



LASSEN COUNTY

Health and Social Services Department

- ☒ **HSS Administration**
- ☐ **Public Guardian**
336 Alexander Avenue
Susanville, CA 96130
(530) 251-8128
- ☐ **Grant and Loans Division**
336 Alexander Avenue
Susanville, CA 96130
(530) 251-2683
- ☐ **Behavioral Health**
555 Hospital Lane
Susanville, CA 96130
(530) 251-8108/8112

Chestnut Annex
1400-A & B Chestnut Street
Susanville, CA 96130
(530) 251-8112
- ☐ **Patients' Rights Advocate**
1445 Paul Bunyan Road
Susanville, CA 96130
(530) 251-8322
- ☐ **Public Health**
1445 Paul Bunyan Road
Susanville, CA 96130
(530) 251-8183
- ☐ **Environmental Health**
1445 Paul Bunyan Road
Susanville, CA 96130
(530) 251-8183
- ☐ **Community Social Services**
336 Alexander Avenue
Susanville, CA 96130

**LassenWORKS
Business & Career Network**
PO Box 1359
1616 Chestnut Street
Susanville, CA 96130
(530) 251-8152

Child & Family Services
1600 Chestnut Street
Susanville, CA 96130
(530) 251-8277

Adult Services
PO Box 429
1445 Paul Bunyan Road
Susanville, CA 96130
(530) 251-8158
- ☐ **HSS Fiscal**
PO Box 1180
Susanville, CA 96130
(530) 251-2614

Date: October 8, 2019

To: Jeff Hemphill, Chairman
Lassen County Board of Supervisors

From: Barbara Longo, Director
Health and Social Services

Subject: Contract Revisions for Health and Social Services for Fiscal Year 2019/2020

Background:

On July 23, 2019, the Board of Supervisors approved the list of Health and Social Services contracts for Fiscal Year 19/20. Subsequently, a few of our providers had rate changes that will need further approval for their contracts to be fully executed and processed.

The following contracts are being resubmitted for Board approval:

Attachment 1

San Jose Behavioral Health – Psychiatric Inpatient Hospital Services

- Approved Rates:
 - Medi-Cal Adolescents, Transitional Age Youth or Older Adults - \$1450/day (\$1350 Facility Fee + \$100 Professional Fee)
- New Rates:
 - Medi-Cal Adolescents, Transitional Age Youth or Older Adults - \$1518/day (\$1418 Facility Fee + \$100 Professional Fee)

Attachment 2

Crestwood Behavioral Healthcare, Inc. – Sub-acute inpatient chronic mental health services for adults

- Approved Rates:
 - \$227 / day - \$271 / day - \$274 / day, Non IMD all incl rate; \$274 / day, Patch Level 1-\$22 / \$33, Level 2 -\$33 / \$35, Level 3- \$43, Level 4-\$55 / \$81 / day, Level 5 \$108 / day: Bed hold - TBD based on daily rate minus food allowance
- New Rates:
 - TBD Per Facility - See Rate Sheet Attached. **(Attachment 2.1)**

Attachment 3

The Sail House – Board and Care Adult Residential Facility

- Approved Rates:
 - \$1039.37 / \$1059.00 Month
 - Patch Rates
 - Sail House - \$28/day
 - Gilmore Place - \$31/day
- New Rates:
 - \$1039.37 / \$1059.00 Month
 - Patch Rates
 - Sail House - \$32/day
 - Gilmore Place - \$29/day

Fiscal Impact:

There is no impact to County General Funds.

Action Requested:

1.) Approve rate changes to contracts for San Jose Behavioral Health, Crestwood Behavioral Healthcare, Inc. and The Sail House, Inc. 2.) Authorize the CAO to execute the agreements.

ATTACHMENT 1

**AGREEMENT FOR ACUTE PSYCHIATRIC INPATIENT HOSPITAL SERVICES
BETWEEN THE COUNTY OF LASSEN AND SAN JOSE BEHAVIORAL HEALTH FOR
FISCAL YEAR 2019- 2020**

This is an agreement (AGREEMENT) between the County of Lassen (COUNTY) and SJBH, LLC dba San Jose Behavioral Health,(CONTRACTOR), for the provision of Psychiatric Inpatient Hospital Services.

RECITALS

Pursuant to certain federal statutes and state statutes, including section 5775, et seq. of the California Welfare and Institutions Code and the regulations promulgated thereunder, agreements between the State of California and COUNTY, and certain approvals granted by the Secretary of the United States Department of Health and Human Services through the Centers for Medicare and Medicaid Services (formerly known as Health Care Financing Administration (HCFA)), COUNTY is authorized to contract for provision of Psychiatric Inpatient Hospital Services (as that term is defined in **Appendix A** below) to Medi-Cal beneficiaries (herein "Beneficiaries," as defined in **Appendix A**) in accordance with the rates, terms, and conditions negotiated by COUNTY.

CONTRACTOR operates a general acute care hospital with an approved psychiatric unit located at 455 Silicon Valley Blvd., San Jose CA 95138 (Facility), which presently provides Psychiatric Inpatient Hospital Services.

The definitions applicable to this AGREEMENT are contained in **Appendix A**, which is incorporated by this reference.

AGREEMENT

IN CONSIDERATION of the foregoing recitals and the covenants and conditions hereinafter expressed, the parties hereby agree as follows:

**ARTICLE 1
PERFORMANCE PROVISIONS**

1.1 General Agreement

- (a) CONTRACTOR agrees to provide Psychiatric Inpatient Services (services) within the scope of its licensure to Beneficiaries in need of such services, and agrees to accept payment from COUNTY as payment in full for such services as set forth in this AGREEMENT and the following Exhibits and Appendices attached hereto and incorporated herein:

Appendix A:	Definitions
Appendix B:	Statement of Work (Adolescents and Transitional Age Youth)
Appendix C:	Statement of Work (Older Adults)

- (b) COUNTY agrees to pay CONTRACTOR as set forth in Article 2. CONTRACTOR's obligations hereunder will include, but will not be limited to, the following:
- (1) CONTRACTOR will, at its own expense, provide and maintain space, utilities, equipment and furniture at the Facility as may be necessary to provide services, and to clean and maintain such space, utilities, equipment and furniture in good order and repair.
 - (2) CONTRACTOR will retain, at its own expense, all such professional, allied and supportive paramedical personnel as may be reasonably necessary and appropriate to provide services.
 - (3) CONTRACTOR will, at its own expense, provide and maintain the organizational and administrative capabilities to carry out its duties and responsibilities under this AGREEMENT and all applicable statutes and regulations pertaining to Medi-Cal providers.
 - (4) CONTRACTOR will provide services within the scope of CONTRACTOR's licensure to all Beneficiaries who are referred to CONTRACTOR by COUNTY, unless compelling clinical or operational circumstances exist that contraindicate admission.
 - (5) CONTRACTOR agrees to obtain consent to treat each Beneficiary in a specific form or format pursuant to California Welfare and Institutions Code Section 5326.2 or any other applicable statute or regulation.
 - (6) CONTRACTOR will refer Beneficiaries for other services when necessary.

1.2 Licensure and Certification as Conditions Precedent to County's Payment Obligation

- (a) CONTRACTOR hereby represents and warrants that it is currently, and for the duration of this AGREEMENT will and agrees to remain:
- (1) Duly licensed as either a general acute care hospital with an approved psychiatric unit or a freestanding acute psychiatric hospital as specified in Section 1.2 (b) of this AGREEMENT in accordance with Sections 1250 et seq. of the California Health and Safety Code and the licensing regulations contained in Title 22 and Title 9 of the California Code of Regulations, and other applicable laws and regulations governing psychiatric health facilities.
 - (2) A facility accredited by the Joint Commission.
 - (3) Certified to participate in the Medicare program under Title XVIII of the federal Social Security Act.
 - (4) In compliance with all federal Medicaid laws, regulations and guidelines and all applicable Federal and State laws and regulations.
 - (5) A party to a Medi-Cal provider agreement with the Department of Health Care Services (DHCS).
- (b) CONTRACTOR agrees that compliance with the conditions set forth above will be express conditions precedent to COUNTY's payment obligations under Paragraph 1.3 (a) and Article 2 of this AGREEMENT.
- (c) CONTRACTOR will comply with all applicable laws, regulations, and rules relating to the provision of medical and health care services that now exist or are hereinafter modified or adopted, including, without limitation, all permits, licenses, governmental and board approvals. CONTRACTOR agrees that it will maintain Joint Commission accreditation throughout the term of this AGREEMENT. CONTRACTOR agrees to

give COUNTY immediate notice of any proceeding that jeopardizes its Joint Commission accreditation. This provision is a material term of this AGREEMENT, the breach of which will constitute cause for immediate termination of this AGREEMENT.

1.3 Utilization Controls: Compliance by Contractor as Condition Precedent to County's Payment Obligation

- (a) As express conditions precedent to COUNTY's payment obligation under the terms of this AGREEMENT, CONTRACTOR will adhere to COUNTY's Quality Management Plan including utilization controls (COUNTY's Inpatient Provider Manual, January 2002: pages 4 and 5), to COUNTY's Inpatient Provider Manual, to California Department of Mental Health Letters and Notices, as well as any requirements imposed on COUNTY pursuant to Sections 5777, subdivision (g), and 5778, subdivision (n), of the California Welfare and Institutions Code and the implementing Regulations, as well as any other applicable state or federal law governing services rendered under the Medi-Cal program.
- (b) CONTRACTOR will comply with existing federal requirements for utilization review pursuant to Title 42, Code of Federal Regulations, Part 456, Subpart D, including but not limited to certification of need for care, evaluation and medical review, plans of care and utilization review plan.
- (c) CONTRACTOR will comply with the COUNTY Policies, Procedures, and directives, as applicable.

1.4 Appointment of Liaison

CONTRACTOR will designate, in writing, a person to act as liaison to the COUNTY. Such person will coordinate all communications between the parties. The written designation of such person will constitute the conferral of full agency powers to bind CONTRACTOR as principal in all dealings with COUNTY to the extent that such dealings relate to this AGREEMENT and/or CONTRACTOR's provision of services.

1.5 Service Location

Psychiatric Inpatient Hospital Services rendered pursuant to this AGREEMENT will be rendered at the Facility, unless otherwise approved by COUNTY.

1.6 Quality of Care

- (a) As express conditions precedent to COUNTY payment obligation under the terms of this AGREEMENT, CONTRACTOR will:
 - (1) Assure that any and all Beneficiaries receive culturally competent services and age-appropriate care as required by the Regulations and are consistent with COUNTY's Quality Management Plan and the COUNTY's Cultural Competency Plan.
 - (2) Take such action as required by CONTRACTOR's Medical Staff Bylaws against medical staff members who violate such Bylaws, as the same may be from time to time amended.
 - (3) Provide services in the same manner to Beneficiaries as it provides to all patients to whom it renders Psychiatric Inpatient Hospital Services or similar hospital services.

- (4) Not discriminate against Beneficiaries in any manner, including admission practices, placement in special or separate wings or rooms, or provision of special or separate meals.

1.7 Assumption of Risk by Contractor

CONTRACTOR will bear total risk for the cost of all Psychiatric Inpatient Hospital Services rendered to each Beneficiary covered by this AGREEMENT. As used in this Paragraph, "risk" means that CONTRACTOR agrees to accept as payment in full for any and all Psychiatric Inpatient Hospital Services payments made by the or COUNTY pursuant to Article 2 of this AGREEMENT, irrespective of whether the cost of such services and related administrative expenses will have exceeded the payment obligation of COUNTY under the conditions set forth in this AGREEMENT. The term "risk" also includes, but is not limited to, the cost for all Psychiatric Inpatient Hospital Services for illness or injury resulting, in whole or in part, from a catastrophe or disaster which occurs subsequent to the Effective Date (as defined in Section 4.1 below), including but not limited to acts of God, war or the public enemy.

1.8 Patient Rights

- (a) CONTRACTOR or any Delegate providing services pursuant to the terms of this AGREEMENT will adopt and post in a conspicuous place a written policy on patient's rights in accordance with section 70707 of Title 22 of the California Code of Regulations and section 5325 et seq. of the California Welfare and Institutions Code. All complaints by Beneficiaries with regard to services provided hereunder may be investigated by COUNTY's Patient Rights Advocate, COUNTY, California Department of Mental Health, by the Joint Commission on Accreditation of Health Care Organization, or such other agency, as required or permitted by law or regulations.
- (b) CONTRACTOR will maintain throughout the term of this AGREEMENT a process for the resolution of Beneficiary complaints and grievances. CONTRACTOR agrees to cooperate with COUNTY with respect to the complaint resolution and grievance process maintained by COUNTY pursuant to the Regulations.

1.9 Consultation Requirements Regarding Adults on the Adolescent Unit

- (a) CONTRACTOR will notify COUNTY Behavioral Health Services Director, or his designee, if:
 - (1) A patient 18 years of age or older is admitted to the Adolescent Unit while a Lassen County patient is also in the Adolescent Unit, or
 - (2) A Lassen County patient 18 years of age or older is to be admitted to the Adolescent Unit.

1.10 Medi-Cal Rules

- (a) CONTRACTOR must comply with all laws and regulations governing the Medi-Cal and Medicaid programs imposed by federal, state, and local statutes, regulations, and rules governing certification, participation, coverage, and reimbursement including, but not limited to applicable provisions of the following:
 - (1) California Welfare and Institutions Code section 5600, et seq. (Short-Doyle/Bronzan-McCorquodale Acts)
 - (2) Titles 9 and 22 of the California Code of Regulations

- (3) Title XIX of the Social Security Act, and any applicable regulations promulgated thereunder
- (4) Title VI of the Civil Rights Act (CRA) of 1964
- (5) The Age Discrimination Act of 1975
- (6) The Rehabilitation Act of 1973
- (7) Title IX of the Education Amendments of 1972
- (8) The Americans with Disabilities Act
- (9) Section 1557 of the Patient Protection and Affordable Care Act (ACA)
- (10) CONTRACTOR is required to comply with any applicable federal and state laws that pertain to enrollee rights and ensure that its employees and contracted providers observe and protect those rights.
- (11) CONTRACTOR shall comply with all applicable Medicaid laws, regulations, including applicable sub regulatory guidance and contract provisions.
- (12) CONTRACTOR shall comply with all applicable laws and regulations relating to patients' rights, including but not limited to, Welfare and Institution Code Section 5325 and 42 Code of Federal Regulations (C.F.R.) Section 438.100. CONTRACTOR shall ensure its subcontractors comply with these provisions.
- (13) As a condition for receiving payment under a Medi-Cal managed care program, CONTRACTOR shall comply with the provisions of 42 C.F.R. sections 438.604, 438.606, 438.608, and 438.610.
- (14) **Network Adequacy Standards**
 - (i) CONTRACTOR shall meet the state standards for timely access to care and services, taking into account the urgency of need for services. CONTRACTOR shall offer hours of operation that are no less than the hours offered to commercial enrollees or that are comparable to Medicaid Fee-For-Service (FFS), if the provider serves only Medicaid enrollees. CONTRACTOR shall make services available twenty-four (24) hours a day, seven (7) days a week, when medically necessary.
 - (ii) CONTRACTOR shall establish mechanisms to ensure that it complies with the timely access requirements and shall monitor staff and services regularly to determine compliance with the timely access requirements. CONTRACTOR shall take corrective action if there is a failure to comply with the timely access requirements according to 42 C.F.R. Section 438.206(c)(1)(i)-(vi).
 - (iii) CONTRACTOR shall ensure the provision of physical access, reasonable accommodations, and accessible equipment for Medicaid enrollees with physical or mental disabilities according to 42 C.F.R. Section 438.203(c)(3).
- (15) For all services that CONTRACTOR is required to provide to adults, each service must be furnished in an amount, duration, and scope that is no less than the amount, duration and scope for the same services provided under FFS Medicaid. CONTRACTOR must provide the same extent of services to enrollees under the age of twenty-one (21) as furnished to individuals under the age of twenty-one (21) under FFS Medicaid. CONTRACTOR is prohibited from arbitrarily denying or reducing the amount, duration, or scope of a required

service solely because of the diagnosis, type of illness, or condition of the enrollee.

- (16) CONTRACTOR is required to share the result of any identification and assessment of enrollee's needs to prevent duplication of those activities with the State or other Managed Care Organizations (MCO), Prepaid Inpatient Health Plans (PIHP), and Prepaid Ambulatory Health Plans (PAHP) serving that enrollee.

1.11 Other Applicable Laws

CONTRACTOR will provide services under this AGREEMENT in accordance with all other applicable federal, state, and local laws, rules, regulations, policies, and codes, including BHSD Policies and Procedures, effective at the inception of this AGREEMENT and that become effective during the TERM of this AGREEMENT.

1.12 Notifications

- (a) Within a reasonable time after receiving notice of Beneficiary's enrollment, CONTRACTOR and its subcontractors shall inform Beneficiaries about:
 - (1) Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in 42 C.F.R. Section 438.400 through 42 C.F.R. Section 438.424.
 - (2) The Beneficiary's right to file grievances and appeals and their requirements and timeframes for filing.
 - (3) The availability of assistance to the Beneficiary with filing grievances and appeals.
 - (4) The Beneficiary's right to request a State fair hearing after the COUNTY has made a determination on an enrollee's appeal, which is adverse to the Beneficiary.
 - (5) The Beneficiary's right to request continuation of benefits that the COUNTY seeks to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable timeframes, although the Beneficiary may be liable for the cost of any continued benefits while the appeal or state fair hearing is pending if the final decision is adverse to the Beneficiary.

1.13 Medi-Cal Certification

CONTRACTOR will establish and maintain certification through COUNTY to provide Medi-Cal reimbursable services ("Medi-Cal Certification") before providing and billing for Medi-Cal services to clients. CONTRACTOR will not be reimbursed by COUNTY for any Medi-Cal services rendered prior to certification.

1.14 Disclosure of Violations and Unusual Incidents

- (a) CONTRACTOR will notify COUNTY by telephone of the violation of any provision of this AGREEMENT within twenty-four (24) hours of obtaining reasonable cause to believe that a violation has occurred. In addition, notice of such violation will be confirmed by delivering a written notice to the Director of BHSD within seventy-two (72) hours of obtaining reasonable cause to believe that such violation has occurred. Such notice will describe the violation in detail (See

- BHSD Policy and Procedures).
- (b) CONTRACTOR will comply with COUNTY policies, procedures, and requirements concerning the reporting of unusual occurrences and incidents.
 - (c) CONTRACTOR must report potential fraud, waste, and abuse information to the COUNTY. CONTRACTOR shall implement and maintain arrangements or procedures designed to detect and prevent fraud, waste, and abuse that include prompt reporting to the COUNTY about the following:
 - (1) Any potential fraud, waste, or abuse.
 - (2) All overpayments identified or recovered, specifying the overpayments due to potential fraud.
 - (3) Information about changes in a Beneficiary's circumstances that may affect the Beneficiary's eligibility including changes in the Beneficiary's residence or the death of Beneficiary.
 - (4) Services Verification.
 - (d) In the event, and annually thereafter and upon request, that any person obtains an interest of five percent (5%) or more of any mortgage, deed of trust, note, or other obligation secured by CONTRACTOR, and that interest equals at least five percent (5%) of CONTRACTOR's property or assets, CONTRACTOR will make the disclosures set forth in the section below:
 - (1) The name and address of any person (individual or corporation) with an ownership or control interest in the CONTRACTOR's network provider. The address for corporate entities shall include, as applicable, a primary business address, every business location, and a P.O. Box address;
 - (2) Date of birth and Social Security Number (in the case of an individual);
 - (3) Other tax identification number (in the case of a corporation with an ownership or control interest in the managed care entity or in any subcontractor in which the managed care entity has a five percent (5%) or more interest);
 - (4) Whether the person (individual or corporation) with an ownership or control interest in the CONTRACTOR's network provider is related to another person with ownership or control interest in the same or any other network provider of the CONTRACTOR as a spouse, parent, child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the managed care entity has a five percent (5%) or more interest is related to another person with ownership or control interest in the managed care entity as a spouse, parent, child, or sibling;
 - (5) The name of any other disclosing entity in which the CONTRACTOR or subcontracting network provider has an ownership or control interest; and
 - (6) The name, address, date of birth, and Social Security Number of any managing employee of the CONTRACTOR's organization.
 - (e) CONTRACTOR must submit disclosures and updated disclosures to the COUNTY including information regarding certain business transactions within thirty-five (35) days, upon request. The following information must be disclosed:
 - (1) The ownership of any subcontractor with whom the CONTRACTOR has had business transactions totaling more than twenty-five thousand dollars

- (\$25,000) during the twelve (12) month period ending on the date of the request; and
- (2) Any significant business transactions between the CONTRACTOR and any wholly owned supplier, or between CONTRACTOR and any subcontractor, during the five (5) year period ending on the date of the request.
 - (3) CONTRACTOR must obligate network providers to submit the same disclosures regarding network providers within thirty-five (35) days upon request.
- (f) CONTRACTOR shall submit the following disclosures to the COUNTY regarding the CONTRACTOR's management:
- (1) The identity of any person who is a managing employee of CONTRACTOR who has been convicted of a crime related to federal health care programs according to 42 C.F.R. Section 455.106(a)(1)-(2).
 - (2) The identity of any person who is an agent of the CONTRACTOR who has been convicted of a crime related to federal health care programs. (42 C.F.R. Section 455.106(a)(1), (2).) For this purpose, the word "agent" has the meaning described in 42 C.F.R. Section 455.101.
 - (3) CONTRACTOR supply the disclosures before entering into the contract and at any time upon the COUNTY's request.

ARTICLE 2 PAYMENT PROVISIONS

2.1 Rate Structure; Contingent Liability of County

- (a) Subject to the conditions precedent set forth in this AGREEMENT and provided that claims are submitted in accordance with the provisions of Paragraph 2.6 of this AGREEMENT, CONTRACTOR will be paid at the all-inclusive rate for each Day of Service (as defined in Paragraph 2.3 (c) below) that CONTRACTOR renders Acute Psychiatric Inpatient Hospital Services to a Medi-Cal Beneficiary for the specified age range at the following rate:

Medi-Cal Adolescents (ages 14-17), Transitional Age Youth (ages 18-21), or Older Adults (ages 65+)

\$ 1518 per Day of Service for Psychiatric Inpatient Hospital Services
(\$1,418 Facility Fee and \$100 Professional Fee)

- (b) Subject to the conditions precedent set forth in this AGREEMENT and provided that claims are submitted in accordance with Paragraph 2.6 of this AGREEMENT, CONTRACTOR will be paid at the all-inclusive rate for each Day of Service (as defined in Paragraph 2.3 (c) below) that Contractor renders Acute Psychiatric Inpatient Hospital Services to an Un-sponsored Beneficiary for the specified age range at the following rate:

Un-sponsored Adolescents (ages 14-17)

\$ 1,518 per Day of Service for Psychiatric Inpatient Hospital Services
(\$1,418 Facility Fee and \$100 Professional Fee)

- (c) Subject to the conditions precedent set forth in this AGREEMENT and provided that claims are submitted in accordance with Paragraph 2.6 of this AGREEMENT and the requirements of Section 2.7 of this AGREEMENT are met, CONTRACTOR will be paid at the all-inclusive rate for each Administrative Day which is specified by the rate assigned in the rate schedule and there will be no additional payment for ancillary services.

2.2 Rate Inclusive of All Psychiatric Inpatient Hospital Services; Rate Does Not Include, Transportation Services for Medi-Cal Beneficiaries, or Unponsored Patients

The rates set forth in Paragraph 2.1 of this AGREEMENT for Medi-Cal Beneficiaries or Unponsored Patients are inclusive of all Psychiatric Inpatient Hospital Services including routine services and all facility-based ancillary services (as those terms are defined in the Regulations), but do not include transportation services (CCR Title 9, Chapter 11, section 1810.355 (a) (1)(B)) required in providing Psychiatric Inpatient Hospital Services, and such transportation services will not be paid for or reimbursed by COUNTY under this AGREEMENT. For transportation to Facility from Santa Clara Valley Medical Center, Emergency Psychiatric Services Unit, the COUNTY will reimburse the contracted transportation provider selected by the COUNTY for unponsored Lassen County Beneficiaries only. For Medi-Cal and other third-party payor patients discharging into a locked setting, transportation providers will bill Medi-Cal or third-party payor directly. For Lassen County unponsored Beneficiaries, authorized by the COUNTY, discharging into a locked setting or the community, the COUNTY will coordinate transportation and will pay the COUNTY contracted transportation provider directly. For transportation as permitted under this paragraph, the CONTRACTOR will contact the COUNTY's 24-Hour Care Unit to arrange transportation through the following telephone number: 1 (408) 885-7580. The 24-Hour Care Unit is located at 2221 Enborg Lane, San Jose, CA 95128.

2.3 Billing Procedures as Express Conditions Precedent to County's Payment Obligation

- (a) As an express condition precedent to COUNTY's payment obligation under Paragraph 2.1 of this AGREEMENT, CONTRACTOR will use its best effort to determine whether Psychiatric Inpatient Hospital Services rendered hereunder are covered, in whole or in part, under any other state or federal medical care program or under any other contractual or legal entitlement, including, but not limited to, a private group indemnification or insurance program or workers' compensation (herein, Third Party Payors).
- (b) As a further express condition precedent to COUNTY's payment obligation under Section 2.1 of this Agreement, CONTRACTOR will bill its Customary Charges (as defined in the Regulations) and submit claims to the Fiscal Intermediary for all Psychiatric Inpatient Hospital Services hereunder rendered in accordance with the applicable billing requirements contained in Section 5778 of the California Welfare and Institutions Code and the Regulations, using the number assigned by the Medi-Cal program to CONTRACTOR and using the Allowable Psychiatric Accommodation Codes set forth in the Regulations.
- (c) A Day of Service will be billed for each Beneficiary who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning

requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the Facility and for which the appropriate authorization has been granted, excluding the day of discharge.

- (d) CONTRACTOR will bill any Third Party Payor financially responsible for a Beneficiary's health care services. COUNTY accepts no financial responsibility for services provided to Beneficiaries where there is a responsible Third Party Payor, and to the extent that COUNTY inadvertently makes payment to CONTRACTOR for such services rendered, COUNTY will be entitled to recoup such reimbursement.
- (e) In regards to Medi-Cal patients for whom Third Party Payors have financial responsibility, the COUNTY will approve reimbursement to CONTRACTOR at its per diem rates as set forth in Paragraph 2.1 less the net of liability of Third Party Payors and patient share of costs. COUNTY will not be responsible to provide or arrange and, pay for acute inpatient mental health services provided to a Beneficiary eligible for Medicare, prior to the exhaustion of Beneficiary's Medicare mental health benefits.
- (f) Non-Payment to Entity/Provider
Pursuant to Title 9, CCR, Section 1810.365, the CONTRACTOR or an affiliate, vendor, CONTRACTOR, or sub-subcontractor of the CONTRACTOR will not submit a claim to demand or otherwise collect reimbursement from, the Beneficiary or persons acting on behalf of the Beneficiary for any specialty mental health or related administrative services provided under this AGREEMENT except to collect other health insurance coverage, share of cost and co-payments. The CONTRACTOR or an affiliate, vendor, CONTRACTOR, or sub-subcontractor of the CONTRACTOR will not hold Beneficiaries liable for debts in the event that the CONTRACTOR becomes insolvent, for costs of covered services for which the State does not pay the CONTRACTOR, for costs of covered services for which the State or the CONTRACTOR does not pay the CONTRACTOR's providers, for costs of covered services provided under a contract, referral or other arrangement rather than from the CONTRACTOR, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a Beneficiary with an emergency psychiatric condition.

2.4 Recovery of Overpayment to Contractor, Liability for Interest

- (a) When an audit or review performed by COUNTY, by the COUNTY, the California Department of Health Care Services (DHCS), the California Controller's Office, or any other authorized agency discloses that CONTRACTOR has been overpaid under this AGREEMENT, or that the total payments exceed the total liability under this AGREEMENT, CONTRACTOR covenants that any such overpayment or excess payments over liability may be recouped by the COUNTY withholding the amount due from future payments hereunder, by seeking recovery by payment from CONTRACTOR, or a combination of these two methods. COUNTY agrees to send CONTRACTOR a letter of explanation prior to time payment is withheld.
- (b) Overpayments determined as a result of audits of periods prior to the effective date of this AGREEMENT may be recouped by the COUNTY withholding the amount due from what would otherwise be the COUNTY's liability under this AGREEMENT, by seeking recovery by payment from CONTRACTOR, or a combination of those two(2) methods.

- (c) When recoupment or recovery is sought under 2.4(a), CONTRACTOR may appeal according to applicable procedural requirements of the Regulations and the regulations promulgated under Section 14680, et seq. of California Welfare and Institutions Code, except that the recovery or recoupment will commence sixty (60) days after issuance of account status or demand resulting from an audit or review and will not be deferred by the filing of an appeal in accordance with the applicable regulations.
- (d) CONTRACTOR will be liable to COUNTY for the amount of any federal audit exceptions, disallowances, any sanctions, or withholding of funds of the Department or by DHCS as provided in Sections 5778 Subdivision (h), and 5779 Subdivision (e), of the Welfare and Institutions Code and the Regulations, to the extent that such exceptions, disallowances, sanctions, or withholding of funds relate to services rendered under this AGREEMENT.
- (e) CONTRACTOR shall report and refund to the COUNTY any overpayments within sixty (60) calendar days of when it has identified the overpayment. CONTRACTOR shall implement and maintain arrangements or procedures that include provision for the suspension of payments to a network provider for which the State or COUNTY determines there is a credible allegation of fraud. CONTRACTOR shall specify the reimbursement policies for the treatment of recoveries of all overpayments, including specifically the retention policies for the treatment of recoveries of overpayments due to fraud, waste, or abuse or incorrect billing practices pursuant to the False Claims Act. The policy shall specify the process, timeframes, and documentation required for payment of recoveries of overpayments to the State or COUNTY in situations where the CONTRACTOR is not permitted to retain some or all of the recoveries of overpayments.
- (f) CONTRACTOR shall only invoice for services that are covered under this AGREEMENT, and shall ensure that no payments are made for services not covered, except when payments are specifically required to be made by the State in Title XIX of the Act, in 42 C.F.R., or when the state agency makes direct payments to CONTRACTOR for graduate medical education costs approved under the State Plan.
- (g) CONTRACTOR shall not bill enrollees for covered services any amount greater than would be owed if the entity provided the services directly (i.e., no balance billing by providers) per Section 1932(b)(6) of the Act; 42 C.F.R. Section 438.3(k); and 42 C.F.R. Section 438.230(c)(1)-(2).
- (h) **Cost Sharing.** This AGREEMENT requires that any cost sharing imposed on Medicaid enrollees is in accordance with Medicaid FFS requirements, including 42 C.F.R. Sections 447.50-82. CONTRACTOR shall exempt from premiums any Indian who is eligible to receive or has received an item or service furnished by an Indian Health Care Provider (IHCP) or through referral under contract health services. CONTRACTOR shall also exempt from all cost sharing any Indian who is currently receiving or has ever received an item or service furnished by an IHCP or through referral under contract health services.
- (i) **Insolvency.** Medicaid enrollees shall not be held liable for CONTRACTOR's debts in the event that CONTRACTOR becomes insolvent. Medicaid enrollees shall not be held liable for covered services provided to the enrollee for which the State does not pay the CONTRACTOR, or for which the State or COUNTY does not pay CONTRACTOR under a contractual, referral, or other arrangement. Medicaid enrollees shall not be held

liable for covered services furnished under a contract, referral, or other arrangement to the extent that those payments are in excess of the amount the enrollee would have owed if the CONTRACTOR covered the services directly.

2.5 Customary Charges Limitation

Notwithstanding any other provision in this AGREEMENT, COUNTY's total liability to CONTRACTOR will not exceed CONTRACTOR's total Customary Charges for Psychiatric Inpatient Hospital Services for each year in which this AGREEMENT is in effect. COUNTY may recoup any excess of total payments above such total customary charges for Psychiatric Inpatient Hospital Services under Paragraph 2.4. As used in this Paragraph, Customary Charges will have the meaning ascribed to that term in the Regulations.

2.6 Treatment Authorization and Claims Submission. As an express condition precedent to COUNTY's payment obligations hereunder, CONTRACTOR will obtain approval of a Treatment Authorization Request (TAR) for each Day of Service rendered to a Beneficiary. The treatment authorization process will take place either prior to admission or after discharge, as set forth below:

- (a) Preauthorization for Planned Admission. CONTRACTOR will obtain preauthorization up to seven (7) days in advance for admission of a Beneficiary for Acute Psychiatric Inpatient Hospital Services by submitting to COUNTY's Point of Authorization a TAR and such related documentation as may be specified by COUNTY in accordance with the applicable Regulations. When deemed necessary by COUNTY, COUNTY review of a TAR may include a psychiatric evaluation examination of the Beneficiary conducted at the time and place specified by COUNTY. If required, COUNTY will notify the attending physician and Beneficiary of the examination. If the medical necessity criteria set forth in the Regulations are met, COUNTY will approve the TAR and give preauthorization for payment for a specified number of Days of Service, not to exceed one (1) calendar month. COUNTY will notify CONTRACTOR of its approval or disapproval of a TAR in writing within fourteen (14) calendar days of COUNTY's actual receipt of such TAR. Approval is effective, if granted, up to seven (7) calendar days in advance of the provision of services. All adverse decisions of COUNTY will be reviewed and approved by a COUNTY authorized physician. CONTRACTOR may appeal an adverse decision through the provider appeal process set forth in the Regulations. If the TAR is denied prior to hospitalization, COUNTY will notify the Beneficiary within ten (10) calendar days.
- (b) Authorization for Payment for Emergency Admission. Payment authorization for emergency admissions will be exempt from preauthorization set forth in Paragraph 2.6(a) above, but will be subject to the provisions set forth in this Paragraph 2.6(b). CONTRACTOR will notify the COUNTY's Point of Authorization within twenty-four (24) hours or the next business day of the time of the admission of the Beneficiary to the Facility. A TAR for emergency admission and such related documentation as may be specified by the COUNTY will be submitted by the CONTRACTOR to the Point of Authorization after discharge of the Beneficiary, but no later than fourteen (14) calendar days following discharge. COUNTY will authorize payment for the emergency services received pursuant to the emergency admission if the clinical record documents that:
 - (1) The medical necessity criteria set forth in the Regulations are met.

- (2) The criteria for an emergency psychiatric condition set forth in the Regulations were met at the time of admission.
 - (3) The COUNTY was notified within twenty-four (24) hours or the next business day from the presentation for emergency services. If notice exceeds ten (10) calendar days, COUNTY may deny payment to CONTRACTOR.
 - (4) The TAR and related documentation were received no later than fourteen (14) calendar days following discharge.
 - (5) All adverse decisions of COUNTY will be reviewed and approved by a COUNTY authorized physician. CONTRACTOR may appeal an adverse decision through the provider appeal process set forth in the Regulations.
- (c) Authorization for Payment for Continued Stay Services. To the extent permitted by federal and state law, TARS for Continued Stay services will be submitted only after discharge of the Beneficiary, but no later than fourteen (14) calendar days after discharge of the Beneficiary from the Facility; except that, notwithstanding the foregoing, CONTRACTOR will submit a TAR within fourteen (14) days of the completion of ninety-nine (99) calendar days of continuous services to a Beneficiary. Payment authorization will be obtained through submission of a TAR and such related documentation as may be specified by the COUNTY to COUNTY's Point of Authorization. If the medical necessity criteria set forth in the Regulations are met, the TAR will be approved. COUNTY will notify CONTRACTOR of its decision no later than fourteen (14) calendar days after the COUNTY's actual receipt of the TAR. COUNTY will provide a copy of the authorized or denied TAR to CONTRACTOR. All adverse decisions will be reviewed and approved by a COUNTY authorized physician. CONTRACTOR may appeal an adverse decision through the appeal process set forth in the Regulations.
- (d) Timeliness. A TAR may be denied by COUNTY if it is not submitted in accordance with the timing requirements contained in this Paragraph 2.6, unless CONTRACTOR was prevented from submitting a timely TAR due to the circumstances specified in the Regulations.
- (e) Claims Submission. Claims for payment for services rendered pursuant to this Agreement will be submitted by the CONTRACTOR to the Fiscal Intermediary in accordance with the requirements set forth in Sections 51008 and 51008.5 of Title 22 of the California Code of Regulations. If the TAR is approved by COUNTY as provided in this Section, COUNTY will submit a copy of such approval to the fiscal intermediary. The fiscal intermediary will make the payments required hereunder to CONTRACTOR on behalf of COUNTY.

2.7 Authorization for Administrative Days

Payment for Administrative Days hereunder is expressly conditioned upon CONTRACTOR's compliance with the following provisions in addition to the provisions of Section 2.6 above and the definition of "Administrative Day" included in **Appendix A**:

- (a) For patients requiring care in an Institution for Mental Diseases (IMD) or at the State Hospital, approval must be granted from the COUNTY's Behavioral Health Services Director or her designee. This approval must then be reflected in the medical record documentation. The medical record must reflect that the patient was admitted to the first available IMD or State Hospital bed.

- (b) For patients requiring care in the crisis residential system, approval must be granted by COUNTY or a program designated by COUNTY as appropriate. The medical record documentation must reflect that approval has been granted. Further, there must be a daily entry (seven days per week) indicating the bed availability at the crisis residential program. The medical record must reflect that the patient was admitted to the first available crisis residential bed.
- (c) For patients who are to be placed in a skilled nursing facility, the medical record must reflect that at least five appropriate facilities within a sixty (60) mile geographic radius per week are contacted for admission request. The medical record must reflect that the patient was admitted to the first available appropriate bed.

2.8 Contractor Appeal Process

CONTRACTOR may file an appeal concerning the processing or payment of its claims hereunder for Psychiatric Inpatient Hospital Services directly to the fiscal intermediary in accordance with the procedures set forth in the Regulations.

ARTICLE 3 RECORDS AND AUDIT PROVISIONS

3.1 On-site Reviews

- (a) COUNTY, the State, the Office of the Inspector General (OIG), the Comptroller General, and their designees will conduct periodic audits or reviews, including on-site audits or reviews, of performance under this AGREEMENT. These audits or reviews may evaluate the following:
 - (1) Level and quality of care, and the necessity and appropriateness of the services provided.
 - (2) Internal procedures for assuring efficiency, economy and quality of care.
 - (3) Compliance with COUNTY Client Grievance Procedures.
 - (4) Financial records when determined necessary to protect public funds.
- (d) CONTRACTOR will make adequate office space available for the review team or auditors to meet and confer. Such space must be capable of being locked and secured to protect the work of the review team or auditors during the period of their investigation.
- (e) On-site reviews and audits will occur during normal working hours with at least 72-hour notice, except that unannounced on-site reviews and requests for information may be made in those exceptional situations where arrangement of an appointment beforehand is clearly not possible or clearly inappropriate due to the nature of the intended visit.

3.2 Records to be Kept; Audit or Review: Availability, Period of Retention

CONTRACTOR covenants and agrees that:

- (a) It will maintain books, records, documents, and other evidence, accounting procedures, and practices sufficient to reflect properly all direct and indirect costs of whatever nature incurred in the performance of this AGREEMENT.
- (b) The above information will be maintained in accordance with Medicare and Medi-Cal principles of reimbursement and generally accepted accounting principles, and will be

consistent with the requirements of the Office of Statewide Health Planning and Development.

- (c) CONTRACTOR will also maintain medical records required by Sections 70747 through 70751 of Title 22 of the California Code of Regulations, and other records related to a Beneficiary to whom the service was rendered, the date of the service, the medical necessity of the service and the quality of the care provided. All such records will be maintained in accordance with Section 51476 of Title 22 of the California Code of Regulations. Notwithstanding the foregoing, CONTRACTOR will maintain Beneficiary medical and/or clinical records for a period of ten (10) years, except that the records of persons who are under the age of 18 at the time of treatment will be retained until either: (a) one year beyond the person's 18th birthday or (b) for a period of ten (10) years from the date of discharge, whichever period is later.
- (d) The Facility and the information specified in this Paragraph will be subject at all reasonable times to inspection, audits and reproduction by any duly authorized agents of the COUNTY, State and Federal governments. CONTRACTOR agrees to allow the COUNTY, State, and federal agencies including the Director, and/or any designated auditor of COUNTY, the State of California, including but not limited to officials from the State Department of Mental Health or the State Department of Health Services, any designated official of the Department of Health and Human Services, the Comptroller General of the United States, or the fiscal intermediary, the right to inspect or otherwise evaluate the cost, quality, appropriateness, and timeliness of services performed and to audit and inspect any books and records of CONTRACTOR which pertain to services performed and/or determinations of the amounts payable under this AGREEMENT. Copies of records will be made available upon COUNTY's requests for copies of CONTRACTOR's records.
- (e) CONTRACTOR will preserve and make available its records relating to payments made under this AGREEMENT for a period of ten (10) years from the close of CONTRACTOR's fiscal year, or for such longer period, required by subparagraphs (1) and (2) below.
 - (1) If this AGREEMENT is terminated, the records relating to the performance of CONTRACTOR's obligations hereunder will be maintained by CONTRACTOR and made available for a period of ten (10) years from the date of the last payment made under the AGREEMENT; or
 - (2) If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the ten (10) year period, the related records will be retained until expiration of the ten (10) year period following the completion and resolution of all issues arising there from; whichever is later.
- (e) CONTRACTOR will provide to each Beneficiary for completion a patient satisfaction survey form or perform a phone survey. Utilization of a research firm to perform this function is acceptable. The results of such surveys for each calendar year will be compiled and provided to COUNTY within sixty (60) days of any calendar year-end.
- (f) CONTRACTOR will complete such forms as COUNTY reasonably may require regarding Performance Outcome Measures for each Beneficiary.

3.4 Confidentiality of Information

- (a) CONTRACTOR will maintain adequate medical, clinical, and/or rehabilitative records on each patient, as indicated by the program type. The records will include diagnostic studies and a record of services provided to the patient, and will be in sufficient detail to facilitate an evaluation of the services provided. The records will contain all data necessary to prepare reports to the State Department of Mental Health, and will include, but not be limited to, coordinated services plans, records of patient interviews, and progress notes.
- (b) Patient records will be subject to the confidentiality and disclosure provisions of applicable local, State and Federal laws, statutes and regulations including Welfare and Institutions Code Section 5328, Evidence Code Section 1010 *et seq.*, Title 45, Code of Federal Regulations Section 205.50; Health Insurance Portability and Accountability Act, 45 C.F.R parts 160, 162 and 164 (HIPAA); and 14100.2 of the Welfare and Institutions Code; and regulations promulgated thereunder. For the purpose of this AGREEMENT, all information, records, and data elements pertaining to Beneficiaries will be protected by CONTRACTOR from unauthorized disclosure.
- (c) With respect to any identifiable information concerning Beneficiaries under this AGREEMENT that is obtained by CONTRACTOR, CONTRACTOR:
 - (1) Will not use any such information for any purpose other than carrying out the express terms of this AGREEMENT;
 - (2) Will maintain standard consent forms for patients to use when requesting disclosure of records;
 - (3) Will maintain written procedures on the retention and disclosure of patient records;
 - (4) Will not disclose, except as otherwise specifically permitted by law, any such information to any party other than COUNTY or entities to whom the information may be released under Health Insurance Portability and Accountability Act, 45 C.F.R parts 160, 162 and 164 (HIPAA); Title 45, Code of Federal Regulations Section 205.50; Sections 5328 and 14100.2 of the California Welfare and Institutions Code; and regulations promulgated thereunder; and
 - (5) Will retain all such information for purposes of audit and inspection.

3.5 Maintenance, Retention, and Confidentiality of Client Records

- (a) **Maintenance of Records.** CONTRACTOR must maintain legible and adequate medical, clinical, and/or rehabilitation records on each client as required by all applicable laws based on program type and funding source. Such records will, at a minimum, include: (a) diagnostic studies, if applicable; (b) a description of the goals set for each client's care; (c) documentation describing services provided by various professionals and paraprofessionals; (d) documentation regarding client interviews and/or progress notes. CONTRACTOR will maintain such records in the form determined or approved by federal, state, and COUNTY laws, rules, and regulations. Such records will be in sufficient detail to facilitate evaluation of the services provided pursuant to this AGREEMENT and will contain all data necessary to prepare any reports required by the State DHCS.
- (b) **Record Retention.** CONTRACTOR will maintain client medical and/or clinical records as required by the California Code of Regulations or any other applicable

laws. At a minimum, records will be retained for adult clients for a period of ten (10) years from the date of discharge, and records of persons who are under the age of eighteen (18) at the time of treatment must be retained until either one (1) year beyond the client's eighteenth (18th) birthday, or a period of ten (10) years from the date of discharge, whichever is later.

- (c) **Confidentiality.** CONTRACTOR will maintain the confidentiality of medical and psychiatric records of clients as required by applicable state and federal laws.
- (d) **Access to Client Records at Conclusion of Agreement.** Upon expiration or termination of this AGREEMENT, CONTRACTOR will deliver copies of all client records to COUNTY within fifteen (15) working days of the date of expiration or termination. Client records include all medical/clinical records, utilization and peer review records, medication monitoring records, all data entered into the COUNTY's electronic client tracking and billing system ("Billing System"), and all fiscal records related to funding received under this AGREEMENT.
- (e) If CONTRACTOR is required to retain such records, CONTRACTOR will supply copies of the records to COUNTY, at CONTRACTOR's expense, and will allow inspection of the original records by COUNTY upon request during the duration of the applicable retention period. Although CONTRACTOR will, in this event, have possession of client records and information, COUNTY will own all such information and records.
- (f) CONTRACTOR is required to submit data that allows COUNTY to verify the accuracy, timeliness, completeness, logic, and consistency of the data reported. Data must be submitted in standardized formats to the extent feasible and appropriate, including in secure information exchanges and technologies utilized for State Medicaid quality improvement and care coordination efforts. CONTRACTOR is required to make all collected data available to the State and upon request to CMS.
- (g) CONTRACTOR shall allow the State, the Office of the Inspector General(OIG), the Comptroller General, and their designees to inspect and audit any records or documents at any time; inspect the premises, physical facilities, and equipment where Medicaid-related activities are conducted at any time; and audit records or documents for ten (10) years from the final date of the AGREEMENT period or from the date of completion of any audit, whichever is later.
- (h) CONTRACTOR is required to retain, as applicable, enrollee grievance and appeal records in accordance with 42 C.F.R. Section 438.416; base data in accordance with 42 C.F.R. Section 438.5(c); Medical Loss Ratio (MLR) reports in accordance with 42 C.F.R. Section 438.8(k); and the data, information, and documentation specified in 42 C.F.R. Sections 438.604, 438.606, 438.608, and 438.610 for a period of no less than ten (10) years.
- (i) CONTRACTOR is required to allow the State, CMS, the Department of Health and Human Services (DHHS) Inspector General, the Comptroller General, or their designees to audit, evaluate, and inspect any books, records, contracts, computer or other electronic systems of the CONTRACTOR or of the CONTRACTOR's CONTRACTOR, that pertain to any aspect of the services and activities performed, or determined of amounts payable, under the AGREEMENT.

- (j) CONTRACTOR is required to make available for the purposes of an audit, evaluation, or inspection by the State, CMS, the DHHS Inspector General, the Comptroller General or their designees, its premises, physical facilities, equipment, books, records, contracts, computer or other electronic systems relating to its Medicaid enrollees. The right to audit by the State, CMS, the DHHS Inspector General, the Comptroller General or their designees, will exist through ten (10) years from the final date of the AGREEMENT period or from the date of completion of any audit, whichever is later. If the State, CMS, the DHHS Inspector General, or their designees determine that there is a reasonable possibility of fraud or similar risk, the State, CMS, the DHHS Inspector General, or their designees may inspect, evaluate, and audit the CONTRACTOR at any time.

ARTICLE 4 TERMINATION

4.1 Term

This AGREEMENT will commence on, 2019, (Effective Date) and expire on, 2020, unless earlier terminated or extended. This AGREEMENT will become ineffective, at such time as COUNTY is no longer designated by the DHCS to provide Psychiatric Inpatient Hospital Services in accordance with Section 5775, Subdivision (a), of the California Welfare and Institutions Code and the Regulations.

4.2 Termination

(a) **For Cause**

- (1) COUNTY may terminate this AGREEMENT for cause if CONTRACTOR breaches any material term of this AGREEMENT and CONTRACTOR fails to cure such breach within the time specified by COUNTY in the notice of termination. COUNTY reserves the right to terminate immediately, without a period to cure such breach, if CONTRACTOR fails to comply with the requirements of Section 1.14 of this AGREEMENT (“**Disclosure of Violations and Unusual Incidents**”). The effective termination date of this AGREEMENT will be set forth in a Notice to Terminate provided to CONTRACTOR by COUNTY.
- (2) “For Cause” includes, but is not limited to, the following:
 - (i) failure to comply with any provision of this AGREEMENT;
 - (ii) violation of any applicable federal, state or local laws, rules, regulations, and/or codes and ordinances;
 - (iii) filing by CONTRACTOR for protection under the bankruptcy laws, or requesting a receivership;
 - (iv) assignment of this AGREEMENT without the written consent of BHSD;
 - (v) failure to maintain any licensure or permit as required under this AGREEMENT or failure to utilize licensed personnel where required by law;
 - (vi) failure to provide services under this AGREEMENT in a satisfactory manner.

(b) **Termination without Cause**

- (1) Either party may terminate this AGREEMENT without cause following thirty (30) days written notice to the other party, except as otherwise provided in this Agreement.
- (2) Upon termination of this AGREEMENT, CONTRACTOR shall participate in and make arrangements for the orderly transition of clients. CONTRACTOR may use its allocation of funding for services under this AGREEMENT during transitioning, as long as it is within the maximum financial obligation allowed under this AGREEMENT. Within (10) business days from the date on the notice of termination, CONTRACTOR must provide to the BHSD Contracts Administration Unit a list of clients who received mental health services or who were seen on a regular basis by CONTRACTOR. The information included on the list will be: name of client, recent phone number, address and/or contact information.

4.3 Conflicts of Interest

- (a) CONTRACTOR will comply, and require its subcontractors to comply, with all applicable COUNTY Conflict of Interest provisions. COUNTY may terminate this AGREEMENT immediately if COUNTY determines that there is a violation of the California Political Reform Act contained in California Government Code Sections 87101 et seq. and the regulations promulgated thereunder.
- (b) CONTRACTOR shall comply, and require its subcontractors to comply, with all applicable (i) requirements governing avoidance of impermissible client conflicts; and (ii) federal, state and local conflict of interest laws and regulations including, without limitation, California Government Code section 1090 et. seq., the California Political Reform Act (California Government Code section 87100 et. seq.) and the regulations of the Fair Political Practices Commission concerning disclosure and disqualification (2 California Code of Regulations section 18700 et. seq.). Failure to do so constitutes a material breach of this AGREEMENT and is grounds for immediate termination of this AGREEMENT by the COUNTY.
- (c) In accepting this AGREEMENT, CONTRACTOR covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of this AGREEMENT. CONTRACTOR further covenants that, in the performance of this AGREEMENT, it will not employ any contractor or person having such an interest. CONTRACTOR, including but not limited to CONTRACTOR's employees and subcontractors, may be subject to the disclosure and disqualification provisions of the California Political Reform Act of 1974 (the "Act"), that (1) requires such persons to disclose economic interests that may foreseeably be materially affected by the work performed under this AGREEMENT, and (2) prohibits such persons from making or participating in making decisions that will foreseeably financially affect such interests.
- (d) If the disclosure provisions of the Political Reform Act are applicable to any individual providing service under this AGREEMENT, CONTRACTOR shall, upon execution of this AGREEMENT, provide the COUNTY with the names, description of individual duties to be performed, and email addresses of all individuals, including but not limited to CONTRACTOR's employees, agents and subcontractors, that could be substantively involved in "making a governmental decision" or "serving in a staff capacity and in that

capacity participating in making governmental decisions or performing duties that would be performed by an individual in a designated position,” (2 CCR 18701(a)(2)), as part of CONTRACTOR’s service to the COUNTY under this AGREEMENT.

CONTRACTOR shall immediately notify the COUNTY of the names and email addresses of any additional individuals later assigned to provide such service to the COUNTY under this AGREEMENT in such a capacity. CONTRACTOR shall immediately notify the COUNTY of the names of individuals working in such a capacity who, during the course of the AGREEMENT, end their service to the COUNTY.

- (e) If the disclosure provisions of the Political Reform Act are applicable to any individual providing service under this AGREEMENT, CONTRACTOR shall ensure that all such individuals identified pursuant to this section understand that they are subject to the Act and shall conform to all requirements of the Act and other laws and regulations, including, as required, filing of Statements of Economic Interests within thirty (30) days of commencing service pursuant to this AGREEMENT, annually by April 1, and within thirty (30) days of their termination of service pursuant to this AGREEMENT.
- (f) **Political Reform Act (Form 700 Filing) Requirement.** A Consultant Applicability Analysis (CAA) Form (<http://www.sccgovatwork/portal/site/CCO/>) must be completed for services provided under this AGREEMENT. If applicable, CONTRACTOR must complete a Disclosure Determination for Consultant (DDC) form to be approved by COUNTY Counsel. COUNTY shall provide a copy of the DDC Form to the COUNTY filing official, who will be responsible for Disclosure entry and Form 700 notice to listed consultant filers. Each filer must complete and file Form 700 within thirty (30) days of the start date under the AGREEMENT, annually, and within thirty (30) days of leaving service under the AGREEMENT.

ARTICLE 5 GENERAL PROVISIONS

- 5.1 CONTRACTOR will provide COUNTY with any reports, as determined to be necessary, by the Behavioral Health Services Director or his/her designee.
- 5.2 Relationship of the Parties. CONTRACTOR will perform all work and services described herein as an independent CONTRACTOR and not as an officer, agent, or employee of COUNTY. None of the provisions of this AGREEMENT is intended to create, nor will be deemed or construed to create, any relationship between the parties other than that of independent parties contracting with each other for purpose of effecting the provisions of this AGREEMENT. The parties are not, and will not be construed to be, in a relationship of joint venture, partnership, or employer-employee. Neither party will have the authority to make any statements, representations or commitments of any kind on behalf of the other party, except with the written consent of the other party. CONTRACTOR will be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. COUNTY will be solely responsible for the acts and omissions of its officers, agents, employees, contractors and subcontractors, if any. CONTRACTOR’s personnel rendering services under this AGREEMENT will not have any of the rights or privileges of COUNTY or State employees. CONTRACTOR and its agents, employees, and subcontractors will not have

any claim against the COUNTY or State for any employment privileges and benefits, including but not limited to vacation pay, sick leave, retirement benefits, Social Security, workers compensation, unemployment benefits, disability benefits, etc. Notwithstanding any reference to a managed care plan or system of care, CONTRACTOR will act as an entity separate and apart from the COUNTY, and will be considered an independent CONTRACTOR for all purposes, including liability and litigation.

5.3 Non-Discrimination

(a) Non-Discrimination in Services, Benefits and Facilities

- (1) Consistent with the requirements of applicable federal or state law, CONTRACTOR will not engage in any unlawful discriminatory practices in the admission of Beneficiaries, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, HIV status, sexual preference or mental or physical handicap.
- (2) CONTRACTOR will comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Human Services, effective June 1977, and found in the Federal Register, Volume 42, No. 86, Page 22675 et seq., dated May 4, 1977.
- (3) CONTRACTOR will include the nondiscrimination and compliance provisions of this AGREEMENT in all subcontracts to perform work under this AGREEMENT.
- (4) CONTRACTOR will serve clients as determined by COUNTY's policies, procedures, directives, guidelines, and Cultural Competency Plan to insure that all eligible clients receive services from clinical staff that is culturally, ethnically, and linguistically competent. In addition, services will be delivered in a manner that is considerate of clients' and family members' cultures while preserving the client's dignity and respecting their right to choose. For Cultural Competency Plan, refer to [http://www.sccgov.org/portal/site/mhd/Cultural Competency Plan](http://www.sccgov.org/portal/site/mhd/Cultural%20Competency%20Plan).
- (5) In order to serve bilingual clients, CONTRACTOR will recruit, employ, and maintain bilingual staff at a level designated by the COUNTY to be commensurate with the programs provided by CONTRACTOR.
- (6) Notwithstanding other provisions of this section, CONTRACTOR may require a determination of medical necessity pursuant to Title 9, CCR, section 1820.205, Section 1830.205 or Section 1830.210, prior to providing covered services to a Beneficiary.

(b) Appropriate Facilities

CONTRACTOR agrees that its facilities will have access for the disabled to the extent required by Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and any federal or state provision requiring such access.

5.4 Clean Air Act & Federal Water Pollution Control Act

CONTRACTOR will comply with all applicable standards, orders or regulations issued pursuant to the provisions of Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, and will include such provision in all subcontracts of amounts in excess of \$100,000. Violations will be reported to the Centers for Medicare and Medicaid Services.

5.5 Provisions of Bilingual Services

- (a) When the community potentially served by CONTRACTOR consists of non-English or limited-English speaking persons, CONTRACTOR will take all steps necessary to develop and maintain an appropriate capability for communicating in any necessary second language, including, but not limited to the employment of, or contracting for, in public contact positions of persons qualified in the necessary second languages in a number sufficient to ensure full and effective communication between the non-English and limited-English speaking applicants for, and Beneficiaries of, the CONTRACTOR's services and the CONTRACTOR's employees.

CONTRACTOR may comply with this paragraph by providing sufficient qualified translators to provide translation in any necessary second language for any patient, caller or applicant for service, within a reasonable and legally permissible time of need for translation. CONTRACTOR will maintain immediate translation capability in the emergency room when five percent of the emergency room patients or applicants for emergency room services are non-English or limited-English speaking persons. CONTRACTOR will provide immediate translation to non-English or limited-English speaking patients whose condition is such that failure to immediately translate would risk serious impairment. CONTRACTOR will post notices in prominent places in the Facility of the availability of translation in the necessary second languages.

- (b) As used in this Section:

- (1) "Non-English or limited-English speaking persons" refers to persons whose primary language is a language other than English;
- (2) "Necessary second language" refers to a language, other than English, which is the primary language of at least 5% of either the community potentially served by the contracting Facility or the Facility's patient population;
- (3) "Community potentially served by the contracting Facility" refers to the geographic area from which the Facility derives 80% of its patient population.
- (4) "Qualified translator" is a person fluent in English and in the necessary second language, familiar with medical terminology, and who can accurately speak, read, write, and readily interpret in the necessary second language.

5.6 Entire Agreement

This Agreement and its Appendices (if any) constitutes the final, complete and exclusive statement of the terms of the agreement between the parties. It incorporates and supersedes all the agreements, covenants and understandings between the parties concerning the subject matter hereof, and all such agreements, covenants and understandings have been merged into this Agreement. No prior or contemporaneous agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

5.7 Severability

In the event any one or more of the provisions contained in this Agreement will, for any reason, be held to be invalid, illegal or unenforceable in any respect, it will not affect any other provision of this Agreement. This Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.8 Waiver

No delay or failure to require performance of any provision of this Agreement will constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party must be in writing, and will apply to the specific instance expressly stated.

5.9 Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

5.10 Problem Resolution and Appeal Process

Pursuant to sections 1850.305 et seq. of Title 9, California Code of Regulations, CONTRACTOR will follow the Problem Resolution and Appeal process established by BHSD to resolve payment authorization issues, complaints, and/or concerns (see BHSD Policies and Procedures).

5.11 Governing Authorities

- (a) This AGREEMENT will be governed and construed in accordance with the laws of the State of California including but not limited to:
 - (1) Part 2.5, Division 5 of the Welfare and Institutions Code and regulations adopted pursuant thereto, and all other applicable state laws and regulations according to their content on the Effective Date, including statutes and regulations governing for Medi-Cal Psychiatric Health Facilities and services performed thereunder, including, but not limited to, Division 4, Chapter 3 of the Welfare and Institutions Code, Chapter Chapter 1250.2 of the Health and Safety Code, Titles 9 and Title 22 of the California Code of Regulations
- (b) CONTRACTOR stipulates that this AGREEMENT, in part, implements Title XIX of the Federal Social Security Act and, accordingly, covenants that it will conform to such requirements and regulations as the United States Department of Health and Human Services may issue from time to time, except for those provisions waived by the Secretary of Health and Human Services. CONTRACTOR will comply with Titles 42 and 45 (Part 74) of the Code of Federal Regulations and all other applicable federal laws and regulations according to their content on and after the Effective Date, except those provisions or applications of those provisions waived by the Secretary of the Department of Health and Human Services.
- (c) Any provision of this AGREEMENT in conflict with the laws or regulations stipulated in (a) of this Paragraph is hereby amended to conform to the provisions of those laws and regulations. Such amendment of the AGREEMENT will be effective on the effective date of the statute or regulation necessitating it, and will be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties as provided.

- (d) Venue for legal action regarding this AGREEMENT will be in Santa Clara County, California.

5.12 Beneficiary Eligibility

This AGREEMENT is not intended to change the determination of Medi-Cal eligibility for Beneficiaries in any way. However, in the event the California State Legislature or Congress of the United States enacts a statute which redefines Medi-Cal eligibility so as to affect the provision of Psychiatric Inpatient Hospital Services under this AGREEMENT, such new definition will apply to the terms of this AGREEMENT.

5.13 Notices

Any notice required to be given pursuant to the terms and provisions of the AGREEMENT will be in writing and will be sent by certified mail, return receipt requested, addressed as set forth below, will be deemed to have been received on the date shown on such return receipt:

County:

Behavioral Health Services Department
Contracts Manager

Copy to:

Contractor:

Attn: Sean Peterson
Chief Executive Officer
455 Silicon Valley Blvd.
San Jose, CA 95138

5.14 Contracting Principles

- (a) It is the policy of the Board that all entities that contract with the COUNTY to provide services where the contract value is one hundred thousand dollars (\$100,000) or more per budget unit per fiscal year and/or as otherwise directed by the Board, must be fiscally responsible entities and must treat their employees fairly.
- (b) To ensure compliance with these contracting principles, all CONTRACTORS must: (1) comply with all applicable federal, state and local rules, regulations and laws; (2) maintain financial records, and make those records available upon request; (3) provide to the COUNTY copies of any financial audits that have been completed during the term of the contract; (4) upon the COUNTY's request, provide the COUNTY reasonable access, through representatives of the CONTRACTOR, to facilities, financial and employee records that are related to the purpose of the contract, except where prohibited by federal or state laws, regulations or rules.

5.15 Certification of Health Care Service Providers

- (a) CONTRACTOR certifies that neither CONTRACTOR nor its employees, directors, board members, subcontractors, or agents have been convicted of a criminal offense related to health care, nor is CONTRACTOR or its employees, directors, board members, subcontractors or agents listed by any federal or state agency as debarred, excluded, or otherwise ineligible for participation in federal or state funded health care programs.
- (b) CONTRACTOR certifies that it has performed an appropriate screening of all its employees, directors, board members, subcontractors, and agents prior to making the aforementioned certification.
- (c) CONTRACTOR will screen on a regular basis all CONTRACTOR employees, directors, board members, subcontractors and agents to determine whether they are excluded or otherwise ineligible for participation in federal or state funded health care programs. CONTRACTOR further agrees to screen all new employees. The screening procedure will meet the screening requirements set forth in the BHSD Policies and Procedures relating to excluded provider's status. At a minimum, CONTRACTOR will screen each person against (1) the U.S. Department of Health & Human Services (DHHS) Office of Inspector General (OIG) List of Excluded Individuals/Entities, and (2) the State Medi-Cal Suspended and Ineligible Provider List ("Excluded Provider Lists"). If CONTRACTOR employees, directors, board members, subcontractors, and agents are found to be on the Excluded Provider Lists, or if they are being investigated for an offense that may lead to exclusion, CONTRACTOR agrees to immediately send a written notice to BHSD's Compliance Manager to determine appropriate action. If CONTRACTOR's employees, directors, board members, subcontractors, or agents is excluded or debarred, or charged with a criminal offense, CONTRACTOR will remove the individual from any responsibility for, or involvement in, the provision of services under this AGREEMENT for an amount of time determined by COUNTY. If CONTRACTOR is excluded or debarred, or charged with a criminal offense, COUNTY may terminate the AGREEMENT immediately.
 - (1) CONTRACTOR certifies that its license and the licenses of all persons providing services pursuant to this AGREEMENT are in good standing and are not subject to any pending license investigations or citations. CONTRACTOR shall notify COUNTY immediately by sending written notice to the BHSD Compliance Officer upon learning that its license, or the license of any person providing services pursuant to this AGREEMENT, is being investigated, has been cited for a license violation, is restricted in any way, or is no longer in good standing.
 - (2) COUNTY may terminate this AGREEMENT immediately if CONTRACTOR violates any of the provisions in this subsection.
 - (3) CONTRACTOR will defend, indemnify and hold harmless COUNTY for any loss or damage resulting from any conviction, debarment, or any exclusion of CONTRACTOR or its employees, directors, board members, subcontractors or agents.
 - (4) If CONTRACTOR utilizes COUNTY facilities while performing services pursuant to this AGREEMENT, CONTRACTOR will read and abide by the BHSD Program Policy, Code of Conduct, and Compliance Program Plan and will attend a compliance workshop provided by the COUNTY.

CONTRACTORS utilizing non-COUNTY facilities must provide COUNTY with a copy of their compliance program, upon request.

5.16 Health Insurance Portability and Accountability Act (HIPAA)

- (a) CONTRACTOR will provide services under this AGREEMENT in accordance with all federal, state and local laws, rules, regulations, and codes effective at the inception of this AGREEMENT and that become effective during the term of this AGREEMENT and execute any amendments necessary to implement such laws, including but not limited to;
- (1) All laws for the Medicare, Medi-Cal and Medicaid programs indicated above, and any regulations promulgated thereunder, as applicable.
 - (2) The applicable provisions of Titles 9 and 22 of the California Code of Regulations;
 - (3) Health Insurance Portability and Accountability Act, 45 C.F.R parts 160, 162 and 164 ("HIPAA").
 - (4) Health Information Technology for Economic and Clinical Health Act (HITECH Act), Pub. L. 111-5, Div. A, Title XIII, § 130001 et seq., Div. B, Title IV, § 4001 et seq., Feb. 17, 2009, 123 Stat. 226, 467, 42 U.S.C.A. § 300ii, et seq., and 42 U.S.C. A, § 17901, et seq;
 - (5) California Welfare and Institutions Code section 5328 et seq.;
 - (6) California Evidence Code section 1010 et seq.;
 - (7) Mental Health Services Act (MHSA) Section 5890 et seq. and any regulations promulgated thereunder;
 - (8) Any State policies as identified in the State Department of Mental Health (SDMH), DHCS Letters, in the CRDC Manual, and any other applicable provision of law or regulation.
 - (9) CONTRACTOR will honor the enrollee's rights while complying with the above referenced statutes and regulations.

5.17 Prohibitions on Referrals

- (a) In addition to COUNTY's and CONTRACTOR's obligations to comply with applicable federal, state and local laws respecting the conduct of their respective business and profession, COUNTY and CONTRACTOR acknowledge that they are subject to certain federal and state laws governing referral of patients which are in effect or will become effective during the term of this AGREEMENT. These laws include prohibitions on:
- (1) Payments for referral or to induce the referral of patients (Cal. Business and Professions Code section 650; Cal. Labor Code section 3215; and section 1128B of the Social Security Act); and
 - (2) The referral of patients by a CONTRACTOR or its employees, subcontractors or agents for certain designated health care services to an entity with which the CONTRACTOR or its employees, subcontractors or agents (or the referring parties immediate family) has a financial relationship (Cal. Labor Code sections 139.3 and 139.31, applicable to referrals for workers' compensation services; Cal. Business and Professions Code sections 650.01 and 650.02 applicable to all other patient referrals within the State; and section 1877 of the Social Security Act, applicable to referrals of Medicare and Medi-Cal patients).

5.18 Assignment of Clayton Act, Cartwright Act Claims

CONTRACTOR hereby assigns to the COUNTY all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the CONTRACTOR for sale to the COUNTY pursuant to this AGREEMENT.

5.19 California Public Records Act. All contracts become the property of the COUNTY, which is a public agency subject to the disclosure requirements of the California Public Records Act ("CPRA"). If CONTRACTOR's proprietary information is contained in this AGREEMENT, and CONTRACTOR claims that such information falls within one or more CPRA exemptions, CONTRACTOR shall identify to the COUNTY the specific lines containing the information and the applicable CPRA exemption(s). In the event of a request for such information, the COUNTY will notify CONTRACTOR and redact or withhold the information. CONTRACTOR further agrees that it shall defend, indemnify and hold the COUNTY harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and attorney's fees) that may result from denial by COUNTY of a CPRA request for information arising from any representation, or any action (or inaction), by the CONTRACTOR.

5.20 County Ordinances, Resolutions, Policies, Procedures, Directives, and Guidelines

- (a) CONTRACTOR will provide services under this AGREEMENT in accordance with the ordinances and resolutions of the COUNTY Board of Supervisors and the applicable policies, procedures, directives, and guidelines of COUNTY, BHSD, and Santa Clara Valley Health and Hospital Systems (SCVHHS).
- (b) CONTRACTOR will be in compliance with any new or modified written policy, procedure or directive within thirty (30) days from the date on the notification or sooner if required by federal, state, or local law or regulations or COUNTY, BHSD, or SCVHHS policy.
- (c) CONTRACTORS that receive training from BHSD in pandemic and other disasters (All Hazards) including, but not limited to: identifying high risk populations, monitoring psychosocial reactions to All Hazards, disseminating appropriate educational materials, providing safe intervention as needed and possible, and making appropriate referrals, will, at Director's discretion, be involved in planning and response activities related to All Hazards.
- (d) Amendments. This AGREEMENT may be modified through written amendment reflecting the modification.
- (e) Compliance with All Laws. CONTRACTOR shall comply with all applicable Federal, State, and local laws, regulations, rules, and policies (collectively, "Laws"), including but not limited to the non-discrimination, equal opportunity, and wage and hour Laws referenced in the sections below.
- (f) Compliance with Non-Discrimination and Equal Opportunity Laws: CONTRACTOR shall comply with all applicable Laws concerning nondiscrimination and equal opportunity in employment and contracting, including but not limited to the following: Santa Clara COUNTY's policies for contractors on nondiscrimination and equal

opportunity; Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; the Age Discrimination in Employment Act of 1967; the Rehabilitation Act of 1973 (Sections 503 and 504); the Equal Pay Act of 1963; California Fair Employment and Housing Act (Gov. Code § 12900 et seq.); California Labor Code sections 1101, 1102, and 1197.5; and the Genetic Information Nondiscrimination Act of 2008. In addition to the foregoing, CONTRACTOR shall not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex, gender identity, gender expression, sexual orientation, mental disability, physical disability, medical condition, political belief, organizational affiliation, or marital status in the recruitment, selection for training (including but not limited to apprenticeship), hiring, employment, assignment, promotion, layoff, rates of pay or other forms of compensation. Nor shall CONTRACTOR discriminate in the provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex, gender identity, gender expression, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

- (g) Compliance with Wage and Hour Laws: CONTRACTOR shall comply with all applicable wage and hour Laws, which may include but are not limited to, the Federal Fair Labor Standards Act, the California Labor Code, and, if applicable, any local minimum wage, prevailing wage, or living wage Laws.
- (h) Living Wage (If Applicable)
 - (1) Unless otherwise exempted or prohibited by law or COUNTY policy, where applicable, CONTRACTORS that contract with the COUNTY to provide Direct Services developed pursuant to a formal Request for Proposals process, as defined in COUNTY of Santa Clara Ordinance Code Division B36 (“Division B36”) and Board Policy section 5.5.5.5 (“Living Wage Policy”), and their subcontractors, where the contract value is \$100,000 or more (“Direct Services Contract”), must comply with Division B36 and the Living Wage Policy and compensate their employees in accordance with Division B36 and the Living Wage Policy. Compliance and compensation for purposes of this provision includes, but is not limited to, components relating to fair compensation, earned sick leave, paid jury duty, fair workweek, worker retention, fair chance hiring, targeted hiring, local hiring, protection from retaliation, and labor peace.
 - (2) If CONTRACTOR and/or a subcontractor violates this provision, the Board of Supervisors or its designee may, at its sole discretion, take responsive actions including, but not limited to, the following: (i) Suspend, modify, or terminate the Direct Services Contract. (ii) Require the CONTRACTOR and/or Subcontractor to comply with an appropriate remediation plan developed by the COUNTY. (c) Waive all or part of Division B36 or the Living Wage Policy. This provision shall not be construed to limit an employee's rights to bring any legal action for violation of the employee's rights under Division B36 or any other applicable law. Further, this provision does not confer any rights upon any person or entity other than the Board of Supervisors or its designee to bring any action seeking the cancellation or suspension of a COUNTY contract. By entering into this AGREEMENT, CONTRACTOR certifies that it is currently complying with Division B36 and the Living Wage Policy with respect to applicable contracts,

and warrants that it will continue to comply with Division B36 and the Living Wage Policy with respect to applicable contracts.

- (i) Definitions: For purposes of this section, the following definitions shall apply. A “Final Judgment” shall mean a judgment, decision, determination, or order (i) which is issued by a court of law, an investigatory government agency authorized by law to enforce an applicable Law, an arbiter, or arbitration panel and (ii) for which all appeals have been exhausted or the time period to appeal has expired. For pay equity Laws, relevant investigatory government agencies include the federal Equal Employment Opportunity Commission, the California Division of Labor Standards Enforcement, and the California Department of Fair Employment and Housing. Violation of a pay equity Law shall mean unlawful discrimination in compensation on the basis of an individual’s sex, gender, gender identity, gender expression, sexual orientation, race, color, ethnicity, or national origin under Title VII of the Civil Rights Act of 1964 as amended, the Equal Pay Act of 1963, California Fair Employment and Housing Act, or California Labor Code section 1197.5, as applicable. For wage and hour Laws, relevant investigatory government agencies include the federal Department of Labor, the California Division of Labor Standards Enforcement, and the City of San Jose’s Office of Equality Assurance.
- (j) Prior Judgments, Decisions or Orders against Contractor: By signing this AGREEMENT, CONTRACTOR affirms that it has disclosed any final judgments that (1) were issued in the five years prior to executing this AGREEMENT by a court, an investigatory government agency, arbiter, or arbitration panel and (2) found that CONTRACTOR violated an applicable wage and hour law or pay equity law. CONTRACTOR further affirms that it has satisfied and complied with – or has reached AGREEMENT with the COUNTY regarding the manner in which it will satisfy – any such final judgments.
- (k) Violations of Wage and Hour Laws or Pay Equity Laws During Term of Contract: If at any time during the term of this AGREEMENT, CONTRACTOR receives a Final Judgment rendered against it for violation of an applicable wage and hour Law or pay equity Law, then CONTRACTOR shall promptly satisfy and comply with any such Final Judgment. CONTRACTOR shall inform the Office of the COUNTY Executive-Office of Countywide Contracting Management (OCCM) of any relevant Final Judgment against it within 30 days of the Final Judgment becoming final or of learning of the Final Judgment, whichever is later. CONTRACTOR shall also provide any documentary evidence of compliance with the Final Judgment within 5 days of satisfying the Final Judgment. Any notice required by this section shall be addressed to the Office of the COUNTY Executive-OCCM at 70 W. Hedding Street, East Wing, 11th Floor, San Jose, CA 95110. Notice provisions in this section are separate from any other notice provisions in this AGREEMENT and, accordingly, only notice provided to the Office of the County Executive-OCCM satisfies the notice requirements in this section.
- (l) Access to Records Concerning Compliance with Pay Equity Laws: In addition to and notwithstanding any other provision of this AGREEMENT concerning access to CONTRACTOR’s records, CONTRACTOR shall permit the COUNTY and/or its authorized representatives to audit and review records related to compliance with applicable pay equity Laws. Upon the COUNTY’s request, CONTRACTOR shall provide the COUNTY with access to any and all facilities and records, including but not

limited to financial and employee records, that are related to the purpose of this section, except where prohibited by federal or state laws, regulations or rules. COUNTY's access to such records and facilities shall be permitted at any time during CONTRACTOR's normal business hours upon no less than ten (10) business days' advance notice.

- (m) Pay Equity Notification: CONTRACTOR shall (1) at least once in the first year of this AGREEMENT and annually thereafter, provide each of its employees working in California and each person applying to CONTRACTOR for a job in California (collectively, "Employees and Job Applicants") with an electronic or paper copy of all applicable pay equity Laws or (2) throughout the term of this AGREEMENT, continuously post an electronic copy of all applicable pay equity Laws in conspicuous places accessible to all of CONTRACTOR's Employees and Job Applicants.
- (n) Material Breach: Failure to comply with any part of this section shall constitute a material breach of this AGREEMENT. In the event of such a breach, the COUNTY may, in its discretion, exercise any or all remedies available under this AGREEMENT and at law. COUNTY may, among other things, take any or all of the following actions: (1) Suspend or terminate any or all parts of this AGREEMENT. (2) Withhold payment to CONTRACTOR until full satisfaction of a Final Judgment concerning violation of an applicable wage and hour Law or pay equity Law. (3) Offer CONTRACTOR an opportunity to cure the breach.
- (o) Subcontractors. CONTRACTOR shall impose all of the requirements set forth in this section on any subcontractors permitted to perform work under this AGREEMENT. This includes ensuring that any subcontractor receiving a Final Judgment for violation of an applicable Law promptly satisfies and complies with such Final Judgment.
- (p) No Smoking Policy. CONTRACTOR and its employees, agents and subcontractors, shall comply with the COUNTY's No-Smoking Policy, as set forth in the Board of Supervisors Policy Manual section 3.47 (as amended from time to time), which prohibits smoking: (1) at the Santa Clara Valley Medical Center Campus and all COUNTY-owned and operated health facilities, (2) within 30 feet surrounding COUNTY-owned buildings and leased buildings where the COUNTY is the sole occupant, and (3) in all COUNTY vehicles.
- (q) Beverage Nutritional Criteria. Except in the event of an emergency or medical necessity, the following nutritional standards shall apply to any foods and/or beverages purchased by CONTRACTOR with COUNTY funds for COUNTY-sponsored meetings or events. If food is to be provided, healthier food options shall be offered. "Healthier food options" include (1) fruits, vegetables, whole grains, and low fat and low calorie foods; (2) minimally processed foods without added sugar and with low sodium; (3) foods prepared using healthy cooking techniques; and (4) foods with less than 0.5 grams of trans fat per serving. Whenever possible, CONTRACTOR shall (1) offer seasonal and local produce; (2) serve fruit instead of sugary, high calorie desserts; (3) attempt to accommodate special, dietary and cultural needs; and (4) post nutritional information and/or a list of ingredients for items served. If meals are to be provided, a vegetarian option shall be provided, and the CONTRACTOR should consider providing a vegan option. If pre-packaged snack foods are provided, the items shall contain: (1) no more than 35% of calories from fat, unless the snack food items consist solely of nuts or seeds; (2) no more than 10% of calories from saturated fat; (3) zero trans fat; (4) no

more than 35% of total weight from sugar and caloric sweeteners, except for fruits and vegetables with no added sweeteners or fats; and (5) no more than 360 mg of sodium per serving. If beverages are to be provided, beverages that meet the COUNTY's nutritional criteria are (1) water with no caloric sweeteners; (2) unsweetened coffee or tea, provided that sugar and sugar substitutes may be provided as condiments; (3) unsweetened, unflavored, reduced fat (either nonfat or 1% low fat) dairy milk; (4) plant-derived milk (e.g., soy milk, rice milk, and almond milk) with no more than 130 calories per 8 ounce serving; (5) 100% fruit or vegetable juice (limited to a maximum of 8 ounces per container); and (6) other low-calorie beverages (including tea and/or diet soda) that do not exceed 40 calories per 8 ounce serving. Sugar-sweetened beverages shall not be provided.

- (r) Contract Execution. Unless otherwise prohibited by law or COUNTY policy, the parties agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with an original ink signature. The term "electronic copy of a signed contract" refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term "electronically signed contract" means a contract that is executed by applying an electronic signature using technology approved by the COUNTY.
- (s) Third Party Beneficiaries. This AGREEMENT does not, and is not intended to, confer any rights or remedies upon any person or entity other than the parties.
- (t) Intellectual Property Rights. Ownership: COUNTY shall own all right, title and interest in and to the Deliverables. For purposes of this AGREEMENT, the term "Deliverables" shall mean any documentation and deliverables created by CONTRACTOR during the performance of services that are identified in this AGREEMENT. CONTRACTOR hereby assigns to the COUNTY all rights, title and interest in and to any and all intellectual property whether or not patentable or registrable under patent, copyright, trademark or similar statutes, made or conceived or reduced to practice or learned by CONTRACTOR, either alone or jointly with others, during the period of CONTRACTOR's AGREEMENT with the COUNTY or result from the use of premises leased, owned or contracted for by the COUNTY. CONTRACTOR acknowledges that all original works of authorship which are made by CONTRACTOR (either solely or jointly with others) within the scope of this AGREEMENT and which are protectable by copyright are "works made for hire," as that term is defined in the United States Copyright Act (17 U.S.C. Section 101), and shall belong solely to COUNTY. CONTRACTOR agrees that the COUNTY will be the copyright owner in all copyrightable works of every kind and description created or delivered by CONTRACTOR, either solely or jointly with others, in connection with any agreement with the COUNTY.
- (u) Intellectual Property Indemnity. CONTRACTOR represents and warrants for the benefit of the COUNTY and its users that, to its knowledge, as of the effective date of this AGREEMENT, CONTRACTOR is the exclusive owner of all rights, title and interest in the Deliverables and/or services provided pursuant to this AGREEMENT. CONTRACTOR shall defend, indemnify and hold the COUNTY harmless against any claim, action or litigation (including but not limited to all judgments, costs, fees, and reasonable attorney's fees) by a third party alleging the Deliverables and/or services

provided pursuant to this AGREEMENT infringe upon any intellectual property rights of third parties. This indemnity and duty to defend is in addition to and does not supersede the requirements stated in Exhibit C of this AGREEMENT.

- (v) County Data. "County Data" shall mean data and information received by CONTRACTOR from COUNTY. As between CONTRACTOR and COUNTY, all COUNTY Data shall remain the property of the COUNTY. CONTRACTOR shall not acquire any ownership interest in the COUNTY Data. CONTRACTOR shall not, without COUNTY's written permission consent, use or disclose the COUNTY Data other than in the performance of its obligations under this AGREEMENT. CONTRACTOR shall be responsible for establishing and maintaining an information security program that is designed to ensure the security and confidentiality of COUNTY Data, protect against any anticipated threats or hazards to the security or integrity of COUNTY Data, protect against unauthorized access to or use of COUNTY Data that could result in substantial harm or inconvenience to COUNTY or any end users; and ensure the proper disposal of COUNTY Data upon termination of this AGREEMENT. CONTRACTOR shall take appropriate action to address any incident of unauthorized access to COUNTY Data, including addressing and/or remedying the issue that resulted in such unauthorized access, notifying COUNTY as soon as possible of any incident of unauthorized access to COUNTY Data, or any other breach in CONTRACTOR's security that materially affects COUNTY or end users; and be responsible for ensuring compliance by its officers, employees, agents, and subcontractors with the confidentiality provisions hereof. Should confidential and/or legally protected COUNTY Data be divulged to unauthorized third parties, CONTRACTOR shall comply with all applicable federal and state laws and regulations, including but not limited to California Civil Code Sections 1798.29 and 1798.82 at CONTRACTOR's sole expense (if applicable). CONTRACTOR shall not charge the COUNTY for any expenses associated with CONTRACTOR's compliance with the obligations set forth in this section.

- (w) Payment Term. The parties agree that the payment term shall be the term selected below and payment shall be due in accordance with the selected payment term. For example, if CONTRACTOR selects 2.25% 10 Net 45 as the payment term, payment shall be due 10 days from the date the COUNTY approves the invoice, instead of 45 days, and the COUNTY shall take a discount of 2.25% of the total amount of the invoice. Payment is deemed to have been made on the date the COUNTY mails the warrant or initiates the electronic fund transfer.

- ☐ 2.25% 10 Net 45 (provides 35 days of cash acceleration)
- ☐ 2.00% 15 Net 45 (provides 30 days of cash acceleration)
- ☐ 1.75% 20 Net 45 (provides 30 days of cash acceleration)
- ☐ 1.33% 25 Net 45 (provides 30 days of cash acceleration)
- ☐ 1.00% 30 Net 45 (provides 30 days of cash acceleration)
- ☐ Net 45 (full payment)

Note: Payment term will default to "Net 45 (full payment)," if no other term was selected. Notwithstanding the option selected above, the parties agree that at any time during the contract term, either party may initiate an early payment discount on an invoice-by-invoice basis utilizing the Dynamic Discounting functionality of the Ariba

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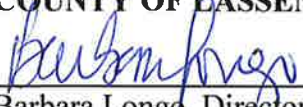
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IN WITNESS WHEREOF each of the parties has authorized this AGREEMENT to be executed by their respective agencies as of the date set forth in Article 4.1, Term., upon execution by both parties below.

COUNTY OF LASSEN

 7/18/19

Barbara Longo, Director Date
Lassen County Health and Social Services


SAN JOSE BEHAVIORAL HEALTH

Sean Peterson Date
Chief Executive Officer

Richard Egan Date
County Administrative Officer

APPROVED AS TO FORM:

Robert M. Burns
Lassen County Counsel

 7-16-19

Robert M. Burns Date
Lassen County Counsel

APPENDIX A

DEFINITIONS

Acute Psychiatric Inpatient Hospital Services.

“Acute Psychiatric Inpatient Hospital Services” means medically necessary inpatient hospital services covered by the Medi-Cal program and rendered to a Beneficiary for the care and the treatment of an acute episode of mental illness which do not qualify as Administrative Day(s) of service.

Administrative Day.

“Administrative Day” means a day determined by utilization management review (based on review of provided medical record documentation) to justify a level of care in either a subacute facility setting (for adults: IMD, Skilled Nursing Facilities (SNF), State Hospital; for youth: the Seneca Community Alternative Program) for which a bed is unavailable, or an authorized crisis residential program (for adults: Zeller/Goveia, Case San Antonio, Sub-Acute Residential Treatment (SART), Litteral House; for youth: a RCL 13/14 Group Home) for which a bed is unavailable, but which does not justify a level of care in an acute psychiatric hospital. Patients who no longer require an acute hospital level of care, but who have been accepted by the County Behavioral Health Services Director or her designee for placement in an IMD or State Hospital, or by the Resources and Intensive Services Committee (RISC), or who are awaiting placement in a skilled nursing facility, or who are accepted to and awaiting placement in an authorized crisis residential program qualify for this category. Patients who no longer require an acute hospital level of care and who have been refused for IMD placement, SNF placement, State Hospital placement, Seneca Community Alternative Program placement, or crisis residential placement do not qualify for this category.

Medi-Cal Beneficiary, Un-sponsored Beneficiary, Beneficiary.

“Medi-Cal Beneficiary” means a person certified as eligible for services under the Medi-Cal program according to § 51001 of Title 22 of the California Code of Regulations, as the same may be amended from time to time and for whom the County is responsible for determining Medi-Cal beneficiary eligibility pursuant to Title 22 California Code of Regulations § 50120, and whose Medi-Cal beneficiary identification number contains Lassen County Code number “43” as the first two numbers, except that, such term does not include Medi-Cal beneficiary eligible under Part A of the Medicare program, 42 U.S.C. § 1395 *et. seq.*, if the beneficiary has not exhausted his or her right to Medicare Part A services. The term “Beneficiary” does not include a Medi-Cal eligible person who is enrolled in a health maintenance organization, prepaid health plan or other managed care plan that is responsible for the provision of Medi-Cal psychiatric inpatient hospital services.

“Un-sponsored Beneficiary” means a patient for whom there is no third party payor which is or may become responsible for paying for all or part of the person’s services, including, but not limited to, Medicare, Medi-Cal or private insurance. Services to Un-sponsored Beneficiaries must be authorized by the Lassen County Behavioral Health Services Department’s Hospital Liaison or designee.

“Beneficiary” means a person that is either a Medi-Cal Beneficiary, or an Un-sponsored Beneficiary.

Delegate.

“Delegate” means any natural person or legal entity to whom Contractor attempts, by contract or otherwise, to transfer the primary liability to perform any covenant assumed in this Agreement.

Department

“Department” means the State of California Department of Health Care Services.

Fiscal Intermediary.

“Fiscal Intermediary” means that person or entity who has entered into a contract, as specified in Section 14104.3 of the California Welfare and Institutions Code, with the Department to perform fiscal intermediary services related to this Agreement.

Point of Authorization.

“Point of Authorization” means Intensive Psychiatric Services Division, Behavioral Health Services Department, County of Lassen

Psychiatric Inpatient Hospital Services

“Psychiatric Inpatient Hospital Services” means Acute Psychiatric Inpatient Hospital Services and Administrative Day services covered by Medi-Cal program provided to a Beneficiary for the care and treatment of an episode of mental illness in the Facility. If Contractor is a free-standing acute psychiatric hospital larger than sixteen (16) beds, the term excludes services rendered to persons age twenty-one (21) or older and younger than age sixty-five (65). If Contractor is an acute care hospital, the term excludes services rendered in a medical/surgical bed and any service rendered in a bed other than a bed in an approved psychiatric unit as defined in 22 California Code of Regulation § 70575.

Regulations.

“Regulations” means the Medi-Cal Psychiatric Inpatient Hospital Services Consolidation Regulations contained in the California Code of Regulations pertaining to the rendition of mental health care which have been promulgated under California Welfare and Institutions Code Section 5775 et. seq. and 14680, et seq.

Meaning of Words.

The word and terms used in this Agreement are intended to have their usual meanings, unless a particular or more limited meaning is associated with their usage in Sections 5775, et. seq., and 14680, et seq., of the California Welfare and Institutions Code or the Regulations, unless specifically defined in this Article or otherwise in this Agreement.

I. Scope

- A. The Contractor will provide mental health services to adolescents (ages 14-17), and Transitional Age Youth (TAY) (ages 18-21) including the provision of services to family members/guardians and/or significant others as required for the treatment of the adolescent and TAY populations. Services shall be provided on a voluntary or involuntary basis within an established facility in Santa Clara County.
- B. The service to be provided is an inpatient psychiatric unit for adolescents and TAY which shall include high-intensity (locked) services, treatment, and placement into appropriate aftercare. The inpatient psychiatric unit shall be available for all Lassen County adolescents and TAY with Medi-Cal. Those adolescent and TAY who are unsponsored or uninsured will be reviewed for eligibility for unsponsored payment. The inpatient psychiatric units for adolescents and TAY will operate on a 24 hours/seven days a week basis and will be located within Santa Clara County.

II. Goals and Objectives

- A. The goal of the program is to provide a coordinated system of care for adolescents and TAY whose level of impairment requires evaluation and treatment in an acute psychiatric inpatient unit operated by the Contractor. This program will operate under Lanterman-Petris-Short Act (LPS) regulations.
- B. Objectives:
 - 1. The inpatient psychiatric unit shall provide care to adolescents and TAY needing inpatient treatment with an anticipated average length of stay between five and seven days. Inpatient psychiatric unit services will include: comprehensive assessment; multidisciplinary treatment plans incorporating the principles of wellness and recovery; individual, family and group therapy; acute symptom stabilization; family involvement; and timely discharge planning to appropriate aftercare.
 - 2. The Contractor will ensure that all evaluation and treatment services are accomplished in a setting conducive to patient privacy and confidentiality. Care will not be provided in common waiting areas for any patient.
 - 3. The Contractor will seek to actively engage and involve the youth's family and/or caregivers in addressing the acute psychiatric crisis, and to prepare the youth and family/caregivers for successful discharge and reunification. For TAY, family and other natural supports will be involved in treatment with the permission and request of the client

III. Specific Requirements for Facility and Service Delivery

- A. The program facility will be located in Santa Clara County.
- B. The Contractor will serve as part of Santa Clara County's continuum of care services for adolescents and TAY. The program will be expected to set and achieve fixed-term goals for their patients and to then link the youth and family to other providers for necessary aftercare services. The Contractor is expected to establish written standardized policies and procedures for assessing youth and families who are served by this program. It is expected that:
 - 1. The program design must be flexible to meet the changing needs of the client population.

2. The assessment program shall encompass all of the youth's life domains, and will extend beyond a symptom-based approach.
3. Information gathered from multiple informants must be an integral part of the assessment process.
4. Both a Diagnostic Statistical Manual of Mental Disorders -Fifth Edition (DSM-V) diagnosis and a bio-psychosocial formulation will be established for every evaluation.
5. Staffing will include, Board-certified child psychiatrists, Pediatrician (strongly encouraged to include a Developmental Behavioral Pediatrician), Psychiatric Nurse, Licensed or License-eligible Social Workers or Marriage and Family Therapist, Recreation/Leisure Therapist, Nutritionist, Pharmacist, and Therapists qualified to assess and treat substance use.
6. The treatment plan developed must be conducted under the clinical supervision of a Board-certified child psychiatrist, who is to be retained by the Contractor.
7. Program components must meet requirements of the California Code of Regulations, Title 9, including compliance with staffing, services and administration provisions, and all other pertinent federal and state regulations.
8. All program services must be culturally and linguistically competent.
9. Contractor must demonstrate the active welcoming, engagement and inclusion of family/caregivers in all aspects of assessment, treatment planning and aftercare planning. For TAY, the natural resources will include those as identified by the client.
10. Program components must include:
 - a. Psychiatric Assessment, including medication evaluation, biopsychosocial, nursing, Applied Behavioral Analysis (ABA), recreational/leisure, substance use and nutrition
 - b. Individualized treatment planning
 - c. Family involvement
 - d. Provider involvement, including outside therapists, psychiatrist, child welfare, probation, and educational staff
 - e. Capacity to assess medical needs and a process for attaining lab and imaging tests
 - f. Treatment issues needing further services are identified and coordinated with the referring agency and other providers as needed and in accordance with Aftercare service requirements.
 - g. Individual, family, and group therapy
 - h. Educational Services
 - i. Intensive daily schedule of treatment services to augment individualized services.
 - j. Capacity to provide recreational/leisure activities
 - k. Capacity to manage aggressive and assaultive behavior
11. The length of stay for the inpatient program is anticipated to be no greater than seven (7) days.
12. Discharge planning by the Contractor will begin immediately upon admission. Each adolescent and TAY admitted will be reviewed on a daily basis for progress made towards discharge. Upon achieving clinical stabilization, the minor will be transitioned to the appropriate aftercare in the community. Adolescents and TAY identified as ready for discharge (e.g., who no longer represent a danger to themselves or others, or who gravely disabled and no longer meet medical necessity for treatment

- in an acute inpatient setting), shall be released to their discharge plan identified disposition as soon as possible.
13. Contractor shall use culturally and developmentally appropriate Evidence Based Treatment (EBT) and will flexibly adopt and implement modifications to treatment according to the needs of each youth. It is expected that clinicians practicing within these programs will employ EBT, and that the Contractor will employ treatments which show promise in decreasing multiple symptoms of served minors, including adoption of Cognitive Behavioral Therapy (CBT) principles and practices, and wellness and recovery principles. As appropriate, the programs will also be expected to adopt attachment theory principles.
 14. The Contractor will implement a medication management system that promotes the safe and effective use of medications in youth. This management system will identify how the Contractor will evaluate its medication management system for risk points, and identify procedures to improve patient safety. The Contractor will indicate the process for obtaining medications on a 24/7 basis in order to respond to urgent or emergent conditions.
 15. The Contractor will provide a plan that:
 - a. Describes how the Contractor will work with other Behavioral Health Services Department (BHSD) programs.
 - b. Provides for access to physician services on a 24/7 basis for the acute inpatient programs.
 - c. Indicates how the following services will be provided or arranged, specifying the use of off-site resources as appropriate:
 - i. Complete physical health assessment with medical history and physical examination within twenty-four (24) hours of admission to the unit
 - ii. Ongoing primary health care for inpatients
 - iii. Pregnancy and prenatal care as necessary for minor females
 - iv. HIV or other sexually transmitted diseases care
 - v. Infectious disease care
 - vi. Nutrition services
 - vii. Pharmacy services
 - viii. Laboratory services
 - ix. Diagnostic imaging services
 - x. Electroencephalogram (EEG) and Electrocardiogram(EKG) services
 - xi. Psychological and neuropsychological screening and testing services
 - xii. Social work services
 - xiii. Rehabilitation and occupational therapy services
 - xiv. Spiritual and/or pastoral care
 - xv. Wellness and recovery resources
- C. The Contractor must be a full service provider that operates the client services programs described herein, including all required client food service, housekeeping, facilities support/maintenance, and program administrative services necessary to operate a psychiatric inpatient unit for adolescents.

- D. The Contractor's facility shall be open to inspection upon demand by representatives of the County at all times. The Contractor must ensure compliance with all staffing requirements mandated by state and federal regulation for the inpatient unit.
- E. The Contractor will ensure that all LPS proceedings, such as Probable Cause Hearings, are conducted and coordinated with the Mental Health Advocacy Project in Santa Clara County.
- F. The program will participate in active and continuous collaboration with County community-based support services. Served youth and their families shall be linked, as appropriate, within the network of available community support services to meet their extended needs. For all Medi-Cal or Un-sponsored clients, the BHSD Hospital Liaison will assist the Contractor social service staff with this linkage and coordination of services. The goal of the inpatient unit treatment is to stabilize the youth and the youth's family, and to prepare them for successful discharge and reunification.
- G. The Contractor must establish and maintain certification through Lassen County to provide Medi-Cal reimbursable services ("Medi-Cal Certification") before providing and billing for Medi-Cal services to Clients. Contractor will not be reimbursed by County for any Medi-Cal services under this program until Contractor receives Medi-Cal Certification.

IV. Specific Requirements for Patient Rights Program

- A. The Contractor will ensure that all services and programs are in compliance with statutory and regulatory patient's rights provisions. Further they will ensure the following:
 - 1. All adolescents and TAY who have been certified for fourteen (14) days of intensive treatment under California Welfare and Institutions Code Section 5250 are provided representation as required under California Welfare and Institutions Code Sections 5255 and 5256.4.
 - 2. All adolescents and TAY who have been certified for fourteen (14) days of intensive treatment under California Welfare and Institutions Code Section 5250 are provided information about the commitment process, about their rights to an administrative hearing or a judicial review by writ of habeas corpus and their right to counsel in such a judicial review, including the right to court appointed counsel.
 - 3. Adolescents (14-17) whose parents seek to admit them to a private acute inpatient facility will be provided with representation in accordance with Roger S. 19 Cal. 3d 655 (1977).
 - 4. Adolescents and TAY who are subject to a capacity hearing pursuant to Welfare and Institutions Code Section 5332 are provided with or represented by a legal advocate.

V. Quality Assurance

- A. The Contractor shall have a fully operational quality improvement program, with a written quality improvement plan, consistent with National Council on Quality Assurance standards. Contractor participation in the BHSD quality improvement plan, including needed presentation to Quality Improvement committees is expected.
- B. The Contractor will participate in the BHSD Quality Improvement and Compliance Programs and adhere to all BHSD performance requirements.

VI. Data Collection and Reporting Requirements

- A. Contractor is responsible for collecting and managing data in a manner to be determined by Department of Health Care Services (DHCS) and/or BHSD.

I. Scope

- A. The Contractor will provide mental health services to older adults (65 and over). Services shall be provided on a voluntary or involuntary basis within an established facility in Santa Clara County.
- B. The service to be provided is an inpatient psychiatric unit for older adults, which shall include high-intensity (locked) services, treatment, and placement into appropriate aftercare. The inpatient psychiatric unit shall be available for all Lassen County older adults with Medi-Cal. The inpatient psychiatric units for older adults will operate on a 24 hours/seven days a week basis and will be located within Santa Clara County.

II. Goals and Objectives

- A. The goal of the program is to provide a coordinated system of care for older adults whose level of impairment requires evaluation and treatment in an acute psychiatric inpatient unit operated by the Contractor. This program will operate under Lanternman-Petris-Short Act (LPS) regulations.
- B. Objectives:
 - 1. The inpatient psychiatric unit shall provide care to older adults needing inpatient treatment with an anticipated average length of stay between five and seven days. Inpatient psychiatric unit services will include: comprehensive assessment; multidisciplinary treatment plans incorporating the principles of wellness and recovery; individual, family and group therapy; acute symptom stabilization; family involvement; and timely discharge planning to appropriate aftercare.
 - 2. The Contractor will ensure that all evaluation and treatment services are accomplished in a setting conducive to patient privacy and confidentiality. Care will not be provided in common waiting areas for any patient.
 - 3. The Contractor will seek to actively engage and involve the older adult's family and/or caregivers with the permission and request of the client and any conservators in addressing the acute psychiatric crisis, and to prepare the older adult for successful discharge.

III. Specific Requirements for Facility and Service Delivery

- A. The program facility will be located in Santa Clara County.
- B. The Contractor will serve as part of Santa Clara County's continuum of care services for older adults. The program will be expected to set and achieve fixed-term goals for their patients and to then link the older adult to other providers for necessary aftercare services. The Contractor is expected to establish written standardized policies and procedures for assessing older adults who are served by this program. It is expected that:
 - 1. The program design must be flexible to meet the changing needs of the client population.
 - 2. The assessment program shall encompass all of the older adult's life domains, and will extend beyond a symptom-based approach.
 - 3. Information gathered from multiple informants must be an integral part of the assessment process.
 - 4. Both a Diagnostic Statistical Manual of Mental Disorders -Fifth Edition (DSM-V) diagnosis and a bio-psychosocial formulation will be established for every evaluation.

5. Staffing will include, Board-certified Psychiatrists, Internal Medicine Doctors, Psychiatric Nurses, Licensed or License-eligible Social Workers or Marriage and Family Therapists, Recreation/Leisure Therapists, Nutritionists, Pharmacists, and Therapists qualified to assess and treat substance use.
6. The treatment plan developed must be conducted under the clinical supervision of a Board-certified Psychiatrist, who is to be retained by the Contractor.
7. Program components must meet requirements of the California Code of Regulations, Title 9, including compliance with staffing, services and administration provisions, and all other pertinent federal and state regulations.
8. All program services must be culturally and linguistically competent.
9. Contractor must demonstrate the active welcoming, engagement and inclusion of conservators/caregivers and any natural resources as requested in all aspects of assessment, treatment planning and aftercare planning.
10. Program components must include:
 - a. Psychiatric assessment, including medication evaluation, biopsychosocial evaluation, nursing, recreational/leisure, substance use and nutrition
 - b. Individualized treatment planning
 - c. Conservator/caregiver involvement
 - d. Provider involvement, including outside therapists, psychiatrists, and probation
 - e. Capacity to assess medical needs and a process for attaining lab and imaging tests
 - f. Treatment issues needing further services are identified and coordinated with the referring agency and other providers as needed and in accordance with Aftercare service requirements
 - g. Individual, family, and group therapy
 - h. Intensive daily schedule of treatment services to augment individualized services
 - i. Capacity to provide recreational/leisure activities
 - j. Capacity to manage aggressive and assaultive behavior
11. The length of stay for the inpatient program is anticipated to be no greater than seven (7) days.
12. Discharge planning by the Contractor will begin immediately upon admission. Each older adult admitted will be reviewed on a daily basis for progress made towards discharge. Upon achieving clinical stabilization, the older adult will be transitioned to the appropriate aftercare in the community. Older adults identified as ready for discharge (e.g., who no longer represent a danger to themselves or others, or who are gravely disabled and no longer meet medical necessity for treatment in an acute inpatient setting), shall be released to their discharge plan identified disposition as soon as possible.
13. Contractor shall use culturally and developmentally appropriate Evidence Based Treatment (EBT) and will flexibly adopt and implement modifications to treatment according to the needs of each youth. It is expected that clinicians practicing within these programs will employ EBT, and that the Contractor will employ treatments, which show promise in decreasing multiple symptoms of served older adults, including adoption of Cognitive Behavioral Therapy (CBT) principles and practices, and wellness and recovery principles. The Contractor will implement a medication management system that promotes the safe and effective use of medications in youth.

This management system will identify how the Contractor will evaluate its medication management system for risk points, and identify procedures to improve patient safety. The Contractor will indicate the process for obtaining medications on a 24/7 basis in order to respond to urgent or emergent conditions.

14. The Contractor will provide a plan that:
 - a. Describes how the Contractor will work with other Behavioral Health Services Department (BHSD) programs.
 - b. Provides for access to physician services on a 24/7 basis for the acute inpatient programs.
 - c. Indicates how the following services will be provided or arranged, specifying the use of off-site resources as appropriate:
 - i. Complete physical health assessment with medical history and physical examination within twenty-four (24) hours of admission to the unit
 - ii. Ongoing primary health care for inpatients
 - iii. HIV or other sexually transmitted diseases care
 - iv. Infectious disease care
 - v. Nutrition services
 - vi. Pharmacy services
 - vii. Laboratory services
 - viii. Diagnostic imaging services
 - ix. Electroencephalogram (EEG) and Electrocardiogram(EKG) services
 - x. Psychological and neuropsychological screening and testing services
 - xi. Social work services
 - xii. Rehabilitation and occupational therapy services
 - xiii. Spiritual and/or pastoral care
 - xiv. Wellness and recovery resources
- C. The Contractor must be a full service provider that operates the client services programs described herein, including all required client food service, housekeeping, facilities support/maintenance, and program administrative services necessary to operate a psychiatric inpatient unit for adolescents.
- D. The Contractor's facility shall be open to inspection upon demand by representatives of the County at all times. The Contractor must ensure compliance with all staffing requirements mandated by state and federal regulation for the inpatient unit.
- E. The Contractor will ensure that all LPS proceedings, such as Probable Cause Hearings, are conducted and coordinated with the Mental Health Advocacy Project in Santa Clara County.
- F. The program will participate in active and continuous collaboration with County community-based support services. Served older adults shall be linked, as appropriate, within the network of available community support services to meet their extended needs. For all Medi-Cal clients, the BHSD Hospital Liaison will assist the Contractor social service staff with this linkage and coordination of services. The goal of the inpatient unit treatment is to stabilize the older adult, and to prepare them for successful discharge.
- G. The Contractor must establish and maintain certification through Lassen County to provide Medi-Cal reimbursable services ("Medi-Cal Certification") before providing and

billing for Medi-Cal services to Clients. Contractor will not be reimbursed by County for any Medi-Cal services under this program until Contractor receives Medi-Cal Certification.

IV. Specific Requirements for Patient Rights Program

- A. The Contractor will ensure that all services and programs are in compliance with statutory and regulatory patient's rights provisions. Further they will ensure the following:
 - 1. All older adults who have been certified for fourteen (14) days of intensive treatment under California Welfare and Institutions Code Section 5250 are provided representation as required under California Welfare and Institutions Code Sections 5255 and 5256.4.
 - 2. All older adults who have been certified for fourteen (14) days of intensive treatment under California Welfare and Institutions Code Section 5250 are provided information about the commitment process, about their rights to an administrative hearing or a judicial review by writ of habeas corpus and their right to counsel in such a judicial review, including the right to court appointed counsel.
 - 3. Older adults who are subject to a capacity hearing pursuant to Welfare and Institutions Code Section 5332 are provided with or represented by a legal advocate.

V. Quality Assurance

- A. The Contractor shall have a fully operational quality improvement program, with a written quality improvement plan, consistent with National Council on Quality Assurance standards. Contractor participation in the BHSD quality improvement plan, including needed presentation to Quality Improvement committees is expected.
- B. The Contractor will participate in the BHSD Quality Improvement and Compliance Programs and adhere to all BHSD performance requirements.

VI. Data Collection and Reporting Requirements

- A. Contractor is responsible for collecting and managing data in a manner to be determined by Department of Health Care Services (DHCS) and/or BHSD.

ATTACHMENT 2

**AGREEMENT BETWEEN
COUNTY OF LASSEN AND
CRESTWOOD BEHAVIORAL HEALTH, INC.**

This Agreement is made by and between the County of Lassen, a political subdivision of the State of California (hereinafter "COUNTY") and Crestwood Behavioral Health, Inc., a Delaware corporation, (hereinafter "CONTRACTOR").

WHEREAS COUNTY has need for sub-acute care facilities for inpatient chronic mentally ill adults who are Lassen County residents; and

WHEREAS CONTRACTOR has a facility located in Redding, CA, known as CRESTWOOD TREATMENT CENTER, and a facility located in Eureka, California, known as CRESTWOOD BEHAVIORAL HEALTH CENTER, and other facilities throughout California for inpatient services to chronically ill adults or children; and

WHEREAS, COUNTY may make client referrals to any bed or facility available that is owned and operated by CONTRACTOR with the discretion of the Mental Health Director; and

WHEREAS, COUNTY and CONTRACTOR desire to maintain mental health project pursuant to Division V, Part II, Chapter II of the California Welfare and Institutions Code; Title IX of the California Code of Regulations, and the Cost Reporting/Data Collection Manual;

NOW, THEREFORE, in consideration of the services to be rendered, the sums to be paid, and each and every covenant and condition herein, the parties hereto agree as follows:

1. SERVICES.

The CONTRACTOR shall provide those services described in Attachment "A".

2. TERM.

The term of this agreement shall be for the period of July 1, 2019 to June 30, 2020.

3. PAYMENT.

COUNTY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the time and in the amount set forth in Attachment "B". The payment specified in Attachment "B" shall be the only payment made to CONTRACTOR for services rendered pursuant to this Agreement. CONTRACTOR shall submit all billing for said services to COUNTY in the manner specified in Attachment "B".

4. FACILITIES, EQUIPMENT AND OTHER MATERIALS AND OBLIGATIONS OF COUNTY.

CONTRACTOR shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.

5. ADDITIONAL PROVISIONS.

Those additional provisions unique to this Agreement are set forth in Attachment "C".

6. GENERAL PROVISIONS.

The general provisions set forth in Attachment "D" are part of this Agreement. Any inconsistency between said general provisions and any other terms or conditions of this Agreement shall be controlled by the other terms or conditions insofar as the latter are inconsistent with the general provisions.

7. DESIGNATED REPRESENTATIVES.

Barbara Longo, Director, Health and Social Services, is the designated representative of the COUNTY and will administer this Agreement for the COUNTY. Gary Zeyen is the authorized representative for CONTRACTOR. Changes in the designated representatives shall occur only by advance written notice to the other party.

8. ATTACHMENTS.

All attachments referred to herein are attached hereto and by this reference incorporated herein. Attachments include:

- Attachment A – Services
- Attachment B – Payment
- Attachment C – Additional Provisions
- Attachment D – General Provisions
- Attachment E – Facility Rates
- Attachment F – Pre-Authorization Form

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown opposite their respective signatures.

CONTRACTOR

Dated: 6/4/19

By: 
Gary Zeyen, Controller
Crestwood Behavioral Health, Inc. *DIRECTOR OF COUNTY CONTRACT*

Dated: 6/4/2019

By: 
George C. Lytal, President and CEO
Crestwood Behavioral Health, Inc.

COUNTY

Dated: _____

By: _____
Richard Egan
County Administrative Officer

Dated: 7/2/19

By: 
Barbara Longo, Director
Health and Social Services

Approved as to form:

Robert M. Burns
Lassen County Counsel

By:  6-27-19
Andrew Haut
Attorney for County Counsel

**ATTACHMENT A
AGREEMENT BETWEEN
COUNTY OF LASSEN
AND
CRESTWOOD BEHAVIORAL HEALTH, INC.**

SCOPE OF SERVICES

A.1 SCOPE OF SERVICES AND DUTIES/CONTRACTOR

- A.1.1 CONTRACTOR will participate in the development of client service plans with COUNTY.
- A.1.2 CONTRACTOR will provide twenty-four hour patient/client care, including appropriate psychiatric and medical care, in a locked facility in accordance with State of California, Department of Mental Health licensing requirements applicable to CONTRACTOR.
- A.1.3 CONTRACTOR will provide competent 24 hour staffing in accordance with State of California, Department of Mental Health licensing requirements applicable to CONTRACTOR.
- A.1.4 CONTRACTOR shall develop a treatment plan for each COUNTY client/patient with the assistance of COUNTY. CONTRACTOR shall, in implementing the plan, use resources available to both COUNTY and CONTRACTOR.
- A.1.5 All admissions by CONTRACTOR must be authorized by COUNTY. Final admissions decisions shall rest with CONTRACTOR. If admission is denied, COUNTY Mental Health Director shall be immediately notified and shall be informed of the reasons leading to the denial.
- A.1.6 CONTRACTOR shall prepare a written policy and procedures for admission. Policies must include a provision that patients are accepted for care without discrimination on the basis of race, color, religion, sex, national origin, or physical or mental handicap.
- A.1.7 CONTRACTOR shall provide COUNTY with any reports which may be required by State or Federal agencies for compliance with this Agreement.
- A.1.8 CONTRACTOR must submit a year-end program summary and evaluation in a pre-approved format to COUNTY.
- A.1.9 CONTRACTOR shall keep clinical records of each COUNTY patient/client which shall be the property of CONTRACTOR and shall be kept at least seven (7) years or until audit findings are resolved. All such records shall be considered confidential patient records in accordance with California Welfare and Institutions Code section 5328, regarding patient confidentiality. Clinical records shall contain sufficient detail to make possible an evaluation by COUNTY Mental Health Director or State Department of Mental Health or his designee, and shall be kept in accordance with the rules and regulations of the Community Mental Health Services Act of 1967, as amended.
- A.1.10 CONTRACTOR agrees to extend to the Director of COUNTY Department of Mental Health and the State Department of Mental Health or their designees, the right to review and monitor records, programs or procedures, at any time, in regards to clients, as well as the overall operation of CONTRACTOR's programs in order to ensure compliance with the terms and conditions of this agreement.

- A.1.11 CONTRACTOR shall maintain statistical records in the manner required by the State Health and Welfare Agency and make such records available to COUNTY as required by the Director of COUNTY Department of Mental Health, and the California State Health and Welfare Agency.
- A.1.12 CONTRACTOR shall maintain accurate accounting records of its costs and operating expenses. Such records of costs and expenditures shall be maintained for at least seven (7) years, or until audit findings are resolved, and shall be open to inspection by the Director of the COUNTY Department of Mental Health, the COUNTY Auditor, the Grand Jury, the State Controller, the State Director of the Department of Mental Health, or any of their deputies.

END OF ATTACHMENT A

**ATTACHMENT B
AGREEMENT BETWEEN
COUNTY OF LASSEN
AND
CRESTWOOD BEHAVIORAL HEALTH, INC.**

PAYMENT

B.1 COUNTY shall pay CONTRACTOR for mental health inpatient services as follows:

B.1.1 COUNTY shall pay CONTRACTOR an all-inclusive rate that does not include the client's social security benefits, plus an amount for Special Treatment (patch). If a higher Special Treatment rate is deemed necessary based upon the severity of the patient, the amount shall be mutually agreed upon and the Pre-Authorization Form (Attachment F) completed by both parties.

B.1.2 If County uses another facility owned and operated by Crestwood Behavioral Health, Inc., the rates to be used are specified in Attachment E.

B.1.3 The basic rate may change due to a change in the Medi-Cal rate approved by the California State Department of Health Services for daily inpatient services.

B.1.4 COUNTY shall pay CONTRACTOR for medications not covered by Medi-Cal.

B.1.5 COUNTY shall pay the daily use for temporary absences not to exceed seven days per month. Such payment is allowable only under **all** of the following conditions:

B.1.5.1 The absence is consistent with the client's service and treatment plans;

B.1.5.2 The absence is necessary for the client's progress or maintenance at this level of care;

B.1.5.3 The absence is planned or anticipated; and

B.1.5.4 The absence, as well as the purpose(s) of the absence, is documented.

Additionally, payment for temporary absence for purposes of acute hospital or acute non-hospital (psychiatric health facility) treatment, or for treatment in other facilities which meet Title 9 staffing standards (Section 663), is limited to ten days per month. Payment is allowable if such treatment is necessary for the client to return to this level of care, i.e., in a residential care facility and the purpose is documented.

B.1.6 COUNTY will pay for additional expenses as necessary for each client only if such expenses have been pre-authorized in writing by COUNTY (See Attachment F).

B.1.7 CONTRACTOR shall not be entitled to payment unless and until CONTRACTOR issues a monthly billing statement to COUNTY and provides the following information:

B.1.7.1 Name of patient with admission and/or discharge date;

B.1.7.2 Number of patient days utilized by each client; and

B.1.7.3 Extended cost for those days.

B.1.8 COUNTY shall review for approval, all invoices within thirty days of receipt and authorize payment within fifteen days of approval.

B.2 Payment Grid:

Scope #	Program/Service Description	Funding Source	Unit Type	Rate	Total # Units
In-Patient Services*					
A.1.1 thru A.1.12	Rehabilitation - all inclusive IMD	Realignment/ SSA,SSI	Daily	TBD	TBD
	Rehabilitation - all inclusive Non IMD	Realignment/ SSA,SSI	Daily	TBD	TBD
	Rehabilitation - all inclusive at the MHRC Facilities	Realignment/ SSA,SSI	Daily	TBD	TBD
	Rehabilitation - all inclusive MHRC Sub Acute	Realignment/ SSA,SSI	Daily	TBD	TBD
	Special Treatment Level 1 (patch)	Realignment	Daily	TBD	TBD
	Special Treatment Level 2 (patch)	Realignment	Daily	TBD	TBD
	Special Treatment Level 3 (patch)	Realignment	Daily	TBD	TBD
	Special Treatment Level 4 (patch)	Realignment	Daily	TBD	TBD
	Special Treatment Level 5 (patch)	Realignment	Daily	TBD	TBD
	Leave of Absence or "bed hold" for MHRC/non IMD**	Realignment	Daily	TBD	TBD
	Leave of Absence or "bed hold" for IMD	Realignment	Daily	TBD	TBD
	Additional Expenses*	Realignment	As Required	TBD	TBD
* Contingent upon the availability of funds and approval of the Board of Supervisors. ** TBD based on daily rate minus food allowance See Rate Sheet Exhibit A					

END OF ATTACHMENT B

**ATTACHMENT C
AGREEMENT BETWEEN
COUNTY OF LASSEN
AND
CRESTWOOD BEHAVIORAL HEALTH, INC.**

ADDITIONAL PROVISIONS

- C.1 CONFIDENTIALITY.** Contractor agrees to maintain adequate medical records of each client served under this Agreement as required by law. These records will be maintained in the strictest confidence as per State law and in accordance with 42 CFR, Part 1 and Article 7 (commencing with Section 5325) of Subchapter 2, Part 1 of Division 5 of the Welfare and Institutions Code.
- C.2 RECORDS ON TERMINATION.** In the event of termination of this Agreement by either party, CONTRACTOR will promptly supply all information necessary for the reimbursement of any outstanding Medi-Cal claims.
- C.3 PATIENTS' RIGHTS.** The parties to this Agreement will comply with all applicable laws, regulations and state policies relating to patients' rights.
- C.4 AUDITS.** The contracting parties shall be subject to the examination and audit of the Auditor General for a period of three years after final payment under Contract (Government code section 8546.7).
- C.5 HIPAA COMPLIANCE.** CONTRACTOR will comply with the requirements of the Federal Health Insurance Portability and Accountability ACT ("HIPAA").
- C.6 MEDI-CAL COST REPORT.** CONTRACTOR is required to complete a Medi-Cal Cost Report for the Cost Reimbursed services on a schedule and in a format to be sent to CONTRACTOR by COUNTY, no later than 90 days after the close of the State of California fiscal year end. After submission of the Cost report to the State Department of Mental Health, the COUNTY will calculate a final Cost Settlement amount due to or from the CONTRACTOR based on the Federal allowed reimbursement methods: Cost reimbursement subject to the lower of the cost, schedule of maximum allowances (SMA) or published charges. This amount will require a separate payment to or from the CONTRACTOR and will be due 60 days after the COUNTY provided a settlement reconciliation letter to CONTRACTOR.
- C.7 NATIONAL PROVIDER IDENTIFICATION.** CONTRACTOR agrees to provide National Provider Identification (NPI) number to COUNTY for billing of services provided.

END OF ATTACHMENT C

**ATTACHMENT D
AGREEMENT BETWEEN
COUNTY OF LASSEN
AND
CRESTWOOD BEHAVIORAL HEALTH, INC.**

GENERAL PROVISIONS

- D.1 INDEPENDENT CONTRACTOR.** For all purposes arising out of this Agreement, CONTRACTOR shall be: an independent contractor and each and every employee, agent, servant, partner, and shareholder of CONTRACTOR (collectively referred to as "The Contractor") shall not be, for any purpose of this Agreement, an employee of COUNTY. Furthermore, this Agreement shall not under any circumstance be construed or considered to be a joint powers agreement as described in California Government Code sections 6000, et seq., or otherwise. As an independent contractor, the following shall apply:
- D.1.1 CONTRACTOR shall determine the method, details and means of performing the services to be provided by CONTRACTOR as described in this Agreement.
 - D.1.2 CONTRACTOR shall be responsible to COUNTY only for the requirements and results specified by this Agreement and, except as specifically provided in this Agreement, shall not be subject to COUNTY's control with respect to the physical actions or activities of CONTRACTOR in fulfillment of the requirements of this Agreement.
 - D.1.3 CONTRACTOR shall be responsible for its own operating costs and expenses, property and income taxes, workers' compensation insurance and any other costs and expenses in connection with performance of services under this Agreement.
 - D.1.4 CONTRACTOR is not, and shall not be, entitled to receive from or through COUNTY, and COUNTY shall not provide or be obligated to provide the CONTRACTOR with workers' compensation coverage, unemployment insurance coverage or any other type of employee or worker insurance or benefit coverage required or provided by any federal, state or local law or regulation for, or normally afforded to, any employee of COUNTY.
 - D.1.5 CONTRACTOR shall not be entitled to have COUNTY withhold or pay, and COUNTY shall not withhold or pay, on behalf of the CONTRACTOR any tax or money relating to the Social Security Old Age Pension Program, Social Security Disability Program or any other type of pension, annuity or disability program required or provided by any federal, state or local law or regulation for, or normally afforded to, an employee of COUNTY.
 - D.1.6 CONTRACTOR shall not be entitled to participate in, or receive any benefit from, or make any claim against any COUNTY fringe benefit program including, but not limited to, COUNTY's pension plan, medical and health care plan, dental plan, life insurance plan, or other type of benefit program, plan or coverage designated for, provided to, or offered to COUNTY's employees.
 - D.1.7 COUNTY shall not withhold or pay on behalf of CONTRACTOR any federal, state or local tax including, but not limited to, any personal income tax owed by CONTRACTOR.
 - D.1.8 CONTRACTOR is, and at all times during the term of this Agreement shall represent and conduct itself as, an independent contractor and not as an employee of COUNTY.
 - D.1.9 CONTRACTOR shall not have the authority, express or implied, to act on behalf of, bind or obligate the COUNTY any way without the written consent of the COUNTY.

D.2 LICENSES, PERMITS, ETC. CONTRACTOR represents and warrants to COUNTY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONTRACTOR to practice its profession. CONTRACTOR represents and warrants to COUNTY that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for CONTRACTOR to practice its profession at the time the services are performed.

D.3 CHANGE IN STATUTES OR REGULATIONS. If there is a change of statutes or regulations applicable to the subject matter of this Agreement, both parties agree to be governed by the new provisions, unless either party gives notice to terminate pursuant to the terms of this Agreement.

D.4 TIME. CONTRACTOR shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of CONTRACTOR's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

D.5 INSURANCE.

D.5.1 Prior to rendering services provided by the terms and conditions of this Agreement, CONTRACTOR shall acquire and maintain during the term of this Agreement insurance coverage through and with an insurer acceptable to COUNTY, naming the COUNTY and COUNTY's officers, employees, agents and independent contractors as additional insured (hereinafter referred to as "the insurance"). The insurance shall contain the following coverages:

D.5.1.1 Comprehensive general liability insurance including comprehensive public liability insurance with minimum coverage of One Million Dollars (\$1,000,000) per occurrence and with not less than One Million Dollars (\$1,000,000) aggregate; CONTRACTOR shall insure both COUNTY and CONTRACTOR against any liability arising under or related to this Agreement.

D.5.1.2 During the term of this Agreement, CONTRACTOR shall maintain in full force and effect a policy of professional errors and omissions insurance with policy limits of not less than One Million Dollars (\$1,000,000) per incident and One Million Dollars (\$1,000,000) annual aggregate, with deductible or self-insured portion not to exceed Two Thousand Five Hundred Dollars (\$2,500).

D.5.1.3 Comprehensive automobile liability insurance with minimum coverage of Five Hundred Thousand Dollars (\$500,000) per occurrence and with not less than Five Hundred Thousand Dollars (\$500,000) on reserve in the aggregate, with combined single limit including owned, non-owned and hired vehicles.

D.5.1.4 Workers' Compensation Insurance coverage for all of CONTRACTOR's employees and other persons for whom CONTRACTOR is responsible to provide such insurance coverage, as provided by Division 4 and 4.5 of the California Labor Code.

D.5.2 The limits of insurance herein shall not limit the liability of the CONTRACTOR hereunder.

D.5.3 In respect to any insurance herein, if the aggregate limit available becomes less than that required above, other excess insurance shall be acquired and maintained immediately. For the purpose of any insurance term of this Agreement, "aggregate limit available" is defined as the total policy limits available for all claims made during the policy period.

D.5.4 The insurance shall include an endorsement that no cancellation or material change adversely affecting any coverage provided by the insurance may be made until twenty (20) days after written notice is delivered to COUNTY. 30 92

D.5.5 The insurance policy forms, endorsements and insurer(s) issuing the insurance shall be satisfactory to COUNTY at its sole and absolute discretion. The amount of any deductible payable by the insured shall be subject to the prior approval of the COUNTY and the COUNTY as a condition of its approval, may require such proof of the adequacy of CONTRACTOR's financial resources as it may see fit.

D.5.6 Prior to CONTRACTOR rendering services provided by this Agreement, and immediately upon acquiring additional insurance, CONTRACTOR shall deliver a certificate of insurance describing the insurance coverages and endorsements to:

Barbara Longo, Director
Health and Social Services
336 Alexander Avenue
Susanville, CA 96130

Upon COUNTY's request, CONTRACTOR shall deliver certified copies of any insurance policies to COUNTY.

D.5.7 CONTRACTOR shall not render services under the terms and conditions of this Agreement unless each type of insurance coverage and endorsement is in effect and CONTRACTOR has delivered the certificate(s) of insurance to COUNTY as previously described. If CONTRACTOR shall fail to procure and maintain said insurance, COUNTY may, but shall not be required to, procure and maintain the same, and the premiums of such insurance shall be paid by CONTRACTOR to COUNTY upon demand. The policies of insurance provided herein which are to be provided by CONTRACTOR shall be for a period of not less than one year, it being understood and agreed that twenty (20) days prior to the expiration of any policy of insurance, CONTRACTOR will deliver to COUNTY a renewal or new policy to take the place of the policy expiring.

D.5.8 COUNTY shall have the right to request such further coverages and/or endorsements on the insurance as COUNTY deems necessary, at CONTRACTOR's expense. The amounts, insurance policy forms, endorsements and insurer(s) issuing the insurance shall be satisfactory to COUNTY in its sole and absolute discretion.

D.5.9 Any subcontractor(s), independent contractor(s) or any type of agent(s) performing or hired to perform any term or condition of this Agreement on behalf of CONTRACTOR, as may be allowed by this Agreement (hereinafter referred to as the "SECONDARY PARTIES"), shall comply with each term and condition of this Section D.5 entitled "INSURANCE". Furthermore, CONTRACTOR shall be responsible for the SECONDARY PARTIES' acts and satisfactory performance of the terms and conditions of this Agreement.

D.6 INDEMNITY. CONTRACTOR shall defend, indemnify, and hold harmless COUNTY, its elected and appointed councils, boards, commissions, officers, agents, and employees from any liability, including attorneys' fees, for damage or claims for damage for any economic loss or personal injury, including death, as well as for property damage, which may arise from the intentional or negligent acts or omissions of CONTRACTOR in the performance of services rendered under this Agreement by CONTRACTOR, or any of CONTRACTOR's officers, agents, employees, contractors, subcontractors, or volunteers.

COUNTY shall defend, indemnify and save harmless CONTRACTOR, its officers, agents and employees from and against any and all claims, demands, loss or liabilities of any kind or nature which it may sustain in incur or which may be imposed upon them or any of them for injury to or death of persons or damage to property as a result of, or arising out of the negligence of COUNTY, its officers, agents and employees, in connection with or in any way arising from the performance of any activities or services under this Agreement.

- D.7 CONTRACTOR NOT AGENT.** Except as COUNTY may specify in writing, CONTRACTOR shall have no authority, express or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, express or implied, pursuant to this Agreement to bind COUNTY to any obligation whatsoever.
- D.8 ASSIGNMENT PROHIBITED.** CONTRACTOR may not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.
- D.9 PERSONNEL.** CONTRACTOR shall assign only competent personnel to perform services pursuant to this Agreement. In the event that COUNTY, in its sole discretion at any time during the term of this Agreement, desires the removal of any person or persons assigned by CONTRACTOR to perform services pursuant to this Agreement, CONTRACTOR shall remove any such person immediately upon receiving written notice from COUNTY of its desire for removal of such person or persons.
- D.10 STANDARD OF PERFORMANCE.** CONTRACTOR shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONTRACTOR is engaged. All products of whatsoever nature which CONTRACTOR delivers to COUNTY pursuant to this Agreement shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession.
- D.11 POSSESSORY INTEREST.** The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the *California Revenue and Taxation Code* (107). For all purposes of compliance by COUNTY with Section 107.6 of the *California Revenue and Taxation Code*, this recital shall be deemed full compliance by the COUNTY. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the contracting parties hereto. A taxable possessory interest may be created by this, if created, and the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.
- D.12 TAXES.** CONTRACTOR hereby grants to the COUNTY the authority to deduct from any payments to CONTRACTOR any COUNTY imposed taxes, fines, penalties and related charges which are delinquent at the time such payments under this Agreement are due to CONTRACTOR.
- D.13 TERMINATION.** COUNTY shall have the right to terminate this Agreement at any time by giving notice in writing of such termination to CONTRACTOR. In the event COUNTY gives notice of termination, CONTRACTOR shall immediately cease rendering service upon receipt of such written notice and the following shall apply:
- D.13.1 CONTRACTOR shall deliver to COUNTY copies of all writings prepared by it pursuant this agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photo stating, photographing computer storage medium (tapes, disks, diskettes, etc.) and every other means of recording upon any tangible thing, and form of communication or representation, including letters, pictures, sounds, or symbols, or combinations thereof.

- D.13.2 COUNTY shall pay CONTRACTOR the reasonable value of services rendered by CONTRACTOR to the date of termination pursuant to this Agreement not to exceed the amount documented by CONTRACTOR and approved by COUNTY as work accomplished to date. Further provided, however, COUNTY shall not in any manner be liable for lost profits which might have been made by CONTRACTOR had CONTRACTOR completed the services required by this Agreement. In this regard, CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of the COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of the COUNTY shall be final. The foregoing is cumulative and does not affect any right or remedy which COUNTY may have in law or equity.
- D.13.3 CONTRACTOR may terminate its services under this Agreement upon thirty (30) working days written notice to the COUNTY, without liability for damages, if CONTRACTOR is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by COUNTY, provided that CONTRACTOR has first provided COUNTY with a written notice of any alleged breach, specifying the nature of the alleged breach and providing not less than ten (10) working days within which the COUNTY may cure the alleged breach.
- D.14 OWNERSHIP OF INFORMATION.** All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become and/or remain the property of COUNTY, and CONTRACTOR agrees to deliver reproducible copies of such documents to COUNTY on completion of the services hereunder. The COUNTY agrees to indemnify and hold CONTRACTOR harmless from any claim arising out of reuse of the information for other than this project.
- D.15 WAIVER.** A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.
- D.16 COMPLETENESS OF INSTRUMENT.** This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made, express or implied.
- D.17 SUPERSEDES PRIOR AGREEMENTS.** It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.
- D.18 ATTORNEY'S FEES.** If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.
- D.19 MINOR AUDITOR REVISION.** In the event the Lassen County Auditor's office finds a mathematical discrepancy between the terms of the Agreement and actual invoices or payments, provided that such discrepancy does not exceed one percent (1%) of the Agreement amount, the Auditor's office may make the adjustment in any payment or payments without requiring an amendment to the Agreement to provide for such adjustment. Should the COUNTY or the CONTRACTOR disagree with such adjustment, they reserve the right to contest such adjustment and/or to request corrective amendment.

- D.20 CAPTIONS.** The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.
- D.21 DEFINITIONS.** Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.
- D.21.1 Number and Gender.** In this Agreement, the neuter gender includes the feminine and masculine, the singular includes the plural, and the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.
- D.21.2 Mandatory and Permissive.** "Shall" and "will" and "agrees" are mandatory. "May" is permissive.
- D.22 TERM INCLUDES EXTENSIONS.** All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.
- D.23 SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.
- D.24 MODIFICATION.** No modification or waiver of any provisions of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.
- D.25 COUNTERPARTS.** This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.
- D.26 OTHER DOCUMENTS.** The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and, to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.
- D.27 PARTIAL INVALIDITY.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.
- D.28 VENUE.** It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a court of competent jurisdiction in the County of Lassen, State of California.
- D.29 CONTROLLING LAW.** The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.
- D.30 CALIFORNIA TORT CLAIMS ACT.** Notwithstanding any term or condition of the Agreement, the provisions, and related provisions, of the California Tort Claims Act, Division 3.6 of the Government Code, are not waived by COUNTY and shall apply to any claim against COUNTY arising out of any acts or conduct under the terms and conditions of this Agreement.
- D.31 TIME IS OF THE ESSENCE.** Time is of the essence of this Agreement and each covenant and term herein.
- D.32 AUTHORITY.** All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to

enter into this Agreement are in full compliance. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon.

D.33 CORPORATE AUTHORITY. If CONTRACTOR is a corporation or public agency, each individual executing this Agreement on behalf of said corporation or public agency represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the bylaws of said corporation or Board or Commission of said public agency, and that this Agreement is binding upon said corporation or public entity in accordance with its terms. If CONTRACTOR is a corporation, CONTRACTOR shall, within thirty (30) days after execution of this Agreement, deliver to COUNTY a certified copy of a resolution of the Board of Directors of said corporation authorizing or ratifying the execution of this Agreement.

D.34 CONFLICT OF INTEREST.

D.34.1 Legal Compliance. CONTRACTOR agrees at all times in performance of this Agreement to comply with the law of the State of California regarding conflicts of interest, including, but not limited to, Article 4 of Chapter 1, Division 4, Title 1 of the California Government Code, commencing with Section 1090 and Chapter 7 of Title 9 of said Code, commencing with Section 87100, including regulations promulgated by the California Fair Political Practices Commission.

D.34.2 Advisement. CONTRACTOR agrees that if any facts come to its attention which raise any questions as to the applicability of this law, it will immediately inform the COUNTY designated representative and provide all information needed for resolution of the question.

D.34.3 Admonition. Without limitation of the covenants in subparagraphs D.34.1 and D.34.2, CONTRACTOR is admonished hereby as follows:

The statutes, regulations and laws referenced in this provision D.34 include, but are not limited to, a prohibition against any public officer, including CONTRACTOR for this purpose, from making any decision on behalf of COUNTY in which such officer has a direct or indirect financial interest. A violation occurs if the public officer influences or participates in any COUNTY decision which has the potential to confer any pecuniary benefit on CONTRACTOR or any business firm in which CONTRACTOR has an interest of any type, with certain narrow exceptions.

D.35 NONDISCRIMINATION. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any employee of the CONTRACTOR or of the COUNTY or applicant for employment or for services or any member of the public because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex. CONTRACTOR shall ensure that in the provision of services under this Agreement, its employees and applicants for employment and any member of the public are free from such discrimination. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California *Administrative Code* are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONTRACTOR shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulation issued pursuant to said Act. CONTRACTOR shall give written notice of its obligations under this clause to any labor agreement. CONTRACTOR shall include the non-discrimination and compliance provision of this paragraph in all subcontracts to perform work under this Agreement.

D.36 JOINT AND SEVERAL LIABILITY. If any party consists of more than one person or entity, the liability of each person or entity signing this Agreement shall be joint and several.

D.37 TAXPAYER I.D. NUMBER. The COUNTY shall not disburse any payments to CONTRACTOR pursuant to this Agreement until CONTRACTOR supplies the latter's Taxpayer I.D. Number or Social Security Number (as required on the line under CONTRACTOR's signature on page 2 of this Agreement).

D.38 NOTICES. All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:

If to "COUNTY":

Barbara Longo, Director
Lassen County Health and Social Services
336 Alexander Avenue
Susanville, CA 96130

If to "CONTRACTOR":

Gary Zeyen, ~~Controller~~ *DIRECTOR OF COUNTY CONTRACTS*
Crestwood Behavioral Health, Inc.
7590 Shoreline Drive
Stockton, CA 95219

D.39 NO THIRD PARTY BENEFICIARIES. This Agreement is made solely and specifically among and for the benefit of the parties to it, the COUNTY and the CONTRACTOR, and their respective successors and assigns, subject to the express provisions of the agreement relating to successors and assigns, and no other person, including any person receiving placement or services facilitated by the Agreement, has or will have any rights, interest, or claims under this Agreement as a third-party beneficiary or otherwise. This Agreement shall not establish any actionable duty of the COUNTY or COUNTY personnel inuring to any third party or to anyone claiming under or on behalf of such a third party.

END OF ATTACHMENT D

ATTACHMENT E



LASSEN COUNTY

Health and Social Services Department

ADMINISTRATION 336 ALEXANDER AVENUE SUSANVILLE, CA 96130-4302 (530) 251-8128

REQUEST FOR PRE-AUTHORIZATION

Name of Consumer: _____

Date of Admittance: _____

Requested Patch Rate for Special Treatment Services: _____

Additional Expenses: _____

Justification: _____

Authorization Team:

Dated: _____

By: _____

Behavioral Health Case Manger

Dated: _____

By: _____

Clinical Program Supervisor

Dated: _____

By: _____

Public Guardian

Dated: _____

By: _____

Behavioral Health Director

Exhibit A

CRESTWOOD BEHAVIORAL HEALTH, INC.

Rates Effective: 7/1/2019

TOTAL WITH ENHANCED SERVICES

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

IMD 18-64

BASIC ENHANCED TOTAL

CRESTWOOD WELLNESS AND RECOVERY CTR-REDDING

219.53	23.00	242.53
219.53	44.00	263.53
219.53	57.00	276.53
219.53	111.00	330.53

CRESTWOOD BEHAVIORAL HEALTH, INC.
--

Rates Effective: 7/1/2019

TOTAL WITH ENHANCED SERVICES

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

NON IMD 18-64

STOCKTON			23.00	23.00
			34.00	34.00
			36.00	36.00
			57.00	57.00
			83.00	83.00
			111.00	111.00
SUB ACUTE			NEGOTIABLE	
	NON MEDI CAL	****		
MODESTO			23.00	23.00
			39.00	39.00
			57.00	57.00
			83.00	83.00
			111.00	111.00
SUB ACUTE			NEGOTIABLE	
	NON MEDI CAL	****		
FREMONT GTC	NON MEDI CAL	****	132.00	
	NEURO-BEHAV		132.00	132.00
	CONVERSION(REQUIRES PRIV ROOM)			286.00
CRESTWOOD MANOR FREMONT			23.00	23.00
		0.00	31.00	31.00
		0.00	57.00	57.00
			90.00	90.00
			132.00	132.00
****	Medi-Cal Published Rate			

Exhibit A

CRESTWOOD BEHAVIORAL HEALTH, INC.

Rates Effective: 7/1/2019

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

MENTAL HEALTH REHAB CENTERS

SACRAMENTO	LEVEL 1	344.00
MHRC	LEVEL 2	313.00
	LEVEL 3	284.00
SAN JOSE	LEVEL 1	375.00
	LEVEL 2	301.00
	LEVEL 3	293.00
VALLEJO	LEVEL 1	347.00
	LEVEL 2	295.00
	LEVEL 3	262.00
	LEVEL 4	245.00
ANGWIN	LEVEL 1	336.00
	LEVEL 2	268.00
	LEVEL 3	218.00
BAKERSFIELD	LEVEL 1	649.00
	LEVEL 2	344.00
	LEVEL 3	313.00
	LEVEL 4 (1:1)	282.00
EUREKA		296.00
SAN DIEGO	LEVEL 1	426.00
	LEVEL 2	366.00
	LEVEL 3	305.00
	BED HOLD	297.00
CHULA VISTA	LEVEL 1	426.00
	LEVEL 2	366.00
	LEVEL 3	305.00
	BED HOLD	297.00
KINGSBURG	LEVEL 1	443.00
	LEVEL 2	388.00
	LEVEL 3	333.00
	BED HOLD	277.00

Exhibit A

CRESTWOOD BEHAVIORAL HEALTH, INC.

Rates Effective: 7/1/2019

SAN FRANCISCO

LEVEL 1	544.00
LEVEL 2	480.00
LEVEL 3	464.00
LEVEL 3-A	431.00
BED HOLD	296.00

FALLBROOK

Opening August 2019

LEVEL 1	433.00
LEVEL 2	371.00
LEVEL 3	309.00
BED HOLD	296.00

LOMPOC

Opening Fall of 2019

LEVEL 1	433.00
LEVEL 2	375.00
LEVEL 3	350.00
BED HOLD	296.00

Exhibit A

CRESTWOOD BEHAVIORAL HEALTH, INC.

Rates Effective: 7/1/2019

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

PSYCHIATRIC HEALTH FACILITIES

SACRAMENTO	867.00
SAN JOSE	1,019.00
SOLANO	941.00
KERN	1,044.00
AMERICAN RIVER	860.00

Exhibit A

CRESTWOOD BEHAVIORAL HEALTH, INC.

Rates Effective: 7/1/2019

COMMUNITY CARE CENTERS

EUREKA	PATHWAY	186.00
OUR HOUSE		130.00
BRIDGE(KERN)		197.00
AMERICAN RIVER RESIDENTIAL		130.00
PLEASANT HILL BRIDGE		130.00
PLEASANT HILL PATHWAYS		191.00
FRESNO		197.00
VALLEJO RCFE		135.00
CRESTWOOD BEHVIORAL PATHWAYS SAN DIEGO		135.00

Exhibit A

CRESTWOOD BEHAVIORAL HEALTH, INC.

Rates Effective: 7/1/2019

GEROPSYCH 65+

	ENHANCED	TOTAL
STOCKTON	0	0.00
	23.00	23.00
	57.00	57.00
	SPECIAL	
MODESTO	0	0.00
	23.00	23.00
	57.00	57.00
	SPECIAL	
REDDING GTC	0	0.00
	23.00	23.00
	57.00	57.00
	SPECIAL	
CRESTWOOD MANOR-FREMONT	0.00	0.00
	23.00	23.00
	31.00	31.00
	57.00	57.00

ATTACHMENT 2.1

CRESTWOOD BEHAVIORAL HEALTH, INC.

TOTAL WITH ENHANCED SERVICES

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

IMD 18-64

BASIC	ENHANCED	TOTAL
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CRESTWOOD BEHAVIORAL HEALTH, INC.

TOTAL WITH ENHANCED SERVICES

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NON IMD 18-64

STOCKTON		23.00	23.00
		34.00	34.00
		36.00	36.00
		57.00	57.00
		83.00	83.00
		111.00	111.00

SUB ACUTE		****	NEGOTIABLE
	NON MEDI CAL		

MODESTO		23.00	23.00
		39.00	39.00
		57.00	57.00
		83.00	83.00
		111.00	111.00

SUB ACUTE		****	NEGOTIABLE
	NON MEDI CAL		

FREMONT GTC NON MEDI CAL	****	132.00	
		132.00	132.00
			286.00

NEURO-BEHAV

CONVERSION(REQUIRES PRIV ROOM)

CRESTWOOD MANOR FREMONT		23.00	23.00
	0.00	31.00	31.00
	0.00	57.00	57.00
		90.00	90.00
		132.00	132.00

**** Medi-Cal Published Rate

CRESTWOOD BEHAVIORAL HEALTH, INC.

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

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	LEVEL 4	245.00
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	LEVEL 2	268.00
	LEVEL 3	218.00
BAKERSFIELD	LEVEL 1	649.00
	LEVEL 2	344.00
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	LEVEL 2	366.00
	LEVEL 3	305.00
	BED HOLD	297.00
KINGSBURG	LEVEL 1	443.00
	LEVEL 2	388.00
	LEVEL 3	333.00
	BED HOLD	277.00

CRESTWOOD BEHAVIORAL HEALTH, INC.
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SAN FRANCISCO

LEVEL 1	544.00
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LEVEL 3-A	431.00
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FALLBROOK***Opening August 2019***

LEVEL 1	433.00
LEVEL 2	371.00
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LEVEL 1	433.00
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BED HOLD	296.00

CRESTWOOD BEHAVIORAL HEALTH, INC.

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

PSYCHIATRIC HEALTH FACILITIES

SACRAMENTO	867.00
SAN JOSE	1,019.00
SOLANO	941.00
KERN	1,044.00
AMERICAN RIVER	860.00

CRESTWOOD BEHAVIORAL HEALTH, INC.

COMMUNITY CARE CENTERS

EUREKA	PATHWAY	186.00
OUR HOUSE		130.00
BRIDGE(KERN)		197.00
AMERICAN RIVER RESIDENTIAL		130.00
PLEASANT HILL BRIDGE		130.00
PLEASANT HILL PATHWAYS		191.00
FRESNO		197.00
VALLEJO RCFE		135.00
CRESTWOOD BEHVIORAL PATHWAYS SAN DIEGO		135.00

CRESTWOOD BEHAVIORAL HEALTH, INC.

GEROPSYCH 65+

	ENHANCED	TOTAL
STOCKTON	0	0.00
	23.00	23.00
	57.00	57.00
	SPECIAL	
MODESTO	0	0.00
	23.00	23.00
	57.00	57.00
	SPECIAL	
REDDING GTC	0	0.00
	23.00	23.00
	57.00	57.00
	SPECIAL	
CRESTWOOD MANOR-FREMONT	0.00	0.00
	23.00	23.00
	31.00	31.00
	57.00	57.00

ATTACHMENT 3

**AGREEMENT BETWEEN COUNTY OF LASSEN
AND
THE SAIL HOUSE, INC.**

THIS AGREEMENT made between County of Lassen, a political subdivision of the State of California (hereinafter "COUNTY") and The Sail House, Inc., of Red Bluff, California, a California corporation, (hereinafter "CONTRACTOR").

WHEREAS COUNTY has need for a residential care facility, and

WHEREAS COUNTY is contracting to utilize all agencies owned and operated by CONTRACTOR, and

WHEREAS CONTRACTOR represents that it is duly qualified and licensed to provide services for adults, and

WHEREAS COUNTY has recognized the work of CONTRACTOR and believes it in the best interest of the programs and clients to provide residential care service at facilities owned and operated by the CONTRACTOR, and

WHEREAS CONTRACTOR is ready, willing and able to provide those services.

NOW THEREFORE, in consideration of the services to be rendered, the sums to be paid, and each and every covenant and condition contained herein, the parties hereto agree as follows:

1. **SERVICES**

The CONTRACTOR shall provide those services described in the Scope of Duties, Attachment "A".

2. **TERM**

The term of this agreement shall be for the period of July 1, 2019 through June 30, 2020.

3. **PAYMENT**

COUNTY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the time and in the amount set forth in Attachment "B". The payment specified in Attachment "B" shall be the only payment made to CONTRACTOR for services rendered pursuant to this Agreement. CONTRACTOR shall submit all billing for said services to COUNTY in the manner specified in Attachment "B".

4. **ADDITIONAL PROVISIONS**

Those additional provisions unique to this Agreement are set forth in Attachment "C".

5. **GENERAL PROVISIONS**

The general provisions set forth in Attachment "D" are part of this Agreement. Any inconsistency between said general provisions and any other terms or conditions of this Agreement shall be controlled by the other terms or conditions insofar as the latter are inconsistent with the general provisions.

____ County Initials
The Sail House, Inc. v.1 19.20

____ Contractor Initials

6. **DESIGNATED REPRESENTATIVES**

Barbara Longo, Director, Health and Social Services, is the designated representative of the COUNTY and will administer Agreement for the COUNTY. Julie Wilcox, Administrator is the authorized representative for CONTRACTOR. Changes in the designated representatives shall occur only by advance written notice to the other party.

7. **ATTACHMENTS**


All attachments referred to herein are attached hereto and by this reference incorporated herein. Attachments include:

- Attachment A – Scope of Duties
- Attachment B – Payment
- Attachment C – Additional Provisions
- Attachment D – General Provisions
- Attachment E – Business Associate Agreement
- Attachment F – Business Associate Addendum

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown opposite their respective signatures.

CONTRACTOR

Dated: 05/13/2019

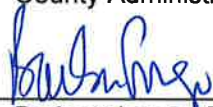
By: 
Julie Wilcox, Administrator
The Sail House, Inc.

COUNTY

Dated: _____


By: _____
Richard Egan
County Administrative Officer

Dated: 5/23/19

By: 
Barbara Longo, Director
Health and Social Services

Approved as to form:

Robert M. Burns
Lassen County Counsel

By:  5-21-19
Andrew Haut
Attorney for County Counsel

**ATTACHMENT A
AGREEMENT BETWEEN COUNTY OF LASSEN
AND
THE SAIL HOUSE, INC.**

SCOPE OF DUTIES

A.1 SCOPE OF SERVICES AND DUTIES OF CONTRACTOR

- A.1.1 CONTRACTOR will participate in the development of client service plans with COUNTY as demonstrated by copies of written plans co-signed by case manager, residential care home operator and client. The client's level of care is to be determined in consultation with the Lassen County Behavioral Health Director or his designee.
- A.1.2 CONTRACTOR will participate with COUNTY staff to develop a facility program plan as demonstrated by a written plan outlining staffing patterns and recreation activities co-signed by COUNTY staff and CONTRACTOR operator.
- A.1.3 CONTRACTOR will implement and carry out a system to assist with activities of daily living and to modify clients' behaviors as demonstrated by a written system manual for each certified client.
- A.1.4 CONTRACTOR will implement and carry out daily supervised recreation activities including transportation and supervision of client activities in the community as demonstrated by published activity schedules and by brief notations in clients' record indicating level of participation.
- A.1.5 CONTRACTOR will participate in meetings, as determined necessary by COUNTY, with the County Behavioral Health Case Manager to review progress of certified clients as demonstrated by meeting notes outlining clients' status, medication dosage, and compliance (as documented in clients' medication records), recreation participation, and specific client problems.
- A.1.6 CONTRACTOR shall provide weekly status reports of residents to designated COUNTY staff.
- A.1.7 CONTRACTOR will advise clients, upon admission, of their personal rights in accordance with California Code of Regulations, Title 22.
- A.1.8 CONTRACTOR will provide the following basic services:
 - A.1.8.1 24 hour supervision/monitoring
 - A.1.8.2 Basic meal service (3 meals per day and snacks, including physician prescribed diets)
 - A.1.8.3 Laundry service (excluding dry cleaning)
 - A.1.8.4 Cleaning services
 - A.1.8.5 Weekly linen changes-more frequently as needed
 - A.1.8.6 Assistance in arranging for medical and dental appointments
 - A.1.8.7 Assistance in transporting or assistance in arranging for transportation to medical and dental appointments
 - A.1.8.8 Planned activity program which provides from the social and recreational activities of residents
 - A.1.8.9 Assistance with activities of daily living
 - A.1.8.10 Bedside care for a maximum of three (3) days for a minor or temporary illness

- A.1.8.11 Assistance with taking prescribed medications as ordered by the physician, as allowed by Community Care Licensing
- A.1.8.12 Observation and appropriate reporting of changes in physical, mental, emotional or social functioning of resident needs and conditions

A.2 SCOPE OF SERVICES AND DUTIES OF COUNTY

At the time of admission, COUNTY will provide current physicians medical report, assessment, evaluation, tuberculosis clearance, and report of prescribed medication.

A.3 CONSERVATOR STATUS

- A.3.1 **COUNTY** agrees that in the event individuals placed with **CONTRACTOR** are no longer conserved by **COUNTY**, **CONTRACTOR** will be notified as to the change of conservator status.
- A.3.2 **COUNTY** agrees to continue case management responsibility for any client whose Lassen County conservatorship terminates while at **CONTRACTOR'S** facility. **COUNTY** further agrees to work towards avoiding a non-conserved client leaving **CONTRACTOR'S** facility and becoming a Lassen County permanent resident. All efforts will be made to relocate a client to Lassen County for placement

END OF ATTACHMENT A

**ATTACHMENT B
AGREEMENT BETWEEN COUNTY OF LASSEN
AND
THE SAIL HOUSE, INC.**

PAYMENT

B.1 COUNTY shall pay CONTRACTOR as follows:

B.1.1 COUNTY shall pay CONTRACTOR for long term residential care services as follows:

B.1.1.1 In addition to client's current monthly Social Security benefits, COUNTY will pay a daily "patch" rate day resident charge for Community Reintegration, Intermediate and/or Transitional Programs and services which includes the ancillary cost of professional services per twenty-four hour (24) period. The resident's SSI/SSA monthly residential board and care rate per month is published at the beginning of every calendar year (this monthly amount is subject to annual adjustments by the federal government and State of California). The continuum of care is designed for clients expected to transition to lower levels of service in the County of origin.

B.1.1.2 The COUNTY will assure reimbursement to the CONTRACTOR with two monthly checks:

- One SSI/SSA for Room and Board from the Representative Payee;
- One "Patch Rate" paid from COUNTY.

B.1.2 The COUNTY shall pay temporary absences is limited to seven days per month. Such payment is allowable only under all of the following conditions:

B.1.2.1 The absence is consistent with the client's service and treatment plans;

B.1.2.2 The absence is necessary for the client's progress or maintenance at this level of care;

B.1.2.3 The absence is planned or anticipated; and

B.1.2.4 The absence, as well as the purpose(s) is documented.

B.1.2.5 Additionally, payment for temporary absence for purposes of acute hospital or acute non hospital (psychiatric health facility) treatment, or for treatment in other facilities which meet Title 9 staffing standards (Section 663), is limited to ten days per month. Payment is allowable if such treatment is necessary for the client to return to this level of care, i.e., in a residential care facility and the purpose is documented.

B.1.3 COUNTY will pay for additional expenses as necessary for each client only if such expenses have been pre-authorized in writing by COUNTY.

B.1.4 CONTRACTOR shall not be entitled to payment unless and until CONTRACTOR issues a monthly billing statement to COUNTY and provides the following information:

B.1.4.1 Name of patient with admission and/or discharge date.

B.1.4.2 Number of patient days utilized by each client.

B.1.4.3 Extended cost for those days.

B.1.5 COUNTY shall review for approval, all invoices within thirty days of receipt and authorize payment within fifteen days of approval.

____ County Initials
The Sail House, Inc. v.1 19.20

____  Contractor Initials

B.2 PAYMENT GRID.

Original Contract July 1, 2019 - June 30, 2020					
Scope of Service	Program/Service Description	Funding Source	Unit Type	Rate	Total # Units
A.1 - A.1.8.12	Base Rate*	SSA / SSI/SSA	Monthly	\$1039.37/ \$1059.00	TBD
B.1.2 - B.1.2.5	Transitional Program Patch rate	Realignment/ MHSA	Daily	\$32.00/ \$29.00	TBD
B.1.3	Additional Expenses**	Realignment/ MHSA	As Needed		TBD
** Fiscal Year amounts contingent upon the availability of funds and approval of the					
** Fiscal Year amounts contingent upon the availability of funds and approval of the Board of Supervisors. Requires written pre-authorization and Purchase Order. *The resident's SSI/SSA monthly residential board and care rate is subject to annual adjustments by the Federal and State Governments in January of each year					

END OF ATTACHMENT B

____ County Initials
The Sail House, Inc. v.1 19.20

____  Contractor Initials

ATTACHMENT C
AGREEMENT BETWEEN COUNTY OF LASSEN
AND
THE SAIL HOUSE, INC.

ADDITIONAL PROVISIONS

- C.1 CONFIDENTIALITY.** CONTRACTOR agrees to maintain adequate medical and financial records of each client served under this agreement as required by law. These records will be maintained in the strictest confidence as per State law in accordance with 42 CFR, Part 1 and Article 7 (commencing with Section 5325) of Subchapter 2, Part 1 of Division 5 of the Welfare and Institutions Code.
- C.2 REGULATIONS.** CONTRACTOR states it is fully licensed and in compliance with all appropriate governmental regulations. Specifically, CONTRACTOR shall comply with all appropriate statutes, rules and regulations with regard to the provision of CONTRACTOR services including, but not limited to, Title IX of the California Code of Regulations.
- C.3 CLINICAL RECORDS.** Clinical records of each patient shall be the property of CONTRACTOR and shall be kept at least four years or until audit findings are resolved. Clinical records shall contain sufficient detail to make possible an evaluation by the Behavioral Health Director or his designee, and shall be kept in accordance with the rules and regulations of the Community Mental Health Services Act of 1967, as amended.
- C.4 REVIEW OF RECORDS.** CONTRACTOR agrees to extend to the Behavioral Health Director or his designee, the right to review and monitor records, programs or procedures, at any time, in regard to clients, as well as the overall operation of CONTRACTOR'S program in order to ensure compliance with the terms and conditions of this Agreement.
- C.5 SUBCONTRACTORS SUBJECT TO AUDIT.** The contracting parties shall be subject to the examination and audit of the Auditor General for a period of three years after final payment under Contract (Government Code Section 8546.7).
- C.6 HIPAA COMPLIANCE.** CONTRACTOR will comply with the requirements of the Federal Health Insurance Portability and Accountability Act ("HIPAA"). The Business Associate Agreement attached hereto is made a part of this agreement by this reference.

END OF ATTACHMENT C

**ATTACHMENT D
AGREEMENT BETWEEN COUNTY OF LASSEN
AND
THE SAIL HOUSE, INC.**

GENERAL PROVISIONS

- D.1 INDEPENDENT CONTRACTOR.** For all purposes arising out of this Agreement, CONTRACTOR shall be: an independent contractor and each and every employee, agent, servant, partner, and shareholder of CONTRACTOR (collectively referred to as "The Contractor") shall not be, for any purpose of this Agreement, an employee of COUNTY. Furthermore, this Agreement shall not under any circumstance be construed or considered to be a joint powers agreement as described in California Government Code sections 6000, et seq., or otherwise. As an independent contractor, the following shall apply:
- D.1.1 CONTRACTOR shall determine the method, details and means of performing the services to be provided by CONTRACTOR as described in this Agreement.
 - D.1.2 CONTRACTOR shall be responsible to COUNTY only for the requirements and results specified by this Agreement and, except as specifically provided in this Agreement, shall not be subject to COUNTY's control with respect to the physical actions or activities of CONTRACTOR in fulfillment of the requirements of this Agreement.
 - D.1.3 CONTRACTOR shall be responsible for its own operating costs and expenses, property and income taxes, workers' compensation insurance and any other costs and expenses in connection with performance of services under this Agreement.
 - D.1.4 CONTRACTOR is not, and shall not be, entitled to receive from or through COUNTY, and COUNTY shall not provide or be obligated to provide the CONTRACTOR with workers' compensation coverage, unemployment insurance coverage or any other type of employee or worker insurance or benefit coverage required or provided by any federal, state or local law or regulation for, or normally afforded to, any employee of COUNTY.
 - D.1.5 CONTRACTOR shall not be entitled to have COUNTY withhold or pay, and COUNTY shall not withhold or pay, on behalf of the CONTRACTOR any tax or money relating to the Social Security Old Age Pension Program, Social Security Disability Program or any other type of pension, annuity or disability program required or provided by any federal, state or local law or regulation for, or normally afforded to, an employee of COUNTY.
 - D.1.6 CONTRACTOR shall not be entitled to participate in, or receive any benefit from, or make any claim against any COUNTY fringe benefit program including, but not limited to, COUNTY's pension plan, medical and health care plan, dental plan, life insurance plan, or other type of benefit program, plan or coverage designated for, provided to, or offered to COUNTY's employees.
 - D.1.7 COUNTY shall not withhold or pay on behalf of CONTRACTOR any federal, state or local tax including, but not limited to, any personal income tax owed by CONTRACTOR.
 - D.1.8 CONTRACTOR is, and at all times during the term of this Agreement shall represent and conduct itself as, an independent contractor and not as an employee of COUNTY.
 - D.1.9 CONTRACTOR shall not have the authority, express or implied, to act on behalf of, bind or obligate the COUNTY in any way without the written consent of the COUNTY.

D.2 LICENSES, PERMITS, ETC. CONTRACTOR represents and warrants to COUNTY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for CONTRACTOR to practice its profession. CONTRACTOR represents and warrants to COUNTY that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for CONTRACTOR to practice its profession at the time the services are performed.

D.3 CHANGE IN STATUTES OR REGULATIONS. If there is a change of statutes or regulations applicable to the subject matter of this Agreement, both parties agree to be governed by the new provisions, unless either party gives notice to terminate pursuant to the terms of this Agreement.

D.4 TIME. CONTRACTOR shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of CONTRACTOR's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.

D.5 INSURANCE.

D.5.1 Prior to rendering services provided by the terms and conditions of this Agreement, CONTRACTOR shall acquire and maintain during the term of this Agreement insurance coverage through and with an insurer acceptable to COUNTY, naming the COUNTY and COUNTY's officers, employees, agents and independent contractors as additional insured (hereinafter referred to as "the insurance"). The insurance shall contain the following coverages:

D.5.1.1 Comprehensive general liability insurance including comprehensive public liability insurance with minimum coverage of One Million Dollars (\$1,000,000) per occurrence and with not less than One Million Dollars (\$1,000,000) aggregate; CONTRACTOR shall insure both COUNTY and CONTRACTOR against any liability arising under or related to this Agreement.

D.5.1.2 During the term of this Agreement, CONTRACTOR shall maintain in full force and effect a policy of professional errors and omissions insurance with policy limits of not less than One Million Dollars (\$1,000,000) per incident and One Million Dollars (\$1,000,000) annual aggregate, with deductible or self-insured portion not to exceed Two Thousand Five Hundred Dollars (\$2,500).

D.5.1.3 Comprehensive automobile liability insurance with minimum coverage of Five Hundred Thousand Dollars (\$500,000) per occurrence and with not less than Five Hundred Thousand Dollars (\$500,000) on reserve in the aggregate, with combined single limit including owned, non-owned and hired vehicles.

D.5.1.4 Workers' Compensation Insurance coverage for all of CONTRACTOR's employees and other persons for whom CONTRACTOR is responsible to provide such insurance coverage, as provided by Division 4 and 4.5 of the California Labor Code.

- D.5.2 The limits of insurance herein shall not limit the liability of the CONTRACTOR hereunder.
- D.5.3 In respect to any insurance herein, if the aggregate limit available becomes less than that required above, other excess insurance shall be acquired and maintained immediately. For the purpose of any insurance term of this Agreement, "aggregate limit available" is defined as the total policy limits available for all claims made during the policy period.
- D.5.4 The insurance shall include an endorsement that no cancellation or material change adversely affecting any coverage provided by the insurance may be made until twenty (20) days after written notice is delivered to COUNTY.
- D.5.5 The insurance policy forms, endorsements and insurer(s) issuing the insurance shall be satisfactory to COUNTY at its sole and absolute discretion. The amount of any deductible payable by the insured shall be subject to the prior approval of the COUNTY and the COUNTY, as a condition of its approval, may require such proof of the adequacy of CONTRACTOR's financial resources as it may see fit.
- D.5.6 Prior to CONTRACTOR rendering services provided by this Agreement, and immediately upon acquiring additional insurance, CONTRACTOR shall deliver a certificate of insurance describing the insurance coverages and endorsements to:

Barbara Longo, Director
Health and Social Services
336 Alexander Avenue
Susanville, CA 96130

Upon COUNTY's request, CONTRACTOR shall deliver certified copies of any insurance policies to COUNTY.

- D.5.7 CONTRACTOR shall not render services under the terms and conditions of this Agreement unless each type of insurance coverage and endorsement is in effect and CONTRACTOR has delivered the certificate(s) of insurance to COUNTY as previously described. If CONTRACTOR shall fail to procure and maintain said insurance, COUNTY may, but shall not be required to, procure and maintain the same, and the premiums of such insurance shall be paid by CONTRACTOR to COUNTY upon demand. The policies of insurance provided herein which are to be provided by CONTRACTOR shall be for a period of not less than one year, it being understood and agreed that twenty (20) days prior to the expiration of any policy of insurance, CONTRACTOR will deliver to COUNTY a renewal or new policy to take the place of the policy expiring.
- D.5.8 COUNTY shall have the right to request such further coverages and/or endorsements on the insurance as COUNTY deems necessary, at CONTRACTOR's expense. The amounts, insurance policy forms, endorsements and insurer(s) issuing the insurance shall be satisfactory to COUNTY in its sole and absolute discretion.
- D.5.9 Any subcontractor(s), independent contractor(s) or any type of agent(s) performing or hired to perform any term or condition of this Agreement on behalf of CONTRACTOR, as may be allowed by this Agreement (hereinafter referred to as the "SECONDARY PARTIES"), shall comply with each term and condition of this Section D.5 entitled "INSURANCE". Furthermore, CONTRACTOR shall be responsible for the SECONDARY PARTIES' acts and satisfactory performance of the terms and conditions of this Agreement.

- D.6 INDEMNITY.** CONTRACTOR shall defend, indemnify, and hold harmless COUNTY, its elected and appointed councils, boards, commissions, officers, agents, and employees from any liability, including attorneys' fees, for damage or claims for damage for any economic loss or personal injury, including death, as well as for property damage, which may arise from the intentional or negligent acts or omissions of CONTRACTOR in the performance of services rendered under this Agreement by CONTRACTOR, or any of CONTRACTOR's officers, agents, employees, contractors, subcontractors, or volunteers.
- D.7 CONTRACTOR NOT AGENT.** Except as COUNTY may specify in writing, CONTRACTOR shall have no authority, express or implied, to act on behalf of COUNTY in any capacity whatsoever as an agent. CONTRACTOR shall have no authority, express or implied, pursuant to this Agreement to bind COUNTY to any obligation whatsoever.
- D.8 ASSIGNMENT PROHIBITED.** CONTRACTOR may not assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no legal effect.
- D.9 PERSONNEL.** CONTRACTOR shall assign only competent personnel to perform services pursuant to this Agreement. In the event that COUNTY, in its sole discretion at any time during the term of this Agreement, desires the removal of any person or persons assigned by CONTRACTOR to perform services pursuant to this Agreement, CONTRACTOR shall remove any such person immediately upon receiving written notice from COUNTY of its desire for removal of such person or persons.
- D.10 STANDARD OF PERFORMANCE.** CONTRACTOR shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which CONTRACTOR is engaged. All products of whatsoever nature which CONTRACTOR delivers to COUNTY pursuant to this Agreement shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession.
- D.11 POSSESSORY INTEREST.** The parties to this Agreement recognize that certain rights to property may create a "possessory interest", as those words are used in the *California Revenue and Taxation Code* (107). For all purposes of compliance by COUNTY with Section 107.6 of the *California Revenue and Taxation Code*, this recital shall be deemed full compliance by the COUNTY. All questions of initial determination of possessory interest and valuation of such interest, if any, shall be the responsibility of the County Assessor and the contracting parties hereto. A taxable possessory interest may be created by this, if created, and the party in whom such an interest is vested will be subject to the payment of property taxes levied on such an interest.
- D.12 TAXES.** CONTRACTOR hereby grants to the COUNTY the authority to deduct from any payments to CONTRACTOR any COUNTY imposed taxes, fines, penalties and related charges which are delinquent at the time such payments under this Agreement are due to CONTRACTOR.
- D.13 TERMINATION.** COUNTY shall have the right to terminate this Agreement at any time by giving notice in writing of such termination to CONTRACTOR. In the event COUNTY gives notice of termination, CONTRACTOR shall immediately cease rendering service upon receipt of such written notice and the following shall apply:

- D.13.1 CONTRACTOR shall deliver to COUNTY copies of all writings prepared by it pursuant this agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, Photostatting, photographing computer storage medium (tapes, disks, diskettes, etc.) and every other means of recording upon any tangible thing, and form of communication or representation, including letters, pictures, sounds, or symbols, or combinations thereof.
- D.13.2 COUNTY shall pay CONTRACTOR the reasonable value of services rendered by CONTRACTOR to the date of termination pursuant to this Agreement not to exceed the amount documented by CONTRACTOR and approved by COUNTY as work accomplished to date. Further provided, however, COUNTY shall not in any manner be liable for lost profits which might have been made by CONTRACTOR had CONTRACTOR completed the services required by this Agreement. In this regard, CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of the COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of the COUNTY shall be final. The foregoing is cumulative and does not affect any right or remedy which COUNTY may have in law or equity.
- D.13.3 CONTRACTOR may terminate its services under this Agreement upon thirty (30) working days written notice to the COUNTY, without liability for damages, if CONTRACTOR is not compensated according to the provisions of the Agreement or upon any other material breach of the Agreement by COUNTY, provided that CONTRACTOR has first provided COUNTY with a written notice of any alleged breach, specifying the nature of the alleged breach and providing not less than ten (10) working days within which the COUNTY may cure the alleged breach.
- D.14 OWNERSHIP OF INFORMATION.** All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become and/or remain the property of COUNTY, and CONTRACTOR agrees to deliver reproducible copies of such documents to COUNTY on completion of the services hereunder. The COUNTY agrees to indemnify and hold CONTRACTOR harmless from any claim arising out of reuse of the information for other than this project.
- D.15 WAIVER.** A waiver by any party of any breach of any term, covenant or condition herein contained or a waiver of any right or remedy of such party available hereunder at law or in equity shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained or of any continued or subsequent right to the same right or remedy. No party shall be deemed to have made any such waiver unless it is in writing and signed by the party so waiving.
- D.16 COMPLETENESS OF INSTRUMENT.** This Agreement, together with its specific references and attachments, constitutes all of the agreements, understandings, representations, conditions, warranties and covenants made by and between the parties hereto. Unless set forth herein, neither party shall be liable for any representations made, express or implied.
- D.17 SUPERSEDES PRIOR AGREEMENTS.** It is the intention of the parties hereto that this Agreement shall supersede any prior agreements, discussions, commitments, representations, or agreements, written or oral, between the parties hereto.

- D.18 ATTORNEY'S FEES.** If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, which may be set by the Court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such party may be entitled.
- D.19 MINOR AUDITOR REVISION.** In the event the Lassen County Auditor's office finds a mathematical discrepancy between the terms of the Agreement and actual invoices or payments, provided that such discrepancy does not exceed one percent (1%) of the Agreement amount, the Auditor's office may make the adjustment in any payment or payments without requiring an amendment to the Agreement to provide for such adjustment. Should the COUNTY or the CONTRACTOR disagree with such adjustment, they reserve the right to contest such adjustment and/or to request corrective amendment.
- D.20 CAPTIONS.** The captions of this Agreement are for convenience in reference only and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.
- D.21 DEFINITIONS.** Unless otherwise provided in this Agreement, or unless the context otherwise requires, the following definitions and rules of construction shall apply herein.
- D.21.1 Number and Gender. In this Agreement, the neuter gender includes the feminine and masculine, the singular includes the plural, and the word "person" includes corporations, partnerships, firms or associations, wherever the context so requires.
- D.21.2 Mandatory and Permissive. "Shall" and "will" and "agrees" are mandatory. "May" is permissive.
- D.22 TERM INCLUDES EXTENSIONS.** All references to the term of this Agreement or the Agreement Term shall include any extensions of such term.
- D.23 SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties specifically set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.
- D.24 MODIFICATION.** No modification or waiver of any provisions of this Agreement or its attachments shall be effective unless such waiver or modification shall be in writing, signed by all parties, and then shall be effective only for the period and on the condition, and for the specific instance for which given.
- D.25 COUNTERPARTS.** This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.
- D.26 OTHER DOCUMENTS.** The parties agree that they shall cooperate in good faith to accomplish the object of this Agreement and, to that end, agree to execute and deliver such other and further instruments and documents as may be necessary and convenient to the fulfillment of these purposes.
- D.27 PARTIAL INVALIDITY.** If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provision and/or provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

- D.28 VENUE.** It is agreed by the parties hereto that unless otherwise expressly waived by them, any action brought to enforce any of the provisions hereof or for declaratory relief hereunder shall be filed and remain in a court of competent jurisdiction in the County of Lassen, State of California.
- D.29 CONTROLLING LAW.** The validity, interpretation and performance of this Agreement shall be controlled by and construed under the laws of the State of California.
- D.30 CALIFORNIA TORT CLAIMS ACT.** Notwithstanding any term or condition of the Agreement, the provisions, and related provisions, of the California Tort Claims Act, Division 3.6 of the Government Code, are not waived by COUNTY and shall apply to any claim against COUNTY arising out of any acts or conduct under the terms and conditions of this Agreement.
- D.31 TIME IS OF THE ESSENCE.** Time is of the essence of this Agreement and each covenant and term herein.
- D.32 AUTHORITY.** All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, estates or firms represented or purported to be represented by such entity(s), person(s), estate(s) or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement are in full compliance. Further, by entering into this Agreement, neither party hereto shall have breached the terms or conditions of any other contract or agreement to which such party is obligated, which such breach would have a material effect hereon.
- D.33 CORPORATE AUTHORITY.** If CONTRACTOR is a corporation or public agency, each individual executing this Agreement on behalf of said corporation or public agency represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of said corporation, in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the bylaws of said corporation or Board or Commission of said public agency, and that this Agreement is binding upon said corporation or public entity in accordance with its terms. If CONTRACTOR is a corporation, CONTRACTOR shall, within thirty (30) days after execution of this Agreement, deliver to COUNTY a certified copy of a resolution of the Board of Directors of said corporation authorizing or ratifying the execution of this Agreement.
- D.34 CONFLICT OF INTEREST.**
- D.34.1 Legal Compliance. CONTRACTOR agrees at all times in performance of this Agreement to comply with the law of the State of California regarding conflicts of interest, including, but not limited to, Article 4 of Chapter 1, Division 4, Title 1 of the California Government Code, commencing with Section 1090 and Chapter 7 of Title 9 of said Code, commencing with Section 87100, including regulations promulgated by the California Fair Political Practices Commission.
- D.34.2 Advisement. CONTRACTOR agrees that if any facts come to its attention which raises any questions as to the applicability of this law, it will immediately inform the COUNTY designated representative and provide all information needed for resolution of the question.
- D.34.3 Admonition. Without limitation of the covenants in subparagraphs D.34.1 and D.34.2, CONTRACTOR is admonished hereby as follows:

The statutes, regulations and laws referenced in this provision D.34 include, but are not limited to, a prohibition against any public officer, including CONTRACTOR for this purpose, from making any decision on behalf of

COUNTY in which such officer has a direct or indirect financial interest. A violation occurs if the public officer influences or participates in any COUNTY decision which has the potential to confer any pecuniary benefit on CONTRACTOR or any business firm in which CONTRACTOR has an interest of any type, with certain narrow exceptions.

- D.35 NONDISCRIMINATION.** During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any employee of the CONTRACTOR or of the COUNTY or applicant for employment or for services or any member of the public because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex. CONTRACTOR shall ensure that in the provision of services under this Agreement, its employees and applicants for employment and any member of the public are free from such discrimination. CONTRACTOR shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.). The applicable regulations of the Fair Employment Housing Commission implementing Government Code Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California *Administrative Code* are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONTRACTOR shall also abide by the Federal Civil Rights Act of 1964 and all amendments thereto, and all administrative rules and regulation issued pursuant to said Act. CONTRACTOR shall give written notice of its obligations under this clause to any labor agreement. CONTRACTOR shall include the non-discrimination and compliance provision of this paragraph in all subcontracts to perform work under this Agreement.
- D.36 JOINT AND SEVERAL LIABILITY.** If any party consists of more than one person or entity, the liability of each person or entity signing this Agreement shall be joint and several.
- D.37 TAXPAYER I.D. NUMBER.** The COUNTY shall not disburse any payments to CONTRACTOR pursuant to this Agreement until CONTRACTOR supplies the latter's Taxpayer I.D. Number or Social Security Number (as required on the line under CONTRACTOR's signature on page 2 of this Agreement).
- D.38 NOTICES.** All notices and demands of any kind which either party may require or desire to serve on the other in connection with this Agreement must be served in writing either by personal service or by registered or certified mail, return receipt requested, and shall be deposited in the United States Mail, with postage thereon fully prepaid, and addressed to the party so to be served as follows:

If to "COUNTY":

Barbara Longo, Director
Health and Social Services
336 Alexander Avenue
Susanville, CA 96130
(530) 251-8128

If to "CONTRACTOR":

Julie Wilcox, Administrator
The Sail House, Inc.
PO Box 1007
Red Bluff, CA 96080
(530) 527-5780

D.39 NO THIRD PARTY BENEFICIARIES. This Agreement is made solely and specifically among and for the benefit of the parties to it, the COUNTY and the CONTRACTOR, and their respective successors and assigns, subject to the express provisions of the agreement relating to successors and assigns, and no other person, including any person receiving placement or services facilitated by the Agreement, has or will have any rights, interest, or claims under this Agreement as a third-party beneficiary or otherwise. This Agreement shall not establish any actionable duty of the COUNTY or COUNTY personnel inuring to any third party, or to anyone claiming under or on behalf of such a third party.

END OF ATTACHMENT D

**ATTACHMENT E
AGREEMENT BETWEEN COUNTY OF LASSEN
AND
THE SAIL HOUSE, INC.**

BUSINESS ASSOCIATE AGREEMENT

THIS AGREEMENT is made effective the _____ day of _____, 20____, by and between LASSEN COUNTY, a political subdivision of the State of California, hereinafter referred to as "Covered Entity", and The Sail House, Inc., hereinafter referred to as "Business Associate", (individually, a "Party" and collectively, the "Parties").

RECITALS: This Agreement is made with reference to the following facts:

- A. Sections 261 through 264 of the Federal Health Insurance Portability and Accountability Act of 1966, Public Law 104.191, known as the "the Administrative Simplification provisions," direct the Department of Health and Human Services to develop standards to protect the security, confidentiality and integrity of health information; and
- B. Pursuant to the Administrative Simplification provisions, the Secretary of Health and Human Services has issued regulations modifying 45 CFR Parts 160 and 164 (the "HIPAA Privacy Rule"); and
- C. The Parties wish to enter into or have entered into an arrangement whereby Business Associate will provide certain services to Covered Entity, and, pursuant to such arrangement, Business Associate may be considered a "business associate" of covered Entity as defined in the HIPAA Privacy Rule (the agreement evidencing such arrangement is entitled "Agreement Between Lassen County and The Sail House, Inc., dated, _____ and is here referred to as the "Arrangement Agreement"); and
- D. Business Associate may have access to Protected Health Information (as defined below) in fulfilling its responsibilities under such arrangement.

In consideration of the Parties' continuing obligations under the Arrangement Agreement, compliance with the HIPAA Privacy Rule, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the provisions of this Agreement in order to address the requirements of the HIPAA Privacy Rule and to protect the interests of both Parties.

1. **Definitions:** Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms are defined in 45 Code of Federal Regulations section 160.103 and 164.501. (All regulatory references in this Agreement are to Title 45 of the Code of Federal Regulations unless otherwise specified.)

- 1.1 Business Associate. Business Associate shall mean The Sail House, Inc.
- 1.2 Covered Entity. Covered Entity shall mean that part of the County of Lassen designated as the hybrid entity within the County of Lassen subject to the Standards for Privacy of Individually Identifiable Health Information set forth in 45 Code of Federal Regulations Part 160 and Part 164, Subparts A and B (County).
- 1.3 Designated Record Set. Designated Record Set shall have the same meaning as the term designated record set in Section 164.501.
- 1.4 Individual. Individual shall have the same meaning as the term individual in Section 164.501 and shall include a person who qualifies as a personal representative in accordance with Section 164.502(g).

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- 1.5 Privacy Rule. Privacy Rule shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 160 and Part 164, Subparts A and B.
- 1.6 Protected Health Information. Protected Health Information shall have the same meaning as the term protected health information in Section 164.501 and is limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- 1.7 Required By Law. Required by law shall have the same meaning as the term required by law in Section 164.501.
- 1.8 Secretary. Secretary shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.

2. Obligations and Activities of Business Associate:

- 2.1 Business Associate agrees to provide National Provider Identification (NPI) number to Covered Entity for billing of services provided.
- 2.2 Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as Required by Law.
- 2.3 Business Associate agrees to use appropriate safeguards to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- 2.4 Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- 2.5 Business Associate agrees to report to Covered Entity any use or disclosure of the Protected Health Information not provided for by this Agreement.
- 2.6 Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- 2.7 Business Associate agrees to provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under Section 164.524.
- 2.8 Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to make pursuant to Section 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.
- 2.9 Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

- 2.10 Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- 2.11 Business Associate agrees to provide to Covered Entity or an Individual, in the time and manner designated by Covered Entity, information collected in accordance with Section of this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
3. **Permitted Uses and Disclosures by Business Associate:** Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Arrangement Agreement provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.
4. **Obligations of Covered Entity:** Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with Section 164.522.
5. **Permissible Requests by Covered Entity:** Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.
6. **Term and Termination:**
- 6.1 Term. The Term of this Agreement shall be effective as of effective date of the Arrangement Agreement and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.
- 6.2 Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement and the Arrangement Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity, or immediately terminate this Agreement and the Arrangement Agreement if Business Associate has breached a material term of this Agreement and cure is not possible.
- 6.3 Effect of Termination.
- 6.3.1 Except as provided in paragraph 6.3.2 of this section, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- 6.3.2 In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction

infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

7. Miscellaneous:

- 7.1 Regulatory References. A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- 7.2 Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act, Public Law 104.191.
- 7.3 Survival. The respective rights and obligations of Business Associate under Section 6.3 of this Agreement shall survive the termination of this Agreement.
- 7.4 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy Rule.

END OF ATTACHMENT E

**ATTACHMENT F
AGREEMENT BETWEEN LASSEN COUNTY
AND
THE SAIL HOUSE, INC.**

BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum ("Addendum") supplements and is made a part of the contract ("Contract") by and between Lassen County referred to herein as Covered Entity (CE), and The Sail House, Inc., referred to herein as Business Associate (BA). This Addendum is effective as of the date of execution.

RECITALS

CE wishes to disclose certain information to BA pursuant to the terms of the Contract, some of which may constitute Protected Health Information ("PHI") (defined below).

CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Contract in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (the "HIPAA Regulations") and other applicable laws.

As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into a contract containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and contained in this Addendum.

In consideration of the mutual promises below and the exchange of information pursuant to this Addendum, the parties agree as follows:

1. Definitions

- a. **Breach** shall have the meaning given to such term under the HITECH Act [42 U.S.C. Section 17921].
- b. **Business Associate** shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.
- c. **Covered Entity** shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.
- d. **Data Aggregation** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.
- e. **Designated Record Set** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. **Electronic Protected Health Information** means Protected Health Information that is maintained in or transmitted by electronic media.
- f. **Electronic Health Record** shall have the meaning given to such term in the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.
- g. **Health Care Operations** shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

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- h. **Privacy Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.
- i. **Protected Health Information or PHI** means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501. Protected Health Information includes Electronic Protected Health Information [45 C.F.R. Sections 160.103, 164.501].
- j. **Protected Information** shall mean PHI provided by CE to BA or created or received by BA on CE's behalf.
- k. **Security Rule** shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.
- l. **Unsecured PHI** shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h).

2. **Obligations of Business Associate**

- a. **Permitted Uses.** BA shall not use Protected Information except for the purpose of performing BA's obligations under the Contract and as permitted under the Contract and Addendum. Further, BA shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by CE. However, BA may use Protected Information (i) for the proper management and administration of BA, (ii) to carry out the legal responsibilities of BA, or (iii) for Data Aggregation purposes for the Health Care Operations of CE [45 C.F.R. Sections 164.504(e)(2)(ii)(A) and 164.504(e)(4)(i)].
- b. **Permitted Disclosures.** BA shall not disclose Protected Information except for the purpose of performing BA's obligations under the Contract and as permitted under the Contract and Addendum. BA shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act or 42 CFR Part 2, if so disclosed by CE. However, BA may disclose Protected Information (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes for the Health Care Operations of CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this Addendum and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches of confidentiality of the Protected Information, to the extent it has obtained knowledge of such breach [42 U.S.C. Section 17932; 45 C.F.R. Sections 164.504(e)(2)(i), 164.504(e)(2)(i)(B), 164.504(e)(2)(ii)(A) and 164.504(e)(4)(ii)].
- c. **Prohibited Uses and Disclosures.** BA shall not use or disclose Protected Information for fundraising or marketing purposes. BA shall not disclose Protected Information to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the PHI solely relates [42 U.S.C. Section 17935(a)]. BA shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of CE and as permitted by the HITECH Act, 42 U.S.C. section 17935(d)(2); however, this prohibition shall not affect payment by CE to BA for services provided pursuant to the Contract.

- d. **Appropriate Safeguards.** BA shall implement appropriate safeguards as are necessary to prevent the use or disclosure of Protected Information otherwise than as permitted by the Contract that reasonably and appropriately protect the confidentiality, integrity and availability of the Protected Information, in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312. [45 C.F.R. Section 164.504(e)(2)(ii)(B); 45 C.F.R. Section 164.308(b)]. BA shall comply with the policies and procedures and documentation requirements of the HIPAA Security Rule, including, but not limited to, 45 C.F.R. Section 164.316 [42 U.S.C. Section 17931].
- e. **Reporting of Improper Access, Use or Disclosure.** BA shall report to CE in writing of any access, use or disclosure of Protected Information not permitted by the Contract and Addendum, and any Breach of Unsecured PHI of which it becomes aware without unreasonable delay and in no case later than 30 calendar days after discovery [42 U.S.C. Section 17921; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)].
- f. **Business Associate's Agents.** BA shall ensure that any agents, including subcontractors, to whom it provides Protected Information, agree in writing to the same restrictions and conditions that apply to BA with respect to such PHI and implement the safeguards required by paragraph c above with respect to Electronic PHI [45 C.F.R. Section 164.504(e)(2)(ii)(D); 45 C.F.R. Section 164.308(b)]. BA shall implement and maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation (see 45 C.F.R. Sections 164.530(f) and 164.530(e)(1)).
- g. **Access to Protected Information.** BA shall make Protected Information maintained by BA or its agents or subcontractors in Designated Record Sets available to CE for inspection and copying within ten (10) days of a request by CE to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2)(ii)(E)]. If BA maintains an Electronic Health Record, BA shall provide such information in electronic format to enable CE to fulfill its obligations under the HITECH Act, including, but not limited to, 42 U.S.C. Section 17935(e).
- h. **Amendment of PHI.** Within ten (10) days of receipt of a request from CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA or its agents or subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If any individual requests an amendment of Protected Information directly from BA or its agents or subcontractors, BA must notify CE in writing within five (5) days of the request. Any approval or denial of amendment of Protected Information maintained by BA or its agents or subcontractors shall be the responsibility of CE [45 C.F.R. Section 164.504(e)(2)(ii)(F)].
- i. **Accounting Rights.** Within ten (10) days of notice by CE of a request for an accounting of disclosures of Protected Information, BA and its agents or subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935(c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents or subcontractors for at least six (6) years prior to the request. Accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. In the event that the request for an accounting is delivered directly to BA or its agents or subcontractors, BA shall within five (5) days of a request forward it to CE in writing. It shall be

CE's responsibility to prepare and deliver any such accounting requested. BA shall not disclose any Protected Information except as set forth in Sections 2.b. of this Addendum [45 C.F.R. Sections 164.504(e)(2)(ii)(G) and 165.528].

- j. **Governmental Access to Records.** BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining BA's compliance with the Privacy Rule [45 C.F.R. Section 164.504(e)(2)(ii)(H)]. BA shall provide to CE a copy of any Protected Information that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.
- k. **Minimum Necessary.** BA (and its agents or subcontractors) shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the purpose of the request, use, or disclosure [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)(3)]. BA understands and agrees that the definition of "minimum necessary" is in flux and shall keep itself informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary."
- l. **Data Ownership.** BA acknowledges that BA has no ownership rights with respect to the Protected Information.
- m. **Business Associate's Insurance.** Insurance provisions in Paragraph D.5 of the Agreement shall be effective for the Addendum as long as the Agreement is in effect.
- n. **Notification of Breach.** During the term of the Contract, BA shall notify CE within twenty-four (24) hours of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI of which BA becomes aware and/or any actual or suspected use or disclosure of data in violation of any applicable federal or state laws or regulations. BA shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations.
- o. **Breach Pattern or Practice by Covered Entity.** Pursuant to 42 U.S.C. Section 17934(b), if the BA knows of a pattern of activity or practice of the CE that constitutes a material breach or violation of the CE's obligations under the Contract or Addendum or other arrangement, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the Contract or other arrangement if feasible, or if termination is not feasible, report the problem to the Secretary of DHHS. BA shall provide written notice to CE of any pattern of activity or practice of the CE that BA believes constitutes a material breach or violation of the CE's obligations under the Contract or Addendum or other arrangement within five (5) days of discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.
- p. **Audits, Inspection and Enforcement.** Within ten (10) days of a written request by CE, BA and its agents or subcontractors shall allow CE to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of Protected Information pursuant to this Addendum for the purpose of determining whether BA has complied with this Addendum; provided, however, that (i) BA and CE shall mutually agree in advance upon the scope, timing and location of such an inspection, (ii) CE shall protect the confidentiality of all confidential and proprietary information of BA to which CE has access during the course of such inspection; and (iii) CE shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by BA. The fact that CE inspects, or fails to inspect, or has the right to inspect, BA's facilities, systems, books, records, agreements, policies and procedures does not relieve BA of its responsibility to comply with this Addendum, nor does CE's (i) failure to detect or (ii) detection, but failure to notify BA or require BA's remediation of any unsatisfactory practices, constitute acceptance of such practice or a waiver of CE's enforcement rights under the Contract or Addendum, BA shall notify CE within ten (10) days of learning that

BA has become the subject of an audit, compliance review, or complaint investigation by the Office for Civil Rights

3. Termination

- a. **Material Breach.** A breach by BA of any provision of this Addendum, as determined by CE, shall constitute a material breach of the Contract and shall provide grounds for immediate termination of the Contract, any provision in the Contract to the contrary notwithstanding [45 C.F.R. Section 164.504(e)(2)(iii)].
- b. **Judicial or Administrative Proceedings.** CE may terminate the Contract, effective immediately, if (i) BA is named as a defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.
- c. **Effect of Termination.** Upon termination of the Contract for any reason, BA shall, at the option of CE, return or destroy all Protected Information that BA or its agents or subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections of Section 2 of this Addendum to such information, and limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible. [45 C.F.R. Section 164.504(e)(ii)(2)(i)]. If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed.

4. Indemnification

Indemnification provision in Paragraph D.6 of the Agreement shall be effective for the Addendum as long as the Agreement is in effect.

5. Disclaimer

CE makes no warranty or representation that compliance by BA with this Addendum, HIPAA, the HITECH Act, 42 CFR Part 2 or the HIPAA Regulations will be adequate or satisfactory for BA's own purposes. BA is solely responsible for all decisions made by BA regarding the safeguarding of PHI.

6. Certification

To the extent that CE determines that such examination is necessary to comply with CE's legal obligations pursuant to HIPAA relating to certification of its security practices, CE or its authorized agents or contractors, may, at CE's expense, examine BA's facilities, systems, procedures and records as may be necessary for such agents or contractors to certify to CE the extent to which BA's security safeguards comply with HIPAA, the HITECH Act, the HIPAA Regulations or this Addendum.

7. Amendment

- a. **Amendment to Comply with Law.** The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Contract of Addendum may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule and other applicable laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Addendum

embodying written assurances consistent with the standards and requirements of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule or other applicable laws. CE may terminate the Contract upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Contract or Addendum when requested by CE pursuant to this Section or (ii) BA does not enter into an amendment to the Contract or Addendum providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

- b. **Amendment of Attachment A.** Attachment A may be modified or amended by mutual agreement of the parties at any time without amendment of the Contract or Addendum.

8. Assistance in Litigation of Administrative Proceedings

BA shall make itself, and any subcontractors, employees or agents assisting BA in the performance of its obligations under the Contract or Addendum, available to CE, at no cost to CE, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against CE, its directors, officers or employees based upon a claimed violation of HIPAA, the HITECH Act, the Privacy Rule, the Security Rule, or other laws relating to security and privacy, except where BA or its subcontractor, employee or agent is named adverse party.

9. No Third-Party Beneficiaries

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

10. Effect on Contract

Except as specifically required to implement the purposes of this Addendum, or to the extent inconsistent with this Addendum, all other terms of the Contract shall remain in force and effect.

11. Interpretation

The provisions of this Addendum shall prevail over any provisions in the Contract that may conflict or appear inconsistent with any provision in this Addendum. This Addendum and the Contract shall be interpreted as broadly as necessary to implement and comply with HIPAA, the HITECH Act, 42 CFR Part 2, the Privacy Rule and the Security Rule. The parties agree that any ambiguity in this Addendum shall be resolved in favor of a meaning that complies and is consistent with HIPAA, the HITECH Act, 42 CFR Part 2, the Privacy Rule and the Security Rule.

END OF ATTACHMENT F