") supplements, and is made part of the Underlying Agreement between the County of Riverside ("County") and Contractor and shall be effective as of the date the Underlying Agreement approved by both Parties (the "Effective Date").

RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which the Contractor provides services to County, and in conjunction with the provision of such services certain protected health information ("PHI") and/or certain electronic protected health information ("ePHI") may be created by or made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Public Law 104-191 enacted August 21, 1996, and the Health Information Technology for Economic and Clinical Health Act ("HITECH") of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 enacted February 17, 2009, and the laws and regulations promulgated subsequent thereto, as may be amended from time to time, are applicable to the protection of any use or disclosure of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a covered entity, as defined in the Privacy Rule; and,

WHEREAS, to the extent County discloses PHI and/or ePHI to Contractor or Contractor creates, receives, maintains, transmits, or has access to PHI and/or ePHI of County, Contractor is a business associate, as defined in the Privacy Rule; and,

WHEREAS, pursuant to 42 USC §17931 and §17934, certain provisions of the Security Rule and Privacy Rule apply to a business associate of a covered entity in the same manner that they apply to the covered entity, the additional security and privacy requirements of HITECH are applicable to business associates and must be incorporated into the business associate agreement, and a business associate is liable for civil and criminal penalties for failure to comply with these security and/or privacy provisions; and,

WHEREAS, the parties mutually agree that any use or disclosure of PHI and/or ePHI must be in compliance with the Privacy Rule, Security Rule, HIPAA, HITECH and any other applicable law; and,

WHEREAS, the parties intend to enter into this Addendum to address the requirements and obligations set forth in the Privacy Rule, Security Rule, HITECH and HIPAA as they apply to Contractor as a business associate of County, including the establishment of permitted and required uses and disclosures of PHI and/or ePHI created or received by Contractor during the course of performing functions, services and activities on behalf of County, and appropriate limitations and conditions on such uses and disclosures;

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

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in HITECH, HIPAA, Security Rule and/or Privacy Rule, as may be amended from time to time.
  - A. "Breach" when used in connection with PHI means the acquisition, access, use or disclosure of PHI in a manner not permitted under subpart E of the Privacy Rule which compromises the security or privacy of the PHI, and shall have the meaning given such term in 45 CFR §164.402.
    - (1) Except as provided below in Paragraph (2) of this definition, acquisition, access, use, or disclosure of PHI in a manner not permitted by subpart E of the Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following four factors:

- (a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
  - (b) The unauthorized person who used the PHI or to whom the disclosure was made;
  - (c) Whether the PHI was actually acquired or viewed; and
  - (d) The extent to which the risk to the PHI has been mitigated.
- (2) Breach excludes:
- (a) Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of a covered entity or business associate, if such acquisition, access or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under subpart E of the Privacy Rule.
  - (b) Any inadvertent disclosure by a person who is authorized to access PHI at a covered entity or business associate to another person authorized to access PHI at the same covered entity, business associate, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted by subpart E of the Privacy Rule.
  - (c) A disclosure of PHI where a covered entity or business associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.
- B. "Business associate" has the meaning given such term in 45 CFR §164.501, including but not limited to a subcontractor that creates, receives, maintains, transmits or accesses PHI on behalf of the business associate.
  - C. "Data aggregation" has the meaning given such term in 45 CFR §164.501.
  - D. "Designated record set" as defined in 45 CFR §164.501 means a group of records maintained by or for a covered entity that may include: the medical records and billing records about individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or, used, in whole or in part, by or for the covered entity to make decisions about individuals.
  - E. "Electronic protected health information" ("ePHI") as defined in 45 CFR §160.103 means protected health information transmitted by or maintained in electronic media.
  - F. "Electronic health record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given such term in 42 USC §17921(5).
  - G. "Health care operations" has the meaning given such term in 45 CFR §164.501.
  - H. "Individual" as defined in 45 CFR §160.103 means the person who is the subject of protected health information.
  - I. "Person" as defined in 45 CFR §160.103 means a natural person, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
  - J. "Privacy Rule" means the HIPAA regulations codified at 45 CFR Parts 160 and 164, Subparts A and E.



- K. "Protected health information" ("PHI") has the meaning given such term in 45 CFR §160.103, which includes ePHI.
- L. "Required by law" has the meaning given such term in 45 CFR §164.103.
- M. "Secretary" means the Secretary of the U.S. Department of Health and Human Services ("HHS").
- N. "Security incident" as defined in 45 CFR §164.304 means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- O. "Security Rule" means the HIPAA Regulations codified at 45 CFR Parts 160 and 164, Subparts A and C.
- P. "Subcontractor" as defined in 45 CFR §160.103 means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.
- Q. "Unsecured protected health information" and "unsecured PHI" as defined in 45 CFR §164.402 means PHI not rendered unusable, unreadable, or indecipherable to unauthorized persons through use of a technology or methodology specified by the Secretary in the guidance issued under 42 USC §17932(h)(2).

2. **Scope of Use and Disclosure by Contractor of County's PHI and/or ePHI.**

- A. Except as otherwise provided in this Addendum, Contractor may use, disclose, or access PHI and/or ePHI as necessary to perform any and all obligations of Contractor under the Underlying Agreement or to perform functions, activities or services for, or on behalf of, County as specified in this Addendum, if such use or disclosure does not violate HIPAA, HITECH, the Privacy Rule and/or Security Rule.
- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, in accordance with 45 CFR §164.504(e)(2), Contractor may:
  - 1) Use PHI and/or ePHI if necessary for Contractor's proper management and administration and to carry out its legal responsibilities; and,
  - 2) Disclose PHI and/or ePHI for the purpose of Contractor's proper management and administration or to carry out its legal responsibilities, only if:
    - a) The disclosure is required by law; or,
    - b) Contractor obtains reasonable assurances, in writing, from the person to whom Contractor will disclose such PHI and/or ePHI that the person will:
      - i. Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose for which Contractor disclosed it to the person, or as required by law; and,
      - ii. Notify County of any instances of which it becomes aware in which the confidentiality of the information has been breached; and,
  - 3) Use PHI to provide data aggregation services relating to the health care operations of County pursuant to the Underlying Agreement or as requested by County; and,
  - 4) De-identify all PHI and/or ePHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Notwithstanding the foregoing, in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA, including, but not

limited to, prohibiting disclosure of mental health and/or substance abuse records, the applicable state and/or federal laws and/or regulations shall control the disclosure of records.

3. **Prohibited Uses and Disclosures.**

- A. Contractor may neither use, disclose, nor access PHI and/or ePHI in a manner not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI and/or ePHI and as authorized in writing from County.
- B. Contractor may neither use, disclose, nor access PHI and/or ePHI it receives from County or from another business associate of County, except as permitted or required by this Addendum, or as required by law.
- C. Contractor agrees not to make any disclosure of PHI and/or ePHI that County would be prohibited from making.
- D. Contractor shall not use or disclose PHI for any purpose prohibited by the Privacy Rule, Security Rule, HIPAA and/or HITECH, including, but not limited to 42 USC §17935 and §17936. Contractor agrees:
  - 1) Not to use or disclose PHI for fundraising, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.514(f) or 45 CFR §164.508;
  - 2) Not to use or disclose PHI for marketing, as defined in 45 CFR §164.501, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.508(a)(3);
  - 3) Not to disclose PHI, except as otherwise required by law, to a health plan for purposes of carrying out payment or health care operations, if the individual has requested this restriction pursuant to 42 USC §17935(a) and 45 CFR §164.522, and has paid out of pocket in full for the health care item or service to which the PHI solely relates; and,
  - 4) Not to receive, directly or indirectly, remuneration in exchange for PHI, or engage in any act that would constitute a sale of PHI, as defined in 45 CFR §164.502(a)(5)(ii), unless permitted by the Underlying Agreement and in compliance with the requirements of a valid authorization under 45 CFR §164.508(a)(4). This prohibition shall not apply to payment by County to Contractor for services provided pursuant to the Underlying Agreement.

4. **Obligations of County.**

- A. County agrees to make its best efforts to notify Contractor promptly in writing of any restrictions on the use or disclosure of PHI and/or ePHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees to make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any individual to use or disclose PHI and/or ePHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees to make its best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use or disclosure of PHI and/or ePHI.
- D. County agrees not to request Contractor to use or disclose PHI and/or ePHI in any manner that would not be permissible under HITECH, HIPAA, the Privacy Rule, and/or Security Rule.
- E. County agrees to obtain any authorizations necessary for the use or disclosure of PHI and/or ePHI, so that Contractor can perform its obligations under this Addendum and/or Underlying Agreement.

5. **Obligations of Contractor.** In connection with the use or disclosure of PHI and/or ePHI, Contractor agrees to:
- A. Use or disclose PHI only if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e). Contractor shall also comply with the additional privacy requirements that are applicable to covered entities in HITECH, as may be amended from time to time.
  - B. Not use or further disclose PHI and/or ePHI other than as permitted or required by this Addendum or as required by law. Contractor shall promptly notify County if Contractor is required by law to disclose PHI and/or ePHI.
  - C. Use appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Addendum.
  - D. Mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI and/or ePHI by Contractor in violation of this Addendum.
  - E. Report to County any use or disclosure of PHI and/or ePHI not provided for by this Addendum or otherwise in violation of HITECH, HIPAA, the Privacy Rule, and/or Security Rule of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410.
  - F. In accordance with 45 CFR §164.502(e)(1)(ii), require that any subcontractors that create, receive, maintain, transmit or access PHI on behalf of the Contractor agree through contract to the same restrictions and conditions that apply to Contractor with respect to such PHI and/or ePHI, including the restrictions and conditions pursuant to this Addendum.
  - G. Make available to County or the Secretary, in the time and manner designated by County or Secretary, Contractor's internal practices, books and records relating to the use, disclosure and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, for purposes of determining, investigating or auditing Contractor's and/or County's compliance with the Privacy Rule.
  - H. Request, use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of the request, use or disclosure in accordance with 42 USC §17935(b) and 45 CFR §164.502(b)(1).
  - I. Comply with requirements of satisfactory assurances under 45 CFR §164.512 relating to notice or qualified protective order in response to a third party's subpoena, discovery request, or other lawful process for the disclosure of PHI, which Contractor shall promptly notify County upon Contractor's receipt of such request from a third party.
  - J. Not require an individual to provide patient authorization for use or disclosure of PHI as a condition for treatment, payment, enrollment in any health plan (including the health plan administered by County), or eligibility of benefits, unless otherwise excepted under 45 CFR §164.508(b)(4) and authorized in writing by County.
  - K. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use, disclosure, or access of PHI and/or ePHI.
  - L. Obtain and maintain knowledge of applicable laws and regulations related to HIPAA and HITECH, as may be amended from time to time.
  - M. Comply with the requirements of the Privacy Rule that apply to the County to the extent Contractor is to carry out County's obligations under the Privacy Rule.
  - N. Take reasonable steps to cure or end any pattern of activity or practice of its subcontractor of which Contractor becomes aware that constitute a material breach or violation of the subcontractor's

obligations under the business associate contract with Contractor, and if such steps are unsuccessful, Contractor agrees to terminate its contract with the subcontractor if feasible.

6. **Access to PHI, Amendment and Disclosure Accounting.** Contractor agrees to:
- A. **Access to PHI, including ePHI.** Provide access to PHI, including ePHI if maintained electronically, in a designated record set to County or an individual as directed by County, within five (5) days of request from County, to satisfy the requirements of 45 CFR §164.524.
  - B. **Amendment of PHI.** Make PHI available for amendment and incorporate amendments to PHI in a designated record set County directs or agrees to at the request of an individual, within fifteen (15) days of receiving a written request from County, in accordance with 45 CFR §164.526.
  - C. **Accounting of disclosures of PHI and electronic health record.** Assist County to fulfill its obligations to provide accounting of disclosures of PHI under 45 CFR §164.528 and, where applicable, electronic health records under 42 USC §17935(c) if Contractor uses or maintains electronic health records. Contractor shall:
    - 1) Document such disclosures of PHI and/or electronic health records, and information related to such disclosures, as would be required for County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record in accordance with 45 CFR §164.528.
    - 2) Within fifteen (15) days of receiving a written request from County, provide to County or any individual as directed by County information collected in accordance with this section to permit County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record.
    - 3) Make available for County information required by this Section 6.C for six (6) years preceding the individual's request for accounting of disclosures of PHI, and for three (3) years preceding the individual's request for accounting of disclosures of electronic health record.
7. **Security of ePHI.** In the event County discloses ePHI to Contractor or Contractor needs to create, receive, maintain, transmit or have access to County ePHI, in accordance with 42 USC §17931 and 45 CFR §164.314(a)(2)(i), and §164.306, Contractor shall:
- A. Comply with the applicable requirements of the Security Rule, and implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that Contractor creates, receives, maintains, or transmits on behalf of County in accordance with 45 CFR §164.308, §164.310, and §164.312;
  - B. Comply with each of the requirements of 45 CFR §164.316 relating to the implementation of policies, procedures and documentation requirements with respect to ePHI;
  - C. Protect against any reasonably anticipated threats or hazards to the security or integrity of ePHI;
  - D. Protect against any reasonably anticipated uses or disclosures of ePHI that are not permitted or required under the Privacy Rule;
  - E. Ensure compliance with the Security Rule by Contractor's workforce;
  - F. In accordance with 45 CFR §164.308(b)(2), require that any subcontractors that create, receive, maintain, transmit, or access ePHI on behalf of Contractor agree through contract to the same restrictions and requirements contained in this Addendum and comply with the applicable requirements of the Security Rule;

- G. Report to County any security incident of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410; and,
- H. Comply with any additional security requirements that are applicable to covered entities in Title 42 (Public Health and Welfare) of the United States Code, as may be amended from time to time, including but not limited to HITECH.

8. **Breach of Unsecured PHI.** In the case of breach of unsecured PHI, Contractor shall comply with the applicable provisions of 42 USC §17932 and 45 CFR Part 164, Subpart D, including but not limited to 45 CFR §164.410.

A. **Discovery and notification.** Following the discovery of a breach of unsecured PHI, Contractor shall notify County in writing of such breach without unreasonable delay and in no case later than 60 calendar days after discovery of a breach, except as provided in 45 CFR §164.412.

1) **Breaches treated as discovered.** A breach is treated as discovered by Contractor as of the first day on which such breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor, which includes any person, other than the person committing the breach, who is an employee, officer, or other agent of Contractor (determined in accordance with the federal common law of agency).

2) **Content of notification.** The written notification to County relating to breach of unsecured PHI shall include, to the extent possible, the following information if known (or can be reasonably obtained) by Contractor:

- a) The identification of each individual whose unsecured PHI has been, or is reasonably believed by Contractor to have been accessed, acquired, used or disclosed during the breach;
- b) A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known;
- c) A description of the types of unsecured PHI involved in the breach, such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved;
- d) Any steps individuals should take to protect themselves from potential harm resulting from the breach;
- e) A brief description of what Contractor is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and,
- f) Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.

B. **Cooperation.** With respect to any breach of unsecured PHI reported by Contractor, Contractor shall cooperate with County and shall provide County with any information requested by County to enable County to fulfill in a timely manner its own reporting and notification obligations, including but not limited to providing notice to individuals, prominent media outlets and the Secretary in accordance with 42 USC §17932 and 45 CFR §164.404, §164.406 and §164.408.

C. **Breach log.** To the extent breach of unsecured PHI involves less than 500 individuals, Contractor shall maintain a log or other documentation of such breaches and provide such log or other documentation on an annual basis to County not later than fifteen (15) days after the end of each calendar year for submission to the Secretary.

- D. **Delay of notification authorized by law enforcement.** If Contractor delays notification of breach of unsecured PHI pursuant to a law enforcement official's statement that required notification, notice or posting would impede a criminal investigation or cause damage to national security, Contractor shall maintain documentation sufficient to demonstrate its compliance with the requirements of 45 CFR §164.412.
- E. **Payment of costs.** With respect to any breach of unsecured PHI caused solely by the Contractor's failure to comply with one or more of its obligations under this Addendum and/or the provisions of HITECH, HIPAA, the Privacy Rule or the Security Rule, Contractor agrees to pay any and all costs associated with providing all legally required notifications to individuals, media outlets, and the Secretary. This provision shall not be construed to limit or diminish Contractor's obligations to indemnify, defend and hold harmless County under Section 9 of this Addendum.
- F. **Documentation.** Pursuant to 45 CFR §164.414(b), in the event Contractor's use or disclosure of PHI and/or ePHI violates the Privacy Rule, Contractor shall maintain documentation sufficient to demonstrate that all notifications were made by Contractor as required by 45 CFR Part 164, Subpart D, or that such use or disclosure did not constitute a breach, including Contractor's completed risk assessment and investigation documentation.
- G. **Additional State Reporting Requirements.** The parties agree that this Section 8.G applies only if and/or when County, in its capacity as a licensed clinic, health facility, home health agency, or hospice, is required to report unlawful or unauthorized access, use, or disclosure of medical information under the more stringent requirements of California Health & Safety Code §1280.15. For purposes of this Section 8.G, "unauthorized" has the meaning given such term in California Health & Safety Code §1280.15(j)(2).
- 1) Contractor agrees to assist County to fulfill its reporting obligations to affected patients and to the California Department of Public Health ("CDPH") in a timely manner under the California Health & Safety Code §1280.15.
  - 2) Contractor agrees to report to County any unlawful or unauthorized access, use, or disclosure of patient's medical information without unreasonable delay and no later than two (2) business days after Contractor detects such incident. Contractor further agrees such report shall be made in writing, and shall include substantially the same types of information listed above in Section 8.A.2 (Content of Notification) as applicable to the unlawful or unauthorized access, use, or disclosure as defined above in this section, understanding and acknowledging that the term "breach" as used in Section 8.A.2 does not apply to California Health & Safety Code §1280.15.

9.

**Hold Harmless/Indemnification.**

- A. Contractor agrees to indemnify and hold harmless County, all Agencies, Districts, Special Districts and Departments of County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any services of Contractor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Addendum, including but not limited to property damage, bodily injury, death, or any other element of any kind or nature whatsoever arising from the performance of Contractor, its officers, agents, employees, subcontractors, agents or representatives from this Addendum. Contractor shall defend, at its sole expense, all costs and fees, including but not limited to attorney fees, cost of investigation, defense and settlements or awards, of County, all Agencies, Districts, Special Districts and Departments of County, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents or representatives in any claim or action based upon such alleged acts or omissions.
- B. With respect to any action or claim subject to indemnification herein by Contractor, Contractor shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such

action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Contractor's indemnification to County as set forth herein. Contractor's obligation to defend, indemnify and hold harmless County shall be subject to County having given Contractor written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at Contractor's expense, for the defense or settlement thereof. Contractor's obligation hereunder shall be satisfied when Contractor has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

- C. The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe Contractor's obligations to indemnify and hold harmless County herein from third party claims arising from issues of this Addendum.
  - D. In the event there is conflict between this clause and California Civil Code §2782, this clause shall be interpreted to comply with Civil Code §2782. Such interpretation shall not relieve the Contractor from indemnifying County to the fullest extent allowed by law.
  - E. In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.
10. **Term.** This Addendum shall commence upon the Effective Date and shall terminate when all PHI and/or ePHI provided by County to Contractor, or created or received by Contractor on behalf of County, is destroyed or returned to County, or, if it is infeasible to return or destroy PHI and/ePHI, protections are extended to such information, in accordance with section 11.B of this Addendum.
11. **Termination.**
- A. **Termination for Breach of Contract.** A breach of any provision of this Addendum by either party shall constitute a material breach of the Underlying Agreement and will provide grounds for terminating this Addendum and the Underlying Agreement with or without an opportunity to cure the breach, notwithstanding any provision in the Underlying Agreement to the contrary. Either party, upon written notice to the other party describing the breach, may take any of the following actions:
    - 1) Terminate the Underlying Agreement and this Addendum, effective immediately, if the other party breaches a material provision of this Addendum.
    - 2) Provide the other party with an opportunity to cure the alleged material breach and in the event the other party fails to cure the breach to the satisfaction of the non-breaching party in a timely manner, the non-breaching party has the right to immediately terminate the Underlying Agreement and this Addendum.
    - 3) If termination of the Underlying Agreement is not feasible, the breaching party, upon the request of the non-breaching party, shall implement, at its own expense, a plan to cure the breach and report regularly on its compliance with such plan to the non-breaching party.
  - B. **Effect of Termination.**
    - 1) Upon termination of this Addendum, for any reason, Contractor shall return or, if agreed to in writing by County, destroy all PHI and/or ePHI received from County, or created or received by the Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI and/or ePHI which are in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of PHI and/or ePHI, except as provided below in paragraph (2) of this section.
    - 2) In the event that Contractor determines that returning or destroying the PHI and/or ePHI is not feasible, Contractor shall provide written notification to County of the conditions that make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI and/or ePHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and/or ePHI and limit further uses and disclosures of such PHI and/or ePHI to those purposes



**RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM**  
To be completed for all departmental purchases of IT systems, services or renewals

PR2015-03378  
Tracking Number for  
Internal Use Only

12/3

<b>REQUESTED PURCHASE:</b>	<b>INCREASES TO JAGUAR COMPUTER SYSTEMS' MANAGED IT NETWORK CONTRACT</b>													
<b>DEPARTMENT/AGENCY:</b>	DPSS													
<b>CONTACT NAME/PHONE:</b>	BARRY TANTLINGER 83293													
<b>PURCHASE REQUEST:</b>	<input type="checkbox"/> NEW EQUIPMENT/SERVICES <input checked="" type="checkbox"/> UPGRADE <input type="checkbox"/> REPLACEMENT													
<b>PURCHASE TYPE:</b>	<input checked="" type="checkbox"/> PROFESSIONAL SERVICES <input type="checkbox"/> SOFTWARE <input type="checkbox"/> HARDWARE <input type="checkbox"/> RENEWAL													
<b>DESCRIBE REQUESTED PURCHASE</b>	<p>DPSS currently has a contract with Jaguar Computer Systems to manage a public access network. DPSS is requesting to increase from the contract in FY 15/16 from \$80,148 to \$105,148 to cover new projects the remainder of the fiscal year. Specifically, there are four projects to complete this year:</p> <ol style="list-style-type: none"> <li>1. Increase bandwidth at the Hemet GAIN office;</li> <li>2. Move the Moreno Valley GAIN Office to a new office location;</li> <li>3. Facilitate internet connectivity for a vendor to administer GED testing for customers;</li> <li>4. Re-image 276 public access workstations with new software.</li> </ol> <p>Additionally DPSS is requesting to increase the contract in its remaining years as follows:</p> <table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Current approved amount</th> <th>Proposed amount</th> </tr> </thead> <tbody> <tr> <td>FY16/17</td> <td>\$81,761</td> <td>\$96,000</td> </tr> <tr> <td>FY17/18</td> <td>\$83,547</td> <td>\$98,000</td> </tr> <tr> <td>FY18/19</td> <td>\$85,381</td> <td>\$100,000</td> </tr> </tbody> </table> <p>This is to accommodate growth, office relocations and expanded services that may be required in those years.</p> <p>This is a public access network separate from CORNET.</p> <p>The contract was previously approved by the Board on June 17, 2014 (agenda item 3.48) for an aggregate total of \$414,964. DPSS is requesting to increase this contract in aggregate by \$68,311.</p>		Fiscal Year	Current approved amount	Proposed amount	FY16/17	\$81,761	\$96,000	FY17/18	\$83,547	\$98,000	FY18/19	\$85,381	\$100,000
Fiscal Year	Current approved amount	Proposed amount												
FY16/17	\$81,761	\$96,000												
FY17/18	\$83,547	\$98,000												
FY18/19	\$85,381	\$100,000												
<b>BUSINESS NEEDS ADDRESSED</b>	<p>DPSS maintains a public computer network to provide internet access in its GAIN Resource Rooms and to DPSS contractors providing services to DPSS clients. As this is a public access network, it cannot be provided through CORNET. The vendor installs the network hardware, installs software on workstations, arranges internet connectivity, maintains a web portal, manages and monitors the network, and provides helpdesk and on-site support. DPSS supplies the PCs, printers, and software for the project.</p> <p>GAIN is DPSS' welfare to work program. DPSS provides GAIN clients computer access to training materials, along with internet access to perform job searches and to submit resumes and applications to prospective employers.</p> <p>The network is also used by Maximus, who assists eligible clients to find health care providers.</p>													





**RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM**  
To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for  
Internal Use Only

DPSS is mandated by the State to have a percentage of its CalWORKs clients working or actively participating in Welfare to Work. Providing internet access for these clients is integral to meet these goals.

DPSS is also mandated to ensure that each of its clients attend a presentation where they are informed of managed care and fee-for-service options. Maximus contracts with the State to provide this service. DPSS has an agreement with Maximus for office space and internet access.

ARE THERE ANY OTHER COUNTY SYSTEMS THAT PROVIDE THE SAME FUNCTIONALITY?  NO  YES  UNKNOWN

**BUSINESS CRITICALITY**  
 Run the business  
 Grow the business  
 Transform the business

**BUSINESS IMPACT (SELECT ALL THAT APPLY)**  
 Support current operations  
 Reduce Expenses  
 Improve Customer Service  
 Improve Operational Efficiencies

**BUSINESS RISKS**

Financial: Failure to provide these services could lead to State sanctions.

Operational: Failure to provide these services would limit DPSS's ability to provide mandated services to its customers.

Customer: Failure to provide these services would impede DPSS' customers in moving to toward self-sufficiency.

**ALTERNATIVE SOLUTIONS**

- [Solution]
- [Solution]
- [Solution]

**TRANSACTION**  Cash Purchase  Lease Purchase Lease Years: \_\_\_\_\_

PURCHASE COSTS	COST BENEFIT ANALYSIS			
		ALTERNATIVE STATUS QUO	ALTERNATIVE	ALTERNATIVE
Hardware: \$	Current Annual Cost			
Software: \$	Ongoing Annual Cost			
Labor: \$68,311	Annual Cost Savings			
<b>TOTAL COST: \$ 68,311</b>	<b>Net Annual Savings</b>			
	Project Implementation Cost			
	Project Payback Period? yrs			

Department Head Signature: *Susan von Zubern* Date: *12/2/15*

**RCIT RECOMMENDATION – for purchases and renewals under \$100,000**

Recommended:  Yes  No (Non-recommended requests submit to TSOC)

By: \_\_\_\_\_ Date: \_\_\_\_\_

Chief Information Officer Signature: **RCIT - APPROVED** Date: *12/14/15*



**RIVERSIDE COUNTY INFORMATION TECHNOLOGY PROCUREMENT FORM**  
To be completed for all departmental purchases of IT systems, services or renewals

Tracking Number for  
Internal Use Only

**RCIT explanation for non-recommended requests:**

--

12-1-15

**TSOC RECOMMENDATION: for purchases and renewals over \$100,000 and RCIT non-recommended purchases or renewals**

Recommended:  Yes  No (In no, provide explanation below)

TSOC Chair Signature:

Date:

**TSOC explanation for denied requests:**

--