

CALIFORNIA CHILDREN AND YOUTH BEHAVIORAL HEALTH INITIATIVE
NETWORK SUPPORT, CLAIMS PROCESSING AND PAYMENT REMITTANCE
MEMORANDUM OF UNDERSTANDING

This Children and Youth Behavioral Health Initiative (CYBHI) Network Support, Claims Processing and Payment Remittance Memorandum of Understanding ("**MOU**") is made and entered into by and between Santa Barbara San Luis Obispo Regional Health Authority, dba CenCal Health ("**CenCal Health**"), a public entity pursuant to the laws of the State of California, as amended ("**Participating Entity**"), and Caredon Behavioral Health, Inc., a Virginia Corporation ("**CBH**") to be effective as of April 23, 2025 (the Effective Date) and services shall commence on the Commencement Date in section 7.1 of this MOU. Participating Entity and CBH may be referred to herein individually as a "**party**" or collectively as the "**parties**".

RECITALS

WHEREAS, the California Department of Health Care Services ("DHCS") has engaged CBH to manage certain implementation components the statewide, multi-payer, school-linked fee schedule ("CYBHI Fee Schedule") and support DHCS and Participating Entities with the management of the school-linked statewide provider network of behavioral health practitioners, which is comprised of local education agencies (LEAs), county offices of education (COEs), public institutions of higher education (IHEs), and community-based individual, group and organizational providers designated in-network by LEAs, COEs, or IHEs (collectively, "Providers");

WHEREAS, the parties will implement the CYBHI Fee Schedule program in two phases 1) Interim Clean Claims Payment Model and 2) ASO Payment Model;

WHEREAS, Participating Entity is participating in the CYBHI Fee Schedule as a Medi-Cal MCP, commercial health care services plan or disability insurer and will fund CYBHI Fee Schedule program claims for eligible services furnished by Providers to enrolled members of the Participating Entity;

WHEREAS, DHCS contracted with CBH (DHCS Agreement #23-30348) to administer certain implementation components of the CYBHI Fee Schedule, including but not limited to: screening, Providers to participate in the Provider network; receiving, adjudicating and approving claims for payment from Providers; sending invoices, and claims report for eligible Member claims to Participating Entities; remitting payments to Providers; managing payment disputes or other complaints from Providers; and, as applicable, managing member grievances and appeals; and,

WHEREAS, DHCS requires Participating Entities and CBH to coordinate components of the program including claims processing and payment remittance to Providers under the terms specified in this MOU.

NOW, THEREFORE, to effectuate their roles and responsibilities in the CYBHI Fee Schedule program, the parties understand and agree as follows:

ARTICLE 1: DEFINITIONS

Except to the extent otherwise defined in one or more of the Exhibits or Appendices hereto, capitalized terms used in this MOU and/or in the introductory paragraphs above, all of which are hereby incorporated by reference, shall have the meaning ascribed below.

- 1.1 AAA is the American Arbitration Association.
- 1.2 ASO Payment Model means the model that includes the eligibility and encounter file exchanges, as well as some components of the Interim Clean Claim Payment Model as directed by DHCS.
- 1.3 MOU is this Memorandum of Understanding between Participating Entity and CBH, and any amendments, exhibits, schedules, appendices, addenda and attachments hereto.
- 1.4 Affiliate means a subsidiary or affiliate which currently is controlled by, controlling, or under common control with Participating Entity or CBH, respectively, or which in the future may be controlled by, controlling, or under common control with Participating Entity or CBH, respectively.
- 1.5 Covered services (i.e., CYBHI Fee Schedule Services) are those outpatient mental health and substance use disorder (SUD) services specified in DHCS' published CYBHI Fee Schedule, when furnished to students twenty-five (25) years of age or younger at a schoolsite, in accordance with state law. See Welfare and Institutions Code section 5961.4; Health and Safety Code section 1374.722; and, Insurance Code section 10144.53
- 1.6 Clean Claim is a claim or bill for covered services that has no defect, impropriety, lack of substantiating documentation, including the information necessary to meet the requirements for encounter data (clinical information and data with content and in a format that comports with the HIPAA 837 requirements), and using a completed CMS-1500 form or their respective successor forms or alternative electronic equivalents (which electronic equivalents must comport with all HIPAA Administrative Simplification Act requirements for electronic transactions), that is received timely from an eligible Provider, and which complies with standard industry coding guidelines, and/or other government program requirements where applicable, and requires no further documentation, information or alteration in order to be processed and paid timely. Claims or bills from a participating Provider who is under investigation for fraud or abuse are not Clean Claims.
- 1.7 Confidential Proprietary Information is any non-public proprietary information of the parties

respectively, including without limitation, the terms of this MOU, business plans and processes, customer/Member lists and information, financial records, methodologies, intellectual property, trade secrets, and other proprietary information, Participating Entity records, Participating Entity website(s) and passwords to Participating Entity website(s), information about fees, computer software, business procedures and manuals, data review criteria, manager's website, passwords to CBH website(s), CBH Provider Network databases and directories, CBH Provider Network contract rates, and CBH Case Management & Utilization Review programs. For purposes of this Agreement, Confidential Proprietary Information does not include: (a) information publicly available by means other than wrongful disclosure or lawfully obtained from third parties without any confidentiality obligations; (b) information which is required by law or by a government agency to be disclosed by a party; provided that such party immediately notifies the other party of the requirements for such disclosure and reasonably cooperates in obtaining any protective order desired by the other party, at the other party's expense, with regard to such information; (c) information independently developed by the other party; (d) Member Protected Health Information; or (e) information provided to the other party with the intention that it be published, disseminated, released or distributed by such other party to Members, participating Providers, or to the general public.

1.8 CYBHI Fee Schedule program means the statewide, multi-payer, school-linked fee schedule program established by DHCS, pursuant to the Welfare and Institutions Code section 5961.4, Health and Safety Code section 1374.722, and Insurance Code section 10144.53.

1.9 FERPA means The Family Educational Rights and Privacy Act (FERPA) codified at 20 U.S.C. § 1232g, and the FERPA regulations codified at 34 CFR Part 99.

1.10 HIPAA is the Health Insurance Portability and Accountability Act of 1996 (Pub. L. 104-191), including without limitation its privacy, security and administrative simplification provisions, and the rules and regulations promulgated there under, each as may be amended from time to time.

1.11 Insurer means a commercial disability insurer that covers hospital, medical or surgical benefits as defined in Insurance Code section 106(b).

1.12 Interim Clean Claim Payment Model means the payment of claims for the CYBHI Fee Schedule Services as described in section 5.2.

1.13 Managed Care Plan or MCP means a health care service plan, as defined in Health and Safety Code section 1345(f).MCP includes both Medi-Cal and commercial lines of business. MCPs must be licensed by the Department of Managed Health Care, as applicable.

1.14 Member means an individual who is enrolled and receives health insurance coverage

from a Participating Entity and who meets all of the eligibility requirements for membership in the Participating Entity based on the registration file received by CBH from a Provider.

- 1.15 Provider means a locational educational agency (LEA), county office of education (COE), institution of higher education (IHE) or participating provider or practitioner in the DHCS CYBHI school-linked behavioral health provider network. Only participating providers or practitioners, COEs, LEAs, IHEs and designated providers and practitioners appropriately identified as part of this DHCS network will be eligible for reimbursement under the CYBHI Fee Schedule.
- 1.16 Non-Covered Services means those services specified by Participating Entity or DHCS as not covered benefits under the CYBHI fee schedule. A non-covered service may include services that were provided to a student not covered by the Participating Entity, were never performed, or were not provided by a health care provider appropriately licensed or authorized to provide the services.
- 1.17 Participating Entity means the organization that is party to this MOU. Participating Entity can be an MCP or Insurer or an organization under a delegation agreement to process claims on behalf of the MCP or Insurer who is party to this MOU.
- 1.18 Protected Health Information ("PHI") for purposes of this MOU, shall have the meaning as defined in 45 C.F.R §160.103 and/or applicable state law, but shall also include "Patient Identifying Information" ("PII") as defined in 42 C.F.R. Part 2, Subpart B, §2.11.
- 1.19 "Schoolsite" has the meaning described in paragraph (6) of subdivision (b) of Section 1374.722 of the California Health and Safety Code.
- 1.20 Security Event means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- 1.21 Security Standards means the party's minimum-security standards as made available to other party and as implemented to avoid unauthorized access to or use of information and data maintained by the party.
- 1.22 State Regulators means the California Department of Managed Health Care (DMHC), California Department of Health Care Services (DHCS), and California Department of Insurance (CDI).

Article 2: Relationship

2.1 Relationship of Parties. In the performance of their respective roles and responsibilities in the CYBHI Fee Schedule program and the provisions hereunder, the relationship between the parties and their respective employees and agents is that of independent parties entering the MOU with each other solely for the purpose of carrying out the terms of this MOU. Nothing in this MOU or otherwise should be construed or is deemed to create any other relationship, including one of employment, agency or joint venture. Except as specifically provided for herein, the parties agree that neither CBH nor Participating Entity will be liable for the activities of the other nor their respective agents or employees, including, without limitation, any liabilities, losses, damages, injunctions, lawsuits, fines, penalties, claims or demands of any kind or nature by or on behalf of any person, party or government agency arising out of or related to this MOU.

2.1.1. The parties understand and agree that CBH is performing these services pursuant to its contract with DHCS (DHCS Agreement #23-30348). Both parties enter into this MOU to effectuate the CYBHI Fee Schedule program and Provider Network.

2.1.2. Each party respectively shall, at all times, arrange directly with its employed staff (if any) for all salaries and other remuneration; and shall be solely responsible (with respect to its employees) for the payment of all applicable federal, state or local withholding or similar taxes and provision of worker's compensation and disability insurance.

2.1.3. Each party respectively shall not by entering into and performing this MOU become liable for any existing obligations, liabilities or debts of the other party and each party respectively shall not by this MOU assume or become liable for any of the obligations, debts and liabilities of the other unless otherwise expressly provided herein.

2.1.4. Under no circumstance will CBH be held accountable by Participating Entity or DHCS to fund claims not otherwise funded by Participating Entity.

2.2 Designated Representatives. Each party shall designate in writing a representative who shall represent it in the day-to-day administration of this MOU. The parties may change the afore-referenced designations upon prior written notice to the other party as provided in section 10.6.

2.3 Authority. CBH does not have discretionary authority in the administration of CYBHI Fee Schedule claims payment except to the extent that such claims payment is the responsibilities or obligations of CBH under its agreement with DHCS and this MOU.

2.4 CBH Facilitates Claims Administration and Payment Remittance. The parties acknowledge and agree that per DHCS guidance and requirements, Providers will submit claims to CBH. CBH will review the claims to ensure proper coding. Claims found to contain errors will be returned to the respective Provider for correction. CBH will prepare and send an invoice listing

Clean Claims for eligible members to the Participating Entity. Participating Entity will review Clean Claims and send claims payment to CBH. CBH will remit payment for Clean Claims to Providers in a timely manner.

2.5 Funding. As required under the Welfare and Institutions Code section 5691.4(c), Health and Safety Code section 1374.722, and Insurance Code section 10144.53, Participating Entities are mandated under state law to provide reimbursement to providers for school-linked behavioral health services (i.e., Covered Services). Participating Entity member benefits for Covered Services shall be funded by the Participating Entity. CBH is not responsible for providing funds to pay Participating Entity benefits.

2.6 Third Party Beneficiaries. Except as specifically provided herein, the terms and conditions of this MOU shall be for the sole and exclusive benefit of CBH and Participating Entity. Nothing herein, express or implied, is intended to be construed or deemed to create any rights or remedies in any third party, including, without limitation, a member.

2.7 Conflict of Interest. Participating Entity and CBH respectively represent that to the best of their respective knowledge and belief at the time of signature to this MOU, neither CBH nor Participating Entity, respectively, nor their respective affiliates, subsidiaries or parent companies, has financial, legal, contractual or other business interests that would conflict with their respective participation and performance under this MOU.

2.8 No Indemnification. Neither party shall require the other party to indemnify it for any expenses or liabilities, including, without limitation, judgments, settlements, attorneys' fees, court costs and any associated charges, incurred in connection with any claim or action brought against a party based on the other party's management decisions, claims processing determinations, or other policies, guidelines or actions.

2.9 Providers Not Indemnified. Regardless of any provision to the contrary, the parties agree that Providers are not the agents of CBH or Participating Entity and in no event shall CBH or Participating Entity be obligated to indemnify or hold the other harmless against any acts or omissions of Providers. Nothing in this MOU requires CBH or Participating Entities to indemnify providers.

2.10 Cooperation. During the term of this MOU and subject to any legal or contractual restrictions, the parties agree to reasonably cooperate to address issues associated with claims dates of service.

Article 3: Data Sharing & Ownership

3.1 Data Sharing & Ownership. All information and materials, including computer software, provided by a party to the other party in connection with performance of services, including

modifications, changes and derivatives thereto are and shall remain the property of providing party or the providing party's licensors, who shall retain all intellectual property rights therein. The receiving party obtains no right, title, or interest therein, except that receiving party may use the information and materials made available by the providing party for the sole, exclusive and limited purpose of performing services under this MOU. Each party, respectively, shall comply with the terms of any license or other agreement applicable to the disclosing party. A receiving party shall not encumber a disclosing party's information and materials in any way, and promptly shall return to the materials in the receiving party's possession or control upon the disclosing party's request and in any event upon termination or expiration of this MOU.

- 3.2 Virus Protection and Malware Protection. The system and any software/hardware used by either party, respectively, in the performance of services hereunder shall not, to the best of such party's knowledge, contain any program routine, device, or other undisclosed feature, including, without limitation, a time bomb, virus, software lock, drop-dead device, malicious logic, worm, Trojan horse, bug, error, defect or trap door, that is capable of deleting, disabling, deactivating, interfering with, or otherwise harming the other party's hardware, data, or computer programs or codes, or that is capable of providing unauthorized access or produce unauthorized modifications. Additionally, each party shall configure malicious code and spam protection mechanisms to (i) perform periodic scans of the information system according to organization guidelines; (ii) perform real-time scans of files from external sources at endpoints and network entry/exit points as the files are downloaded, opened, or executed in accordance with organizational security policy; and, (iii) block malicious code, quarantine malicious code, or send an alert to the administrator in response to malicious code detection.
- 3.3 Access. Each party: (a) will provide the other with a copy of their respective terms of use and/or security guidelines applicable to any use or access to the party's system or any software/hardware, respectively; and (b) agrees that any of its employees or independent contractors that access the other's systems shall access only information, reports and data applicable to performance under this MOU; and (c) shall follow procedures and guidelines established by the other regarding access to their systems and/or software/hardware. In addition, each party agrees to implement necessary security controls and adhere to and comply with, in all material respects, the other's Security Standards. Each party shall comply with any amended Security Standards of the other party as soon as possible but in no event later than the time period required for compliance indicated in any law, rule, regulation, order, judgment or decree.
- 3.4 Security Breaches/Events. In the event that a party learns or has reason to believe that its Security Standards have been breached or the other party's Confidential Proprietary Information has been disclosed or accessed by an unauthorized party, each party will immediately give notice of such event to the other party. Furthermore, in the event that either party has a Security Event in relation to this MOU, the following shall apply: Each party acknowledges and agrees: (a) that upon a Security Event, the law may require that party to notify the individuals whose information was compromised or disclosed that a Security Event has occurred; (b) each party will notify the other immediately if either party learns or has

reason to believe a Security Event has occurred; (c) where applicable, each party will provide the other with a copy of the individual notice of Security Event prior to mailing same to those individuals whose data was compromised or disclosed; and (d) upon a Security Event, the parties agree to comply with any state or federal laws regarding notice the appropriate state or federal authorities.

- 3.5 The party identifying the security breach shall make the notification to the relevant State Regulator, in accordance with contractual obligations and/or state and federal law.
- 3.6 Security and Supervision. Each party's personnel, when on the other's premises or accessing the other's networks or providing services hereunder, will comply with all of the other party's security, supervision and other standard procedures applicable to such personnel.
- 3.7 Data Collection/Sharing for Reports. The parties shall cooperate with each other in collecting and sharing data that Participating Entity or CBH requires in order to perform services hereunder or to report to regulators, accreditation entities, and other third parties.

Article 4: [reserved]

ARTICLE 5: RESPONSIBILITIES OF EACH PARTY

- 5.1 Screening Providers. In accordance with the DHCS-approved procedures, CBH shall screen CYBHI Providers ("CYBHI Screening Process") and rescreen CYBHI Providers. CBH will screen and enroll Providers required within sixty (60) calendar days of receipt of the Standard Provider Import ("SPI"). The CYBHI Screening Process for licensed and Pupil Personnel Services ("PPS") providers shall include verification of identity such as name, date of birth, NPI, licenses or PPS credentials issued by the state, as applicable, suspended, excluded and ineligible provider databases, and various sanctions checks. Participating Entity shall accept claims from Providers screened by CBH for the CYBHI program. The CYBHI Screening Process shall include verification of Medi-Cal enrollment, as applicable. Where a CYBHI Provider is not yet Medi-Cal enrolled, such Provider shall have a one hundred and twenty (120) calendar day period to complete the Provider Application and Validation for Enrollment ("PAVE") Medi-Cal enrollment process ("Enrollment Grace Period"). During the Enrollment Grace Period, Participating Entities shall accept and pay claims from Providers. After the Enrollment Grace Period if the Provider is not Medi-Cal enrolled, then Provider shall be disenrolled and CBH shall recoup applicable claims payment from Provider for refund to Participation Entity as appropriate.
- 5.2 Claims Administration and Payment Remittance. CBH shall process all claims information from Providers for CYBHI Services as directed by DHCS guidance CBH shall submit invoices on a

CBH provided layout to Participating Entity for review and applicable fulfillment via sFTP exchange. Such invoices shall include pertinent member, provider and service detail in accordance with Section 5.4. CBH shall reject and return claims which do not qualify as Clean Claims to claims submitter. Such claims shall not be delivered to the Participating Entity. Within 21 calendar days of receipt of invoice, Participating Entity shall send CBH an electronic post-review response file utilizing the provided layout in accordance with Section 5.4 and shall send the financial fulfillment of the invoice to CBH in accordance with Section 5.4, or may reject or deny the invoice if permitted by state and federal law. In accordance with DHCS requirements, CBH shall send remittance of claims to Providers.

Claims shall be funded by the Participating Entity for its enrolled members when claims are submitted by eligible providers as part of the CYBHI Fee Schedule program.

5.2.1 Interim Clean Claims Payment Model. Until such time as CBH and the Participating Entity jointly complete critical technical onboarding for the Administrative Services Organization (ASO) Payment Model, Participating Entity agrees to the following procedures:

5.2.1.1 CBH is responsible for verifying eligibility of Providers, in accordance with DHCS-approved policies and procedures, prior to submitting Clean Claims invoice(s) to the responsible Participating Entity for payment. DHCS will oversee and monitor compliance with its contract with CBH, including associated policies and procedures for the CYBHI Fee Schedule program.

5.2.1.2. Participating Entity must verify member eligibility, identify Clean Claims on the invoice sent by CBH that are deemed "payable" and remit payment to CBH within state-specified timelines.

5.2.1.3. Alternately, CBH may verify member eligibility using enrollment data from the Participating Entity once the eligibility file exchange is setup between CBH and the Participating Entity. Upon completion of this exchange, section 5.2.1.2 will become inoperable. Participating Entity may reconcile claims report during audit processes.

5.2.1.4. If any Clean Claim(s) on the invoice is determined to be ineligible for payment (i.e., the member is not in an eligible coverage type or is not enrolled in the Participating Entity), Participating Entity shall indicate its determination on the invoice and submit back to CBH.

5.3 ASO Payment Model. CBH and Participating Entity agree to work collaboratively to implement the ASO Payment Model infrastructure during the Interim Clean Claims Payment Model period, as directed by DHCS. Upon full implementation of ASO Payment Model, which

includes the execution of an ASO Payment Model MOU, the Interim Clean Claims Payment Model MOU shall no longer be necessary to effectuate payment of Clean Claims.

5.3.1 Within sixty (60) business days of completing ASO implementation, as mutually defined by CBH and Participating Entity, CBH will send Participating Entity a complete encounter data record for all Clean Claims paid during the Interim Clean Claims Payment Model period.

5.4 CBH Reporting to Participating Entity: CBH shall send a weekly claim report file in accordance with Exhibit B and shall include:

- (a) CBH Claim Reference ID
- (b) Federal Tax ID
- (c) Billing NPI
- (d) Billing Provider Name
- (e) Billing Provider Address
- (f) Servicing Provider NPI
- (g) Servicing Provider Name
- (h) Servicing Provider Address
- (i) Rendering NPI
- (j) Render Provider Name
- (k) Date of Service From
- (l) Date of Service To
- (m) Service Code
- (n) Diagnosis Code 1
- (o) Diagnosis Code 2
- (p) Diagnosis Code 3
- (q) Diagnosis Code 4
- (r) Billed/Charged Amount
- (s) Coinsurance Amount
- (t) Deductible Amount
- (u) Copay Amount
- (v) Paid Amount
- (w) CARC Codes
- (x) Place of Service

- In the event that there are no claims for the week, no report will be sent.

5.5 Claims Validation. CBH shall review claims received from Providers and determine that the claim is eligible for payment under the CYBHI Fee Schedule based on DHCS business rules.

5.6 Quality Monitoring. In accordance with DHCS guidance, CBH shall develop a Quality Monitoring plan with DHCS that provides oversight of the requirements outlined in this MOU.

5.7 Provider Dispute Resolution. CBH will review Provider claims disputes, including but not limited to claims disputes regarding claims that are a) paid at the incorrect rate; b) include an incorrect interest payment; and c) incorrectly denied for no coverage or not a Covered Service. In accordance with California law, CBH will timely acknowledge receipt of the dispute notice, document the determination and timely share the determination letter with the Provider. CBH will send provide dispute resolution reports to DHCS in accordance with CBH's contract with DHCS.

5.8 CBH Available Normal Business Hours. The CBH's call center for members and providers will be available from 8:00am – 5:00pm PT, Monday through Friday. The after-hours message will indicate that if this call is about a routine business matter, please call back during administrative business hours, which are 8:00 am - 5:00 pm PT, Monday through Friday.

5.8.1 CBH will assign a CBH Representative to each Participating Entity for the purposes of resolving routine business matters.

5.9 Member Grievances, Insurer Complaints and Appeals. CBH will handle member grievances, insurer complaints and appeals, as appropriate, in accordance with DHCS guidance.

5.10 Provider Complaint Process. CBH will address complaints from providers related to CBH's services or processes, including dissatisfaction with customer service or billing procedures.

5.11 Delay in Furnishing Information. Regardless of any provision to the contrary, CBH will not be responsible for delay in the performance or nonperformance of services to the extent caused by or contributed to by the failure of Participating Entity or Providers to furnish any required information promptly.

5.12 Network Support. CBH shall assist DHCS with Provider network support, Provider inquiry support, Provider relations, and Provider education and communication for the CYBHI program. CBH will work directly with DHCS to support Providers and Participating Entity with Technical Assistance.

5.13 ASO Implementation. Participating Entity and CBH shall timely coordinate activities to implement the ASO infrastructure based on DHCS-approved prioritization and sequencing of Participating Entities. CBH and Participating Entity shall dedicate sufficient and appropriate staffing and resources to ensure all ASO implementation timelines are met.

ARTICLE 6: COMPENSATION

6.1 Payments. The parties acknowledge that DHCS shall compensate CBH for its CYBHI administrative services in accordance with the contract between CBH and DHCS.

6.2 Taxes, Assessments & Surcharges. Each party shall be solely responsible for its respective state and/or federal tax obligations arising from or relating to this MOU. Notwithstanding the

above and/or anything to the contrary in this MOU, where there is a tax, assessment, fee, or surcharge: (a) on medical, behavioral health and/or chemical dependency services, and/or claims costs, whether inpatient or outpatient; (b) surcharge imposed upon plans operating and/or claims for services rendered by providers in the state; and/or (c) for covered lives within a state, Participating Entity is and shall remain responsible for registration, calculation, payment and any associated reporting for these taxes, assessments, fees, and/or surcharges.

ARTICLE 7: TERM AND TERMINATION

- 7.1 Term. This MOU is in place as required by DHCS and shall run concurrently with the CYBHI Fee schedule program unless either party's relationship to the CYBHI program terminates or a new MOU is fully executed between the parties for the ASO Payment Model. The term of this MOU shall commence concurrent with the effective date of the CYBHI Fee Schedule (the "**Commencement Date**") and continue through termination of the CYBHI Fee Schedule by DHCS, or termination of either party from its role in the CYBHI Fee Schedule by DHCS.
- 7.2 Termination with Cause. With written permission from DHCS, either party may terminate this MOU for cause at any time by giving the other party at least ninety (90) calendar days prior written notice of a material breach hereunder, provided that the party seeking termination for cause will allow the breaching party sixty (60) calendar days in which to cure such breach. Should the breaching party cure such breach to the reasonable satisfaction of the terminating party on or before the end of the above referenced sixty (60) calendar day period, then this MOU shall remain in full force and effect.
- 7.3 Termination Without Cause. DHCS oversees the CYBHI Fee Schedule program and party engagement. This MOU cannot be terminated without cause.
- 7.4 Automatic Termination. This MOU shall automatically terminate upon termination of the DHCS' agreement with CBH, upon full execution of a successor contract between the parties such as an administrative services agreement for this same DHCS CYBHI Fee Schedule program, or upon the revocation, suspension or restriction of any license, certificate, or other authority required to be maintained by CBH or Participating Entity in order to perform the services required under this MOU or upon the CBH's or Participating Entity's failure to obtain such license, certificate or authority.
- 7.5 Termination Resulting from Insolvency. At the option of a party, on the date or within sixty (60) calendar days of the other party becomes insolvent, is adjudicated as a bankrupt entity, has its business come into the possession or control of a trustee in bankruptcy, has a receiver appointed for it, or makes a general assignment for the benefit of creditors. If any of these events occurs: (a) no interest in the MOU may be deemed as an asset of creditors; (b) no interest in this MOU may be deemed an asset or liability of Participating Entity; and (c) no interest in this MOU may pass by the operation of law without the consent of the other party.

7.6 Notice to Members. Following notice of termination of this MOU by DHCS or either party, DHCS will determine which party will notify Members and Providers, and other persons and entities that DHCS deems to have an interest herein of such termination. Each party agrees to provide the other party with an advance copy of such Member notice(s).

Article 8: Governing Law & Compliance

8.1 Governing Law. This MOU shall be governed by, and construed in accordance with, the laws of the State of California and federal law, including regulatory guidance issued by applicable State Regulators.

8.2 Operations of Parties. Participating Entity and CBH agree to comply with all applicable state and/or federal laws, rules, regulations, as may be amended, including without limitation: (a) those applicable requirements of the Americans with Disabilities Act; and (b) those designed to prevent or ameliorate fraud, waste and abuse, and (c) applicable policy guidance issued by State Regulators.

8.3 Member Hold Harmless. CBH and Participating Entity acknowledge and agree that in no event, including but not limited to, the insolvency of Participating Entity, breach of the MOU and/or non-payment for services by Participating Entity, shall CBH or Participating Entity bill, charge or seek compensation, remuneration or reimbursement from, or assert any legal action against members for payment of any fees or amounts that are the legal obligation of Participating Entity. Members shall be held harmless from and shall not be liable for any such amounts.

8.4 Participating Entity Compliance.

(a) Participating Entity is responsible for compliance with all applicable provisions of state and federal law, rules and/or regulations governing, affecting and/or regarding Participating Entity licensure, certification and/or accreditation, Participating Entity rights, duties and/or obligations, except to the extent the same are responsibilities or obligations of CBH under this MOU. This includes compliance with all legal reporting and disclosure requirements, adoption and approval of all required documents respecting the Participating Entities.

(b) In addition, Participating Entity shall: (i) ensure that it is duly organized, validly existing and in good standing under the laws of the State of California; (ii) maintain all requisite federal, state and local authority, permits and licenses necessary or appropriate to operate and to carry out its obligations hereunder; (iii) monitor CBH's performance of management and administrative functions on an ongoing basis; and (iv) anything contained herein to the contrary notwithstanding, Participating Entity shall remain ultimately responsible for assuring that the Participating Entity is operated in accordance with all applicable federal, state and local laws, rules and regulations.

8.5 Non-Discrimination. Non-Discrimination. The parties will perform their respective obligations under this MOU in manner so as not to discriminate against Members on the basis of color,

race, creed, age, sex, (which includes discrimination on the basis of sex characteristics, including intersex traits, pregnancy or related conditions, gender, gender identity, sex stereotypes, and sexual orientation), disability, place of origin, source of payment, or type of illness or condition.

8.6 Excluded Individuals/Entities. Participating Entity and CBH respectively represent that neither is nor knowingly is employing nor knowingly employs or contracts with individuals or entities excluded from or ineligible for participation in any government sponsored health care program.

8.7 Direction. Neither party shall knowingly direct the other to act or refrain from acting in any way that would violate any applicable law, rule or regulation. Neither party shall knowingly behave in any way that is intended to implicate or involve the other in a violation of these laws.

8.8 Payments. The parties agree that nothing contained in this MOU, nor any payment made by Participating Entity to CBH, or by CBH to any Provider, is a financial incentive or inducement to reduce, limit or withhold medically necessary services to Members.

Article 9: Dispute Resolution

9.1 Dispute Resolution. The parties agree to attempt to resolve any disputes arising with respect to the performance or interpretation of this MOU promptly by negotiation between the parties. The exclusive remedy for unresolved disputes between the parties under this MOU, including without limitation a dispute involving interpretation of any provision of this MOU, questions regarding application and/or interpretation of applicable state and/or federal laws, rules or regulations, the parties' respective obligations under this MOU, or otherwise arising out of the parties' business relationship, shall be resolved by binding arbitration.

(a) The party initiating binding arbitration shall provide prior written notice to the other party identifying the nature of the dispute, the resolution sought, the amount, if any, involved in the dispute, and the names and background of at least two (2) potential arbitrators.

(b) The submission of any dispute to arbitration shall not adversely affect any party's right to seek available preliminary injunctive relief.

(c) Any arbitration proceedings shall be held in a mutually agreed upon location in the State of California in accordance with and subject to the Commercial Arbitration Rules of the AAA then in effect, or under such other mutually agreed upon guidelines and before a single arbitrator selected by the parties. Discovery shall be permitted in the same manner, types and times periods provided for by the Federal Rules of Civil Procedure.

(d) To the extent the parties are unable to agree upon an arbitrator, the parties agree to use an arbitrator selected by the AAA from a list of arbitrators chosen by the parties as individuals with knowledge and expertise in the area or issue in dispute.

- (e) The arbitrator: (i) may construe or interpret but shall not vary or ignore the terms of this MOU; (ii) shall be bound by applicable state and/or federal controlling laws, rules and/or regulations; and (iii) shall not be empowered to certify any class or conduct any class-based arbitration or award any punitive or consequential damages.
- (f) The decision of the arbitrator shall be final, conclusive and binding. Judgment upon the award rendered in any such arbitration may be entered in any court of competent jurisdiction, or application may be made to such court for judicial application and enforcement of the award, as applicable law may require or allow.
- (g) Each party shall assume its own costs (including without limitation its own attorneys' fees and such other costs and expenses incurred related to the proceedings), but the compensation and expenses of the arbitrator and any administrative fees or costs of any arbitration proceeding(s) hereunder shall be borne equally by the parties.
- (h) Nothing contained in this provision shall be construed to give any Member any rights to arbitrate any dispute with Participating Entity or CBH regarding benefits payment or any other matter related to administration of the Participating Entity.
- (i) This Section 9.1 shall survive any expiration or termination of this MOU.

ARTICLE 10: GENERAL PROVISIONS

- 10.1 Records. CBH agrees to maintain records related to CYBHI Services rendered by Providers for time periods as required by State Regulators or such longer period(s) of time as may be required by applicable law.
- 10.2 Access. Subject to any legal restrictions, CBH shall provide State Regulators, the California Department of Health and Human Services (CHHS), the Office of Inspector General (OIG), the General Accounting Office (GAO), the Comptroller General, and/or other applicable regulatory agencies, or their respective designees with timely access to any contracts, books, financial records, medical records, documents, papers and other records and information, including without limitation financial or otherwise, that are possessed in any medium, including electronic media (collectively, "Records"), and their respective facilities, as they apply to CBH's obligations under the MOU and/or as related to services rendered to Members. CBH agrees to cooperate in investigations conducted by the above noted authorized regulatory agencies, including through electronic means and any resulting legal actions. To the greatest extent feasible, all Records shall be furnished in a format that is digitally searchable.
- 10.3 Confidentiality of Clinical Records & HIPAA. The parties agree to comply with all applicable confidentiality and privacy laws, and to maintain processes designed to protect the confidentiality of Member medical information, personally identifiable information and PHI as required by

applicable state and/or federal laws, rules and/or regulations, including, without limitation, HIPAA (including its privacy, security and administrative simplification rules and acts) (45 CFR Part 160 and Subparts A and E of Part 164), the Confidentiality of Medical Information Act (California Civil Code Section 56 *et seq.*), the Insurance Information Privacy Practices Act (California Insurance Code Section 791, *et seq.*), and the California Consumer Privacy Rights Act (California Civil Code Section 1798.100, *et seq.*). The parties acknowledge and agree that CBH is a business associate of DHCS subject to a Business Associate Agreement ("BAA") (as that term is defined in HIPAA). With respect to the treatment of PHI, the terms of the BAA between DHCS and CBH shall control.

10.4 Confidential Proprietary Information. Each party shall hold Confidential Proprietary Information of the other in the strictest confidence and shall not disclose it to anyone other than those employees and agents performing services for or in support of this MOU and who have a need to know, and then only to the extent necessary, in order to carry out the terms of this MOU, or to accreditation authorities, to the extent necessary. Confidential Proprietary Information may not be used in any way not specifically allowed under this MOU, including in each party's own business, whether or not competitive with the other party. The party in possession of or otherwise with access to the other party's Confidential Proprietary Information shall employ such processes and take such care as to safeguard the confidentiality of such Confidential Proprietary Information. Each party will promptly notify the other of any loss or accidental or unauthorized disclosure of the other's Confidential Proprietary Information. Upon termination of this MOU, the recipient of Confidential Proprietary Information shall promptly deliver to the other party any and all such Confidential Proprietary Information of the other party in its possession or under its control, and any copies made thereof, except as otherwise provided for by the express prior written permission of the party to whom the Confidential Proprietary Information belongs. The parties recognize that no remedy of law may be adequate to compensate a party for a breach of the provisions of this Section 10.4; therefore, the parties agree that a party may seek temporary or permanent injunctive relief against the party breaching this provision, in addition to all other remedies to which either is otherwise entitled, and this provision in no way limits such other remedies of the parties. Such temporary or permanent injunctive relief may be granted without bond, which each party waives.

10.5 Member Communications. DHCS determines how the parties may communicate with Members. The parties acknowledge and agree that nothing contained in this MOU is intended to interfere with or hinder communications between Providers and Members regarding a Member's medical condition or mental health or substance use disorder or available treatment options. The parties agree that all patient care and related decisions are the responsibility of the treating Provider and that, regardless of any coverage or payment determination(s) made or to be made by Participating Entity or CBH, neither Participating Entity nor CBH dictates nor controls clinical decisions with respect to the medical and/or behavioral health care or treatment of Members. All communications with a member shall comply with confidentiality requirements set forth under state and federal law as applicable, including requirements

related to sensitive services as set forth under California Insurance Code section 791.29 and California Civil Code section 56.107

- 10.6 Notice. Any notice required by this MOU shall be given in writing to the liaison person designated by a party, sent by United States mail, return receipt requested, or by Federal Express, UPS, or other overnight mail service, with postage prepaid, signature required, and addressed to each party at the addresses set forth below their respective signatures to this MOU, or at any other address of which a party has given notice in accordance with this Section. Notice shall be deemed given on the date of delivery or refusal as shown on the return receipt if delivered by mail or the date upon which such notice is personally delivered in writing to the designated liaison person.
- 10.7 Assignment. Neither this MOU nor any right, interest or obligation hereunder may be assigned (by operation of law or otherwise) by any party without the prior written consent of the other party and any attempt to do so will be void; provided, however, that: (a) the parties may, upon notice to the other but without being obligated to obtain the other's consent, assign this MOU or any of its rights, interests or obligations hereunder to a wholly owned affiliate or subsidiary or parent company of the party; and (b) no such written consent will be required in connection with a change of control, merger or reorganization of a party, or a sale of all, or substantially all, of such party's assets. Subject to the preceding sentence, this MOU is binding upon, inures to the benefit of and is enforceable by the parties hereto and their respective successors and assigns.
- 10.8 Amendments. All amendments or modifications to this MOU shall be effective only upon mutual written agreement of the parties.
- 10.9 Waiver. Waiver, whether express or implied, of any breach of any provision of this MOU shall not be deemed to be a waiver of any other provision or a waiver of any subsequent or continuing breach of the same provision. In addition, waiver of one of the remedies available to either party in the event of a default or breach of this MOU by the other party shall not at any time be deemed a waiver of a party's right to elect such remedy(ies) at any subsequent time if a condition of default continues or recurs.
- 10.10 Marketing. Except as otherwise specifically provided for herein, neither party will advertise or utilize any marketing materials, logos, trade names, service marks, or other materials created or owned by the other without their prior written consent. Neither party will acquire any right or title in or to the marketing materials, logos, trade names, service marks or other materials of the other.
- 10.11 Force Majeure. Neither party nor their subcontractor(s) or affiliate(s) hereto shall be held responsible for delay or failure to perform hereunder when such delay or failure is due to fire, flood, epidemic, strikes, acts of God or the public enemy, acts of terrorism, acts of war, unusually severe weather, legal acts of public authorities, or delays or defaults caused by

public carriers, or other circumstances which cannot reasonably be forecast or provided against.

10.12 Disaster Recovery. Both parties have in place disaster recovery programs to preserve and protect data in the event a party's electronic information is damaged, destroyed or compromised by a malfunction/dysfunction of a mainframe or other high-end platform at the party's primary data center. The parties will make all commercially reasonable efforts to implement their disaster recovery program to restore the continuity of their business operations and reinstate the provision of services as soon as possible. A disaster as used in this section is an event as described in Section 10.11 above.

10.13 Severability. Any term or provision of this MOU that is invalid, illegal or unenforceable in any situation in any jurisdiction shall not affect the validity, legality or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If such invalidity, illegality or unenforceability is caused by length of time or size of area, or both, the otherwise invalid provision shall be, without further action by the parties, automatically amended to such reduced period or area as would cure such invalidity, illegality or unenforceability; provided, however, that such amendment shall apply only with respect to the operation of such provision in the particular jurisdiction in which such determinations is made.

10.14 Ancillary Agreements. The parties agree to execute or cause to be executed such ancillary agreements as are appropriate and necessary to enable the services described in this MOU to be performed as mutually agreed upon by the parties.

10.15 Interpretation. The parties hereto agree that this MOU is the product of negotiation between sophisticated parties and individuals, all of whom were represented by, or had an opportunity to be represented by legal counsel, and each of whom had an opportunity to participate in, the drafting of each provision hereof. Accordingly, ambiguities in this MOU, if any, shall not be construed strictly or in favor of or against any party hereto but rather shall be given a fair and reasonable construction.

10.16 Attachments & Exhibits. Incorporated into this MOU by reference are the following attachments and exhibits:

- Exhibit A Claim Invoice File Layout
- Exhibit B CYBHI Fee Schedule Program Participating Entity Interim Model Companion Guide

10.17 Counterparts; Facsimile Execution & Captions. This MOU may be executed and delivered: (a) in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument; and/or (b) by facsimile, in which case the instruments so executed and delivered shall be binding and effective for all purposes. The captions in this MOU are for reference purposes only and shall not affect the meaning of terms

and provisions herein.

10.18 Entire MOU. This MOU, including all exhibits, attachments, schedules, addenda and amendments hereto, contains all the terms and conditions agreed upon by the parties regarding the subject matter of this MOU. Any prior agreements, promises, negotiations or representations of or between the parties, either oral or written, relating to the subject matter of this MOU, which are not expressly set forth in this MOU are null and void and of no further force or effect.

The authorized representatives of the parties hereto have executed this MOU to be effective as of the Commencement Date identified above.

CenCal Health

Signed by:
By: Kashina Bishop, CPA
934D481B50884E3...

Print Name: Kashina Bishop, CPA

Title: CFO

Date: 4/22/2025

By: _____

Address for Notice:

CenCal Health
4050 Calle Real
Santa Barbara, CA 93110
Attn: General Counsel

Copy to:

Claims Director

CenCal Health
4050 Calle Real
Santa Barbara, CA 93110

Carelon Behavioral Health, Inc.

Signed by:
By: Corbin Petro
974EE4424E5F437...

Print Name: Corbin Petro

Title: President

Date: 4/25/2025

By: _____

Address for Notice:

General Counsel
Carelon Behavioral Health, Inc.
200 State Street, 3rd floor
Boston, Massachusetts 02109