



Los Angeles County
DEPARTMENT OF MENTAL HEALTH

JONATHAN E. SHERIN, M.D., Ph.D.
DIRECTOR

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

22 January 30, 2018

LORI GLASGOW
EXECUTIVE OFFICER

January 30, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

APPROVAL OF INTERIM SETTLEMENT PROCESS AND AUTHORITY TO ENTER INTO LEGAL ENTITY AGREEMENTS TO IMPLEMENT INTERIM SETTLEMENTS AND RECOVER PAYMENTS OWED TO THE COUNTY (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

Request approval of interim settlement process and to either amend or enter into new Legal Entity Agreements to implement such interim settlements. Request approval to reinstate, through amendment, Legal Entity Agreements to revise payment options and extend time period for Contractor's repayment plans.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee to enter into interim settlements, subject to availability of funds, with Legal Entity Contractors (Contractors) prior to any Annual Cost Report Reconciliation and Settlement (State Reconciliation) and to incorporate a provision for interim settlements in all Legal Entity Agreements as part of the Legal Entity Agreement (Agreement) boilerplate.
2. Authorize the Director, or his designee, to prepare and execute new Agreements, substantially similar to Attachment I, with Contractors, for Fiscal Years (FYs) 2011-12, 2012-13, 2013-14, and 2014-15, to enter into interim settlements for services provided in these fiscal years, prior to and pending the outcome of the respective State Reconciliation process.
3. Authorize the Director, or his designee, to prepare and execute Amendments to the Agreements,

substantially similar to Attachment II, with Contractors for FYs 2015-16, 2016-17, and 2017-18 to enter into interim settlements for services provided in those fiscal years, prior to and pending the outcome of the respective State Reconciliation process.

4. Authorize the Director, or his designee, to prepare and execute Amendments to the Agreements, substantially similar to Attachment III, for FYs 2005-06, 2006-07 2007-08, 2008-2009, 2009-10, and 2010-11 with Contractors in order to reinstate these respective Agreements to revise repayment options and to extend the repayment period to include in-kind services as a repayment option and extend the repayment period up to six (6) years.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The County of Los Angeles is the local Mental Health Plan (MHP) responsible for the delivery of Medi-Cal mental health services either directly or through contract providers. Currently, the County has 134 Contractors providing these services. The County initially pays these contractors at the time of service, and incurs certified public expenditures which it submits to the State. In turn, the State claims federal reimbursement for Medi-Cal mental health services and advances to the County the federal Medi-Cal reimbursement on an interim basis throughout the year.

After the close of each fiscal year, the County must submit an annual cost report and participate in cost report reconciliation and audit settlement process for the provision of mental health services by directly operated clinics and Contractors. The State Reconciliation process is multi-phased and may span the course of many years. Generally, its purpose is to reconcile what the contractor was paid versus what the State ultimately reimburses the County. The first phase of this process, which is referenced in the Agreements as the Annual Cost Report Reconciliation and Settlement (State Reconciliation), may occur up to five (5) years after the fiscal year ends and is based on the submitted cost reports. The second phase of this process may take another 18 months when the State audits the submitted cost reports and services provided under the Agreement. This State Reconciliation process may result in payments owed to or owed by the Contractor.

Pursuant to the current Agreement, any additional payment owed to Contractor or owed by the Contractor is determined and paid only after State Reconciliation process is complete. Historically, this was a timely process. Now, however, the State has fallen behind up to six (6) years in this process, and this has created financial hardship and/or uncertainty for many Contractors which may impact their ability to provide services.

Approval of Recommendation 1, 2, and 3 will remedy this situation. DMH requests that your Board approve and authorize the Director to enter into interim settlements with Contractors prior to State Reconciliation process, subject to funding availability.

The interim settlement will be based on the Contractor's submitted Annual Cost Report. It will equal the difference between the Contractor's eligible reimbursable costs reported in their Annual Cost Report for reimbursement under the Agreement and the total year-to-date payments it has already received. This interim settlement amount is provisional and may be subject to adjustment based on State Reconciliation process. These new Agreements and Amendments will allow DMH to pay Contractors who are owed payments within 30 calendar days of determining the interim settlement amount prior to State Reconciliation. Additionally, Contractors who owe payments to the County will have more flexible repayment options such as: one cash payment, deduction from future claims or

any other amounts due from the County, repayment plan of up to six years, and/or in-kind service payments.

The interim settlement process poses minimal risks to the County based on the following: (1) settlements are provisional and subject to future adjustments; (2) subject to sufficient fund availability; and (3) a survey of Agreements showed a minimal margin of error between the interim settlement amount and the State reconciled amount.

Approval of Recommendation 4 will allow Contractors who still owe the County monies after completion of the State Reconciliation process to repay the County. Currently, these Contractors are unable to repay these monies within the three months specified in the Agreement. As such, these Contractors have requested extended repayment periods in order to avoid an adverse fiscal impact to their agency that may, in turn, negatively impact the level and quality of services provided. This recommendation will not only extend the repayment period, but it will provide flexible repayment options. It will allow these Contractors time to repay the County through performance of in-kind services at DMH directly operated clinics.

Implementation of Strategic Plan Goals

The recommended Board actions support the County's Strategy III.3 – Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability, Objective III.3.1 Maximize Revenue.

FISCAL IMPACT/FINANCING

The interim settlement process will allow DMH to settle amounts with the Contractors in a timely manner. If the net amount is owed to County by Contractor, Contractor will have the following payment options:

1. one cash payment
2. deduction from future claims or any other amounts due from County
3. payment plan of up to six years
4. in-kind service payments
5. combination of any options

The County may assess a monthly fee, in lieu of charging interest, for each month the monies are owed to the County in a payment plan that exceeds 12 months, including in-kind services. The fee will be a fixed monthly amount calculated per Contractor based on the net amount owed to County and the number of months of the payment plan.

There is no net County cost associated with the recommended actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The State Reconciliation process is multi-phased and may span the course of many years. Generally, its purpose is to reconcile what the contractor was paid versus what the State ultimately reimburses the County. The first phase of this process, which is referenced in the Agreements as the Annual Cost Report Reconciliation and Settlement (State Reconciliation), may occur up to five (5) years after the fiscal year ends and is based on the submitted cost reports. The second phase of this process may take another 18 months when the State audits the submitted cost reports and

services provided under the Agreement. This reconciliation and audit settlement process may result in payments owed to or owed by the Contractor. Since State Reconciliation has not been occurring timely, some Contractors have experienced a negative fiscal impact and potential impact on services. The proposed interim settlement process should remedy these issues with minimal risk to the County.

Attachment I is the Agreement format for FYs 2011-12, 2012-13, 2013-14, and 2014-15, to enter into interim settlements, and has been approved as to form by County Counsel.

Attachment II is the amendment format for FYs 2015-16, 2016-17, and 2017-18 to enter into interim settlements pending the outcome of the respective Annual Cost Report Reconciliation and Settlement. Attachment II has been approved as to form by County Counsel.

Attachment III is the amendment format for FYs 2005-06, 2006-07 2007-08, 2008-2009, 2009-10, and 2010-11 to reinstate Agreements to revise repayment options and to extend the repayment period. Attachment III has been approved as to form by County Counsel.

CONTRACTING PROCESS

DMH will enter into Agreements with Contractors for interim settlement purposes for FYs 2011-12, 2012-13, 2013-14, and 2014-15 and will amend Agreements for FYs 2015-16, 2016-17, and 2017-18. Additionally, DMH will amend Agreements for FYs 2005-06, 2006-07 2007-08, 2008-2009, 2009-10, and 2010-11 to reinstate them to revise repayment options and to extend the repayment period.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the proposed interim settlement process and proposed agreements will mitigate an immediate adverse cash flow impact on the Contractors, thus avoiding a potential decrease in the level and quality of services being provided to clients.

The Honorable Board of Supervisors

1/30/2018

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'JES', is centered on the page.

JONATHAN E. SHERIN, M.D., Ph.D.

Director

JES:GP:SLD:sk

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Chairperson, Mental Health Commission

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EXHIBITS/ATTACHMENTS

EXHIBIT A	ORIGINAL CONTRACT & FINANCIAL SUMMARY
ATTACHMENT I	CONTRACTOR'S EQUAL EMPLOYMENT OPPORTUNITY (EEO) CERTIFICATION
ATTACHMENT II	CONTACTOR'S ACKNOWLEDGEMENT FORMS
ATTACHMENT II - 1	CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
ATTACHMENT III	ATTESTATION REGARDING FEDERALLY FUNDED PROGRAM

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

THIS AGREEMENT is made and entered into this _____ day of _____, _____, by and between the County of Los Angeles (hereafter "County"), and _____

_____ (hereafter "Contractor") with the following business address at _____

WHEREAS, Contractor and County had entered into a Department of Mental Health Legal Entity Agreement, Contract No. _____, related to the provision of specialty mental health services during fiscal year (FY) 20XX-XX with all amendments (collectively "Original Contract "), incorporated by reference, its boilerplate, exhibits, and the most recent Financial Summary are attached herein (Exhibit A); and

WHEREAS, the terms and conditions of Exhibit A (Original Contract) shall be unchanged and remain in effect unless otherwise superseded and noted in this Agreement; and

WHEREAS, County paid Contractor for specialty mental health services rendered in FY 20XX-XX, applying County approved provisional rates; and

WHEREAS, Contractor submitted an Annual Cost Report for FY 20XX-XX to County based on Contractor's actual costs and estimated approved services, including services rendered to Medi-Cal beneficiaries and/or Healthy Families/State Children's Health Insurance Program (MCHIP) enrollees; and

WHEREAS, County completed an Interim Settlement process comparing Contractor's eligible costs in the FY 20XX-XX Annual Cost Report and County's payments made, including Cash Flow Advances, to Contractor for services rendered in FY 20XX-XX to identify any amounts due to Contractor by County or due from Contractor to County, on an interim basis, prior to the Annual Cost Report Reconciliation and Settlement, and Short-Doyle/Medi-Cal (SD/MC) Audit and Post-Audit Settlement processes; and

WHEREAS, Contractor agrees that the Interim Settlement is a County process and does not represent a final payment for services provided in FY 20XX-XX to indigent clients, Medi-Cal beneficiaries and/or Healthy Families/MCHIP enrollees, and that it is

subject to future adjustments that may result from Annual Cost Report Reconciliation and Settlement, and (SD/MC) Audit and Post-Audit Settlement processes; and

WHEREAS, the final determination of the amount earned by Contractor for specialized mental health services provided to Medi-Cal beneficiaries and/or Healthy Family/MCHIP enrollees will be determined at the time of Annual Cost Report Reconciliation and Settlement, and SD/MC Audit and Post-Audit Settlement processes; and

WHEREAS, the County and Contractor wish to enter into an Agreement which would allow payments by County to Contractor or by Contractor to County resulting from County's Interim Settlement process for FY 20XX-XX; and

WHEREAS, Contractor agrees and understands that such payments are subject to future adjustments based upon FY 20XX-XX Annual Cost Report Reconciliation and Settlement, and SD/MC Audit and Post-Audit Settlement processes; and

WHEREAS, Contractor agrees and acknowledges the survival clause in this Agreement; and

WHEREAS, the following terms, as used in this Agreement, shall have the following meanings:

- A. "Day(s)" means calendar day(s) unless otherwise specified;
- B. "Director" means County's Director of Mental Health or his authorized designee;
- C. "DMH" means County's Department of Mental Health.
- D. "Parties" means County and Contractor

NOW THEREFORE, for valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **ENTIRE AGREEMENT**: The body of this Agreement, Original Contract, which are attached hereto as Exhibits A and incorporated herein by reference, shall constitute the complete and exclusive statement of understanding between the parties. In the event of any conflict or inconsistency between the body of this Agreement and Exhibit A, such conflict or inconsistency shall be resolved by giving precedence to the body of this Agreement.

2. **INTERIM SETTLEMENT:** Subsequent to the County's filing of the Annual Cost Report on behalf of the Contractor, County shall settle with Contractor on an interim basis only if DMH has sufficient funds available as determined by the Director. Interim Settlement is County's settlement process based on the Legal Entity Contractor's submitted Annual Cost Report. It will equal the difference between the Legal Entity Contractor's eligible reimbursable costs under the Original Contract and the total year-to-date payments Contractor has already received, including any Cash Flow Advances. This Interim Settlement amount is provisional and may be subject to adjustment based on the Annual Cost Report Reconciliation and Settlement, and SD/MC Audit and Post-Audit Settlement outcomes.
3. **ORIGINAL CONTRACT (EXHIBIT A):** - Exhibit A, Original Contract's boilerplate, its attachments (including but not limited to the Financial Exhibit) and the most recent Financial Summary for FY 20XX-XX are incorporated by reference and attached to this Agreement, and shall remain unchanged and in effect unless otherwise superseded and noted in the proceeding Paragraphs. The delivery of mental health services by Contractor is not the subject of this Agreement. Therefore, Contractor, under any circumstances, shall not be allowed to submit new and/or modify any services under this Agreement. In addition, Contractor shall not under any circumstances be allowed to further shift funds under this Agreement to receive additional payment.
4. **TERM:** This Agreement shall commence upon execution and shall continue in full force and effect until the parties have satisfied their obligations under this Agreement or the Annual Cost Report Reconciliation and Settlement is complete, whichever occurs later.
5. **PAYMENTS:** The Interim Settlement process may result in either County owing Contractor or Contractor owing County payments. The payment is determined by the Interim Settlement process, whereby the County will calculate the difference between the Legal Entity Contractor's eligible costs for reimbursement under the Original Contract and as submitted per the Annual Cost Report, and

the total year-to-date payments it has already received, including any Cash Flow Advances.

A. PAYMENT BY COUNTY TO CONTRACTOR:

- (1) Payment Amount: In addition to the amounts paid to Contractor for services, including services to Medi-Cal beneficiaries and/or Healthy Families/MCHIP enrollees, during FY 20XX-XX, under the Original Contract, County agrees to pay Contractor an amount as indicated in writing to Contractor from the County, as the result of County's Interim Settlement Process.
- (2) Funding: The payment amount above may be composed of County, federal, and/or State funds. County will use the funds owed to Contractor to reduce any other amounts owed to County. Any remaining amount will be paid to the Contractor.
- (3) Timing of Payment: If no other funds are owed to County, County will pay Contractor within 30 days of execution of this Agreement.

B. PAYMENTS BY CONTRACTOR TO COUNTY: *This Paragraph 5, Subparagraph B of this Agreement shall supersede, in its entirety, Original Contract's Financial Exhibit Section S, Method of Payments for Amounts Due to County.*

- (1) Payment Amount: In the event that it is determined that the Contractor owes County under this Agreement as the result of the Annual Cost Report Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes, including the County's Interim Settlement process, Contractor agrees to pay County the amount specified by County to Contractor in writing. County will use this amount or any amounts due to Contractor by County under any agreement(s) that Contractor has or may enter into with DMH for mental health services, to reduce any amounts owed by Contractor to County. If there is a remaining amount owed to County, Contractor will pay County using one or more of the

options provided below by notifying County within ten (10) business days of execution of this Agreement:

- (a) Paid in one cash payment by Contractor to County;
 - (b) Paid by cash payment(s) by Contractor to County over a period not to exceed twelve (12) months;
 - (c) A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:
 - i. Paid by cash payments(s) or deducted from future claims.
 - (d) Use of in-kind services; or
 - (e) A combination of any or all of the above to run concurrently, but up to and not to exceed six (6) consecutive years.
- (2) If Contractor does not so notify County within such ten (10) business days as stated in Subparagraph B. PAYMENT BY CONTRACTOR TO COUNTY, (1) Payment Amount, above, or if Contractor fails to make payment of any such amount to County as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by County for recovery of such amount from Contractor.
- (3) In-Kind Services: This Agreement considers the repayment of settlement amounts owed from Contractor to the County through the provision of in-kind services. As such, County and Contractor agree to the following terms and conditions:
- (a) The term of the in-kind repayment may be for up to and not to exceed six (6) years from the execution of this Agreement.
 - (b) No payment of any kind will be made by County to Contractor for such in-kind services provided under this Agreement.
 - (c) In-kind services from Contractor will be valued at the hourly rate of Contractor's staff assigned to a DMH Directly

Operated facility or otherwise specified by the Director, to perform the in-kind service. The hourly rate should be the higher of whatever the County pays for a compatible service or Contractor's rate. If Contractor's hourly rate is used, it will be verified according to Contractor's payroll records. Contractor shall not include costs and units of service for such staff while performing in-kind services to County on its year-end cost report.

- (d) County will assign a contract program monitor, or designate, to oversee the in-kind repayment of services by Contractor's staff in a DMH Directly Operated facility or as otherwise specified by the Director. County's contract program monitor, or designate, will oversee Contractor's staff
- (e) County and Contractor agree that the in-kind services to be performed under this Agreement will consist of appropriate clinical services as specified by the Director or his designee within mutually agreed upon service areas. This shall include the type and qualification of staff to perform the in-kind services.
- (f) County's contract program monitor has the discretion to terminate the in-kind services based upon work performance issues associated with the Contractor's staff performing the in-kind services.
- (g) County's contract program monitor may ask for a Corrective Action Plan which may include, but not be limited to, recommending a new repayment option for the Contractor which may include:
 - i. Paid in cash by Contractor to County over a period not to exceed three (3) months;
 - ii. Deducted from future claims over a period not to exceed three (3) months;

- iii. A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:
 - 1. Paid by cash payment(s) or deducted from future claims.
 - iv. Any combination of the above, not to exceed a total of six (6) consecutive years from the date of the original repayment plan under this Agreement.
- (h) County will notify Contractor of the need for a Corrective Action Plan in writing.
- i. If upon receipt of such written notice, Contractor does not provide the County with a written Corrective Action Plan within ten (10) business days, then Director, in his sole discretion, shall determine which of the four (4) payment options shall be used by County for recovery of amount owed by Contractor.
 - (i) Contractor will report the units of service delivered under the in-kind service arrangement in a format specified by County no later than the tenth calendar day of the month following the month of service. If the tenth calendar day of the month falls on a weekend or a County recognized holiday, the report is due the following business day.
- (3) Under special circumstances, Contractor may request in writing an extension of the payment period beyond the six (6) - year extension period referenced in Subparagraph B. PAYMENT BY CONTRACTOR TO COUNTY, (1) Payment Amount, iii – extended repayment plan option.
- (a) Director in his sole discretion may approve Contractor's request.
- (4) Administrative Fee: A monthly administrative fee may be assessed for any Contractor repayment plan beyond 12 months;

- (a) The fee assessed shall be a flat monthly amount based on the amount owed to County and the term of the repayment period at the time of the request.
 - (b) The amount of the fee will be determined by County at the time of Director's approval of Contractor's request, and shall be paid by Contractor to County with the monthly payment until Contractor pays County in full.
 - (5) Contractor may make additional cash payments to County at any time.
 - (6) If an Annual Cost Report Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes results in money owed to Contractor by County, such amount(s) shall be offset from the balance owed to County.
 - (7) Contractor shall ensure that no current year County funding is used to pay prior years' liabilities and that the County offset is absorbed by revenues, donations, and/or other sources of funds.
- C. Notwithstanding any other provision of this Agreement, in the event that County determines that Contractor has failed to make the payment to County as described in Subparagraphs B, PAYMENT BY CONTRACTOR TO COUNTY, and that there is no current written agreement between County and Contractor for mental health services so that no amounts are due by County to Contractor from which the withhold/offset described in Subparagraphs B, PAYMENT BY CONTRACTOR TO COUNTY, can be made, then the total outstanding amount, as determined by County, shall be immediately due and payable by Contractor to County. Contractor shall repay County by cash payment upon demand.
- D. Contractor may by a written notice to the County within 30 days of execution of this Agreement ask to review the County's Interim Settlement results.
 - (1) County will review the County Interim Settlement results with Contractor within 30 days of receipt of request.

(2) County will follow up with a written response within 30 days following the review of the results, if needed.

6. **ADMINISTRATION**: Director shall have the authority to administer this Agreement on behalf of County. Contractor shall designate, in writing, a Manager who shall function as liaison with County regarding Contractor's performance hereunder.
7. **DELEGATION AND ASSIGNMENT**: *This Paragraph 7 of this Agreement shall supersede the Original Contract's Paragraph 28. DELEGATION AND ASSIGNMENT BY CONTRACTOR.*
Contractor shall not delegate its duties or assign its rights under this Agreement, or both, either in whole or in part, without the prior written consent of County. Any prohibited delegation or assignment shall be null and void and shall constitute a material breach of this Agreement upon which County may terminate this Agreement.
8. **CAPTIONS AND PARAGRAPH HEADINGS**: Captions and paragraph headings used in this Agreement are for convenience only and are not a part of this Agreement and shall not be used in construing this Agreement.
9. **ALTERATION OF TERMS**: No addition to, or alteration of, the terms of this Agreement, whether by written or oral understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.
10. **CONTRACTOR'S OFFICES**: Contractor shall notify, in writing, DMH's Contracts Development and Administration Division, and any other County office(s) as identified in Paragraph 13 (NOTICES), of any change in its business address, as shown on page 1 of this Agreement, at least thirty (30) days prior to the effective date thereof.
11. **INDEMNIFICATION**: *This Paragraph 11 shall supersede the Original Contract's Paragraph 21 INDEMNIFICATION AND INSURANCE, Subparagraph A. Indemnification.*

Indemnification: The contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

12. **SURVIVAL**

A. Due to the length of the State reconciliation and audit processes, County and Contractor acknowledge that the final determination of the amounts that may be owed by the parties to each other will occur after expiration or termination of this Agreement. Therefore, County and Contractor agree that all provisions of this Agreement related to effectuating payment, including, but not limited to, provisions related to cost reporting, settlement, and audit, including such provisions in Original Contract, (i.e., Financial Exhibit A-Financial Provisions), survive the expiration or termination of this Agreement. This Paragraph shall not be interpreted to imply that other provisions of the Agreement do not survive its expiration, if the Parties intent, as demonstrated by language, circumstances, law, or practice, is that the provision should survive.

13. **NOTICES**: All notices or demands required or permitted to be given under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first class, registered or certified mail, postage pre-paid, addressed to the parties at the following addresses and to the attention of the persons named. Director shall have the authority to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and persons to be notified may be changed by either party by giving ten (10) days' prior written notice thereof to the other party.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Extended Repayment Agreement to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES:

By _____
Jonathan E. Sherin, M.D., Ph.D.
Director of Mental Health

CONTRACTOR:

By _____
Name _____
Title _____

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL

AMENDMENT NO.

This Amendment is made and entered into this ____ day of _____, 2018, by and between the COUNTY OF LOS ANGELES ("County") and _____ ("Contractor").

WHEREAS, Contractor and County entered into a Department of Mental Health Legal Entity Agreement, Contract No. _____, related to the provision of specialty mental health services during fiscal year (FY) 20xx-xx with all amendments (collectively "Agreement"); and

WHEREAS, County paid Contractor for specialty mental health services rendered in FY 20xx-xx, applying County approved provisional rates; and

WHEREAS, Contractor submitted an Annual Cost Report for FY 20xx-xx to County based on Contractor's actual costs and estimated approved services, including services rendered to Medi-Cal beneficiaries and/or Title XXI Medicaid Children's Health Insurance Program (MCHIP) enrollees; and

WHEREAS, County will complete an Interim Settlement process comparing Contractor's eligible costs in the FY 20xx-xx Annual Cost Report and County's payments made, including Cash Flow Advances, to Contractor for services rendered in FY 20xx-xx to identify any amounts due to Contractor by County or due from Contractor to County, on an interim basis, prior to the Specialty Mental Health Services (SMHS) Reconciliation and Settlement, and Short-Doyle/Medi-Cal (SD/MC) Audit and Post-Audit Settlement processes; and

WHEREAS, Contractor agrees that the Interim Settlement is a County process and will not represent a final payment for services provided in FY 20xx-xx to indigent clients, Medi-Cal beneficiaries and/or MCHIP enrollees, and that it is subject to future adjustments that may result from SMHS Reconciliation and Settlement, and (SD/MC) Audit and Post-Audit Settlement processes; and

WHEREAS, the final determination of the amount earned by Contractor for specialized mental health services provided to Medi-Cal beneficiaries will be determined at the time of SMHS Reconciliation and Settlement, and SD/MC Audit and Post-Audit Settlement processes; and

WHEREAS, the County and Contractor wish to amend the Agreement to allow payments by County to Contractor or by Contractor to County resulting from County's Interim Settlement process for FY 20xx-xx; and

WHEREAS, Contractor agrees and understands that such payments are subject to future adjustments based upon FY 20xx-xx SMHS Reconciliation and Settlement, and SD/MC Audit and Post-Audit Settlement processes; and

WHEREAS, all the other terms and conditions of Agreement shall be unchanged and remain in effect.

NOW THEREFORE, for valuable consideration, the sufficiency of which is hereby acknowledged, County and Contractor agree to amend the Agreement's Attachment II, Exhibit A, Financial Provisions.

1. The following paragraph shall be added and inserted as Paragraph **Q**. **INTERIM SETTLEMENT** and the existing paragraph **Q. SPECIALTY MENTAL HEALTH SERVICES RECONCILIATION AND SETTLEMENT**

and all subsequent Paragraphs shall be sequentially renumbered. The new Paragraph **Q. INTERIM SETTLEMENT** shall read as follows:

“Q. INTERIM SETTLEMENT: Subsequent to the County’s filing of the Annual Cost Report on behalf of the Contractor, County shall settle with Contractor on an interim basis only if sufficient funds are available. Interim Settlement is County’s settlement process based on the Contractor’s submitted Annual Cost Report. It will equal the difference between the Contractor’s eligible costs for reimbursement under the Agreement and the total year-to-date payments Contractor has already received, including any Cash Flow Advances. This Interim Settlement amount is provisional and may be subject to adjustment based on the Annual Cost Report Reconciliation and Settlement, and SD/MD Audit and Post-Audit Settlement outcomes.

- (1) **PAYMENTS:** The Interim Settlement process may result in either County owing Contractor or Contractor owing County payments. The payment is determined by the Interim Settlement process, whereby the County will calculate the difference between the Contractor’s eligible costs for reimbursement under the Agreement and as submitted per the Annual Cost Report, and the total year-to-date payments Contractor has already received, including any Cash Flow Advances.

(2) PAYMENT BY COUNTY TO CONTRACTOR:

(a) Payment Amount: In addition to the amounts paid to Contractor for services, including services to Medi-Cal beneficiaries and/or MCHIP enrollees, during FY 20xx-xx, under the Agreement, County will calculate an interim settlement payment owed to Contractor and provide Contractor with written notification of the amount owed to Contractor.

(b) Funding: The payment amount may be composed of County, federal, and/or State funds. County will use the funds owed to Contractor to reduce any other amounts owed to County.

(c) Timing of Payment: If no other funds are owed to County, County will pay Contractor within 30 days of notification of interim settlement amounts.

(3) Contractor may, by a written notice to the County within 30 days of execution of this amendment, ask to review the County's Interim Settlement results.

(a) County will review the County Interim Settlement results with Contractor within 30 days of receipt of request.

(b) County will follow up with a written response within 30 days following review of the results, if needed.”

2. The existing Paragraphs **S. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY** and **T. INTEREST CHARGES ON DELINQUENT PAYMENTS** shall be deleted in their entirety and replaced with the new Paragraph **T. PAYMENTS BY CONTRACTOR TO COUNTY**. Any references to Paragraphs **S. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY** and **T. INTEREST CHARGES ON DELINQUENT PAYMENTS** in the Agreement shall be deemed amended to mean Paragraph **T. PAYMENTS BY CONTRACTOR TO COUNTY**. The new Paragraph **T. PAYMENTS BY CONTRACTOR TO COUNTY** shall read as follows:

- “(1) Payment Amount: In the event that it is determined that the Contractor owes County under this Agreement as the result of the Interim Settlement, SMHS Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes, Contractor agrees to pay County the sum owed to County upon a written notification by County. County first shall offset this amount against any other amount owed to Contractor. If there is a remaining amount owed to County, Contractor will pay County using one or more of the options provided below by notifying County within ten (10) business days of receipt of County’s written notification:
- (a) Paid in one cash payment by Contractor to County;
 - (b) Paid by cash payment(s) by Contractor to County over a period not to exceed twelve (12) months;

- (c) A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:
 - i. Paid by cash payments(s) or deducted from future claims.
 - (d) Use of in-kind services; or
 - (e) A combination of any or all of the above to run concurrently, but up to and not to exceed six (6) consecutive years.
- (2) If Contractor does not so notify County within such ten (10) business days as stated in Paragraph T. **PAYMENT BY CONTRACTOR TO COUNTY**, (1) Payment Amount, above, or if Contractor fails to make payment of any such amount to County as required, then Director, in his sole discretion, shall determine which of the above five (5) payment options shall be used by County for recovery of such amount from Contractor.
- (3) In-Kind Services: This Agreement considers the repayment of settlement amounts owed from Contractor to the County through the provision of in-kind services. As such, County and Contractor agree to the following terms and conditions:
- (a) The term of the in-kind repayment may be for up to and not to exceed six (6) years from the execution of this Agreement as amended.

- (b) No payment of any kind will be made by County to Contractor for such in-kind services provided under this Agreement as amended.
- (c) In-kind services from Contractor will be valued at the hourly rate of Contractor's staff assigned to a DMH Directly Operated facility or otherwise specified by the Director, to perform the in-kind service. The hourly rate should be the higher of whatever the County pays for a compatible service or Contractor's rate. If Contractor's hourly rate is used, it will be verified according to Contractor's payroll records. Contractor shall not include costs and units of service for such staff while performing in-kind services to County on its year-end cost report.
- (d) County will assign a contract program monitor, or designate, to oversee the in-kind repayment of services by Contractor's staff in a DMH Directly Operated facility or as otherwise specified by the Director. County's contract program monitor, or designate, will oversee Contractor's staff.
- (e) County and Contractor agree that the in-kind services to be performed under this Agreement as amended will consist of appropriate clinical services as specified by the Director or his designee within mutually agreed upon service areas. This includes the type and qualification of staff to be assigned to such Directly Operated facilities to perform the in-kind services.

- (f) County's contract program monitor has the discretion to terminate the in-kind services based upon work performance issues associated with the Contractor's staff performing the in-kind services.
- (g) County's contract program monitor may ask for a Corrective Action Plan which may include, but not be limited to, recommending a new repayment option for the Contractor which may include:
 - i. Paid in cash by Contractor to County over a period not to exceed three (3) months;
 - ii. Deducted from future claims over a period not to exceed three (3) months;
 - iii. A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:
 - 1) Paid in cash payment(s) or deducted from future claims.
 - iv. Any combination of the above, not to exceed a total of six (6) consecutive years from the date of the original repayment plan under this Agreement as amended.
- (h) County will notify Contractor of the need for a Corrective Action Plan in writing.

- (a) The fee assessed shall be a flat monthly amount based on the amount owed to County and the term of the repayment period at the time of the request.
- (b) The amount of the fee will be determined by County at the time of Director's approval of Contractor's request, and shall be paid by Contractor to County with the monthly payment until Contractor pays County in full.
- (6) Contractor may make additional cash payments to County at any time.
- (7) If SMHS Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes results in money owed to Contractor by County, such amount(s) shall be offset from the balance owed to County.
- (8) Contractor shall ensure that no current-year County funding is used to pay prior years' liabilities and that the County offset is absorbed by revenues, donations, and/or other sources of funds.
- (9) Notwithstanding any other provision of this Agreement as amended, in the event that County determines that Contractor has failed to make the payment to County as described in Paragraph **I.** **PAYMENT BY CONTRACTOR TO COUNTY**, and that there is no current written agreement between County and Contractor for mental health services so that no amounts are due by County to Contractor from which the withhold/offset described in Paragraph **I.**

PAYMENT BY CONTRACTOR TO COUNTY, can be made, then the total outstanding amount, as determined by County, shall be immediately due and payable by Contractor to County. Contractor shall repay County by cash payment upon demand.”

3. All other terms and conditions of Agreement shall be unchanged and remain in effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or his designee, and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES:

By _____
Jonathan E. Sherin, M.D., Ph.D.
Director of Mental Health

CONTRACTOR:

By _____
Name _____
Title _____

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
OFFICE OF THE COUNTY COUNSEL

CONTRACT NO. MHxxxxxx

AMENDMENT NO. x

THIS AMENDMENT is made and entered into this ____ day of ____, 2018, by and between the COUNTY OF LOS ANGELES ("County") and _____ ("Contractor").

WHEREAS, County and Contractor have entered into a written Agreement, dated July 1, 20xx, identified as County Agreement No. MHxxxxxx, and any amendments thereto, ("Agreement"); and

WHEREAS, County and Contractor agree to **reinstate** the Agreement, including all its Exhibits; and

WHEREAS, the purpose of reinstating the Agreement is to amend it to revise the payment terms and extend the time period for Contractor to repay any outstanding State Reconciliation and Audit settlement amounts owed to County; and

WHEREAS, Contractor's repayment amount is based upon the State Reconciliation and Audit settlement processes for FY 2005-06; and

WHEREAS, County believes it is in the best interest of the people of the County of Los Angeles for Contractor to repay any amounts owed to County in the manner described in the revised payment terms of the Agreement; and

WHEREAS, County and Contractor desire to amend the Agreement in order for Contractor to repay County as set forth in the revised payment terms herein; and

WHEREAS, all other terms and conditions under the Agreement shall remain unchanged, unless otherwise provided herein.

NOW, THEREFORE, THE COUNTY AND CONTRACTOR AGREE AS FOLLOWS:

1. TERM of the Agreement shall be revised to include the following:

"The Agreement shall remain in effect from the commencement date until Contractor has satisfied its obligations under the Agreement. The delivery of

mental health services by Contractor is not the subject of this Amendment. Therefore, any exhibits relating to the delivery of such services under the Agreement are not reinstated. Contractor, under any circumstances, shall not be allowed to submit new claims and/or modify any services under this Agreement. Furthermore, Contractor shall not under any circumstances be allowed to further shift funds under this Agreement to receive additional payment.”

2. Paragraph 4. FINANCIAL PROVISIONS, Subparagraphs S. Payments Due to County/Method of Payment and T. Interest Charges on Delinquent Payments shall be deleted in their entirety and replaced with a new Subparagraph S. Payments by Contractor to County. Any references in the Agreement to Subparagraphs S. Payments Due to County/Method of Payment and T. Interest Charges on Delinquent Payments shall be deemed amendment to mean Subparagraph S. Payments by Contractor to County. The new Subparagraph S. Payments by Contractor to County shall read as follows and subsequent Subparagraphs shall be renumbered sequentially:

“T. Payments by Contractor to County:

(1) Payment Amount: In the event that it is determined that the Contractor owes County under this Agreement as the result of the SMHS Reconciliation and Settlement, and/or SD/MC Audit and Post-Audit Settlement processes, Contractor agrees to pay County the sum owed to County upon a written notification by County. County will use this amount or any amounts due to Contractor by County under any agreement(s) that Contractor has or may enter into with DMH for mental health services, to reduce any amount owed by Contractor to County. If there is a remaining amount owed to County, Contractor will pay County using one or more of the options provided below by notifying County within ten (10) business days of execution of this Amendment:

- (a) Paid in one cash payment by Contractor to County;
- (b) Paid by cash payment(s) by Contractor to County over a period not to exceed twelve (2) months;

(c) A repayment plan for up to and not to exceed six (6) years as negotiated between County and contractor and approved by the Director or his designee:

i. Paid in cash or deducted from future claims;

(d) Use of in-kind services; or

(e) A combination of any or all of the above to run concurrently, but up to and not to exceed six (6) consecutive years.

(2) If Contractor does not so notify County within such ten (10) business days as stated in Subparagraph T. PAYMENT BY CONTRACTOR TO COUNTY, (1). Payment Amount, above, or if Contractor fails to make payment of any such amount to County as required, then Director, in his sole discretion, shall determine which of the above first five (5) payment options shall be used by County for recovery of such amount from Contractor.

(3) In-Kind Services: This Agreement considers the repayment of settlement amounts owed from Contractor to the County through the provision of in-kind services. As such, County and Contractor agree to the following terms and conditions:

(a) The term of the in-kind repayment may be for up to and not to exceed six (6) years from the execution of this Amendment.

(b) No payment of any kind will be made by County to Contractor for such in-kind services provided under this Amendment.

(c) In-kind services from Contractor will be valued at the hourly rate of Contractor's staff assigned to a DMH Directly Operated facility or otherwise specified by the Director, to perform the in-kind service. The hourly rate should be the higher of whatever the County pays for a compatible service or Contractor's rate. If Contractor's hourly rate is used; it will be verified according to Contractor's payroll records. Contractor shall not include costs and units of service for such staff while performing in-kind services to County on its year-end cost report.

(d) County will assign a contract program monitor, or designate, to oversee the in-kind repayment of services by Contractor's staff in a DMH

Directly Operated facility or as otherwise specified by the Director. County's contract program monitor, or designate, will oversee Contractor's staff.

(e) County and Contractor agree that the in-kind services to be performed under this Agreement will consist of appropriate clinical services as specified by the Director or his designee within mutually agreed upon service areas. This includes the type and qualification of staff to be assigned to such Directly Operated facilities to perform the in-kind services.

(f) County's contract program monitor has the discretion to terminate the in-kind services based upon work performance issues associated with the Contractor's staff performing the in-kind services.

(g) County's contract program monitor may ask for a Corrective Action Plan which may include, but not be limited to, recommending a new repayment option for the Contractor which may include:

i. Paid in cash by Contractor to County over a period not to exceed three (3) months;

ii. Deducted from future claims over a period not to exceed three (3) months;

iii. A repayment plan for up to and not to exceed six (6) years as negotiated between County and Contractor and approved by the Director or his designee:

(i) Paid in cash or deducted from future claims;

vi. Any combination of the above, not to exceed a total six (6) consecutive years from the date of the original repayment plan under this Amendment.

(h) County will notify Contractor of the need for a Corrective Action Plan in writing.

i. If upon receipt of such written notice, Contractor does not provide the County with a written Corrective Action Plan within ten (10) business days then Director, in his sole discretion, shall determine which of the four (4) payment options shall be used by County for recovery of amount owed by Contractor.

ii. Contractor will report the units of service delivered under the in-kind service arrangement in a format specified by County no later than the tenth calendar day of the month following the month of service. If the tenth calendar day of the month falls on a weekend or a County recognized holiday, the report is due the following business day.

(4) Under special circumstances, Contractor may request in writing an extension of the payment period beyond the six (6) - year extension period referenced in Subparagraph T. PAYMENT BY CONTRACTOR TO COUNTY, (1). Payment Amount, iii – extended repayment plan option.

(a) Director in his sole discretion may approve Contractor's request.

(5) Administrative Fee: A monthly administrative fee may be assessed for any Contractor repayment plan beyond 12 months;

(a) The fee assessed shall be a flat monthly amount based on the amount owed to County and the term of the repayment period at the time of the request.

(b) The amount of the fee will be determined by County at the time of Director's approval of Contractor's request, and shall be paid by Contractor to County with the monthly payment until Contractor pays County in full.

(6) Contractor may make additional cash payments to County at any time.

(7) If any Post Contract Audit process results in money owed to Contractor by County, such amount(s) shall be offset from the balance owed to County.

(8) Contractor shall ensure that no current-year County funding is used to pay prior years' liabilities and that the County offset is absorbed by revenues, donations, and/or other sources of funds.

(9) Notwithstanding any other provision of this Agreement, in the event that County determines that Contractor has failed to make the payment to County as described in Subparagraph S. PAYMENT BY CONTRACTOR TO COUNTY, and that there is no current written agreement between County and Contractor for

mental health services so that no amounts are due by County to Contractor from which the withhold/offset described in Subparagraph S. PAYMENT BY CONTRACTOR TO COUNTY, can be made, then the total outstanding amount, as determined by County, shall be immediately due and payable by Contractor to County. Contractor shall repay County by cash payment upon demand.”

3. Paragraph 20 INDEMNIFICATION AND INSURANCE, Subparagraph A. Indemnification shall be deleted in its entirety and replaced with the following revised paragraph:

“A. Indemnification: The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.”

4. Paragraph 54 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT shall be deleted in its entirety and replaced with the following revised language:

“54. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT:

A. The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996, its implementing regulations (HIPAA), and subtitle D, Privacy, of the Health Information Technology for Economic and Clinical Health Act (HITECH). Contractor understands and agrees that it is a “Covered Entity” under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.

B. The parties acknowledge their separate and independent obligations with respect to HIPAA and HITECH, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA and HITECH in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA or HITECH, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

C. Contractor and County understand and agree that each is independently responsible for HIPAA and HITECH compliance and agree to take all necessary and reasonable actions to comply with the requirements of HIPAA law and implementing regulations related to Transactions and Code Sets, Privacy, and Security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees and agents) for its failure to comply with HIPAA or HITECH.

D. Contractor and County understand and agree that HIPAA has imposed additional requirements in regards to changes in DMH's County's information system.

(1) County has a Guide to Procedure Codes available at <http://lacdmh.lacounty.gov/hipaa/index.html> which includes a "crosswalk" of DMH activity codes to Current Procedural Terminology (CPT) and Health Care Procedure Coding System (HCPCS) codes.

(2) County has electronic Data Interchange (EDI) Agreement forms available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.html which includes information about the applicable HIPAA transactions that can be processed in the County's Integrated System (IS) and the Integrated Behavioral Health Information System (IBHIS) respectively.

(3) Contractor acknowledges that County is transitioning from the IS to IBHIS in which clinical, demographic, administrative, financial, claims, outcomes, and other information will be exchanged between DMH and contract providers exclusively through the use of EDI transactions and other County defined b2b (“Business-to-Business”) data collection and interoperability solutions.

(4) As County defines requirements for each transaction and determines the method by which each transaction is to be exchanged between Contractor and County, County shall notify Contractor of the effective date(s) by which Contractor shall be required to implement each newly defined interface through County’s release of revised Companion Guides. Revised Companion Guides shall be released prior to the effective date(s) upon which each newly defined interface is required in accordance with the schedule below and in accordance with County’s estimate of the effort required to implement each newly defined interface, unless earlier effective date(s) are imposed by law or regulation, or earlier effective dates(s) are established by mutual agreement between County and Contractor.

(a) 120 days for new interface requiring major development and testing,

(b) 90 days for new interfaces requiring moderate development and testing; and

(c) 60 days for new interfaces requiring minimal development and testing.

(5) Contractor acknowledges that County may modify interfaces requirements as deemed needed by County. County shall notify Contractor of the effective dates(s) by which Contractor shall be required to comply with each modified interface in accordance with County’s revised requirements through County’s release of revised Companion Guides. Revised Companion Guides shall be released prior to the effective date(s) upon which each modified interface is required in accordance with the schedule below and in accordance with County’s estimate of the effort required to implement each revised interface, unless earlier effective dates(s) are imposed by law or regulation, or earlier

effective dates(s) are established by mutual agreement between County and Contractor.

(a) 90 days for existing interfaces requiring major development and testing;

(b) 60 days for existing interfaces that requiring moderate development and testing; and

(c) 30 days for existing interfaces requiring minimal development and testing.

(6) Contractor agrees to comply with the exchange of all required interfaces specified by County and the method by which these transactions are to be exchanged between Contractor and County as of the effective date(s) specified by County.

(7) County has Trading Partner Agent Authorization Agreements available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.html which includes the Contractor's authorization to its Agent(s) to submit HIPAA-compliant transactions on behalf of Contractor to the IS and IBHIS respectively.

E. Contractor understands that County operates an informational website <http://dmh.lacounty.gov/wps/portal/dmh> related to the services under this Agreement and the parties' HIPAA obligations, and agrees to undertake reasonable efforts to utilize said website to obtain updates, other information, and forms to assist Contractor in its performance.

F. Contractor understands and agrees that if it uses the services of an Agent in any capacity in order to receive, transmit, store or otherwise process Data or Data Transmissions or perform related activities, the Contractor shall be fully liable to DMH for any acts, failures or omissions of the Agent in providing said services as though they were the Contractor's own acts, failures, or omissions.

G. Contractor further understands and agrees that the terms and conditions of the current IS and IBHIS Trading Partner Agreements (TPA) available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html and

http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.html respectively, shall apply to this Agreement and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

H. Contractor acknowledges that County participates in the Meaningful Use of Electronic Health Records Incentive Program (MU Program) under the HITECH Act which requires the annual submission of data documenting the compliance of eligible professionals with certain MU measures.

I. County and Contractor further understand and agree that mutual cooperation in the collection and reporting of MU Program measures may be required in cases in which both County and Contractor have employed or contracted the professional medical services of the same eligible professional during any calendar year in which the MU Program is in effect. In such cases, the requesting party shall deliver to the receiving party a letter on agency letterhead indicating the specific information requested, the format in which the information is to be delivered to the requesting party, and the required date of delivery of the information requested. The receiving party shall have 30 days from receipt of the request to deliver the requested information to the requesting party in the format specified by the requester.”

5. Except as provided in this Amendment, all other terms and conditions of the Agreement shall remain in full force and effect.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by County's Director of Mental Health or designee, and Contractor has caused this Amendment to be subscribed on its behalf by its duly authorized officer on the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
JONATHAN E. SHERIN, M.D., Ph. D.
Director of Mental Health

CONTRACTOR

By _____

Name . _____

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL