INDEX

- Letter of Health Services Agency dated March 26, 2002

ITEM

048. ADOPTED RESOLUTION NO. 96-2002 accepting and appropriating $90,650 in unanticipated State revenue into Health Services Agency Mental Health budget; approved agreements with Families First, Alliance for Community Care, National Deaf Academy, and Lincoln Child Care to provide mental health treatment services, as recommended by the Health Services Agency Administrator.
March 26, 2002

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

RE: Mental Health Treatment Services of Adolescents in Residential Placements

Dear Members of the Board:

The Children's Interagency System of Care works together to meet the out-of-home placement and treatment needs of Santa Cruz County’s highest risk children and youth. This System includes key partnerships between the Health Services Agency (HSA), the Human Resources Agency (HRA) and Probation. Most required out-of-home placements are made by the primary placement agencies of HRA for court dependents, or Probation for court wards. These placements come under the jurisdiction of the Juvenile Court, are initiated by HRA or Probation, and primarily funded through AFDC foster care payments through HRA. HSA Mental Health works collaboratively with these partner agencies to ensure access to necessary treatment services, which sometimes requires the establishment of Mental Health contracts specific to the vendor providing the service, either here or in another county.

Occasionally, Mental Health will also make an out-of-home placement in collaboration with Special Education under section 26.5 of the Government Code for specialized residential/treatment needs for emotionally disturbed youth. Finally, Mental Health is responsible for securing necessary treatment from vendors for specialized services that cannot otherwise be provided, such as for certain deaf clients, or Aid to Adoptive Parents (AAP) youth with Medi-Cal from one county while residing in another.

The departments mentioned above have worked together over the last few months to find the most appropriate placement and treatment options for four youth whose needs
could not be met within current placement venues. Mental Health has been working with the identified vendors below in developing the required mental health treatment contracts. As of March 26, 2002, two youth are being served on an outpatient basis for specialized mental health services and two youth are placed in residential facilities that serve Seriously Emotionally Disturbed adolescents. Four agreements for these services are attached for your Board’s approval.

HSA is requesting that your Board approve these agreements retroactive to the dates that the children were placed at each facility. These placements are made on an immediate basis through regular HRA or Probation processes. At that same time, HSA assessed the child’s mental health treatment needs and negotiated the services to be delivered and the cost associated with each service. HSA then worked with County Counsel, Risk Management and the vendor to develop a contract for your Board’s approval.

Following is a description of each facility and the mental health services HSA is contracting for.

1. **Families First, Davis, CA:** In September 2001, HRA placed a seriously emotionally disturbed adolescent in this specialized sub-acute facility. Families First has a high staff to client ratio and includes a full-day Medi-Cal certified intensive day treatment program. No other program in the state was available, nor appropriate, at the time of placement to meet the needs of this high-risk youth.

   This facility’s rate for the day treatment program is $120 per day. This rate is within the maximum allowable amount for Short-Doyle/Medi-Cal services, allowing full reimbursement to the County from EPSDT Federal and State funds for these services.

2. **Alliance for Community Care, San Jose, CA:** In November 2001, HRA placed a seriously emotionally disturbed adolescent in this specialized sub-acute facility. Alliance for Community Care has a high staff to client ratio and includes a full-day Medi-Cal certified intensive day treatment program. At the time of placement, this vendor was the only one with an available opening at the required level of care. In addition, the Alliance was able to provide necessary Therapeutic Behavioral Services (TBS) billable through Medi-Cal, which involves the provision of 1:1 behavioral support for youth with serious emotional and behavioral problems.

   This facility’s rate for the day treatment program is $168.98 per day. The reimbursement for Therapeutic Behavioral Services will be actual cost up state maximum reimbursement limits. These rates are within the maximum allowable amount for Short-Doyle/Medi-Cal services, allowing full reimbursement to the County from EPSDT Federal and State funds for these services.

3. **National Deaf Academy, Mt. Dora, FL:** In November 2001, HSA Children’s Mental Health placed a seriously emotionally disturbed, deaf adolescent in this specialized
sub-acute facility. This youth was also a Juvenile Probation ward at the time, and is still being followed by the Juvenile Court. In addition, this youth was concurrently a Special Education pupil, and was ultimately placed out-of-state through 26.5 of the Government Code—in part because this facility could only be accessed through this legal route. This youth had just failed a similar placement at Desert Hills in New Mexico, and required immediate re-placement. The National Deaf Academy in Florida is the only facility in the country found to have a program that will meet this youth’s needs. It has a high staff to client ratio and includes a full-day certified intensive day treatment program. The National Deaf Academy will provide the necessary therapies to address the minor’s identified needs within a safe and therapeutic environment.

This facility’s rate for the day treatment program is $330.54 per day. Since this cost is for an AB 3632 out-of-state placement, this cost will be completely reimbursed via the SB 90 State Mandate claim process for 3632 services.

4. Lincoln Child Center, Oakland, CA.: In September 2001, HSA Children’s Mental Health, through 26.5 of the Government Code, contracted for day treatment services with Lincoln Child Center for a Special Education youth on an outpatient basis. This was the most appropriate day treatment/educational placement for this child, who is living in Alameda County. He has Santa Cruz County Medi-Cal through Aid to Adoptive Families, and it is our responsibility to provide for his mental health related needs.

This facility’s rate for the day treatment program is $90.87 per day. This rate is within the maximum allowable amount for Short-Doyle/Medi-Cal services, allowing full reimbursement to the County from EPSDT Federal and State funds for these services.

HSA’s existing budget does not include estimated revenue or appropriations associated with the AB3632 residential placements listed above. These expenditures are completely reimbursed through the SB 90 State Mandate claim process. HSA requests approval of the attached resolution accepting and appropriating unanticipated revenue to fund these contracts. No new county funds are needed or requested to fund these four agreements.

It is, therefore, RECOMMENDED that your Board:

1. Adopt the attached resolution accepting and appropriating $90,650 in unanticipated AB3632 mandate claim revenue into the HSA – Mental Health budget; and

2. Approve the attached agreements with: Families First, a new contract effective July 6, 2001 at a daily rate of $120, Alliance for Community Care, a new contract effective October 23, 2001 at a daily rate of $168.98, National Deaf Academy, a new contract effective December 4, 2001 at a daily rate of $340.24, and Lincoln
Child Care Center, a new contract effective September 4, 2001 at a daily rate of $90.87, to provide mental health treatment services delivered in adolescent residential placement and authorize the Health Services Administrator, or as their designee the Director of Administration, to sign.

Sincerely,

Rama Khalsa, Ph.D.,
Health Services Administrator

Attachments

RECOMMENDED:

Susan A. Mauriello
County Administrative Officer

Cc: County Administrative Office
Auditor-Controller
County Counsel
HSA Administration
Mental Health/Substance Abuse
BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

RESOLUTION NO. 96-2002

On the motion of Supervisor Wormhoudt
duly seconded by Supervisor Campos
the following resolution is adopted:

RESOLUTION ACCEPTING UNANTICIPATED REVENUE

WHEREAS, the County of Santa Cruz is a recipient of funds from the State of California for the AB3632 program; and

WHEREAS, the County is recipient of funds in the amount of $90,650 which are either in excess of those anticipated or are not specifically set forth in the current fiscal year budget of the County; and

WHEREAS, pursuant to Government Code Section 29130(c)/29064(b), such funds may be made available for specific appropriation by a four-fifths vote of the Board of Supervisors:

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County Auditor-Controller accept funds in the amount of $90,650 into Department Health Services Agency - Mental Health

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<th>T/C</th>
<th>Index Number</th>
<th>Revenue Subobject Number</th>
<th>Account Name</th>
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<td>0872</td>
<td>State Aid - mandated cost</td>
<td>$90,650</td>
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and that such funds be and are hereby appropriated as follows:

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<tr>
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<th>Index Number</th>
<th>Expenditure Subobject Number</th>
<th>PRJ/UCD</th>
<th>Account Name</th>
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<td>363112</td>
<td>4380</td>
<td></td>
<td>Aid to mentally ill</td>
<td>$90,650</td>
</tr>
</tbody>
</table>

DEPARTMENT HEAD I hereby certify that the fiscal provisions have been researched and that the Revenue(s) (has been) (will be) received within the current fiscal year.

By ________________________________
Department Head

Date __3/28/02__
COUNTY ADMINISTRATIVE OFFICER

\[ \checkmark \] Recommended to Board

\[ \checkmark \] Not Recommended to Board

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 9th day of April 2002 by the following vote (requires three-fifths vote for approval):

AYES: SUPERVISORS Pirie, Wormhoudt, Campos, Almquist, Beauth

NOES: SUPERVISORS None

ABSENT: SUPERVISORS None

JANET K. BEAUITZ
CHAIR OF THE BOARD

ATTEST:
GAIL T. BORKOWSKI
Clerk of the Board

APPROVED AS TO FORM:

APPROVED AS TO ACCOUNTING DETAIL:

Distribution:
Auditor-Controller
county council
County Administrative Officer
Originating Department

STATE OF CALIFORNIA
COUNTY OF SANTA CRUZ

I, SUSAN A. MAURIELLO, County Administrative Officer and ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California do hereby certify that the foregoing is a true and correct copy of a resolution passed and entered in the minutes of the said board. In witness whereof I have hereunto set my hand and affixed the seal of the said board.

SUSAN A. MAURIELLO, County Administrative Officer

By: Mary Mitchell, Deputy
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
   County Administrative Office
   Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] 3/6/2 (Date)

AGREEMENT TYPE (Check One)

- Expenditure Agreement ☑
- Revenue Agreement ☐

The Board of Supervisors hereby requests to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Mental Health (Department/Agency)
   and National Deaf Academy 19650 US Highway 441 Mt. Dora, FL 17757 (Name/Address)

2. The agreement will provide room, board, care & treatment for seriously emotionally disturbed &
   hearing impaired children ages 6-17 years.

3. Period of the agreement is from December 4, 2001 to June 30, 2004

4. Anticipated cost is $340.24 per patient day ☐ Fixed ☑ Monthly Rate ☐ Annual Rate ☐ Not to Exceed

   Remarks: FY 01/02 ENCUMBRANCE # 71,111

5. Detail: ☐ On Continuing Agreements List for FY _____ - Page CC: _____ Contract No: _____ OR ☑ 1st Time Agreement

   Section II ☐ No Board letter ☑ Board letter requested will be listed under Item 8
   Section III ☐ Board letter required
   Section IV ☑ Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 363112 (Index) 4380 (Subobject)

   NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

   Contract # 12739
   By: [Signature] 3/6/2 (Date)

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Administrator (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

By: [Signature] 3/6/2 (Date)

County Administrative Office

Distribution:

Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

[Signature] 3/6/2 (Date)

ADM - 29 (8/01)
Title I, Section 300 Proc. Man

[Signature] 3/6/2 (Date)

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

Co $ JE Amount Lines K/TI Keyed By Date

TC110 $ Amount Index Sub object User Code
County Department/Agency: The County of Santa Cruz through the 
HEALTH SERVICES AGENCY (Community Mental Health) 
1400 Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962

Hereinafter called COUNTY and:

NATIONAL DEAF ACADEMY
19650 US Highway 441
Mt. Dora, FL 32757
(352) 735-9500

hereinafter called CONTRACTOR for: room, board, 24-hour care, supervision and treatment for seriously 
emotionally disturbed deaf and hearing impaired children ages 6-17 years.

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special 
services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS pursuant to the provisions of California Government Code, Section 31000, and W & I Code, Sections 
5775, et seq., the BOARD OF SUPERVISORS of COUNTY is authorized to enter into an agreement for such services.

NOW, THEREFORE, the parties here to do mutually agree as set forth in:

<table>
<thead>
<tr>
<th>RTLE</th>
<th>EXHIBIT</th>
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<tbody>
<tr>
<td>Standard Mental Health Provisions</td>
<td>A</td>
</tr>
<tr>
<td>Standard County/Agency Provisions</td>
<td>B</td>
</tr>
<tr>
<td>Scope of Services and Budget</td>
<td>C</td>
</tr>
<tr>
<td>Exhibit D Not Included for this Agreement</td>
<td></td>
</tr>
<tr>
<td>Revisions</td>
<td>E</td>
</tr>
</tbody>
</table>

Said exhibits attached hereto and incorporated into this Agreement by this reference.

IN WITNESS THEREOF COUNTY AND CONTRACTOR have executed this Contract Agreement to be effective:

December 4, 2001 through June 30, 2004
unless terminated in accordance with the terms of this Agreement.

By: James Trush, CHIEF EXECUTIVE OFFICER

By: Rama Khalsa, HEALTH SERVICES ADMINISTRATOR

Approved as to Form:

H. Andrew & Oberholtzer, County Counsel 2-15-2002

Approved as to Insurances:

Janet M. Knodel, 2-12-2002

Distribution:
Clerk of the Board
Auditor-Controller
Health Services Agency
Community Mental Health
Contractor

Index # 363112
Subobject # 4380
Contract #
Amount $340.24 per patient day

(Reserved for Clerk of the Board of Supervisors posting of minute
Exhibit A, 2001-2002

COUNTY OF SANTA CRUZ

EXHIBIT A - STANDARD MENTAL HEALTH PROVISIONS

This is an Agreement between the parties relating to the rendering of mental health services as defined in, and for which State reimbursement may be claimed under, the provisions of the Bronzan-McCorquodale Act (Part 2 of Division 5, Welfare and Institutions Code) and its accompanying regulations contained in Subchapter 3 of Title 9, California Code of Regulations, parts of which provide definitions, standards, and procedures by and pursuant to which such services may lawfully be provided. Services shall be provided under the general supervision of the Health Services Administrator or his designee. For the purposes of this Section, "designee", may include any permanent employee on the staff of such Administrator as may be appropriately designated to provide liaison, 'coordination, or supervision over the services described herein.

1. ADMINISTRATION:

COUNTY'S Director of Mental Health, or his or her designee, hereinafter called COUNTY'S ADMINISTRATOR, under direction of the Health Services Administrator, shall represent COUNTY in all matters pertaining to services rendered pursuant to this Agreement and shall administer this Agreement on behalf of COUNTY. CONTRACTOR'S Executive Director shall administer this Agreement on behalf of CONTRACTOR.

2. NOTICE:

Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice, or may be served by certified mail, postage prepaid, return receipt requested, to the officials cited in Paragraph 1 above, for CONTRACTOR at the address cited on this Agreement's cover sheet, and for COUNTY at Community Mental Health, P.O. Box 962, Santa Cruz, CA 95061-0962, Attention: Director of Mental Health.

3. PROVISION OF SERVICES:

a. CONTRACTOR agrees to establish and conduct a program of mental health services under the Bronzan-McCorquodale Act services to persons with behavioral and emotional disorders who reside in Santa Cruz County and are eligible for treatment under the Santa Cruz County Performance Contract. All services rendered under this Agreement shall be subject to the supervision of the COUNTY'S Director of Mental Health and shall be provided in a manner consistent with the requirements of the Bronzan-McCorquodale Act; Subchapter 3 of Title 9, California Code of Regulations; and applicable ordinances and resolutions of the Santa Cruz County Board of Supervisors.

b. The COUNTY Director of Mental Health or his/her staff shall specify in writing the kind, quality and amount of service which shall be provided to each eligible patient/client under this Agreement. Said service to be mutually agreed upon and fall within parameters of this
Exhibit A, 2001-2002

Agreement.

c. CONTRACTOR agrees to provide services to program clients throughout the period of this Agreement.

d. As part of the State required Quality Assurance and Improvement Plan, CONTRACTOR shall develop a complaint and grievance process for use by clients and family members to express concerns about access to and/or quality of care. This process shall be in writing and available to the public. As part of this process, CONTRACTOR shall maintain a complaint log and provide an annual report on numbers and types of complaints, outcomes of the complaints, and system issues causing problems for patients.

e. Managed Care requires that each provider who delivers client services monitor its success helping clients avoid re-hospitalizations. Each CONTRACTOR shall develop and submit a monthly report to Mental Health Administration. This report shall include the names of clients enrolled in the program and a highlighting of clients admitted to the hospital in the prior calendar month. CONTRACTORS may obtain assistance from Mental Health Administration on how to gather the necessary data to be in compliance with this requirement.

f. Should CONTRACTOR provide services to client(s) whose payor source is a Health Maintenance Organization, CONTRACTOR shall receive prior approval from the HMO, otherwise the client shall be charged full cost for services provided; CONTRACTOR shall inform client(s) of this during the fee evaluation process or at the time of program admission.

g. Similarly, clients who receive funds distributed by a Trust of any kind shall be informed by CONTRACTOR during the fee evaluation process or at the time of program admission that they will be charged the full cost of services provided.

4. CONFORMANCE TO CWDC:

It is agreed that the Cost Reporting/Data Collection Manual, an official publication of the State Department of Mental Health promulgated pursuant to the Bronzan-McCorquodale Act, establishes basic requirements to which a contract provider must adhere for approval by the State. CONTRACTOR agrees to comply with all applicable provisions of this manual and any amendments thereto, which by this reference is incorporated into and made a part of this Agreement. A manual will be provided to the CONTRACTOR on an annual basis.

   a. Procedure for Complaint Process. All complaints alleging discrimination in the delivery of services by CONTRACTOR because of race, color, religion, age, disability, national origin, gender, or sexual orientation shall be resolved by the State through the Department of Mental Health’s Affirmative Action complaint process.

   b. Notice of Complaint Process. CONTRACTOR shall, subject to the approval of the Department of Mental Health, establish procedures under which recipients of service are informed of their rights to file a complaint alleging discrimination, or a violation of their civil rights with the Department of Mental Health.
5. RECORDS

a. Client Records. CONTRACTOR shall maintain individual records for each client. Such
records shall include identifying data, social and financial data, and a record of services
provided by various personnel in such sufficient detail to make possible an evaluation by
COUNTY of services rendered. COUNTY, at its sole option, may take custody and be
responsible for safeguarding CONTRACTOR'S client records upon termination of this
Agreement and shall thereupon act as custodian of such records for CONTRACTOR.
CONTRACTOR shall be permitted access to and have a right to make copies of such
records at any time. COUNTY agrees to maintain such records for such period as may be
required by Title 22 of the California Code of Regulations. COUNTY agrees that such
custody will conform to applicable confidentiality provisions of State and Federal law.

b. Right to Review. CONTRACTOR authorizes the State Department of Mental Health,
the Health Administrator or his/her designee and/or designated auditors of the COUNTY or
State, the right to inspect and otherwise evaluate the appropriateness and timeliness of
services performed, and to audit and inspect any books and records of CONTRACTOR
which pertain to services performed and payments made pursuant to this Agreement. The
State Department of Health shall have the same rights of inspection and evaluation of
Medi-Cal services provided by CONTRACTOR pursuant to this Agreement.

c. Confidentiality of Client Records and Information. For the COUNTY'S Mental Health
system (i.e., all Bronzan-McCorquodale funded providers) to provide coordinated, quality
care, all COUNTY and Contract providers must be able to discuss and exchange relevant
clinical and service needs information. This information must be exchanged when making
referrals, accepting referrals or coordinating service delivery to a client. Consultation with
the client regarding this exchange of information is required of the CONTRACTOR.
CONTRACTOR is responsible for insuring that its ability to exchange client information
within the Bronzan-McCorquodale provider system is maintained.

6. PAYMENT OF CLAIMS:

a. COUNTY agrees to pay CONTRACTOR on receipt of a properly submitted monthly claim
in a form found agreeable by COUNTY certifying the extent of performance under this
Agreement. Each claim shall be submitted to and approved by COUNTY'S Administrator
prior to payment by COUNTY.

b. It is further agreed that the monthly claim will be based on the proposed budget and/or
estimated units of service as presented in Exhibit C.

7. FULL COMPENSATION:

Pending any cost report adjustment, each claim so approved and paid shall constitute full and
complete compensation to CONTRACTOR for the period covered by the claim. It is expressly
understood and agreed that this Agreement constitutes the entire Agreement of CONTRACTOR
and COUNTY and in no event shall CONTRACTOR be entitled to any compensation, benefits,
reimbursements, or ancillary services other than as herein expressly provided.
8. PARTIAL PERFORMANCE:

In the event less than all services are performed in a proper and timely manner, CONTRACTOR shall be paid only the reasonable cost for the services performed for the payment period as determined by COUNTY'S Administrator.

9. ACCOUNTS RECEIVABLE:

In the event that CONTRACTOR or COUNTY terminates this Agreement, the COUNTY shall retain its interest in the accounts receivable which was a result of the CONTRACTORS Bronzan-McCorquodale eligible service under this Agreement. The accounts receivable shall either be assigned to the COUNTY or shall be used to offset any amounts that may be due to CONTRACTOR resulting from such termination with said determination to be made by COUNTY in the exercise of its reasonable judgement.

10. BUDGET CONTROL:

CONTRACTOR may transfer up to 5% of total contract budget covered by this Agreement between budget categories or types of service. Transfers of greater amounts shall only be made with the advanced written permission of COUNTY'S Administrator.

11. COST REPORT:

CONTRACTOR agrees to submit a detailed cost report in the format prescribed by the State Department of Mental Health no later than 60 days after the end of the contract period. The CONTRACTOR shall also submit a copy of the CONTRACTOR'S trial balance (statement of revenue and expenses) with the cost report. As a part of the cost report, CONTRACTOR will reconcile in writing the total units of service delivered under this Agreement to the units of service reported by CONTRACTOR to COUNTY'S data system. CONTRACTOR shall remit any unearned funds to the COUNTY at the time CONTRACTOR submits cost report. In the event that the reconciliation indicates that CONTRACTOR delivered more units of service than had been reported previously, and total payments made to CONTRACTOR by COUNTY is less than the contract maximum amount, CONTRACTOR may submit an invoice to COUNTY for any additional amounts owed, up to the contract maximum amount.
12. PRODUCTIVITY:

CONTRACTOR shall develop and monitor individual written staff productivity standards which maximize direct services to clients. Monthly or quarterly reports of staff productivity will be submitted by the CONTRACTOR to the COUNTY. CONTRACTOR shall provide written productivity standards and a method of monitoring those standards to the COUNTY Administrator.

13. QUALITY IMPROVEMENT PARTICIPATION:

All CONTRACTORS who provide direct services to clients in the county shall participate in the Quality Improvement program. This includes weekly meetings providing review of clinical records, peer review, difficult case conferences, utilization review appeals, and client outcomes development and review.

14. COUNTY INVOLVEMENT REGARDING HIRING:

CONTRACTOR shall allow COUNTY to comment on the CONTRACTOR’S selection of an Executive Director, Program Administrator or Program Manager whose primary responsibility entails the operation of program(s) funded by this Agreement.

15. REPORTABLE INCIDENTS:

CONTRACTOR shall report within 24 hours all incidents affecting the immediate health, safety and well being of clients to the office of the Mental Health Director. Reportable incidents include, but are not limited to, all deaths, episodes of acute life threatening illness, serious physical or psychological injuries (or risk thereof), and allegations of abuse and/or neglect.

CONTRACTOR shall establish procedures for the investigation of such incidents and shall cooperate with any additional investigation COUNTY may wish to conduct.
COUNTY OF SANTA CRUZ

EXHIBIT B - STANDARD COUNTY/AGENCY PROVISIONS

1. INDEPENDENT CONTRACTOR. It is agreed that CONTRACTOR shall perform as an independent contractor under this Agreement. CONTRACTOR is, for all purposes arising out of this Agreement, an independent contractor, and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR and its employees shall in no event be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, any retirement benefits, worker's compensation benefits, and injury leave or leave benefits. The Board of Directors or trustees of CONTRACTOR shall be vested with the responsibility for the administration of the program to be conducted under this Agreement.

By their signatures to this Contract, each party certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Contract is in fact an independent contractor.

2. CONTRACTOR'S EMPLOYEES AND EQUIPMENT. CONTRACTOR agrees that it has secured or will secure at its own expense all persons, employees and equipment unless otherwise specified required to perform the services required under this Agreement and that all such services will be performed by CONTRACTOR or under CONTRACTOR'S supervision, by persons authorized by law to perform such services. If any arrangement is made whereby employees of COUNTY are used by CONTRACTOR, they shall, while engaged in such work be considered for all purposes, as employees, servants, or agents of the CONTRACTOR and not of COUNTY, irrespective of party paying them.

3. RESPONSIBILITY FOR INVENTORY ITEMS.
   a. Equipment, materials, supplies, or property of any kind purchased from funds advanced or reimbursed under the terms of this Agreement having a useful life of three years or greater and a value in excess of three hundred dollars is defined as inventory item. All such items not fully consumed in the work described herein shall be the property of the COUNTY at the termination of this Agreement. CONTRACTOR shall, at the request of COUNTY, submit an inventory of said items purchased under the terms of this Agreement, and for items received on a loan basis from COUNTY; such inventory will not be required more frequently than annually. CONTRACTOR shall provide a final inventory to COUNTY'S Administrator within ten (10) days of the termination of this Agreement. Final disposition of all inventory items shall be in accordance with written instructions provided by COUNTY.

   b. Inventory items in CONTRACTOR'S possession shall only be used in connection with the program funded under this Agreement, and shall not be loaned to the public at large. CONTRACTOR is strictly liable for repairing or replacing any inventory item which is lost and/or damaged while in its possession. CONTRACTOR is responsible for the proper maintenance of all inventory items. CONTRACTOR will return all inventory items to COUNTY in the same condition that it received them except for damage due to normal wear and tear.

4. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS. CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY which for the purpose of paragraphs 4 and 33 (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:
a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this contract, including but not limited to the use, misuse, or failure of any equipment, materials, tools, supplies or other property furnished to CONTRACTOR by COUNTY, excepting any liability arising out of sole negligence of the COUNTY. Such indemnification includes any damage to the person(s) or property(ies) of CONTRACTOR and third persons.

b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding).

5. ASSIGNABILITY. The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the COUNTY thereto; provided, however, that claims for money due or to become due to CONTRACTOR from COUNTY under this Agreement may be assigned without such approval. Notice of any assignment or transfer shall be furnished promptly to COUNTY.

6. INTEREST OF CONTRACTOR. CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects or independent contractors, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement no person having any such interest shall be employed or retained by him under this Agreement.

7. SUBCONTRACTS. All subcontracts of CONTRACTOR for provision of services under this Agreement shall be notified of CONTRACTOR'S relationship to COUNTY. Any subcontract which is in excess of one thousand dollars ($1,000) shall have prior written approval of COUNTY'S Administrator. CONTRACTOR shall provide, upon request of COUNTY, copies of all subcontracts relating to this Agreement entered into by CONTRACTOR. CONTRACTOR has legal responsibility for performance of all contract terms including those subcontracted.

8. POLITICAL ACTIVITIES PROHIBITED. None of the funds, provided directly or indirectly, under this contract shall be used for any political activities or to further the election or defeat of any candidate for public office. No CONTRACTOR shall utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any funds provided thereunder shall be utilized in support of any partisan political activities for or against the election of candidates for an elected office.

9. LOBBYING. None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures or the Board of Supervisors of the COUNTY to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R., Section 501(c)(3)-lb(3).

10. CONFORMANCE TO REGULATIONS. CONTRACTOR shall perform this Agreement in conformance with all applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.
11. **CONFORMANCE TO LAW.** This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa Cruz.

12. **ADMISSION POLICIES.** Admission procedures shall be in writing, be available to the public and include a provision that services, benefits and facilities shall be provided to patients/clients without regard to race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation and that no one will be refused services because of inability to pay for services.

   a. **Nondiscrimination in Services, Benefits and Facilities.** There shall be no discrimination in the provision of services because of race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation, in accordance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d, Sections 503 and 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 rules and regulations promulgated pursuant thereto, or as otherwise provided on the grounds of any of the aforementioned characteristics. Discrimination in the provision of services includes, but is not limited to, the following: denying a person any service or benefit; providing to a person any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other persons under this contract; subjecting a person to segregation or separate treatment in any matter related to his receipt of any service; restricting a person differently in any way in the enjoyment of an advantage or privilege enjoyed by others receiving any service or benefit; treating a person differently from others in determining whether he/she satisfied any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of any of the aforementioned characteristics of the person(s) to be served. CONTRACTOR will take affirmative action to ensure that intended beneficiaries are provided services without regard to race, color, religion, age, disability, national origin, gender, or sexual orientation.

13. **EQUAL EMPLOYMENT OPPORTUNITY.** During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

   a. **CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other nonmerit factor unrelated to job duties.** Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

   b. **If this Agreement provides compensation in excess of $50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:**

      (1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, national origin, ancestry, disability,
medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR’S solicitation of goods and services. Definitions for Minority/Women/Disabled Owned Business Enterprises are available from the COUNTY General Services Purchasing Division.

(2) The CONTRACTOR shall furnish COUNTY Equal Employment Opportunity Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

(3) In the event of the CONTRACTOR’S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.

(4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 13b. to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than $50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

14. CONFIDENTIALITY OF RECORDS. CONTRACTOR agrees that all information and records obtained in the course of providing services to COUNTY in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto. CONTRACTOR agrees that it has a duty and responsibility to make available to the COUNTY Administrator or his/her designated representatives, including the Auditor-Controller of the COUNTY, the contents of records pertaining to COUNTY which are maintained in connection with the performance of CONTRACTORS duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The COUNTY acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

15. MONITORING. CONTRACTOR agrees that COUNTY shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by State and COUNTY requirements. CONTRACTOR agrees to provide COUNTY'S Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.

16. REPORTS. CONTRACTOR shall submit written reports of operations, and other reports as requested by COUNTY. Format for the content of such reports will be developed by COUNTY in consultation with CONTRACTOR. Reports shall be submitted to COUNTY'S Administrator.

17. OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the property of COUNTY. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the COUNTY. COUNTY shall have unrestricted
authority to publish, disclose, distribute and otherwise use copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the CONTRACTOR. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.

18. EVALUATION/RESEARCH. Evaluation or research involving contact with past or present recipients of services provided under this Agreement shall be permitted with the informed consent of the recipient and only after the CONTRACTOR has determined that the conduct of such evaluation or research will not adversely affect the quality of services provided or individual participation in services. COUNTY reserves the right to prohibit or terminate evaluation or research activities which in its judgment jeopardize the quality of services or individual participation in services provided under this Agreement.

19. ACKNOWLEDGMENT. CONTRACTOR shall acknowledge in all reports and literature that the Santa Cruz County Board of Supervisors has provided funding to the CONTRACTOR.

20. VOLUNTEERS. CONTRACTOR agrees not to fill budgeted positions with volunteer workers.

21. TRAVELING EXPENSES, FOOD AND LODGING.

 a. CONTRACTOR’S claim for travel expense for food and lodging must be directly related to this program and shall be at rates not to exceed those applicable to regular COUNTY employees. No travel outside of the State of California shall be payable unless prior written authorization is obtained from COUNTY’S Administrator.

 b. Private mileage reimbursement, if paid based upon miles driven, to CONTRACTOR’S employees when incurred in performance of duties under this Agreement shall be payable at a rate not to exceed COUNTY rates payable to COUNTY employees.

22. CONTRACTOR PERSONNEL STANDARDS. The CONTRACTOR shall determine that all staff providing services under this Agreement shall be personally and professionally qualified to perform the job requirements under this Agreement. CONTRACTOR shall maintain a resume for each employee which shall include qualifying education, experience and licenses, if applicable. COUNTY’S Administrator may review resumes of all CONTRACTOR’S employees to determine that CONTRACTOR is meeting State and/or Federal job qualification requirements, if applicable under this Agreement.

23. PRESENTATION OF CLAIMS. Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz COUNTY Code, which by this reference is incorporated herein.

24. CHANGES.

 a. COUNTY may from time to time request changes in the scope of the services of CONTRACTOR to be performed hereunder. Such changes, including any increase or decrease in the amount of CONTRACTOR’S compensation, which are mutually agreed upon by and between COUNTY and CONTRACTOR, shall be effective when incorporated in written amendments in this Agreement. No alteration, amendment, or modification of the terms of this Agreement shall be valid unless executed by written amendment hereto and approved by COUNTY.
b. COUNTY shall have the right to renegotiate the financial and/or programmatic terms of this Agreement in the event that there is a reduction in the approved budget.

25. NOTICE OF POSSIBLE TERMINATION FOR CAUSE.

a. In the event CONTRACTOR fails to perform any of the provisions of this Agreement or fails to make progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not cure such failure within a period of fourteen (14) days after receipt of notice from COUNTY specifying such failure, COUNTY may by written notice of default terminate the whole or part of this Agreement.

b. In the event of a termination pursuant to Paragraph 25a, all finished or unfinished documents, and other materials, prepared by CONTRACTOR under this Agreement shall become the property of COUNTY. CONTRACTOR shall be entitled to receive reasonable compensation not to exceed actual cost as reported in interim cost reports for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed amount payable to date of termination under Paragraph 25a reduced by the amount of damages sustained by COUNTY by reason of such breach.

26. TERMINATION OF AGREEMENT WITHOUT CAUSE. This Agreement may be terminated without cause by COUNTY or the CONTRACTOR with thirty (30) days written notice.

27. TERMINATION DUE TO CESSATION OF FUNDING. COUNTY shall have the right to terminate this Agreement without prior notice to CONTRACTOR in the event that State or Federal funding for this Agreement ceases prior to the ordinary term of the Agreement.

28. EXTENSION OF TIME. COUNTY'S Administrator may extend the time for completion of CONTRACTOR'S performance under this Agreement in the event performance is delayed due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR. Both parties agree that such extension of time does not alter the amount of compensation due CONTRACTOR.

29. RETENTION AND AUDIT OF RECORDS. CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs last. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, federal auditors or the designee of either for a period of five (5) years after final payment under this Agreement.

CONTRACTOR must comply with Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions, which requires a single or program-specific audit be conducted annually if federal funds exceed $300,000. A copy of the A-133 audit shall be submitted to COUNTY no later than eight (8) months following the end of the fiscal year being audited.

30. WITHHOLDING OF PAYMENT. COUNTY may withhold final payment until year end reports are received and approved by COUNTY. COUNTY may suspend or terminate payments for noncompliance with the terms of this Agreement.

31. DISALLOWANCE AND RESPONSIBILITY FOR AUDIT EXCEPTIONS. CONTRACTOR is
Exhibit B, 2001-2002

responsible for knowledge of, and compliance with, all COUNTY, State and Federal regulations applicable to expenditure of funds under the terms of this Agreement. In the event CONTRACTOR claims and receives payment from COUNTY which is later disallowed based on an audit, performed by the COUNTY, the State of California or the United States government, CONTRACTOR shall promptly refund the disallowed amount to COUNTY on request, or at COUNTY'S sole option, COUNTY may offset the amount disallowed from any payment due or to become due to CONTRACTOR under this Agreement. CONTRACTOR also agrees to assume all responsibility for receiving, replying to, and complying with any audit exception by the COUNTY, State or Federal audit agency.

32. OVERPAYMENTS. Over payments as determined by audits shall be payable to COUNTY within thirty (30) days after date of said determination. Over payments held in excess of thirty days shall be subject to a penalty charge of a flat twelve (12) percent per annum.

33. INSURANCE.

a. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR'S insurance coverage and shall not contribute to it.

b. If CONTRACTOR utilizes subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent CONTRACTOR'S Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

(1) Types of Insurance and Minimum Limits

(a) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if CONTRACTOR has no employees.

(b) Automobile Liability Insurance for each of CONTRACTOR'S vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR'S employees), leased or hired vehicles, in the minimum amount of $500,000 combined single limit per occurrence for bodily injury and property damage.

(c) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of $1,000,000 combined single limit, including coverage for:
   a) bodily injury, b) personal injury, c) broad form property damage, d) contractual liability, and e) cross-liability.

(d) Professional Liability Insurance in the minimum amount of $1,000,000 combined single limit.

(e) CONTRACTOR agrees to carry and maintain during the entire term of this Agreement fire and extended coverage including theft insurance to adequately cover value of COUNTY'S inventoriable items in the possession of CONTRACTOR. Insurance policy must name COUNTY as the loss payee.

(2) Other Insurance Provisions
(a) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

(b) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

"The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz."

(c) All required insurance policies shall be endorsed to contain the following clause:

This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

(d) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

34. SAFETY AND INFECTION CONTROL.

a. CONTRACTOR asserts that it is in compliance with applicable CaVOSHA guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions, litigation, or other legal or regulatory proceedings in progress or being brought against CONTRACTOR as a result of non-compliance with such guidelines. CONTRACTOR agrees to notify COUNTY immediately should the status of any of the assertions in this paragraph change or come into question.

b. CONTRACTOR must, upon request, furnish documentation satisfactory to COUNTY'S Health Officer, of the absence of tuberculosis disease for any employee or volunteer who provides services under this Agreement.

c. CONTRACTOR agrees to furnish COUNTY, upon request, a copy of CONTRACTOR'S Safety and Infection Control Policy.

35. CULTURAL COMPETENCY:

In order to ensure access to services, CONTRACTOR shall provide services in a culturally competent manner. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes and
policies that enable staff to work effectively in cross-cultural situations. CONTRACTOR shall provide or make available to staff cultural competency training. CONTRACTOR'S clients whose sole language is the COUNTY'S threshold language (i.e., Spanish) shall be provided information, access and direct services in that language
1.0 PROGRAM INTENT

1.1 Primary Task: CONTRACTOR is a 48-bed residential treatment program providing room, board, 24-hour care, supervision, and treatment for seriously emotionally disturbed deaf and hearing impaired children and adolescents, ages 6 through 17. CONTRACTOR employs more than 30 deaf professionals, and the primary language used is American Sign Language.

1.2 Description of Services: CONTRACTOR provides mental health therapies, physician services, therapeutic activities, and room and board. Medications are covered not to exceed $150 per month. All discharge planning will be done in conjunction with the Santa Cruz County Mental Health Coordinator and the County Human Resources Agency Social Worker.

CONTRACTOR will provide services to Santa Cruz County approved youth in the Impulse Control Disorders program, for deaf adolescent males. This program is an all-male, deaf resident population with a 1:3 staff to resident ratio. Educational services are provided by the Charter School at National Deaf Academy, also an exclusively deaf environment, with teachers certified in deaf education. The education services are paid for and regulated by other agencies. The primary focus of this contract are the residential and mental health treatment services, this contract providing a supplemental patch payment for such services. Primary payment for this placement is through Human Resources Agency.

1.3 Description of Client Population: CONTRACTOR’S staff will serve a population of seriously emotionally disturbed deaf and hearing impaired children and adolescents, ages 6 through 17. The program the COUNTY approved adolescent is being treated in is all-male, deaf residents. American Sign Language is the primary language used.

1.4 Staffing: Contract file. In addition, there is a 1:3 staff to resident ratio, with staff fluent in American Sign Language.

2.0 SYSTEM INTENT
Exhibit C, 2001-2004

2.1 Geomaphic area serviced: County of Santa Cruz

2.2 Quality Assurance Promam: Florida Department of Children and Families.

2.3 Organization and Administrative Structure: Contract file.

2.4 Internal System Affiliations: County of Santa Cruz Community Mental Health and Substance Abuse, Human Resources Agency Children’s Services.

2.5 External System Affiliations: Florida Department of Children and Families, State Department of Education.

2.6 Community Care Licenses: CONTRACTOR shall maintain license at all times with all deficiencies corrected as required by the Florida Department of Children and Families.

3.0 METHOD OF PAYMENT

   a. The COUNTY shall pay CONTRACTOR for services described under this agreement for residential mental health services provided to COUNTY approved resident. CONTRACTOR shall bill the COUNTY monthly in arrears based upon the budgeted rate for services.
The COUNTY agrees to reimburse CONTRACTOR actual costs up to the maximum shown in Net Contract Amount by type of service, calculated by multiplying the units of services of each type provided by the Maximum Cost per Unit of each type of service listed above. In no event shall the amount paid CONTRACTOR exceed the maximum contract amount.
The provisions set forth below shall supersede and take place of the paragraph it replaces. All other provisions of this Agreement shall remain the same. Check and complete the appropriate box(es).

- [ ] There are **no** revised paragraphs in this Agreement
- [ ] There **are** revised paragraphs in this Agreement

Paragraph "______" of Exhibit"______" is hereby revised to read as follows:

An Addition to said contract shall be as follows:
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
    County Administrative Office
    Auditor Controller

FROM: Health Services Agency
__________________________
(Department)

BY: ________________________
Signature certifies that appropriations/revenues are available
__________________________
(Signature) 3/26/2 (Date)

AGREEMENT TYPE (Check One)
Expenditure Agreement ☑ Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Mental Health
   and Families First, Inc. 2100 Fifth St., Davis, CA 95616
   (Department/Agency) (Name/Address)

2. The agreement will provide room, board, 24-hour care, supervision & treatment for seriously
   emotionally disturbed boys ages 8-15 years.

3. Period of the agreement is from ____________________ to ____________________

4. Anticipated Cost is ____________________
   ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☐ Not to Exceed
   ☐ $120/day ____________________
   Remarks: Date 01/02 CONVENANCE $37,440

5. Detail: ☐ On Continuing Agreements List for FY __________, Page CC-______
   ☐ Contract No: __________ OR ☐ 1st Time Agreement
   ☐ Section II ☐ No Board letter required, will be listed under Addf
   ☐ Section III ☐ Board letter required
   ☐ Section IV ☐ Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in _______ (Index) 363114
   _______ (Subobject) 4380

   NOTE: If APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

   Appropriations have been encumbered. Contract No: __________
   By: ____________________
   Date: ____________________

   Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

   Services Administrator ____________________ (Dept/Agency Head) to execute on behalf of the
   ____________________ (Department/Agency)

   Date: ____________________
   ____________________
   County Administrative Office

   Distribution:
   Board of Supervisors - White
   Auditor Controller - Canary
   Auditor-Controller - Pink
   Department - Gold

   State of California
   County of Santa Cruz
   ____________________
   (Clerk)

   I, ____________________, the Clerk of the Board of Supervisors of the County of Santa Cruz,
   State of California, do hereby certify that the foregoing request for approval of agreement was
   approved by said Board of Supervisors as recommended by the County Administrative Office by an
   order duly entered in the minutes of said Board on ____________ 20___

   ____________________
   (Clerk)

   ____________________
   (Clerk)

   AUDITOR-CONTROLLE USE ONLY
   Document No. $ JE Amount Lines H/TL Keyed By Date
   TCI10 _______ _______ _______ _______ _______ _______
County Department/Agency: The County of Santa Cruz through the HEALTH SERVICES AGENCY (Community Mental Health) 1400 Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962

Hereinafter called COUNTY and:

FAMILIES FIRST, INC.  
2100 Fifth Street  
Davis, CA 95616  
(530) 753-0220

hereinafter called CONTRACTOR for: Room, board, 24-hour care, supervision and treatment for seriously emotionally disturbed boys ages 8-15 years.

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS pursuant to the provisions of California Government Code, Section 31000, and W & I Code, Sections 5775, et seq., the BOARD OF SUPERVISORS of COUNTY is authorized to enter into an agreement for such services.

NOW, THEREFORE, the parties here to do mutually agree as set forth in:

<table>
<thead>
<tr>
<th>TITLE</th>
<th>EXHIBIT</th>
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<tbody>
<tr>
<td>Standard Mental Health Provisions</td>
<td>A</td>
</tr>
<tr>
<td>Standard County/Agency Provisions</td>
<td>B</td>
</tr>
<tr>
<td>Scope of Services and Budget</td>
<td>C</td>
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<tr>
<td>Medi-Cal &amp; Medicare Requirements</td>
<td>D</td>
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<tr>
<td>Revisions</td>
<td>E</td>
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</table>

Said exhibits attached hereto and incorporated into this Agreement by this reference.

IN WITNESS THEREOF COUNTY AND CONTRACTOR have executed this Contract Agreement to be effective: July 6, 2001 through June 30, 2002 unless terminated in accordance with the terms of this Agreement.

By: Grady S. York  
   CHIEF FINANCIAL OFFICER  

By: Rama Khan  
   HEALTH SERVICES ADMINISTRATOR

Approved as to Form:  

County Counsel 2-15-2002

Approved as to Insurances:  

Risk Management Division Chief 2-12-2002

Index # 363J 14
Subobject # 4380
Contract #
Amount $120.00 per day

(Reserved for Clerk of the Board of Supervisors posting of minute order citation)
This is an Agreement between the parties relating to the rendering of mental health services as defined in, and for which State reimbursement may be claimed under, the provisions of the Bronzan-McCorquodale Act (Part 2 of Division 5, Welfare and Institutions Code) and its accompanying regulations contained in Subchapter 3 of Title 9, California Code of Regulations, parts of which provide definitions, standards, and procedures by and pursuant to which such services may lawfully be provided. Services shall be provided under the general supervision of the Health Services Administrator or his designee. For the purposes of this Section, "designee", may include any permanent employee on the staff of such Administrator as may be appropriately designated to provide liaison, coordination, or supervision over the services described herein.

1. **ADMINISTRATION:**

COUNTY'S Director of Mental Health, or his or her designee, hereinafter called COUNTY'S ADMINISTRATOR, under direction of the Health Services Administrator, shall represent COUNTY in all matters pertaining to services rendered pursuant to this Agreement and shall administer this Agreement on behalf of COUNTY. CONTRACTOR'S Executive Director shall administer this Agreement on behalf of CONTRACTOR.

2. **NOTICE:**

Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice, or may be served by certified mail, postage prepaid, return receipt requested, to the officials cited in Paragraph 1 above, for CONTRACTOR at the address cited on this Agreement's cover sheet, and for COUNTY at Community Mental Health, P.O. Box 962, Santa Cruz, CA 95061-0962, Attention: Director of Mental Health.

3. **PROVISION OF SERVICES:**

a. CONTRACTOR agrees to establish and conduct a program of mental health services under the Bronzan-McCorquodale Act services to persons with behavioral and emotional disorders who reside in Santa Cruz County and are eligible for treatment under the Santa Cruz County Performance Contract. All services rendered under this Agreement shall be subject to the supervision of the COUNTY'S Director of Mental Health and shall be provided in a manner consistent with the requirements of the Bronzan-McCorquodale Act; Subchater 3 of Title 9, California Code of Regulations; and applicable ordinances and resolutions of the Santa Cruz County Board of Supervisors.

b. The COUNTY Director of Mental Health or his/her staff shall specify in writing the kind, quality and amount of service which shall be provided to each eligible patient/client under this Agreement. Said service to be mutually agreed upon and fall within parameters of this
Exhibit A, 2001-2002

Agreement.

c. CONTRACTOR agrees to provide services to program clients throughout the period of this Agreement.

d. As part of the State required Quality Assurance and Improvement Plan, CONTRACTOR shall develop a complaint and grievance process for use by clients and family members to express concerns about access to and/or quality of care. This process shall be in writing and available to the public. As part of this process, CONTRACTOR shall maintain a complaint log and provide an annual report on numbers and types of complaints, outcomes of the complaints, and system issues causing problems for patients.

e. Managed Care requires that each provider who delivers client services monitor its success helping clients avoid re-hospitalizations. Each CONTRACTOR shall develop and submit a monthly report to Mental Health Administration. This report shall include the names of clients enrolled in the program and a highlighting of clients admitted to the hospital in the prior calendar month. CONTRACTORS may obtain assistance from Mental Health Administration on how to gather the necessary data to be in compliance with this requirement.

f. Should CONTRACTOR provide services to client(s) whose payor source is a Health Maintenance Organization, CONTRACTOR shall receive prior approval from the HMO, otherwise the client shall be charged full cost for services provided; CONTRACTOR shall inform client(s) of this during the fee evaluation process or at the time of program admission.

g. Similarly, clients who receive funds distributed by a Trust of any kind shall be informed by CONTRACTOR during the fee evaluation process or at the time of program admission that they will be charged the full cost of services provided.

4. CONFORMANCE TO CWDC:

It is agreed that the Cost Reporting/Data Collection Manual, an official publication of the State Department of Mental Health promulgated pursuant to the Bronzan-McCorquodale Act, establishes basic requirements to which a contract provider must adhere for approval by the State. CONTRACTOR agrees to comply with all applicable provisions of this manual and any amendments thereto, which by this reference is incorporated into and made a part of this Agreement. A manual will be provided to the CONTRACTOR on an annual basis.

a. Procedure for Complaint Process. All complaints alleging discrimination in the delivery of services by CONTRACTOR because of race, color, religion, age, disability, national origin, gender, or sexual orientation shall be resolved by the State through the Department of Mental Health's Affirmative Action complaint process.

b. Notice of Complaint Process. CONTRACTOR shall, subject to the approval of the Department of Mental Health, establish procedures under which recipients of service are informed of their rights to file a complaint alleging discrimination, or a violation of their civil rights with the Department of Mental Health.
5. RECORDS

a. Client Records. CONTRACTOR shall maintain individual records for each client. Such records shall include identifying data, social and financial data, and a record of services provided by various personnel in such sufficient detail to make possible an evaluation by COUNTY of services rendered. COUNTY, at its sole option, may take custody and be responsible for safeguarding CONTRACTOR'S client records upon termination of this Agreement and shall thereupon act as custodian of such records for CONTRACTOR. CONTRACTOR shall be permitted access to and have a right to make copies of such records at any time. COUNTY agrees to maintain such records for such period as may be required by Title 22 of the California Code of Regulations. COUNTY agrees that such custody will conform to applicable confidentiality provisions of State and Federal law.

b. Right to Review. CONTRACTOR authorizes the State Department of Mental Health, the Health Administrator or his/her designee and/or designated auditors of the COUNTY or State, the right to inspect and otherwise evaluate the appropriateness and timeliness of services performed, and to audit and inspect any books and records of CONTRACTOR which pertain to services performed and payments made pursuant to this Agreement. The State Department of Health shall have the same rights of inspection and evaluation of Medi-Cal services provided by CONTRACTOR pursuant to this Agreement.

c. Confidentiality of Client Records and Information. For the COUNTY'S Mental Health system (i.e., all Bronzan-McCorquodale funded providers) to provide coordinated, quality care, all COUNTY and Contract providers must be able to discuss and exchange relevant clinical and service needs information. This information must be exchanged when making referrals, accepting referrals or coordinating service delivery to a client. Consultation with the client regarding this exchange of information is required of the CONTRACTOR. CONTRACTOR is responsible for insuring that its ability to exchange client information within the Bronzan-McCorquodale provider system is maintained.

6. PAYMENT OF CLAIMS:

a. COUNTY agrees to pay CONTRACTOR on receipt of a properly submitted monthly claim in a form found agreeable by COUNTY certifying the extent of performance under this Agreement. Each claim shall be submitted to and approved by COUNTY'S Administrator prior to payment by COUNTY.

b. It is further agreed that the monthly claim will be based on the proposed budget and/or estimated units of service as presented in Exhibit C.

7. FULL COMPENSATION:

Pending any cost report adjustment, each claim so approved and paid shall constitute full and complete compensation to CONTRACTOR for the period covered by the claim. It is expressly understood and agreed that this Agreement constitutes the entire Agreement of CONTRACTOR and COUNTY and in no event shall CONTRACTOR be entitled to any compensation, benefits, reimbursements, or ancillary services other than as herein expressly provided.
8. PARTIAL PERFORMANCE:

In the event less than all services are performed in a proper and timely manner, CONTRACTOR shall be paid only the reasonable cost for the services performed for the payment period as determined by COUNTY’S Administrator.

9. ACCOUNTS RECEIVABLE:

In the event that CONTRACTOR or COUNTY terminates this Agreement, the COUNTY shall retain its interest in the accounts receivable which was a result of the CONTRACTOR’S Bronzan-McCorquodale eligible service under this Agreement. The accounts receivable shall either be assigned to the COUNTY or shall be used to offset any amounts that may be due to CONTRACTOR resulting from such termination with said determination to be made by COUNTY in the exercise of its reasonable judgement.

10. BUDGET CONTROL:

CONTRACTOR may transfer up to 5% of total contract budget covered by this Agreement between budget categories or types of service. Transfers of greater amounts shall only be made with the advanced written permission of COUNTY’S Administrator.

11. COST REPORT:

CONTRACTOR agrees to submit a detailed cost report in the format prescribed by the State Department of Mental Health no later than 60 days after the end of the contract period. The CONTRACTOR shall also submit a copy of the CONTRACTOR’S trial balance (statement of revenue and expenses) with the cost report. As a part of the cost report, CONTRACTOR will reconcile in writing the total units of service delivered under this Agreement to the units of service reported by CONTRACTOR to COUNTY’S data system. CONTRACTOR shall remit any unearned funds to the COUNTY at the time CONTRACTOR submits cost report. In the event that the reconciliation indicates that CONTRACTOR delivered more units of service than had been reported previously, and total payments made to CONTRACTOR by COUNTY is less than the contract maximum amount, CONTRACTOR may submit an invoice to COUNTY for any additional amounts owed, up to the contract maximum amount.
12. PRODUCTIVITY:

CONTRACTOR shall develop and monitor individual written staff productivity standards which maximize direct services to clients. Monthly or quarterly reports of staff productivity will be submitted by the CONTRACTOR to the COUNTY. CONTRACTOR shall provide written productivity standards and a method of monitoring those standards to the COUNTY Administrator.

13. QUALITY IMPROVEMENT PARTICIPATION:

All CONTRACTORS who provide direct services to clients in the county shall participate in the Quality Improvement program. This includes weekly meetings providing review of clinical records, peer review, difficult case conferences, utilization review appeals, and client outcomes development and review.

14. COUNTY INVOLVEMENT REGARDING HIRING:

CONTRACTOR shall allow COUNTY to comment on the CONTRACTOR’S selection of an Executive Director, Program Administrator or Program Manager whose primary responsibility entails the operation of program(s) funded by this Agreement.

15. REPORTABLE INCIDENTS:

CONTRACTOR shall report within 24 hours all incidents affecting the immediate health, safety and well being of clients to the office of the Mental Health Director. Reportable incidents include, but are not limited to, all deaths, episodes of acute life threatening illness, serious physical or psychological injuries (or risk thereof), and allegations of abuse and/or neglect.

CONTRACTOR shall establish procedures for the investigation of such incidents and shall cooperate with any additional investigation COUNTY may wish to conduct.
1. **INDEPENDENT CONTRACTOR.** It is agreed that CONTRACTOR shall perform as an independent contractor under this Agreement. CONTRACTOR is, for all purposes arising out of this Agreement, an independent contractor, and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR and its employees shall in no event be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, any retirement benefits, worker’s compensation benefits, and injury leave or leave benefits. The Board of Directors/Trustees of CONTRACTOR shall be vested with the responsibility for the administration of the program to be conducted under this Agreement.

By their signatures to this Contract, each party certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Contract is in fact an independent contractor.

2. **CONTRACTOR’S EMPLOYEES AND EQUIPMENT.** CONTRACTOR agrees that it has secured or will secure at its own expense all persons, employees and equipment unless otherwise specified required to perform the services required under this Agreement and that all such services will be performed by CONTRACTOR or under CONTRACTOR’S supervision, by persons authorized by law to perform such services. If any arrangement is made whereby employees of COUNTY are used by CONTRACTOR, they shall, while engaged in such work be considered for all purposes, as employees, servants, or agents of the CONTRACTOR and not of COUNTY, irrespective of party paying them.

3. **RESPONSIBILITY FOR INVENTORY ITEMS.**
   a. Equipment, materials, supplies, or property of any kind purchased from funds advanced or reimbursed under the terms of this Agreement having a useful life of three years or greater and a value in excess of three hundred dollars is defined as an inventory item. All such items not fully consumed in the work described herein shall be the property of the COUNTY at the termination of this Agreement unless the COUNTY, at its sole discretion, makes an alternate disposition. CONTRACTOR shall, at the request of COUNTY, submit an inventory of said items purchased under the terms of this Agreement, and for items received on a loan basis from COUNTY; such inventory will not be required more frequently than annually. CONTRACTOR shall provide a final inventory to COUNTY’S Administrator within ten (10) days of the termination of this Agreement. Final disposition of all inventory items shall be in accordance with written instructions provided by COUNTY.

   b. Inventory items in CONTRACTOR’S possession shall only be used in connection with the program funded under this Agreement, and shall not be loaned to the public at large. CONTRACTOR is strictly liable for repairing or replacing any inventory item which is lost and/or damaged while in its possession. CONTRACTOR is responsible for the proper maintenance of all inventory items. CONTRACTOR will return all inventory items to COUNTY in the same condition that it received them except for damage due to normal wear and tear.

4. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY which for the purpose of paragraphs 4 and 33 (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:
Exhibit B, 2001-2002

a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this contract, including but not limited to the use, misuse, or failure of any equipment, materials, tools, supplies or other property furnished to CONTRACTOR by COUNTY, excepting any liability arising out of sole negligence of the COUNTY. Such indemnification includes any damage to the person(s) or property(ies) of CONTRACTOR and third persons.

b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding).

5. ASSIGNABILITY. The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the COUNTY thereto; provided, however, that claims for money due or to become due to CONTRACTOR from COUNTY under this Agreement may be assigned without such approval. Notice of any assignment or transfer shall be furnished promptly to COUNTY.

6. INTEREST OF CONTRACTOR. CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects or independent contractors, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement no person having any such interest shall be employed or retained by him under this Agreement.

7. SUBCONTRACTS. All subcontracts of CONTRACTOR for provision of services under this Agreement shall be notified of CONTRACTOR'S relationship to COUNTY. Any subcontract which is in excess of one thousand dollars ($1,000) shall have prior written approval of COUNTY'S Administrator. CONTRACTOR shall provide, upon request of COUNTY, copies of all subcontracts relating to this Agreement entered into by CONTRACTOR. CONTRACTOR has legal responsibility for performance of all contract terms including those subcontracted.

8. POLITICAL ACTIVITIES PROHIBITED. None of the funds, provided directly or indirectly, under this contract shall be used for any political activities or to further the election or defeat of any candidate for public office. No CONTRACTOR shall utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any funds provided thereunder shall be utilized in support of any partisan political activities for or against the election of candidates for an elected office.

9. LOBBYING. None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures or the Board of Supervisors of the COUNTY to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R., Section 501(c)(3)-ib(3).

10. CONFORMANCE TO REGULATIONS. CONTRACTOR shall perform this Agreement in conformance with all applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.
11. CONFORMANCE TO LAW. This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa Cruz.

12. ADMISSION POLICIES. Admission procedures shall be in writing, be available to the public and include a provision that services, benefits and facilities shall be provided to patients/clients without regard to race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation and that no one will be refused services because of inability to pay for services.

   a. Nondiscrimination in Services, Benefits and Facilities. There shall be no discrimination in the provision of services because of race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation, in accordance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d, Sections 503 and 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 rules and regulations promulgated pursuant thereto, or as otherwise provided on the grounds of any of the aforementioned characteristics. Discrimination in the provision of services includes, but is not limited to, the following: denying a person any service or benefit; providing to a person any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other persons under this contract; subjecting a person to segregation or separate treatment in any matter related to his receipt of any service; restricting a person differently in any way in the enjoyment of an advantage or privilege enjoyed by others receiving any service or benefit; treating a person differently from others in determining whether he/she satisfied any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of any of the aforementioned characteristics of the person(s) to be served. CONTRACTOR will take affirmative action to ensure that intended beneficiaries are provided services without regard to race, color, religion, age, disability, national origin, gender, or sexual orientation.

13. EQUAL EMPLOYMENT OPPORTUNITY. During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

   a. CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 16), veteran status, gender, pregnancy, or any other nonmerit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

   b. If this Agreement provides compensation in excess of $50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:

      (1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, national origin, ancestry, disability,
medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR'S solicitation of goods and services. Definitions for Minority/Women/Disabled Owned Business Enterprises are available from the COUNTY General Services Purchasing Division.

(2) The CONTRACTOR shall furnish COUNTY Equal Employment Opportunity Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

(3) In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.

(4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 13b. to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than $50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

14. CONFIDENTIALITY OF RECORDS. CONTRACTOR agrees that all information and records obtained in the course of providing services to COUNTY in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto. CONTRACTOR agrees that it has a duty and responsibility to make available to the COUNTY Administrator or his/her designated representatives, including the Auditor-Controller of the COUNTY, the contents of records pertaining to COUNTY which are maintained in connection with the performance of CONTRACTOR'S duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The COUNTY acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

15. MONITORING. CONTRACTOR agrees that COUNTY shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by State and COUNTY requirements. CONTRACTOR agrees to provide COUNTY'S Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.

16. REPORTS. CONTRACTOR shall submit written reports of operations, and other reports as requested by COUNTY. Format for the content of such reports will be developed by COUNTY in consultation with CONTRACTOR. Reports shall be submitted to COUNTY'S Administrator.

17. OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the property of COUNTY. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the COUNTY. COUNTY shall have unrestricted
authority to publish, disclose, distribute and otherwise use copyright or patent right by CONTRACTOR in
the United States or in any other country without the express written consent of the CONTRACTOR. COUNTY shall have
unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent, in whole or in part, any such
reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.

18. EVALUATION/RESEARCH. Evaluation or research involving contact with past or present recipients of services provided under this Agreement shall be permitted with the informed consent of the recipient and only after the CONTRACTOR has determined that the conduct of such evaluation or research will not adversely affect the quality of services provided or individual participation in services. COUNTY reserves the right to prohibit or terminate evaluation or research activities which in its judgment jeopardize the quality of services or individual participation in services provided under this Agreement.

19. ACKNOWLEDGMENT. CONTRACTOR shall acknowledge in all reports and literature that the Santa Cruz County Board of Supervisors has provided funding to the CONTRACTOR.

20. VOLUNTEERS. CONTRACTOR agrees not to fill budgeted positions with volunteer workers.

21. TRAVELING EXPENSES, FOOD AND LODGING.

a. CONTRACTOR’S claim for travel expense for food and lodging must be directly related to this program and shall be at rates not to exceed those applicable to regular COUNTY employees. No travel outside of the State of California shall be payable unless prior written authorization is obtained from COUNTY’S Administrator.

b. Private mileage reimbursement, if paid based upon miles driven, to CONTRACTOR’S employees when incurred in performance of duties under this Agreement shall be payable at a rate not to exceed COUNTY rates payable to COUNTY employees.

22. CONTRACTOR PERSONNEL STANDARDS. The CONTRACTOR shall determine that all staff providing services under this Agreement shall be personally and professionally qualified to perform the job requirements under this Agreement. CONTRACTOR shall maintain a resume for each employee which shall include qualifying education, experience and licenses, if applicable. COUNTY’S Administrator may review resumes of all CONTRACTOR’S employees to determine that CONTRACTOR is meeting State and/or Federal job qualification requirements, if applicable under this Agreement.

23. PRESENTATION OF CLAIMS. Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz COUNTY Code, which by this reference is incorporated herein.

24. CHANGES.

a. COUNTY may from time to time request changes in the scope of the services of CONTRACTOR to be performed hereunder. Such changes, including any increase or decrease in the amount of CONTRACTOR’S compensation, which are mutually agreed upon by and between COUNTY and CONTRACTOR, shall be effective when incorporated in written amendments in this Agreement. No alteration, amendment, or modification of the terms of this Agreement shall be valid unless executed by written amendment hereto and approved by COUNTY.
b. COUNTY shall have the right to renegotiate the financial and/or programmatic terms of this Agreement in the event that there is a reduction in the approved budget.

25. NOTICE OF POSSIBLE TERMINATION FOR CAUSE.

a. In the event CONTRACTOR fails to perform any of the provisions of this Agreement or fails to make progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not cure such failure within a period of fourteen (14) days after receipt of notice from COUNTY specifying such failure, COUNTY may by written notice of default terminate the whole or part of this Agreement.

b. In the event of a termination pursuant to Paragraph 25a, all finished or unfinished documents, and other materials, prepared by CONTRACTOR under this Agreement shall become the property of COUNTY. CONTRACTOR shall be entitled to receive reasonable compensation not to exceed actual cost as reported in interim cost reports for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed amount payable to date of termination under Paragraph 25a reduced by the amount of damages sustained by COUNTY by reason of such breach.

26. TERMINATION OF AGREEMENT WITHOUT CAUSE. This Agreement may be terminated without cause by COUNTY or the CONTRACTOR with thirty (30) days written notice.

27. TERMINATION DUE TO CESSATION OF FUNDING. COUNTY shall have the right to terminate this Agreement without prior notice to CONTRACTOR in the event that State or Federal funding for this Agreement ceases prior to the ordinary term of the Agreement.

28. EXTENSION OF TIME. COUNTY'S Administrator may extend the time for completion of CONTRACTOR'S performance under this Agreement in the event performance is delayed due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR. Both parties agree that such extension of time does not alter the amount of compensation due CONTRACTOR.

29. RETENTION AND AUDIT OF RECORDS. CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs last. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, federal auditors or the designee of either for a period of five (5) years after final payment under this Agreement.

CONTRACTOR must comply with Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions, which requires a single or program-specific audit be conducted annually if federal funds exceed $300,000. A copy of the A-133 audit shall be submitted to COUNTY no later than eight (8) months following the end of the fiscal year being audited.

30. WITHHOLDING OF PAYMENT. COUNTY may withhold final payment until year end reports are received and approved by COUNTY. COUNTY may suspend or terminate payments for noncompliance with the terms of this Agreement.

31. DISALLOWANCE AND RESPONSIBILITY FOR AUDIT EXCEPTIONS. CONTRACTOR is
responsible for knowledge of, and compliance with, all COUNTY, State and Federal regulations applicable to expenditure of funds under the terms of this Agreement. In the event CONTRACTOR claims and receives payment from COUNTY which is later disallowed based on an audit, performed by the COUNTY, the State of California or the United States government, CONTRACTOR shall promptly refund the disallowed amount to COUNTY on request, or at COUNTY’s sole option, COUNTY may offset the amount disallowed from any payment due or to become due to CONTRACTOR under this Agreement. CONTRACTOR also agrees to assume all responsibility for receiving, replying to, and complying with any audit exception by the COUNTY, State or Federal audit agency.

32. **OVERPAYMENTS.** Over payments as determined by audits shall be payable to COUNTY within thirty (30) days after date of said determination. Over payments held in excess of thirty days shall be subject to a penalty charge of a flat twelve (12) percent per annum.

33. **INSURANCE.**

a. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR’S insurance coverage and shall not contribute to it.

b. If CONTRACTOR utilizes subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent CONTRACTOR’S Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

(1) **Types of Insurance and Minimum Limits**

(a) Worker’s Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if CONTRACTOR has no employees.

(b) Automobile Liability Insurance for each of CONTRACTOR’S vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR’S employees), leased or hired vehicles, in the minimum amount of $500,000 combined single limit per occurrence for bodily injury and property damage.

(c) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of $1,000,000 combined single limit, including coverage for:
   a) bodily injury, b) personal injury, c) broad form property damage, d) contractual liability, and e) cross-liability.

(d) Professional Liability Insurance in the minimum amount of $1,000,000 combined single limit.

(e) CONTRACTOR agrees to carry and maintain during the entire term of this Agreement fire and extended coverage including theft insurance to adequately cover value of COUNTY’S inventoriable items in the possession of CONTRACTOR. Insurance policy must name COUNTY as the loss payee.

(2) **Other Insurance Provisions**
Exhibit B. 2001-2002

(a) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

(b) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

"The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz".

(c) All required insurance policies shall be endorsed to contain the following clause:

"This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

(d) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

34. SAFETY AND INFECTION CONTROL.

a. CONTRACTOR asserts that it is in compliance with applicable Cal/OSHA guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions, litigation, or other legal or regulatory proceedings in progress or being brought against CONTRACTOR as a result of non-compliance with such guidelines. CONTRACTOR agrees to notify COUNTY immediately should the status of any of the assertions in this paragraph change or come into question.

b. CONTRACTOR must, upon request, furnish documentation satisfactory to COUNTY'S Health Officer, of the absence of tuberculosis disease for any employee or volunteer who provides services under this Agreement.

c. CONTRACTOR agrees to furnish COUNTY, upon request, a copy of CONTRACTOR'S Safety and Infection Control Policy.

35. CULTURAL COMPETENCY:

In order to ensure access to services, CONTRACTOR shall provide services in a culturally competent manner. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes and
policies that enable staff to work effectively in cross-cultural situations. CONTRACTOR shall provide or make available to staff cultural competency training. CONTRACTOR's clients whose sole language is the COUNTY'S threshold language (i.e., Spanish) shall be provided information, access and direct services in that language.
Exhibit C, 2001-2004

COUNTY OF SANTA CRUZ

EXHIBIT C -- Scope of Service and Budget

FAMILIES FIRST, INC.

Provider: Families First, Inc.
Provider No.: TBD
Program: Families First, Inc.
Program Address: 2100 Fifth Street, Davis, CA 95616
Provider/Program Telephone: (530) 753-0220

1.0 PROGRAM INTENT

1.1 Primary Task: CONTRACTOR is a sub-acute 66-bed residential treatment program providing room, board, 24-hour care, supervision, and treatment for seriously emotionally disturbed boys 8 to 15 years of age. The primary task covered under this contract is the Intensive Day Treatment Program described in Description of Services below, while dependent upon the entire spectrum of program services provided for the adolescent. These other program services are covered and reimbursed by other entities.

1.2 Description of Services: CONTRACTOR’S Intensive Day Treatment Program is a multi-disciplinary program that serves seriously emotionally disturbed children. The program combines psycho-dynamic therapies with art therapy, recreational therapy, group centered learning and sensory motor integration. The CONTRACTOR’S Intensive Day Treatment Program is certified by the County Department of Mental Health and Substance Abuse as a full day, Short-Doyle/Medi-Cal Day Treatment Intensive service. The full-day program is offered six days a week.

CONTRACTOR works collaboratively with the non-public school and the local school district to provide for the educational needs of their residents. All discharge planning will be done in conjunction with the Santa Cruz County Mental Health Coordinator and the County Human Resources Agency Social Worker.

1.3 Description of Client Population: CONTRACTOR’S staff will serve a population of boys 8 to 15 years of age, who have been certified as seriously emotionally disturbed and meet the criteria for RCL level 12 to 14 placement. These boys have disabilities including DSM-IV diagnostic classifications, emotional disability, behavior disorder, learning disability, or a combination of disorders or disabilities that prevent the child from functioning successfully. The ethnicity of the program is as follows: 69% Caucasian, 29% African-American, 9% Hispanic and 2% Other.

1.4 Staffing: Contract file.
2.0 SYSTEM INTENT

2.1 Geographic area serviced: County of Santa Cruz

2.2 Quality Assurance Program: Community Care Licensing, Division of the State Department of Social Services.

2.3 Organization and Administrative Structure: Contract file.

2.4 Internal System Affiliations: County of Santa Cruz Community Mental Health and Substance Abuse, Human Resource Agency Children’s Services.

2.5 External System Affiliations: Yolo County Department of Mental Health and Substance Abuse, State Department of Social Services, State Department of Mental Health, State Department of Education.

2.6 Community Care Licenses: CONTRACTOR shall maintain license at all times with all deficiencies corrected as required by the State Department of Social Services or State Department of Mental Health.

3.0 METHOD OF PAYMENT

a. The COUNTY shall pay CONTRACTOR for services described under this agreement for intensive day treatment services provided to COUNTY approved residents. CONTRACTOR shall bill the COUNTY monthly in arrears based upon the budgeted rate for services.
**LEGAL ENTITY:** Families First, Inc  
**PROGRAM NAME:** Intensive Day Treatment  
**INDEX NUMBER:** 363114

**FISCAL YEAR:** 2001/02  
**CONTRACT #:** C07TBD-01  
**DATE:** 1/31/02

**SANTA CRUZ COUNTY**  
**COMMUNITY MENTAL HEALTH**  
**SERVICE AGREEMENT BUDGET**  
**EXHIBIT C**

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<th><strong>PROGRAM COMPONENT</strong></th>
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The COUNTY agrees to reimburse CONTRACTOR actual costs up to the maximum shown in Net Contract Amount by type of service, calculated by multiplying the units of services of each type provided by the Maximum Cost per Unit of each type of service listed above. In no event shall the amount paid CONTRACTOR exceed the maximum contract amount.

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<tr>
<th><strong>CONTRACT UNITS</strong></th>
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COUNTY OF SANTA CRUZ

EXHIBIT D -- MEDI-CAL & MEDICARE REQUIREMENTS

A. SHORT-DOYLE/MEDI-CAL SERVICES (SDMC)

If the CONTRACTOR provides services billed to SDMC, the following requirements apply:

1. Mutual Objectives
   a. Both CONTRACTOR and COUNTY Desire:
      (1) To assure that all Title XIX eligible clients are informed of the Medi-Cal program, and how to access it.
      (2) To assure that assistance is provided to eligible individuals in determining their eligibility for participation in California’s Medi-Cal plan.
      (3) To assure the availability of early and appropriate interventions so that diagnosis, treatment, and rehabilitation occur in a timely manner.
      (4) To assure that eligible individuals are aware of and understand, in culturally competent and language specific terms, the benefits of preventive and remedial care.
      (5) To assure that health-related services provided to clients served by the CONTRACTOR are of sufficient amount, duration, and scope to correct or ameliorate the condition for which they were determined to be medically necessary.

2. The CONTRACTOR Agrees:
   a. To provide a Medi-Cal cost report within 60 days after the end of the fiscal year which documents actual cost of providing Medi-Cal services. After the 60 day period, CONTRACTOR claims will be held for payment until the cost report is received.
   b. To reimburse the COUNTY 50% of FFP paid for services in excess of costs upon submission of the cost report. This will be returned to the federal government by the COUNTY. This is based on total reimbursement for all Medi-Cal services paid in aggregate as calculated within the Short-Doyle/Medi-Cal cost report. This provision does not apply if the CONTRACTOR exceeds the contracted units of service by 10% or more.
   c. To complete accurate CDS data forms documenting services provided by clinical staff and enter the data into the COUNTY’s management information system within 5 days of service.
d. To work with Mental Health Patient Accounting/Billing section to confirm current eligibility for Medi-Cal and Medicare benefits and assist clients in applying for benefits if appropriate.

e. To document all services for a client in the medical record and to get approval for all planned services from the client's Coordinator.

f. To provide support as requested for the Quality Improvement Committee.

g. To reimburse the COUNTY for all audit exceptions and disallowances (which are determined by the Mental Health Director, or his/her designee, to be the responsibility of the CONTRACTOR) from either, 1) State audits (Fiscal & Quality Assurance); or 2) Quality Improvement Committee/UR denials.

This reimbursement shall be paid within thirty (30) days of the disallowance, unless the provider chooses to appeal pursuant to Short-Doylehledi-Cal procedures. When the outcome of appeal is determined, final settlement shall be made to the COUNTY within thirty days (30).

h. To comply with all state requirements of Short-Doyle/Medi-Cal including Coordinated Services Quality Assurance, certification, staffing ratios, documentation requirements, service authorization, etc. These are reflected in the state manuals and implemented in the local Quality Management Plan. All providers are required to obtain, review, and remain in full compliance with the local Quality Management Plan and Utilization Review Plan.

i. To perform Medi-Cal Administrative and Outreach activities as an agent for the Santa Cruz County Health Services Agency, in order to improve the availability, accessibility, coordination, and appropriate utilization of preventive and remedial health care resources to Medi-Cal eligible individuals and their families (where appropriate), and to capture information using methods developed by the State (with training in these methods provided by the COUNTY) under the direction of the COUNTY. The activities to be included are as approved by the State Department of Mental Health. It is the responsibility of CONTRACTOR to remain current on the requirements for documentation of costs and activities as defined by the State.
Exhibit D, 2001-2002

j. The CONTRACTOR is responsible for providing the required Medi-Cal units of service as defined in Exhibit C of this Agreement. The COUNTY shall not reimburse CONTRACTOR for any non Medi-Cal units of service in excess of the number shown on the Budget page of Exhibit C. The COUNTY shall not cover any short-falls due to lack of productivity. The maximum amount of this Agreement may be amended per Section A.3.i of Exhibit D if actual Medi-Cal units of service delivered deviate significantly from the budgeted Medi-Cal units of service defined in Exhibit C of this Agreement.

The CONTRACTOR is responsible for monitoring services provided, the benefit status of clients, insuring the Mental Health Patient Accounting/Billing section receives current client eligibility status for billing, and working to correct any billing data errors.

3. The COUNTY Agrees:

a. To provide Short-Doyle/Medi-Cal, patient accounting and billing services to all providers.

b. To provide computer equipment for electronic mail, client data (PSP), billing and word processing systems. When equipment utilized by CONTRACTOR is COUNTY'S, COUNTY will provide maintenance, repair, and staff training.

c. To provide CDS services and MIS reports to facilitate assignment of Coordinators and productivity.

d. To provide Quality Assurance Training as requested by the provider.

e. To provide medical records and clinical forms to all providers.

f. To provide consultation and clinical supports based on specific services.

g. To coordinate regarding client benefit and UMDAP status.

h. Costs for COUNTY supports of direct services shall be included in the contract budget exhibit.

i. If the CONTRACTOR does not provide at least 90% of the Medi-Cal units of service defined in Exhibit C of this Agreement, or if the CONTRACTOR provides more than 110% of the Medi-Cal units of service defined in Exhibit C of this Agreement, the COUNTY may elect to amend this Agreement in order to increase or decrease the total contract amount based on the projected annual FFP. The COUNTY will furnish the CONTRACTOR quarterly reports detailing the estimated Medi-Cal units of service.

Final determination of whether the CONTRACTOR meets or exceeds the above Medi-Cal units of service standard will be made once all eligible units of service have been billed and adjudicated by the State. This will occur...
Exhibit D, 2001-2002

approximately 12 months after the end of this Agreement. However, if quarterly reports indicate that actual Medi-Cal units of service will either fail to meet the 90% standard, or exceed the 110% standard, the COUNTY reserves the right to amend this Agreement in order to increase or decrease the total contract amount based upon anticipated annual FFP before final adjudication of all units has occurred. This will not preclude subsequent amendments to this Agreement which reflect FFP and total contract amounts based upon final Medi-Cal units of service delivered.

B. MEDICARE PARTIAL HOSPITALIZATION FOR COMMUNITY MENTAL HEALTH CENTERS

If the CONTRACTOR provides services billed to Medicare for partial hospitalization, the following requirements apply:

1. The CONTRACTOR Agrees:

   a. To document services on CDS forms in compliance with Medicare billing requirements and the Medicare Plan of Care approved by a physician within 5 days of admittance of the program.

   b. To complete the physician certification and 2 week updates to the Medicare plan.

   c. To provide an assessment documenting medical necessity and the need for services as defined by the Aetna clinical policy by of August, 1995.

   d. To provide complete clinical documentation of services in the medical record and all necessary documentation to comply with Aetna help letters and appeals.

   e. To repay the COUNTY for any federal disallowances initiated by HCFA or the fiscal intermediary for the Medicare Partial Hospitalization program.

   f. The CONTRACTOR is responsible for providing the required Medicare units of service as defined in Exhibit C of this Agreement. The COUNTY shall not cover any short-falls due to lack of productivity. The maximum amount of this Agreement may be amended per Section A.3.i of Exhibit D if actual Medicare units of service delivered deviate significantly from the budgeted Medicare units of service defined in Exhibit C of this Agreement. The CONTRACTOR is responsible for monitoring services provided, the benefit status of clients, insuring the Mental Health Patient Accounting/Billing section receives current client eligibility status for billing, and working to correct any billing data errors.
2. **The COUNTY Agrees:**

   a. To provide training on Medicare requirements, documentation needs, etc.

   b. To bill for all services and provide patient accounting and computer supports.

   c. To provide training on Medicare Partial Hospitalization requirements, etc., and provide billing, patient accounts and computer support services related to the partial hospitalization program.

   d. To ensure that partial hospital services are part of an integrated service program with the goal and intent of avoiding hospitalizations.

   e. If the CONTRACTOR does not provide at least 90% of the Medicare units of service defined in Exhibit C of this Agreement, or if the CONTRACTOR provides more than 110% of the Medicare units of service defined in Exhibit C of this Agreement, the COUNTY may elect to amend this Agreement in order to increase or decrease the total contract amount based on the projected annual FFP. The COUNTY will furnish the CONTRACTOR quarterly reports detailing the estimated Medicare units of service.

      Final determination of whether the CONTRACTOR meets or exceeds the above Medicare units of service standard will be made once all eligible units of service have been billed and adjudicated by the State. This will occur approximately 12 months after the end of this Agreement. However, if quarterly reports indicate that actual Medicare units of service will either fail to meet the 90% standard, or exceed the 110% standard, the COUNTY reserves the right to amend this Agreement in order to increase or decrease the total contract amount based upon anticipated annual FFP before final adjudication of all units has occurred. This will not preclude subsequent amendments to this Agreement which reflect FFP and total contract amounts based upon final Medicare units of service delivered.

   f. Provide Quality Improvement staff support to review and send materials to Aetna for help letters and appeals. Where appropriate, legal support for Aetna appeals shall also be provided by the County.
COUNTY OF SANTA CRUZ

Exhibit E

The provisions set forth below shall supersede and take place of the paragraph it replaces. All other provisions of this Agreement shall remain the same. Check and complete the appropriate box(es).

- There are no revised paragraphs in this Agreement

- There are revised paragraphs in this Agreement

Paragraph "_______" of Exhibit "_______" is hereby revised to read as follows:

An Addition to said contract shall be as follows:

---

Master Exhibit E for 2001-02 \ 6.27.01
COUNTY OF SANTA CRUZ

REQUEST FOR APPROVAL OF AGREEMENT

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. said agreement is between the Health Services Agency - Mental Health (Department/Agency) and Lincoln Child Center Day Tx Program 4368 Lincoln Ave. Oakland, CA 94602 (Name/Address)

2. The agreement will provide intensive day treatment services for seriously emotionally disturbed children and young adolescents.

3. Period of the agreement is from September 4, 2001 to June 30, 2004

4. Anticipated Cost is $90.87 per day. □ Fixed □ Monthly Rate □ Annual Rate □ Not to Exceed $19,537 Remarks: FY 01/02 EXPENDITURE $ ____________________________

5. Detail: □ On Continuing Agreements List for FY . Page CC- Contract No: ________ OR □ 1st Time Agreement

6. Appropriations/Revenues are available and are budgeted in 363112 (Index) 4380 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are not available and will be encumbered. By:

Health Services Administrator (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: 3/27/02

County Administrative Office

Distribution:

Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

State of California
County of Santa Cruz

I, Sherry Mitchell, Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on 4/9/2002

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

Document No. JE Amount Lines H/TL Keyed By Date

TC.110 $ ____________________________ / ____________________________ / ____________________________ / ____________________________ / ____________________________ / ____________________________ / ____________________________
County Department/Agency: The County of Santa Cruz through the
HEALTH SERVICES AGENCY (Community Mental Health)
1400Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962

Hereinafter called COUNTY and:

LINCOLN CHILD CENTER DAY TREATMENT PROGRAM
4368 Lincoln Avenue
Oakland, CA 94602
(510) 531-3111

hereinafter called CONTRACTOR for: Intensive day treatment services for seriously emotionally disturbed
children and young adolescents.

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special
services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS pursuant to the provisions of California Government Code, Section 31000, and W & I Code, Sections
5775, et seq., the BOARD OF SUPERVISORS of COUNTY is authorized to enter into an agreement for such services.

NOW, THEREFORE, the parties here to do mutually agree as set forth in:

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<td>Standard Mental Health Provisions</td>
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<td>Standard County/Agency Provisions</td>
<td>B</td>
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<td>Scope of Services and Budget</td>
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<td>Medi-Cal &amp; Medicare Requirements</td>
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Said exhibits attached hereto and incorporated into this Agreement by this reference.

IN WITNESS THEREOF COUNTY AND CONTRACTOR have executed this Contract Agreement to be effective:

September 4, 2001 through June 30, 2004
unless terminated in accordance with the terms of this Agreement.

CONTRACTOR
By: Mary Ann McKale
PRESIDENT/CEO

COUNTY
By: Rana Khalsa
HEALTH SERVICES ADMINISTRATOR

Approved as to Form:

County Counsel 2-15-2002

Approved as to Insurances:

Risk Management Division Chief 2-12-2002

Index # 363112
Subobject # 4380
Contract #
Amount $90.87 per day

(Reserved for Clerk of the Board of Supervisors posting of minute order citation)
This is an Agreement between the parties relating to the rendering of mental health services as defined in, and for which State reimbursement may be claimed under, the provisions of the Bronzan-McCorquodale Act (Part 2 of Division 5, Welfare and Institutions Code) and its accompanying regulations contained in Subchapter 3 of Title 9, California Code of Regulations, parts of which provide definitions, standards, and procedures by and pursuant to which such services may lawfully be provided. Services shall be provided under the general supervision of the Health Services Administrator or his designee. For the purposes of this Section, 'designee', may include any permanent employee on the staff of such Administrator as may be appropriately designated to provide liaison, coordination, or supervision over the services described herein.

1. **ADMINISTRATION:**

COUNTY'S Director of Mental Health, or his or her designee, hereinafter called COUNTY'S ADMINISTRATOR, under direction of the Health Services Administrator, shall represent COUNTY in all matters pertaining to services rendered pursuant to this Agreement and shall administer this Agreement on behalf of COUNTY. CONTRACTOR'S Executive Director shall administer this Agreement on behalf of CONTRACTOR.

2. **NOTICE:**

Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice, or may be served by certified mail, postage prepaid, return receipt requested, to the officials cited in Paragraph 1 above, for CONTRACTOR at the address cited on this Agreement's cover sheet, and for COUNTY at Community Mental Health, PO Box 962, Santa Cruz, CA 95061-0962, Attention: Director of Mental Health.

3. **PROVISION OF SERVICES:**

a. CONTRACTOR agrees to establish and conduct a program of mental health services under the Bronzan-McCorquodale Act services to persons with behavioral and emotional disorders who reside in Santa Cruz County and are eligible for treatment under the Santa Cruz County Performance Contract. All services rendered under this Agreement shall be subject to the supervision of the COUNTY'S Director of Mental Health and shall be provided in a manner consistent with the requirements of the Bronzan-McCorquodale Act; Subchapter 3 of Title 9, California Code of Regulations; and applicable ordinances and resolutions of the Santa Cruz County Board of Supervisors.

b. The COUNTY Director of Mental Health or his/her staff shall specify in writing the kind, quality and amount of service which shall be provided to each eligible patient/client under this Agreement. Said service to be mutually agreed upon and fall within parameters of this
Exhibit A, 2001-2002

Agreement.

c. CONTRACTOR agrees to provide services to program clients throughout the period of this Agreement.

d. As part of the State required Quality Assurance and Improvement Plan, CONTRACTOR shall develop a complaint and grievance process for use by clients and family members to express concerns about access to and/or quality of care. This process shall be in writing and available to the public. As part of this process, CONTRACTOR shall maintain a complaint log and provide an annual report on numbers and types of complaints, outcomes of the complaints, and system issues causing problems for patients.

e. Managed Care requires that each provider who delivers client services monitor its success helping clients avoid re-hospitalizations. Each CONTRACTOR shall develop and submit a monthly report to Mental Health Administration. This report shall include the names of clients enrolled in the program and a highlighting of clients admitted to the hospital in the prior calendar month. CONTRACTORS may obtain assistance from Mental Health Administration on how to gather the necessary data to be in compliance with this requirement.

f. Should CONTRACTOR provide services to client(s) whose payor source is a Health Maintenance Organization, CONTRACTOR shall receive prior approval from the HMO, otherwise the client shall be charged full cost for services provided; CONTRACTOR shall inform client(s) of this during the fee evaluation process or at the time of program admission.

g. Similarly, clients who receive funds distributed by a Trust of any kind shall be informed by CONTRACTOR during the fee evaluation process or at the time of program admission that they will be charged the full cost of services provided.

4. CONFORMANCE TO CR/DC:

It is agreed that the Cost Reporting/Data Collection Manual, an official publication of the State Department of Mental Health promulgated pursuant to the Bronzan-McCorquodale Act, establishes basic requirements to which a contract provider must adhere for approval by the State. CONTRACTOR agrees to comply with all applicable provisions of this manual and any amendments thereto, which by this reference is incorporated into and made a part of this Agreement. A manual will be provided to the CONTRACTOR on an annual basis.

a. Procedure for Complaint Process. All complaints alleging discrimination in the delivery of services by CONTRACTOR because of race, color, religion, age, disability, national origin, gender, or sexual orientation shall be resolved by the State through the Department of Mental Health's Affirmative Action complaint process.

b. Notice of Complaint Process. CONTRACTOR shall, subject to the approval of the Department of Mental Health, establish procedures under which recipients of service are informed of their rights to file a complaint alleging discrimination, or a violation of their civil rights with the Department of Mental Health.
Exhibit A, 2001-2002

5. RECORDS

a. Client Records. CONTRACTOR shall maintain individual records for each client. Such records shall include identifying data, social and financial data, and a record of services provided by various personnel in such sufficient detail to make possible an evaluation by COUNTY of services rendered. COUNTY, at its sole option, may take custody and be responsible for safeguarding CONTRACTOR'S client records upon termination of this Agreement and shall thereupon act as custodian of such records for CONTRACTOR. CONTRACTOR shall be permitted access to and have a right to make copies of such records at any time. COUNTY agrees to maintain such records for such period as may be required by Title 22 of the California Code of Regulations. COUNTY agrees that such custody will conform to applicable confidentiality provisions of State and Federal law.

b. Right to Review. CONTRACTOR authorizes the State Department of Mental Health, the Health Administrator or his/her designee and/or designated auditors of the COUNTY or State, the right to inspect and otherwise evaluate the appropriateness and timeliness of services performed, and to audit and inspect any books and records of CONTRACTOR which pertain to services performed and payments made pursuant to this Agreement. The State Department of Health shall have the same rights of inspection and evaluation of Medi-Cal services provided by CONTRACTOR pursuant to this Agreement.

c. Confidentiality of Client Records and Information. For the COUNTY’S Mental Health system (i.e., all Bronzan-McCorquodale funded providers) to provide coordinated, quality care, all COUNTY and Contract providers must be able to discuss and exchange relevant clinical and service needs information. This information must be exchanged when making referrals, accepting referrals or coordinating service delivery to a client. Consultation with the client regarding this exchange of information is required of the CONTRACTOR. CONTRACTOR is responsible for insuring that its ability to exchange client information within the Bronzan-McCorquodale provider system is maintained.

6. PAYMENT OF CLAIMS:

a. COUNTY agrees to pay CONTRACTOR on receipt of a properly submitted monthly claim Agreement. Each claim shall be submitted to and approved by COUNTY’S Administrator prior to payment by COUNTY.

b. It is further agreed that the monthly claim will be based on the proposed budget and/or estimated units of service as presented in Exhibit C.

7. FULL COMPENSATION:

Pending any cost report adjustment, each claim so approved and paid shall constitute full and complete compensation to CONTRACTOR for the period covered by the claim. It is expressly understood and agreed that this Agreement constitutes the entire Agreement of CONTRACTOR and COUNTY and in no event shall CONTRACTOR be entitled to any compensation, benefits, reimbursements, or ancillary services other than as herein expressly provided.
8. PARTIAL PERFORMANCE:

In the event less than all services are performed in a proper and timely manner, CONTRACTOR shall be paid only the reasonable cost for the services performed for the payment period as determined by COUNTY'S Administrator.

9. ACCOUNTS RECEIVABLE:

In the event that CONTRACTOR or COUNTY terminates this Agreement, the COUNTY shall retain its interest in the accounts receivable which was a result of the CONTRACTORS Bronzan-McCorquodale eligible service under this Agreement. The accounts receivable shall either be assigned to the COUNTY or shall be used to offset any amounts that may be due to CONTRACTOR resulting from such termination with said determination to be made by COUNTY in the exercise of its reasonable judgement.

10. BUDGET CONTROL:

CONTRACTOR may transfer up to 5% of total contract budget covered by this Agreement between budget categories or types of service. Transfers of greater amounts shall only be made with the advanced written permission of COUNTY'S Administrator.

11. COST REPORT:

CONTRACTOR agrees to submit a detailed cost report in the format prescribed by the State Department of Mental Health no later than 60 days after the end of the contract period. The CONTRACTOR shall also submit a copy of the CONTRACTORS trial balance (statement of revenue and expenses) with the cost report. As a part of the cost report, CONTRACTOR will reconcile in writing the total units of service delivered under this Agreement to the units of service reported by CONTRACTOR to COUNTY'S data system. CONTRACTOR shall remit any unearned funds to the COUNTY at the time CONTRACTOR submits cost report. In the event that the reconciliation indicates that CONTRACTOR delivered more units of service than had been reported previously, and total payments made to CONTRACTOR by COUNTY is less than the contract maximum amount, CONTRACTOR may submit an invoice to COUNTY for any additional amounts owed, up to the contract maximum amount.
12. PRODUCTIVITY:

CONTRACTOR shall develop and monitor individual written staff productivity standards which maximize direct services to clients. Monthly or quarterly reports of staff productivity will be submitted by the CONTRACTOR to the COUNTY. CONTRACTOR shall provide written productivity standards and a method of monitoring those standards to the COUNTY Administrator.

13. QUALITY IMPROVEMENT PARTICIPATION:

All CONTRACTORS who provide direct services to clients in the county shall participate in the Quality Improvement program. This includes weekly meetings providing review of clinical records, peer review, difficult case conferences, utilization review appeals, and client outcomes development and review.

14. COUNTY INVOLVEMENT REGARDING HIRING:

CONTRACTOR shall allow COUNTY to comment on the CONTRACTOR’S selection of an Executive Director, Program Administrator or Program Manager whose primary responsibility entails the operation of program(s) funded by this Agreement.

15. REPORTABLE INCIDENTS:

CONTRACTOR shall report within 24 hours all incidents affecting the immediate health, safety and well being of clients to the office of the Mental Health Director. Reportable incidents include, but are not limited to, all deaths, episodes of acute life threatening illness, serious physical or psychological injuries (or risk thereof), and allegations of abuse and/or neglect.

CONTRACTOR shall establish procedures for the investigation of such incidents and shall cooperate with any additional investigation COUNTY may wish to conduct.
COUNTY OF SANTA CRUZ

EXHIBIT B - STANDARD COUNTY/AGENCY PROVISIONS

1. **INDEPENDENT CONTRACTOR.** It is agreed that CONTRACTOR shall perform as an independent contractor under this Agreement. CONTRACTOR is, for all purposes arising out of this Agreement, an independent contractor, and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR and its employees shall in no event be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, any retirement benefits, worker's compensation benefits, and injury leave or leave benefits. The Board of Directors mustees of CONTRACTOR shall be vested with the responsibility for the administration of the program to be conducted under this Agreement.

By their signatures to this Contract, each party certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Contract is in fact an independent contractor.

2. **CONTRACTOR'S EMPLOYEES AND EQUIPMENT.** CONTRACTOR agrees that it has secured or will secure at its own expense all persons, employees and equipment unless otherwise specified required to perform the services required under this Agreement and that all such services will be performed by CONTRACTOR or under CONTRACTOR'S supervision, by persons authorized by law to perform such services. If any arrangement is made whereby employees of COUNTY are used by CONTRACTOR, they shall, while engaged in such work be considered for all purposes, as employees, servants, or agents of the CONTRACTOR and not of COUNTY, irrespective of party paying them.

3. **RESPONSIBILITY FOR INVENTORY ITEMS.**
   
   a. Equipment, materials, supplies, or property of any kind purchased from funds advanced or reimbursed under the terms of this Agreement having a useful life of three years or greater and a value in excess of three hundred dollars is defined as an inventory item. All such items not fully consumed in the work described herein shall be the property of the COUNTY at the termination of this Agreement unless the COUNTY, at its sole discretion, makes an alternate disposition. CONTRACTOR shall, at the request of COUNTY, submit an inventory of said items purchased under the terms of this Agreement, and for items received on a loan basis from COUNTY; such inventory will not be required more frequently than annually. CONTRACTOR shall provide a final inventory to COUNTY'S Administrator within ten (10) days of the termination of this Agreement. Final disposition of all inventory items shall be in accordance with written instructions provided by COUNTY.

   b. Inventory items in CONTRACTOR'S possession shall only be used in connection with the program funded under this Agreement, and shall not be loaned to the public at large. CONTRACTOR is strictly liable for repairing or replacing any inventory item which is lost and/or damaged while in its possession. CONTRACTOR is responsible for the proper maintenance of all inventory items. CONTRACTOR will return all inventory items to COUNTY in the same condition that it received them except for damage due to normal wear and tear.

4. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY which for the purpose of paragraphs 4 and 33 (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:
a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR’S performance under the terms of this contract, including but not limited to the use, misuse, or failure of any equipment, materials, tools, supplies or other property furnished to CONTRACTOR by COUNTY, excepting any liability arising out of sole negligence of the COUNTY. Such indemnification includes any damage to the person(s) or property(ies) of CONTRACTOR and third persons.

b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR’S officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding).

5. ASSIGNABILITY. The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the COUNTY thereto; provided, however, that claims for money due or to become due to CONTRACTOR from COUNTY under this Agreement may be assigned without such approval. Notice of any assignment or transfer shall be furnished promptly to COUNTY.

6. INTEREST OF CONTRACTOR. CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects or independent contractors, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the Performance of this Agreement no person having any such interest shall be employed or retained by him under this Agreement.

7. SUBCONTRACTS. All subcontracts of CONTRACTOR for provision of services under this Agreement shall be notified of CONTRACTOR’S relationship to COUNTY. Any subcontract which is in excess of one thousand dollars ($1,000) shall have prior written approval of COUNTY’S Administrator. CONTRACTOR shall provide, upon request of COUNTY, copies of all subcontracts relating to this Agreement entered into by CONTRACTOR. CONTRACTOR has legal responsibility for performance of all contract terms including those subcontracted.

8. POLITICAL ACTIVITIES PROHIBITED. None of the funds, provided directly or indirectly, under this contract shall be used for any political activities or to further the election or defeat of any candidate for public office. No CONTRACTOR shall utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any funds provided thereunder shall be utilized in support of any partisan political activities for or against the election of candidates for an elected office.

9. LOBBYING. None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures or the Board of Supervisors of the COUNTY to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R., Section 501(c)(3)-1b(3).

10. CONFORMANCE TO REGULATIONS. CONTRACTOR shall perform this Agreement in conformance with all applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.
11. **CONFORMANCE TO LAW.** This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa Cruz.

12. **ADMISSION POLICIES.** Admission procedures shall be in writing, be available to the public and include a provision that services, benefits and facilities shall be provided to patients/clients without regard to race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation and that no one will be refused services because of inability to pay for services.

   a. **Nondiscrimination in Services, Benefits and Facilities.** There shall be no discrimination in the provision of services because of race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation, in accordance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d, Sections 503 and 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 rules and regulations promulgated pursuant thereto, or as otherwise provided on the grounds of any of the aforementioned characteristics. Discrimination in the provision of services includes, but is not limited to, the following: denying a person any service or benefit; providing to a person any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other persons under this contract; subjecting a person to segregation or separate treatment in any matter related to his receipt of any service; restricting a person differently in any way in the enjoyment of an advantage or privilege enjoyed by others receiving any service or benefit; treating a person differently from others in determining whether he/she satisfied any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of any of the aforementioned characteristics of the person(s) to be served. CONTRACTOR will take affirmative action to ensure that intended beneficiaries are provided services without regard to race, color, religion, age, disability, national origin, gender, or sexual orientation.

13. **EQUAL EMPLOYMENT OPPORTUNITY.** During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

   a. **CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other nonmerit factor unrelated to job duties.** Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

   b. **If this Agreement provides compensation in excess of $50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:**

      (1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, national origin, ancestry, disability,
medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR's solicitation of goods and services. Definitions for Minority/Women/Disabled Owned Business Enterprises are available from the COUNTY General Services Purchasing Division.

(2) The CONTRACTOR shall furnish COUNTY Equal Employment Opportunity Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

(3) In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.

(4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 13b, to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than $50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

14. CONFIDENTIALITY OF RECORDS. CONTRACTOR agrees that all information and records obtained in the course of providing services to COUNTY in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto. CONTRACTOR agrees that it has a duty and responsibility to make available to the COUNTY Administrator or his/her designated representatives, including the Auditor-Controller of the COUNTY, the contents of records pertaining to COUNTY which are maintained in connection with the performance of CONTRACTORS duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The COUNTY acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

15. MONITORING. CONTRACTOR agrees that COUNTY shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by State and COUNTY requirements. CONTRACTOR agrees to provide COUNTY'S Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.

16. REPORTS. CONTRACTOR shall submit written reports of operations, and other reports as requested by COUNTY. Format for the content of such reports will be developed by COUNTY in consultation with CONTRACTOR. Reports shall be submitted to COUNTY'S Administrator.

17. OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the property of COUNTY. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the COUNTY. COUNTY shall have unrestricted
authority to publish, disclose, distribute and otherwise use copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the CONTRACTOR. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.

18. **EVALUATION/RESEARCH.** Evaluation or research involving contact with past or present recipients of services provided under this Agreement shall be permitted with the informed consent of the recipient and only after the CONTRACTOR has determined that the conduct of such evaluation or research will not adversely affect the quality of services provided or individual participation in services. COUNTY reserves the right to prohibit or terminate evaluation or research activities which in its judgment jeopardize the quality of services or individual participation in services provided under this Agreement.

19. **ACKNOWLEDGMENT.** CONTRACTOR shall acknowledge in all reports and literature that the Santa Cruz County Board of Supervisors has provided funding to the CONTRACTOR.

20. **VOLUNTEERS.** CONTRACTOR agrees not to fill budgeted positions with volunteer workers.

21. **TRAVELING EXPENSES, FOOD AND LODGING.**

   a. CONTRACTOR’S claim for travel expense for food and lodging must be directly related to this program and shall be at rates not to exceed those applicable to regular COUNTY employees. No travel outside of the State of California shall be payable unless prior written authorization is obtained from COUNTY’s Administrator.

   b. Private mileage reimbursement, if paid based upon miles driven, to CONTRACTOR’S employees when incurred in performance of duties under this Agreement shall be payable at a rate not to exceed COUNTY rates payable to COUNTY employees.

22. **CONTRACTOR PERSONNEL STANDARDS.** The CONTRACTOR shall determine that all staff providing services under this Agreement shall be personally and professionally qualified to perform the job requirements under this Agreement. CONTRACTOR shall maintain a resume for each employee which shall include qualifying education, experience and licenses, if applicable. COUNTY’S Administrator may review resumes of all CONTRACTOR’S employees to determine that CONTRACTOR is meeting State and/or Federal job qualification requirements, if applicable under this Agreement.

23. **PRESENTATION OF CLAIMS.** Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz COUNTY Code, which by this reference is incorporated herein.

24. **CHANGES.**

   a. COUNTY may from time to time request changes in the scope of the services of CONTRACTOR to be performed hereunder. Such changes, including any increase or decrease in the amount of CONTRACTOR’S compensation, which are mutually agreed upon by and between COUNTY and CONTRACTOR, shall be effective when incorporated in written amendments in this Agreement. No alteration, amendment, or modification of the terms of this Agreement shall be valid unless executed by written amendment hereto and approved by COUNTY.
b. COUNTY shall have the right to renegotiate the financial and/or programmatic terms of this Agreement in the event that there is a reduction in the approved budget.

25. NOTICE OF POSSIBLE TERMINATION FOR CAUSE.

a. In the event CONTRACTOR fails to perform any of the provisions of this Agreement or fails to make progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not cure such failure within a period of fourteen (14) days after receipt of notice from COUNTY specifying such failure, COUNTY may by written notice of default terminate the whole or part of this Agreement.

b. In the event of a termination pursuant to Paragraph 25a, all finished or unfinished documents, and other materials, prepared by CONTRACTOR under this Agreement shall become the property of COUNTY. CONTRACTOR shall be entitled to receive reasonable compensation not to exceed actual cost as reported in interim cost reports for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed amount payable to date of termination under Paragraph 25a reduced by the amount of damages sustained by COUNTY by reason of such breach.

26. TERMINATION OF AGREEMENT WITHOUT CAUSE. This Agreement may be terminated without cause by COUNTY or the CONTRACTOR with thirty (30) days written notice.

27. TERMINATION DUE TO CESSATION OF FUNDING. COUNTY shall have the right to terminate this Agreement without prior notice to CONTRACTOR in the event that State or Federal funding for this Agreement ceases prior to the ordinary term of the Agreement.

28. EXTENSION OF TIME. COUNTY'S Administrator may extend the time for completion of CONTRACTOR'S performance under this Agreement in the event performance is delayed due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR. Both parties agree that such extension of time does not alter the amount of compensation due CONTRACTOR.

29. RETENTION AND AUDIT OF RECORDS. CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs last. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, federal auditors or the designee of either for a period of five (5) years after final payment under this Agreement.

CONTRACTOR must comply with Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions, which requires a single or program-specific audit be conducted annually if federal funds exceed $300,000. A copy of the A-133 audit shall be submitted to COUNTY no later than eight (8) months following the end of the fiscal year being audited.

30. WITHHOLDING OF PAYMENT. COUNTY may withhold final payment until year end reports are received and approved by COUNTY. COUNTY may suspend or terminate payments for noncompliance with terms of this Agreement.

31. DISALLOWANCE AND RESPONSIBILITY FOR AUDIT EXCEPTIONS. CONTRACTOR is
32. **OVERPAYMENTS.** Over payments as determined by audits shall be payable to COUNTY within thirty (30) days after date of said determination. Over payments held in excess of thirty days shall be subject to a penalty charge of a flat twelve (12) percent per annum.

33. **INSURANCE.**

a. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR'S insurance coverage and shall not contribute to it.

b. If CONTRACTOR utilizes subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain independent CONTRACTOR'S Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

(1) **Types of Insurance and Minimum Limits**

(a) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if CONTRACTOR has no employees.

(b) Automobile Liability Insurance for each of CONTRACTORS vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR'S employees), leased or hired vehicles, in the minimum amount of $500,000 combined single limit per occurrence for bodily injury and property damage.

(c) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of $1,000,000 combined single limit, including coverage for:
   a) bodily injury, b) personal injury, c) broad form property damage, d) contractual liability, and e) cross-liability.

(d) Professional Liability Insurance in the minimum amount of $1,000,000 combined single limit.

(e) CONTRACTOR agrees to carry and maintain during the entire term of this Agreement fire and extended coverage including theft insurance to adequately cover value of COUNTY'S inventoriable items in the possession of CONTRACTOR. Insurance policy must name COUNTY as the loss payee.

(2) **Other Insurance Provisions**
(a) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

(b) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

"The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz."

(c) All required insurance policies shall be endorsed to contain the following clause:

This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

(d) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

34. SAFETY AND INFECTION CONTROL.

a. CONTRACTOR asserts that it is in compliance with applicable CaVOSHA guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions, litigation, or other legal or regulatory proceedings in progress or being brought against CONTRACTOR as a result of non-compliance with such guidelines. CONTRACTOR agrees to notify COUNTY immediately should the status of any of the assertions in this paragraph change or come into question.

b. CONTRACTOR must, upon request, furnish documentation satisfactory to COUNTY'S Health Officer, of the absence of tuberculosis disease for any employee or volunteer who provides services under this Agreement.

c. CONTRACTOR agrees to furnish COUNTY, upon request, a copy of CONTRACTOR'S Safety and Infection Control Policy.

35. CULTURAL COMPETENCY:

In order to ensure access to services, CONTRACTOR shall provide services in a culturally competent manner. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes and
policies that enable staff to work effectively in cross-cultural situations. CONTRACTOR shall provide or make available to staff cultural competency training. CONTRACTORS clients whose sole language is the COUNTY’S threshold language (i.e., Spanish) shall be provided information, access and direct services in that language.
EXHIBIT C - Scope of Service and Budget

LINCOLN CHILD CENTER

Provider: Lincoln Child Center
Provider No.: TBD
Program: Lincoln Child Center Day Treatment Program
Program Address: 4368 Lincoln Avenue, Oakland, CA 94602
Provider/Program Telephone: (510) 531-3111

1.0 PROGRAM INTENT

1.1 Primary Task: CONTRACTOR is a residential care facility, with an intensive day treatment program providing intensive day and half-day treatment services for seriously emotionally disturbed children and young adolescents.

1.2 Description of Services: CONTRACTOR offers intensive day and half-day treatment programs 5 days per week, excluding holidays, for 215 school days per year. The COUNTY approved resident is enrolled in the half day program, as a day student only. In addition to the intensive day treatment services, CONTRACTOR provides evaluation, assessment, individual, group, family, and milieu therapy, therapeutic activities, individually structured education, treatment plan, medication support, as needed, for seriously emotionally disturbed children and young adolescents. CONTRACTOR works collaboratively with the local school district and adheres to the Independent Educational Plan to provide for the educational needs of the residents. All discharge planning will be done in conjunction with the Santa Cruz County Mental Health Coordinator as determined by the collaboratively agreed upon Independent Educational Plan.

1.3 Description of Client Population: CONTRACTOR’S staff will serve a population of males and females 6 to 17 years of age who have been certified as seriously emotionally disturbed and meet the criteria for RCL level 12-14 placement, or are day students and attending based on their Independent Educational Plan. These adolescents have disabilities including DSM-IV diagnostic classifications and learning disabilities that prevent them from functioning successfully in mainstream educational programs.

1.4 Staffing: Contract file.

2.0 SYSTEM INTENT

2.1 Geographic area serviced: County of Santa Cruz
Exhibit C, 2001-2004

2.2 Quality Assurance Program: Community Care Licensing, Division of the State Department of Social Services.

2.3 Organization and Administrative Structure: Contract file.

2.4 Internal System Affiliations: County of Santa Cruz Community Mental Health and Substance Abuse, Human Resources Agency Children’s Services.

2.5 External System Affiliations: State Department of Social Services, State Department of Mental Health, State Department of Education.

2.6 Community Care Licenses: CONTRACTOR shall maintain license at all times with all deficiencies corrected as required by the State Department of Social Services or State Department of Mental Health.

3.0 METHOD OF PAYMENT

a. The COUNTY shall pay CONTRACTOR for services described under this agreement for half day intensive day treatment and other mental health services provided to COUNTY approved residents. CONTRACTOR shall bill the COUNTY monthly in arrears based upon the budgeted rate for services.
<table>
<thead>
<tr>
<th>PROGRAM COMPONENT</th>
<th>CONTRACT TOTAL</th>
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<tbody>
<tr>
<td>PROVIDER #</td>
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<td>CONTRACTOR’S COSTS</td>
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| REVENUES          |               |
| PATIENT FEES      |               |
| PATIENT INSURANCE |               |
| OTHER             |               |
| TOTAL REVENUES    |               |
| NET CONTRACT AMOUNT| 19,537        |

| FUNDING SOURCES  |               |
| MEDI-CAL (FFP only)| 19,537        |
| MAC (FFP & MATCH) |               |
| MEDICARE          |               |
| REALIGNMENT/COUNTY|               |
| OTHER             |               |
| TOTAL FUNDING SOURCES| 19,537        |

<table>
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<tr>
<th>UNIT COST CALCULATION</th>
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<tr>
<td>CONTRACTOR’S COSTS</td>
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<tr>
<td>COUNTY’S DIRECT COSTS</td>
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<tr>
<td>TOTAL DIRECT COSTS</td>
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<td>UNITS OF SERVICE</td>
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<td>COUNTY COST PER UNIT</td>
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<tr>
<td>MAXIMUM COST PER UNIT</td>
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</tbody>
</table>

The COUNTY agrees to reimburse CONTRACTOR actual costs up to the maximum shown in Net Contract Amount by type of service, calculated by multiplying units of service for each type of service by the Maximum Cost per Unit of each type of service listed above. In no event shall the amount paid CONTRACTOR exceed the maximum contract amount.

| CONTRACT UNITS          |       |
| CONTRACT MEDI-CAL UNITS | 215   |
| CONTRACT INDIGENT UNITS | 215   |
| CONTRACT OTHER UNITS    | 0     |
Exhibit D, 2001-2002

COUNTY OF SANTA CRUZ

EXHIBIT D – MEDI-CAL & MEDICARE REQUIREMENTS

A. SHORT-DOYLE/MEDI-CAL SERVICES (SDMC)

If the CONTRACTOR provides services billed to SDMC, the following requirements apply:

1. Mutual Objectives
   
   a. Both CONTRACTOR and COUNTY Desire:
      
      (1) To assure that all Title XIX eligible clients are informed of the Medi-Cal program, and how to access it.

      (2) To assure that assistance is provided to eligible individuals in determining their eligibility for participation in California's Medi-Cal plan.

      (3) To assure the availability of early and appropriate interventions so that diagnosis, treatment, and rehabilitation occur in a timely manner.

      (4) To assure that eligible individuals are aware of and understand, in culturally competent and language specific terms, the benefits of preventive and remedial care.

      (5) To assure that health-related services provided to clients served by the CONTRACTOR are of sufficient amount, duration, and scope to correct or ameliorate the condition for which they were determined to be medically necessary.

2. The CONTRACTOR Agrees:
   
   a. To provide a Medi-Cal cost report within 60 days after the end of the fiscal year which documents actual cost of providing Medi-Cal services. After the 60 day period, CONTRACTOR claims will be held for payment until the cost report is received.

   b. To reimburse the COUNTY 50% of FFP paid for services in excess of costs upon submission of the cost report. This will be returned to the federal government by the COUNTY. This is based on total reimbursement for all Medi-Cal services paid in aggregate as calculated within the Short-Doyle/Medi-Cal cost report. This provision does not apply if the CONTRACTOR exceeds the contracted units of service by 10% or more.

   c. To complete accurate CDS data forms documenting services provided by clinical staff and enter the data into the COUNTY'S management information system within 5 days of service.
d. To work with Mental Health Patient Accounting/Billing section to confirm current eligibility for Medi-Cal and Medicare benefits and assist clients in applying for benefits if appropriate.

e. To document all services for a client in the medical record and to get approval for all planned services from the client's Coordinator.

f. To provide support as requested for the Quality Improvement Committee.

g. To reimburse the COUNTY for all audit exceptions and disallowances (which are determined by the Mental Health Director, or his/her designee, to be the responsibility of the CONTRACTOR) from either, 1) State audits (Fiscal & Quality Assurance); or 2) Quality Improvement Committee/UR denials.

This reimbursement shall be paid within thirty (30) days of the disallowance, unless the provider chooses to appeal pursuant to Short-Doyle/Medi-Cal procedures. When the outcome of appeal is determined, final settlement shall be made to the COUNTY within thirty days (30).

h. To comply with all state requirements of Short-Doyle/Medi-Cal including Coordinated Services Quality Assurance, certification, staffing ratios, documentation requirements, service authorization, etc. These are reflected in the state manuals and implemented in the local Quality Management Plan. All providers are required to obtain, review, and remain in full compliance with the local Quality Management Plan and Utilization Review Plan.

i. To perform Medi-Cal Administrative and Outreach activities as an agent for the Santa Cruz County Health Services Agency, in order to improve the availability, accessibility, coordination, and appropriate utilization of preventive and remedial health care resources to Medi-Cal eligible individuals and their families (where appropriate), and to capture information using methods developed by the State (with training in these methods provided by the COUNTY) under the direction of the COUNTY. The activities to be included are as approved by the State Department of Mental Health. It is the responsibility of CONTRACTOR to remain current on the requirements for documentation of costs and activities as defined by the State.
j. The CONTRACTOR is responsible for providing the required Medi-Cal units of service as defined in Exhibit C of this Agreement. The COUNTY shall not reimburse CONTRACTOR for any non Medi-Cal units of service in excess of the number shown on the Budget page of Exhibit C. The COUNTY shall not cover any short-falls due to lack of productivity. The maximum amount of this Agreement may be amended per Section A3.i of Exhibit D if actual Medi-Cal units of service delivered deviate significantly from the budgeted Medi-Cal units of service defined in Exhibit C of this Agreement.

The CONTRACTOR is responsible for monitoring services provided, the benefit status of clients, insuring the Mental Health Patient Accounting/Billing section receives current client eligibility status for billing, and working to correct any billing data errors.

3. The COUNTY Agrees:

a. To provide Short-Doyle/Medi-Cal, patient accounting and billing services to all providers.

b. To provide computer equipment for electronic mail, client data (PSP), billing and word processing systems. When equipment utilized by CONTRACTOR is COUNTY'S, COUNTY will provide maintenance, repair, and staff training.

c. To provide CDS services and MIS reports to facilitate assignment of Coordinators and productivity.

d. To provide Quality Assurance Training as requested by the provider.

e. To provide medical records and clinical forms to all providers.

f. To provide consultation and clinical supports based on specific services.

g. To coordinate regarding client benefit and UMDAP status.

h. Costs for COUNTY supports of direct services shall be included in the contract budget exhibit.

i. If the CONTRACTOR does not provide at least 90% of the Medi-Cal units of service defined in Exhibit C of this Agreement, or if the CONTRACTOR provides more than 110% of the Medi-Cal units of service defined in Exhibit C of this Agreement, the COUNTY may elect to amend this Agreement in order to increase or decrease the total contract amount based on the projected annual FFP. The COUNTY will furnish the CONTRACTOR quarterly reports detailing the estimated Medi-Cal units of service.

Final determination of whether the CONTRACTOR meets or exceeds the above Medi-Cal units of service standard will be made once all eligible units of service have been billed and adjudicated by the State. This will occur.
approximately 12 months after the end of this Agreement. However, if quarterly reports indicate that actual Medi-Cal units of service will either fail to meet the 90% standard, or exceed the 110% standard, the COUNTY reserves the right to amend this Agreement in order to increase or decrease the total contract amount based upon anticipated annual FFP before final adjudication of all units has occurred. This will not preclude subsequent amendments to this Agreement which reflect FFP and total contract amounts based upon final Medi-Cal units of service delivered.

B. MEDICARE PARTIAL HOSPITALIZATION FOR COMMUNITY MENTAL HEALTH CENTERS

If the CONTRACTOR provides services billed to Medicare for partial hospitalization, the following requirements apply:

1. The CONTRACTOR Agrees:
   a. To document services on CDS forms in compliance with Medicare billing requirements and the Medicare Plan of Care approved by a physician within 5 days of admittance of the program.
   b. To complete the physician certification and 2 week updates to the Medicare plan.
   c. To provide an assessment documenting medical necessity and the need for services as defined by the Aetna clinical policy by of August, 1995.
   d. To provide complete clinical documentation of services in the medical record and all necessary documentation to comply with Aetna help letters and appeals.
   e. To repay the COUNTY for any federal disallowances initiated by HCFA or the fiscal intermediary for the Medicare Partial Hospitalization program.
   f. The CONTRACTOR is responsible for providing the required Medicare units of service as defined in Exhibit C of this Agreement. The COUNTY shall not cover any short-falls due to lack of productivity. The maximum amount of this Agreement may be amended per Section A.3.i of Exhibit D if actual Medicare units of service delivered deviate significantly from the budgeted Medicare units of service defined in Exhibit C of this Agreement. The CONTRACTOR is responsible for monitoring services provided, the benefit status of clients, insuring the Mental Health Patient Accounting/Billing section receives current client eligibility status for billing, and working to correct any billing data errors.
2. The COUNTY Agrees:

a. To provide training on Medicare requirements, documentation needs, etc.
b. To bill for all services and provide patient accounting and computer supports.
c. To provide training on Medicare Partial Hospitalization requirements, etc., and provide billing, patient accounts and computer support services related to the partial hospitalization program.
d. To ensure that partial hospital services are part of an integrated service program with the goal and intent of avoiding hospitalizations.
e. If the CONTRACTOR does not provide at least 90% of the Medicare units of service defined in Exhibit C of this Agreement, or if the CONTRACTOR provides more than 110% of the Medicare units of service defined in Exhibit C of this Agreement, the COUNTY may elect to amend this Agreement in order to increase or decrease the total contract amount based on the projected annual FFP. The COUNTY will furnish the CONTRACTOR quarterly reports detailing the estimated Medicare units of service.

Final determination of whether the CONTRACTOR meets or exceeds the above Medicare units of service standard will be made once all eligible units of service have been billed and adjudicated by the State. This will occur approximately 12 months after the end of this Agreement. However, if quarterly reports indicate that actual Medicare units of service will either fail to meet the 90% standard, or exceed the 110% standard, the COUNTY reserves the right to amend this Agreement in order to increase or decrease the total contract amount based on anticipated annual FFP before final adjudication of all units has occurred. This will not preclude subsequent amendments to this Agreement which reflect FFP and total contract amounts based upon final Medicare units of service delivered.

f. Provide Quality Improvement staff support to review and send materials to Aetna for help letters and appeals. Where appropriate, legal support for Aetna appeals shall also be provided by the County.
COUNTY OF SANTA CRUZ

Exhibit E

The provisions set forth below shall supersede and take place of the paragraph it replaces. All other provisions of this Agreement shall remain the same. Check and complete the appropriate box(es).

✔ There are no revised paragraphs in this Agreement

☐ There are revised paragraphs in this Agreement

Paragraph "______" of Exhibit "______" is hereby revised to read as follows:

An Addition to said contract shall be as follows:

[Blank space for text]
COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors
County Administrative Office
Auditor Controller

FROM: Health Services Agency (Department)__________________________
       (Agency) ____________________________

BY: ____________________________ (Signature) 3/26/02 (Date)

AGREEMENT TYPE (Check One)
Expenditure Agreement [X] Revenue Agreement [ ]

Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Mental Health and Alliance for Community Care 438 N. White Rd. San Jose, CA 95127

2. The agreement will provide intensive day treatment for seriously emotionally disturbed children and young adolescents.

3. Period of the agreement is from October 23, 2001 to June 30, 2002

4. Anticipated cost is $168.98 per day [X] Fixed [ ] Monthly Rate [ ] Annual Rate [ ] Not to Exceed

   Remarks: FY 01-02 EXPENDITURE # 19602

5. Detail: [ ] On Continuing Agreements List for FY [ ] Page CC- [ ] Contract No: ______ OR [X] 1st Time Agreement
   Section II [ ] No Board letter required [ ] Section III [X] Board letter required [ ] Section IV [ ] Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 363114 (Index) 4380 (Sub-object)

NOTE: If appropriations are insufficient, attached completed AUD-74 or AUD-60

Appropriations are not available and will be encumbered.

By: ____________________________ (Auditor-Controller Deputy)
   Date: 03/27/02

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize Health Services Administrator (Dept/Agency Head) to execute on behalf of the

Health Services Agency (Department/Agency)

Date: 3/27/02

By: ____________________________ (County Administrative Office)

Distribution:
Board of Supervisors - White
Auditor Controller - Canary
Auditor-Controller - Pink
Department - Gold

ADM - 29 (8/01)
Title I, Section 300 Proc Man

AUDITOR-CONTROLLER USE ONLY

CO $ JE Amount Lines H/T L Keyed By Date

TC110 Auditor Description $ Amount Index Sub object User Code
County Department/Agency: The County of Santa Cruz through the HEALTH SERVICES AGENCY (Community Mental Health)
1400Emeline Avenue, P.O. Box 962, Santa Cruz CA 95061-0962

Hereinafter called COUNTY and:

ALLIANCE FOR COMMUNITY CARE
438 North White Road
San Jose, CA 95127
(408) 254-6848

hereinafter called CONTRACTOR for: Intensive day treatment services for seriously emotionally disturbed children and young adolescents.

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS pursuant to the provisions of California Government Code, Section 31000, and W & I Code, Sections 5775, et seq., the BOARD OF SUPERVISORS of COUNTY is authorized to enter into an agreement for such services.

NOW, THEREFORE, the parties here to do mutually agree as set forth in:

<table>
<thead>
<tr>
<th>TITLE</th>
<th>EXHIBIT</th>
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<tbody>
<tr>
<td>Standard Mental Health Provisions</td>
<td>A</td>
</tr>
<tr>
<td>Standard County/Agency Provisions</td>
<td>B</td>
</tr>
<tr>
<td>Scope of Services and Budget</td>
<td>C</td>
</tr>
<tr>
<td>Medi-Cal &amp; Medicare Requirements</td>
<td>D</td>
</tr>
<tr>
<td>Revisions</td>
<td>E</td>
</tr>
</tbody>
</table>

Said exhibits attached hereto and incorporated into this Agreement by this reference.

IN WITNESS THEREOF COUNTY AND CONTRACTOR have executed this Contract Agreement to be effective:

October 23, 2001 through June 30, 2002

unless terminated in accordance with the terms of this Agreement.

By: Mary Hiland            By: Rama Khalsa
CEO                  HEALTH SERVICES ADMINISTRATOR

Approved as to Fonn:

County Counsel 2-15-2002

Approved as to Insurances:

Risk Management Division Chief

Index # 363114

Subobject # 4380

Contract #

Amount $168.98 per day

(Reserved for Clerk of the Board of Supervisors posting of minute order citation)

Distribution:
Clerk of the Board
Auditor-Controller
Health Services Agency
Community Mental Health Contractor
COUNTY OF SANTA CRUZ

EXHIBIT A - STANDARD MENTAL HEALTH PROVISIONS

This is an Agreement between the parties relating to the rendering of mental health services as defined in, and for which State reimbursement may be claimed under, the provisions of the Bronzan-McCorquodale Act (Part 2 of Division 5, Welfare and Institutions Code) and its accompanying regulations contained in Subchapter 3 of Title 9, California Code of Regulations, parts of which provide definitions, standards, and procedures by and pursuant to which such services may lawfully be provided. Services shall be provided under the general supervision of the Health Services Administrator or his designee. For the purposes of this Section, "designee", may include any permanent employee on the staff of such Administrator as may be appropriately designated to provide liaison, coordination, or supervision over the services described herein.

1. ADMINISTRATION:

COUNTY'S Director of Mental Health, or his or her designee, hereinafter called COUNTY'S ADMINISTRATOR, under direction of the Health Services Administrator, shall represent COUNTY in all matters pertaining to services rendered pursuant to this Agreement and shall administer this Agreement on behalf of COUNTY. CONTRACTORS Executive Director shall administer this Agreement on behalf of CONTRACTOR.

2. NOTICE:

Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice, or may be served by certified mail, postage prepaid, return receipt requested, to the officials cited in Paragraph 1 above, for CONTRACTOR at the address cited on this Agreement's cover sheet, and for COUNTY at Community Mental Health, P.O. Box 962, Santa Cruz, CA 95061-0962, Attention: Director of Mental Health.

3. PROVISION OF SERVICES:

a. CONTRACTOR agrees to establish and conduct a program of mental health services under the Bronzan-McCorquodale Act services to persons with behavioral and emotional disorders who reside in Santa Cruz County and are eligible for treatment under the Santa Cruz County Performance Contract. All services rendered under this Agreement shall be subject to the supervision of the COUNTY'S Director of Mental Health and shall be provided in a manner consistent with the requirements of the Bronzan-McCorquodale Act; Subchapter 3 of Title 9, California Code of Regulations; and applicable ordinances and resolutions of the Santa Cruz County Board of Supervisors.

b. The COUNTY Director of Mental Health or his/her staff shall specify in writing the kind, quality and amount of service which shall be provided to each eligible patient/client under this Agreement. Said service to be mutually agreed upon and fall within parameters of this

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Agreement.

c. CONTRACTOR agrees to provide services to program clients throughout the period of this Agreement.

d. As part of the State required Quality Assurance and Improvement Plan, CONTRACTOR shall develop a complaint and grievance process for use by clients and family members to express concerns about access to and/or quality of care. This process shall be in writing and available to the public. As part of this process, CONTRACTOR shall maintain a complaint log and provide an annual report on numbers and types of complaints, outcomes of the complaints, and system issues causing problems for patients.

e. Managed Care requires that each provider who delivers client services monitor its success helping clients avoid re-hospitalizations. Each CONTRACTOR shall develop and submit a monthly report to Mental Health Administration. This report shall include the names of clients enrolled in the program and a highlighting of clients admitted to the hospital in the prior calendar month. CONTRACTORS may obtain assistance from Mental Health Administration on how to gather the necessary data to be in compliance with this requirement.

f. Should CONTRACTOR provide services to client(s) whose payor source is a Health Maintenance Organization, CONTRACTOR shall receive prior approval from the HMO, otherwise the client shall be charged full cost for services provided; CONTRACTOR shall inform client(s) of this during the fee evaluation process or at the time of program admission.

g. Similarly, clients who receive funds distributed by a Trust of any kind shall be informed by CONTRACTOR during the fee evaluation process or at the time of program admission that they will be charged the full cost of services provided.

4. CONFORMANCE TO CWDC:

It is agreed that the Cost Reporting/Data Collection Manual, an official publication of the State Department of Mental Health promulgated pursuant to the Bronzan-McCorquodale Act, establishes basic requirements to which a contract provider must adhere for approval by the State. CONTRACTOR agrees to comply with all applicable provisions of this manual and any amendments thereto, which by this reference is incorporated into and made a part of this Agreement. A manual will be provided to the CONTRACTOR on an annual basis.

a. Procedure for Complaint Process. All complaints alleging discrimination in the delivery of services by CONTRACTOR because of race, color, religion, age, disability, national origin, gender, or sexual orientation shall be resolved by the State through the Department of Mental Health’s Affirmative Action complaint process.

b. Notice of Complaint Process. CONTRACTOR shall, subject to the approval of the Department of Mental Health, establish procedures under which recipients of service are informed of their rights to file a complaint alleging discrimination, or a violation of their civil rights with the Department of Mental Health.
5. RECORDS

a. Client Records. CONTRACTOR shall maintain individual records for each client. Such records shall include identifying data, social and financial data, and a record of services provided by various personnel in such sufficient detail to make possible an evaluation by COUNTY of services rendered. COUNTY, at its sole option, may take custody and be responsible for safeguarding CONTRACTOR's client records upon termination of this Agreement and shall thereupon act as custodian of such records for CONTRACTOR. COUNTY shall be permitted access to and have a right to make copies of such records at any time. COUNTY agrees to maintain such records for such period as may be required by Title 22 of the California Code of Regulations. COUNTY agrees that such custody will conform to applicable confidentiality provisions of State and Federal law.

b. Right to Review. CONTRACTOR authorizes the State Department of Mental Health, the Health Administrator or his/her designee and/or designated auditors of the COUNTY or State, the right to inspect and otherwise evaluate the appropriateness and timeliness of services performed, and to audit and inspect any books and records of CONTRACTOR which pertain to services performed and payments made pursuant to this Agreement. The State Department of Health shall have the same rights of inspection and evaluation of Medi-Cal services provided by CONTRACTOR pursuant to this Agreement.

c. Confidentiality of Client Records and Information. For the COUNTY'S Mental Health system (i.e., all Bronzan-McCorquodale funded providers) to provide coordinated, quality care, all COUNTY and Contract providers must be able to discuss and exchange relevant clinical and service needs information. This information must be exchanged when making referrals, accepting referrals or coordinating service delivery to a client. Consultation with the client regarding this exchange of information is required of the CONTRACTOR. CONTRACTOR is responsible for insuring that its ability to exchange client information within the Bronzan-McCorquodale provider system is maintained.

6. PAYMENT OF CLAIMS:

a. COUNTY agrees to pay CONTRACTOR on receipt of a properly submitted monthly claim in a form found agreeable by COUNTY certifying the extent of performance under this Agreement. Each claim shall be submitted to and approved by COUNTY'S Administrator prior to payment by COUNTY.

b. It is further agreed that the monthly claim will be based on the proposed budget and/or estimated units of service as presented in Exhibit C.

7. FULL COMPENSATION:

Pending any cost report adjustment, each claim so approved and paid shall constitute full and complete compensation to CONTRACTOR for the period covered by the claim. It is expressly understood and agreed that this Agreement constitutes the entire Agreement of CONTRACTOR and COUNTY and in no event shall CONTRACTOR be entitled to any compensation, benefits, reimbursements, or ancillary services other than as herein expressly provided.
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8. PARTIAL PERFORMANCE:

In the event less than all services are performed in a proper and timely manner, CONTRACTOR shall be paid only the reasonable cost for the services performed for the payment period as determined by COUNTYS Administrator.

9. ACCOUNTS RECEIVABLE:

In the event that CONTRACTOR or COUNTY terminates this Agreement, the COUNTY shall retain its interest in the accounts receivable which was a result of the CONTRACTOR’S Bronzan-McCorquodale eligible service under this Agreement. The accounts receivable shall either be assigned to the COUNTY or shall be used to offset any amounts that may be due to CONTRACTOR resulting from such termination with said determination to be made by COUNTY in the exercise of its reasonable judgement.

10. BUDGET CONTROL:

CONTRACTOR may transfer up to 5% of total contract budget covered by this Agreement between budget categories or types of service. Transfers of greater amounts shall only be made with the advanced written permission of COUNTY’S Administrator.

11. COST REPORT:

CONTRACTOR agrees to submit a detailed cost report in the format prescribed by the State Department of Mental Health no later than 60 days after the end of the contract period. The CONTRACTOR shall also submit a copy of the CONTRACTOR’S trial balance (statement of revenue and expenses) with the cost report. As a part of the cost report, CONTRACTOR will reconcile in writing the total units of service delivered under this Agreement to the units of service reported by CONTRACTOR to COUNTY’S data system. CONTRACTOR shall remit any unearned funds to the COUNTY at the time CONTRACTOR submits cost report. In the event that the reconciliation indicates that CONTRACTOR delivered more units of service than had been reported previously, and total payments made to CONTRACTOR by COUNTY is less than the contract maximum amount, CONTRACTOR may submit an invoice to COUNTY for any additional amounts owed, up to the contract maximum amount.
12. PRODUCTIVITY:

CONTRACTOR shall develop and monitor individual written staff productivity standards which maximize direct services to clients. Monthly or quarterly reports of staff productivity will be submitted by the CONTRACTOR to the COUNTY. CONTRACTOR shall provide written productivity standards and a method of monitoring those standards to the COUNTY Administrator.

13. QUALITY IMPROVEMENT PARTICIPATION:

All CONTRACTORS who provide direct services to clients in the county shall participate in the Quality Improvement program. This includes weekly meetings providing review of clinical records, peer review, difficult case conferences, utilization review appeals, and client outcomes development and review.

14. COUNTY INVOLVEMENT REGARDING HIRING:

CONTRACTOR shall allow COUNTY to comment on the CONTRACTOR’S selection of an Executive Director, Program Administrator or Program Manager whose primary responsibility entails the operation of program(s) funded by this Agreement.

15. REPORTABLE INCIDENTS:

CONTRACTOR shall report within 24 hours all incidents affecting the immediate health, safety and well being of clients to the office of the Mental Health Director. Reportable incidents include, but are not limited to, all deaths, episodes of acute life threatening illness, serious physical or psychological injuries (or risk thereof), and allegations of abuse and/or neglect.

CONTRACTOR shall establish procedures for the investigation of such incidents and shall cooperate with any additional investigation COUNTY may wish to conduct.
COUNTY OF SANTA CRUZ

EXHIBIT B - STANDARD COUNTY/AGENCY PROVISIONS

1. **INDEPENDENT CONTRACTOR.** It is agreed that CONTRACTOR shall perform as an independent contractor under this Agreement. CONTRACTOR is, for all purposes arising out of this Agreement, an independent contractor, and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR and its employees shall in no event be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, any retirement benefits, worker’s compensation benefits, and injury leave or leave benefits. The Board of Directors/Trustees of CONTRACTOR shall be vested with the responsibility for the administration of the program to be conducted under this Agreement.

By their signatures to this Contract, each party certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Contract is in fact an independent contractor.

2. **CONTRACTOR’S EMPLOYEES AND EQUIPMENT.** CONTRACTOR agrees that it has secured or will secure at its own expense all persons, employees and equipment unless otherwise specified required to perform the services required under this Agreement and that all such services will be performed by CONTRACTOR or under CONTRACTOR’S supervision, by persons authorized by law to perform such services. If any arrangement is made whereby employees of COUNTY are used by CONTRACTOR, they shall, while engaged in such work be considered for all purposes, as employees, servants, or agents of the CONTRACTOR and not of COUNTY, irrespective of party paying them.

3. **RESPONSIBILITY FOR INVENTORY ITEMS.**
   a. Equipment, materials, supplies, or property of any kind purchased from funds advanced or reimbursed under the terms of this Agreement having a useful life of three years or greater and a value in excess of three hundred dollars is defined as an inventory item. All such items not fully consumed in the work described herein shall be the property of the COUNTY at the termination of this Agreement unless the COUNTY, at its sole discretion, makes an alternate disposition. CONTRACTOR shall, at the request of COUNTY, submit an inventory of said items purchased under the terms of this Agreement, and for items received on a loan basis from COUNTY; such inventory will not be required more frequently than annually. CONTRACTOR shall provide a final inventory to COUNTY’S Administrator within ten (10) days of the termination of this Agreement. Final disposition of all inventory items shall be in accordance with written instructions provided by COUNTY.

   b. Inventory items in CONTRACTOR’S possession shall only be used in connection with the program funded under this Agreement, and shall not be loaned to the public at large. CONTRACTOR is strictly liable for repairing or replacing any inventory item which is lost and/or damaged while in its possession. CONTRACTOR is responsible for the proper maintenance of all inventory items. CONTRACTOR will return all inventory items to COUNTY in the same condition that it received them except for damage due to normal wear and tear.

4. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY which for the purpose of paragraphs 4 and 33 (which shall include, without limitation, its officers, agents, employees and volunteers) from and against:
a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this contract, including but not limited to the use, misuse, or failure of any equipment, materials, tools, supplies or other property furnished to CONTRACTOR by COUNTY, excepting any liability arising out of sole negligence of the COUNTY. Such indemnification includes any damage to the person(s) or property(ies) of CONTRACTOR and third persons.

b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding).

5. ASSIGNABILITY. The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the COUNTY thereto; provided, however, that claims for money due or to become due to CONTRACTOR from COUNTY under this Agreement may be assigned without such approval. Notice of any assignment or transfer shall be furnished promptly to COUNTY.

6. INTEREST OF CONTRACTOR. CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects or independent contractors, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement no person having any such interest shall be employed or retained by him under this Agreement.

7. SUBCONTRACTS. All subcontracts of CONTRACTOR for provision of services under this Agreement shall be notified of CONTRACTOR'S relationship to COUNTY. Any subcontract which is in excess of one thousand dollars ($1,000) shall have prior written approval of COUNTY'S Administrator. CONTRACTOR shall provide, upon request of COUNTY, copies of all subcontracts relating to this Agreement entered into by CONTRACTOR. CONTRACTOR has legal responsibility for performance of all contract terms including those subcontracted.

8. POLITICAL ACTIVITIES PROHIBITED. None of the funds, provided directly or indirectly, under this contract shall be used for any political activities or to further the election or defeat of any candidate for public office. No CONTRACTOR shall utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any funds provided thereunder shall be utilized in support of any partisan political activities for or against the election of candidates for an elected office.

9. LOBBYING. None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures or the Board of Supervisors of the COUNTY to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R., Section 501(c)(3)-lb(3).

10. CONFORMANCE TO REGULATIONS. CONTRACTOR shall perform this Agreement in conformance with all applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.
Exhibit B, 2001-2002

11. CONFORMANCE TO LAW. This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa Cruz.

12. ADMISSION POLICIES. Admission procedures shall be in writing, be available to the public and include a provision that services, benefits and facilities shall be provided to patients/clients without regard to race, color, religion, age (over 18), mental or physical disability, national origin, medical condition (cancer related), gender, pregnancy, or sexual orientation and that no one will be refused services because of inability to pay for services.

a. Nondiscrimination in Services, Benefits and Facilities. There shall be no discrimination in the provision of services because of race, color, religion, age (over 18), medical condition (cancer related), gender, pregnancy, or sexual orientation, in accordance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. Section 2000d, Sections 503 and 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 rules and regulations promulgated pursuant thereto, or as otherwise provided on the grounds of any of the aforementioned characteristics. Discrimination in the provision of services includes, but is not limited to, the following: denying a person any service or benefit; providing to a person any service or benefit which is different, or is provided in a different manner or at a different time from that provided to other persons under this contract; subjecting a person to segregation or separate treatment in any matter related to his receipt of any service; restricting a person differently in any way in the enjoyment of an advantage or privilege enjoyed by others receiving any service or benefit; treating a person differently from others in determining whether he/she satisfied any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of any of the aforementioned characteristics of the person(s) to be served. CONTRACTOR will take affirmative action to ensure that intended beneficiaries are provided services without regard to race, color, religion, age, disability, national origin, gender, or sexual orientation.

13. EQUAL EMPLOYMENT OPPORTUNITY. During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

a. CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, ancestry, disability, medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

b. If this Agreement provides compensation in excess of $50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:

1. The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, national origin, ancestry, disability,
medical condition (cancer related and genetic characteristics), marital status, sex, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR'S solicitation of goods and services. Definitions for Minority/Women/Disabled Owned Business Enterprises are available from the COUNTY General Services Purchasing Division.

(2) The CONTRACTOR shall furnish COUNTY Equal Employment Opportunity Office information and reports in the prescribed reporting format (PER 4012) identifying the sex, race, physical or mental disability, and job classification of its employees and the dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.

(3) In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.

(4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 13b. to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than $50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

14. CONFIDENTIALITY OF RECORDS. CONTRACTOR agrees that all information and records obtained in the course of providing services to COUNTY in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto. CONTRACTOR agrees that it has a duty and responsibility to make available to the COUNTY Administrator or his/her designated representatives, including the Auditor-Controller of the COUNTY, the contents of records pertaining to COUNTY which are maintained in connection with the performance of CONTRACTOR'S duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The COUNTY acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

15. MONITORING. CONTRACTOR agrees that COUNTY shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by State and COUNTY requirements. CONTRACTOR agrees to provide COUNTY'S Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.

16. REPORTS. CONTRACTOR shall submit written reports of operations, and other reports as requested by COUNTY. Format for the content of such reports will be developed by COUNTY in consultation with CONTRACTOR. Reports shall be submitted to COUNTY'S Administrator.

17. OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL. All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the property of COUNTY. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the COUNTY. COUNTY shall have unrestricted
authority to publish, disclose, distribute and otherwise use copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the CONTRACTOR. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.

18. EVALUATION/RESEARCH. Evaluation or research involving contact with past or present recipients of services provided under this Agreement shall be permitted with the informed consent of the recipient and only after the CONTRACTOR has determined that the conduct of such evaluation or research will not adversely affect the quality of services provided or individual participation in services. COUNTY reserves the right to prohibit or terminate evaluation or research activities which in its judgment jeopardize the quality of services or individual participation in services provided under this Agreement.

19. ACKNOWLEDGMENT. CONTRACTOR shall acknowledge in all reports and literature that the Santa Cruz County Board of Supervisors has provided funding to the CONTRACTOR.

20. VOLUNTEERS. CONTRACTOR agrees not to fill budgeted positions with volunteer workers.

21. TRAVELING EXPENSES, FOOD AND LODGING.
   a. CONTRACTOR'S claim for travel expense for food and lodging must be directly related to this program and shall be at rates not to exceed those applicable to regular COUNTY employees. No travel outside of the State of California shall be payable unless prior written authorization is obtained from COUNTY'S Administrator.

   b. Private mileage reimbursement, if paid based upon miles driven, to CONTRACTORS employees when incurred in performance of duties under this Agreement shall be payable at a rate not to exceed COUNTY rates payable to COUNTY employees.

22. CONTRACTOR PERSONNEL STANDARDS. The CONTRACTOR shall determine that all staff providing services under this Agreement shall be personally and professionally qualified to perform the job requirements under this Agreement. COUNTY'S Administrator may review resumes of all CONTRACTOR'S employees to determine that CONTRACTOR is meeting State and/or Federal job qualification requirements, if applicable under this Agreement.

23. PRESENTATION OF CLAIMS. Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz COUNTY Code, which by this reference is incorporated herein.

24. CHANGES.
   a. COUNTY may from time to time request changes in the scope of the services of CONTRACTOR to be performed hereunder. Such changes, including any increase or decrease in the amount of CONTRACTOR'S compensation, which are mutually agreed upon by and between COUNTY and CONTRACTOR, shall be effective when incorporated in written amendments to this Agreement. No alteration, amendment, or modification of the terms of this Agreement shall be valid unless executed by written amendment hereto and approved by COUNTY.
b. COUNTY shall have the right to renegotiate the financial and/or programmatic terms of this Agreement in the event that there is a reduction in the approved budget.

25. NOTICE OF POSSIBLE TERMINATION FOR CAUSE.

a. In the event CONTRACTOR fails to perform any of the provisions of this Agreement or fails to make progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not cure such failure within a period of fourteen (14) days after receipt of notice from COUNTY specifying such failure, COUNTY may by written notice of default terminate the whole or part of this Agreement.

b. In the event of a termination pursuant to Paragraph 25a, all finished or unfinished documents, and other materials, prepared by CONTRACTOR under this Agreement shall become the property of COUNTY. CONTRACTOR shall be entitled to receive reasonable compensation not to exceed actual cost as reported in interim cost reports for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed amount payable to date of termination under Paragraph 25a reduced by the amount of damages sustained by COUNTY by reason of such breach.

26. TERMINATION OF AGREEMENT WITHOUT CAUSE. This Agreement may be terminated without cause by COUNTY or the CONTRACTOR with thirty (30) days written notice.

27. TERMINATION DUE TO CESSATION OF FUNDING. COUNTY shall have the right to terminate this Agreement without prior notice to CONTRACTOR in the event that State or Federal funding for this Agreement ceases prior to the ordinary term of the Agreement.

28. EXTENSION OF TIME. COUNTY’S Administrator may extend the time for completion of CONTRACTOR’S performance under this Agreement in the event performance is delayed due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR. Both parties agree that such extension of time does not alter the amount of compensation due CONTRACTOR.

29. RETENTION AND AUDIT OF RECORDS. CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs last. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, federal auditors or the designee of either for a period of five (5) years after final payment under this Agreement.

CONTRACTOR must comply with Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and Other Non-Profit Institutions, which requires a single or program-specific audit be conducted annually if federal funds exceed $300,000. A copy of the A-133 audit shall be submitted to COUNTY no later than eight (8) months following the end of the fiscal year being audited.

30. WITHHOLDING OF PAYMENT. COUNTY may withhold final payment until year end reports are received and approved by COUNTY. COUNTY may suspend or terminate payments for noncompliance with the terms of this Agreement.

31. DISALLOWANCE AND RESPONSIBILITY FOR AUDIT EXCEPTIONS. CONTRACTOR is
responsible for knowledge of, and compliance with, all COUNTY, State and Federal regulations applicable to expenditure of funds under the terms of this Agreement. In the event CONTRACTOR claims and receives payment from COUNTY which is later disallowed based on an audit, performed by the COUNTY, the State of California or the United States government, CONTRACTOR shall promptly refund the disallowed amount to COUNTY on request, or at COUNTY’S sole option, COUNTY may offset the amount disallowed from any payment due or to become due to CONTRACTOR under this Agreement. CONTRACTOR also agrees to assume all responsibility for receiving, replying to, and complying with any audit exception by the COUNTY, State or Federal audit agency.

32. OVERPAYMENTS. Over payments as determined by audits shall be payable to COUNTY within thirty (30) days after date of said determination. Over payments held in excess of thirty days shall be subject to a penalty charge of a flat twelve (12) percent per annum.

33. INSURANCE.

a. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR’S insurance coverage and shall not contribute to it.

b. If CONTRACTOR utilizes subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent CONTRACTOR’S Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

(1) Types of Insurance and Minimum Limits

(a) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if CONTRACTOR has no employees.

(b) Automobile Liability Insurance for each of CONTRACTOR’S vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR’S employees), leased or hired vehicles, in the minimum amount of $500,000 combined single limit per occurrence for bodily injury and property damage.

(c) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of $1,000,000 combined single limit, including coverage for:
   a) bodily injury, b) personal injury, c) broad form property damage, d) contractual liability, and e) cross-liability.

(d) Professional Liability Insurance in the minimum amount of $1,000,000 combined single limit.

(e) CONTRACTOR agrees to carry and maintain during the entire term of this Agreement fire and extended coverage including theft insurance to adequately cover value of COUNTY’S inventoriable items in the possession of CONTRACTOR. Insurance policy must name COUNTY as the loss payee.

(2) Other Insurance Provisions
(a) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

(b) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

"The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz".

(c) All required insurance policies shall be endorsed to contain the following clause:

"This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

(d) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

34. SAFETY AND INFECTION CONTROL.

a. CONTRACTOR asserts that it is in compliance with applicable CaVOSHA guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions, litigation, or other legal or regulatory proceedings in progress or being brought against CONTRACTOR as a result of non-compliance with such guidelines. CONTRACTOR agrees to notify COUNTY immediately should the status of any of the assertions in this paragraph change or come into question.

b. CONTRACTOR must, upon request, furnish documentation satisfactory to COUNTY'S Health Officer, of the absence of tuberculosis disease for any employee or volunteer who provides services under this Agreement.

c. CONTRACTOR agrees to furnish COUNTY, upon request, a copy of CONTRACTOR'S Safety and Infection Control Policy.

35. CULTURAL COMPETENCY:

In order to ensure access to services, CONTRACTOR shall provide services in a culturally competent manner. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes and
policies that enable staff to work effectively in cross-cultural situations. CONTRACTOR shall provide or make available to staff cultural competency training. CONTRACTOR'S clients whose sole language is the COUNTY'S threshold language (i.e., Spanish) shall be provided information, access and direct services in that language.
Provider: Alliance for Community Care
Provider No.: TBD
Program: Alliance for Community Care
Program Address: 438 North White Road, San Jose, CA 95127
Provider/Program Telephone: (408) 254-6848, Fax (408) 254-6847

1.0 PROGRAM INTENT

1.1 Primary Task: CONTRACTOR is a sub-acute 30-bed residential treatment program providing room, board, 24-hour care, supervision, and treatment for seriously emotionally disturbed adolescent males and females 12 to 17 years of age. The primary focus of this contract are the intensive day treatment component and other mental health services components described in Description of Services below, while simultaneously dependent upon the entire spectrum of program services wrapped around the adolescent. The other program services are paid for and regulated by other governmental agencies and/or entities.

1.2 Description of Services: CONTRACTOR offers an intensive day treatment program seven days a week, every day of the year, excluding nine holidays. In addition to the day treatment services, CONTRACTOR provides evaluation, diagnosis, prescription and supervision of medication therapy, crisis intervention and Therapeutic Behavioral Services. CONTRACTOR works collaboratively with the local school district to provide for the educational needs of the residents. Most residents attend the non-public school, which is off-site. All discharge planning will be done in conjunction with the Santa Cruz County Mental Health Coordinator and the County Human Resources Agency Social Worker.

1.3 Description of Client Population: CONTRACTOR'S staff will serve a population of males and females 12 to 17 years of age who have been certified as seriously emotionally disturbed and meet the criteria for RCL level 12-14 placement. These adolescents have disabilities including DSM-IV diagnostic classifications and learning disabilities that prevent them from functioning successfully. Most of the residents have failed multiple placements prior to entering this program.

1.4 Staffing: Contract file.

2.0 SYSTEM INTENT
Exhibit C, 2001-2002

2.1 Geographic area serviced: County of Santa Cruz

2.2 Quality Assurance Program: Community Care Licensing, Division of the State Department of Social Services.

2.3 Organization and Administrative Structure: Contract file.

2.4 Internal System Affiliations: County of Santa Cruz Community Mental Health and Substance Abuse, Human Resources Agency Children’s Services.

2.5 External System Affiliations: State Department of Social Services, State Department of Mental Health, State Department of Education.

2.6 Community Care Licenses: CONTRACTOR shall maintain license at all times with all deficiencies corrected as required by the State Department of Social Services or State Department of Mental Health.

3.0 METHOD OF PAYMENT

a. Other mental health services, such as crisis, Therapeutic Behavioral Services, and psychiatric visits shall be paid based upon the current approved Medi-Cal rates, not to exceed $8,000 for the current contract year per COUNTY approved resident.

b. The COUNTY shall pay CONTRACTOR for services described under this agreement for day treatment and other mental health services provided to COUNTY approved residents. CONTRACTOR shall bill the COUNTY monthly in arrears based upon the budgeted rate for services.
**LEGAL ENTITY:** Alliance For Community Care  
**PROGRAM NAME:** Intensive Day Treatment  
**INDEX NUMBER:** 363114  
**FISCAL YEAR:** 2001/02  
**CONTRACT #:**  
**DATE:** 2/05/02  
**SANTA CRUZ COUNTY**  
**COMMUNITY MENTAL HEALTH**  
**SERVICE AGREEMENT BUDGET**  
**EXHIBIT C**

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| REVENUES | | | | | |
| GRANTS | | | | | |
| PATIENT FEES | | | | | |
| PATIENT INSURANCE | | | | | |
| OTHER | | | | | |
| TOTAL REVENUES | | | | | |
| NET CONTRACT AMOUNT | 8,000 | 8,000 | | | |

| FUNDING SOURCES | | | | | |
| MEDI-CAL (FFP only) | 7,942 | 7,942 | | | |
| MAC (FFP & MATCH) | | | | | |
| MEDICARE | | | | | |
| REALIGNMENT/COUNTY | 58 | 58 | | | |
| OTHER | | | | | |
| TOTAL FUNDING SOURCES | 8,000 | 8,000 | | | |

| UNIT COST CALCULATION | | | | | |
| CONTRACTOR'S COSTS | 8,000 | 8,000 | | | |
| COUNTY'S DIRECT COSTS | 58 | 58 | | | |
| TOTAL DIRECT COSTS | 8,058 | 8,058 | | | |
| UNITS OF SERVICE | | | | | |
| COST PER UNIT - TOTAL | 170.21 | 169.98 | 1.23 | 170.21 | |
| CONTRACT COST PER UNIT | | | | | |
| COUNTY COST PER UNIT | | | | | |
| MAXIMUM COST PER UNIT | | | | | |

The COUNTY agrees to reimburse CONTRACTOR actual costs up to the maximum shown in Net Contract Amount by type of service, further to the maximum amount calculated by multiplying the units of services of each type provided by the Maximum Cost per Unit of each type listed above. In no event shall the amount paid CONTRACTOR exceed the net contract amount.

| CONTRACT UNITS | 47 | | | | |
| CONTRACT MEDI-CAL UNITS | 47 | | | | |
| CONTRACT INDIGENT UNITS | | | | | |
| CONTRACT OTHER UNITS | 0 | | | | |
A. SHORT-DOYLE/MEDI-CAL SERVICES (SDMC)

If the CONTRACTOR provides services billed to SDMC, the following requirements apply:

1. Mutual Objectives

   a. Both CONTRACTOR and COUNTY Desire:

      (1) To assure that all Title XIX eligible clients are informed of the Medi-Cal program, and how to access it.

      (2) To assure that assistance is provided to eligible individuals in determining their eligibility for participation in California's Medi-Cal plan.

      (3) To assure the availability of early and appropriate interventions so that diagnosis, treatment, and rehabilitation occur in a timely manner.

      (4) To assure that eligible individuals are aware of and understand, in culturally competent and language specific terms, the benefits of preventive and remedial care.

      (5) To assure that health-related services provided to clients served by the CONTRACTOR are of sufficient amount, duration, and scope to correct or ameliorate the condition for which they were determined to be medically necessary.

2. The CONTRACTOR Agrees:

   a. To provide a Medi-Cal cost report within 60 days after the end of the fiscal year which documents actual cost of providing Medi-Cal services. After the 60 day period, CONTRACTOR claims will be held for payment until the cost report is received.

   b. To reimburse the COUNTY 50% of FFP paid for services in excess of costs upon submission of the cost report. This will be returned to the federal government by the COUNTY. This is based on total reimbursement for all Medi-Cal services paid in aggregate as calculated within the Short-Doyle/Medi-Cal cost report. This provision does not apply if the CONTRACTOR exceeds the contracted units of service by 10% or more.

   c. To complete accurate CDS data forms documenting services provided by clinical staff and enter the data into the COUNTY'S management information system within 5 days of service.
Exhibit D, 2001-2002

d. To work with Mental Health Patient Accounting/Billing section to confirm current eligibility for Medi-Cal and Medicare benefits and assist clients in applying for benefits if appropriate.

e. To document all services for a client in the medical record and to get approval for all planned services from the client's Coordinator,

f. To provide support as requested for the Quality Improvement Committee.

g. To reimburse the COUNTY for all audit exceptions and disallowances (which are determined by the Mental Health Director, or his/her designee, to be the responsibility of the CONTRACTOR) from either, 1) State audits (Fiscal & Quality Assurance); or 2) Quality Improvement Committee/UR denials.

This reimbursement shall be paid within thirty (30) days of the disallowance, unless the provider chooses to appeal pursuant to Short-Doyle/Medi-Cal procedures. When the outcome of appeal is determined, final settlement shall be made to the COUNTY within thirty days (30).

h. To comply with all state requirements of Short-Doyle/Medi-Cal including Coordinated Services Quality Assurance, certification, staffing ratios, documentation requirements, service authorization, etc. These are reflected in the state manuals and implemented in the local Quality Management Plan. All providers are required to obtain, review, and remain in full compliance with the local Quality Management Plan and Utilization Review Plan.

i. To perform Medi-Cal Administrative and Outreach activities as an agent for the Santa Cruz County Health Services Agency, in order to improve the availability, accessibility, coordination, and appropriate utilization of preventive and remedial health care resources to Medi-Cal eligible individuals and their families (where appropriate), and to capture information using methods developed by the State (with training in these methods provided by the COUNTY) under the direction of the COUNTY. The activities to be included are as approved by the State Department of Mental Health. It is the responsibility of CONTRACTOR to remain current on the requirements for documentation of costs and activities as defined by the State.
j. The CONTRACTOR is responsible for providing the required Medi-Cal units of service as defined in Exhibit C of this Agreement. The COUNTY shall not reimburse CONTRACTOR for any non Medi-Cal units of service in excess of the number shown on the Budget page of Exhibit C. The COUNTY shall not cover any short-falls due to lack of productivity. The maximum amount of this Agreement may be amended per Section A.3.i of Exhibit D if actual Medi-Cal units of service delivered deviate significantly from the budgeted Medi-Cal units of service defined in Exhibit C of this Agreement.

The CONTRACTOR is responsible for monitoring services provided, the benefit status of clients, insuring the Mental Health Patient Accounting/Billing section receives current client eligibility status for billing, and working to correct any billing data errors.

3. The COUNTY Agrees:

   a. To provide Short-Doyle/Medi-Cal, patient accounting and billing services to all providers.

   b. To provide computer equipment for electronic mail, client data (PSP), billing and word processing systems. When equipment utilized by CONTRACTOR is COUNTY'S, COUNTY will provide maintenance, repair, and staff training.

   c. To provide CDS services and MIS reports to facilitate assignment of Coordinators and productivity.

   d. To provide Quality Assurance Training as requested by the provider.

   e. To provide medical records and clinical forms to all providers.

   f. To provide consultation and clinical supports based on specific services.

   g. To coordinate regarding client benefit and UMDAP status.

   h. Costs for COUNTY supports of direct services shall be included in the contract budget exhibit.

   i. If the CONTRACTOR does not provide at least 90% of the Medi-Cal units of service defined in Exhibit C of this Agreement, or if the CONTRACTOR provides more than 110% of the Medi-Cal units of service defined in Exhibit C of this Agreement, the COUNTY may elect to amend this Agreement in order to increase or decrease the total contract amount based on the projected annual FFP. The COUNTY will furnish the CONTRACTOR quarterly reports detailing the estimated Medi-Cal units of service.

Final determination of whether the CONTRACTOR meets or exceeds the above Medi-Cal units of service standard will be made once all eligible units of service have been billed and adjudicated by the State. This will occur...
Exhibit D, 2001-2002

approximately 12 months after the end of this Agreement. However, if quarterly reports indicate that actual Medi-Cal units of service will either fail to meet the 90% standard, or exceed the 110% standard, the COUNTY reserves the right to amend this Agreement in order to increase or decrease the total contract amount based upon anticipated annual FFP before final adjudication of all units has occurred. This will not preclude subsequent amendments to this Agreement which reflect FFP and total contract amounts based upon final Medi-Cal units of service delivered.

B. MEDICARE PARTIAL HOSPITALIZATION FOR COMMUNITY MENTAL HEALTH CENTERS

If the CONTRACTOR provides services billed to Medicare for partial hospitalization, the following requirements apply:

1. The CONTRACTOR Agrees:

   a. To document services on CDS forms in compliance with Medicare billing requirements and the Medicare Plan of Care approved by a physician within 5 days of admittance of the program.

   b. To complete the physician certification and 2 week updates to the Medicare plan.

   c. To provide an assessment documenting medical necessity and the need for services as defined by the Aetna clinical policy by of August, 1995.

   d. To provide complete clinical documentation of services in the medical record and all necessary documentation to comply with Aetna help letters and appeals.

   e. To repay the COUNTY for any federal disallowances initiated by HCFA or the fiscal intermediary for the Medicare Partial Hospitalization program.

   f. The CONTRACTOR is responsible for providing the required Medicare units of service as defined in Exhibit C of this Agreement. The COUNTY shall not cover any short-falls due to lack of productivity. The maximum amount of this Agreement may be amended per Section A.3.i of Exhibit D if actual Medicare units of service delivered deviate significantly from the budgeted Medicare units of service defined in Exhibit C of this Agreement. The CONTRACTOR is responsible for monitoring services provided, the benefit status of clients, insuring the Mental Health Patient Accounting/Billing section receives current client eligibility status for billing, and working to correct any billing data errors.
2. The COUNTY Agrees:

a. To provide training on Medicare requirements, documentation needs, etc.

b. To bill for all services and provide patient accounting and computer supports.

c. To provide training on Medicare Partial Hospitalization requirements, etc., and provide billing, patient accounts and computer support services related to the partial hospitalization program.

d. To ensure that partial hospital services are part of an integrated service program with the goal and intent of avoiding hospitalizations.

e. If the CONTRACTOR does not provide at least 90% of the Medicare units of service defined in Exhibit C of this Agreement, or if the CONTRACTOR provides more than 110% of the Medicare units of service defined in Exhibit C of this Agreement, the COUNTY may elect to amend this Agreement in order to increase or decrease the total contract amount based on the projected annual FFP. The COUNTY will furnish the CONTRACTOR quarterly reports detailing the estimated Medicare units of service. Final determination of whether the CONTRACTOR meets or exceeds the above Medicare units of service standard will be made once all eligible units of service have been billed and adjudicated by the State. This will occur approximately 12 months after the end of this Agreement. However, if quarterly reports indicate that actual Medicare units of service will either fail to meet the 90% standard, or exceed the 110% standard, the COUNTY reserves the right to amend this Agreement in order to increase or decrease the total contract amount based upon anticipated annual FFP before final adjudication of all units has occurred. This will not preclude subsequent amendments to this Agreement which reflect FFP and total contract amounts based upon final Medicare units of service delivered.

f. Provide Quality Improvement staff support to review and send materials to Aetna for help letters and appeals. Where appropriate, legal support for Aetna appeals shall also be provided by the County.
COUNTY OF SANTA CRUZ

Exhibit E

The provisions set forth below shall supersede and take place of the paragraph it replaces. All other provisions of this Agreement shall remain the same. Check and complete the appropriate box(es).

☐ There are no revised paragraphs in this Agreement

☐ There are revised paragraphs in this Agreement

Paragraph "______" of Exhibit "______" is hereby revised to read as follows:

☐ An Addition to said contract shall be as follows:

[Blank space for addition]

Master Exhibit E for 2001-02 \ 6.27.01

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