



**LOS ANGELES COUNTY
DEPARTMENT OF MENTAL HEALTH**

JONATHAN E. SHERIN, M.D., Ph.D., Director
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RODERICK SHANER, M.D., Medical Director



December 06, 2016

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

29 December 6, 2016

LORI GLASGOW
EXECUTIVE OFFICER

**APPROVAL TO EXECUTE DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENTS
FOR PSYCHIATRIC URGENT CARE CENTER SERVICES FOR FISCAL YEARS 2016-17
THROUGH 2020-21 AND EXECUTE A LEASE AGREEMENT WITH EXODUS RECOVERY, INC.
(SUPERVISORIAL DISTRICTS ONE, TWO AND FIVE)
(3 VOTES)**

SUBJECT

Request for delegated authority to execute Los Angeles County Department of Mental Health Legal Entity Agreements for Psychiatric Urgent Care Center Services and execute a lease agreement with Exodus Recovery, Inc.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Director of Mental Health (Director), or his designee, to execute new Department of Mental Health (DMH) Legal Entity (LE) Agreements for Psychiatric Urgent Care Center (UCC) services, substantially similar to Attachment I, with Exodus Recovery, Inc. (Exodus) in Service Area (SA) 8, Star View Behavioral Health, Inc. (Star View) in SA 8 and Telecare Corporation (Telecare) in SA3. These Agreements shall be executed upon completion of tenant improvements (TIs) at proposed UCC sites and remain in effect through June 30, 2021 for the provision of psychiatric UCC services. These Agreements will include financial provisions for cost-based reimbursement so there is no Maximum Contract Amount (MCA); however, the estimated funding in FY 2016-17, is \$454,467 with Star View and \$2,313,442 with Exodus. These Agreements will be fully funded by Mental Health Services Act (MHSA), Assembly Bill (AB) 109 Post-Release Community Supervision, an Intrafund Transfer from the Los Angeles County Office of Diversion and Reentry (ODR), Federal Financial Participation (FFP) Medi-Cal and 2011 Realignment – Early and

Periodic Screening, Diagnosis, and Treatment (EPSDT) revenue.

2. Delegate authority to the Director, or his designee, to execute a new DMH LE Agreement for Psychiatric UCC Services, substantially similar to Attachment I, on a sole source basis, with Star View in the Antelope Valley (SA 1), provided that sole source contract negotiations will not commence until at least four weeks after the December 1, 2016 date of the Department's sole source notification letter to the Board. This Agreement will be executed upon completion of TIs at proposed site and will remain in effect through June 30, 2021 for the provision of psychiatric UCC services. This Agreement will include financial provisions for cost-based reimbursement so there is no MCA; however, the estimated annual funding is \$5,453,606 fully funded by MHSA, AB 109 Post-Release Community Supervision and FFP revenue.

3. Delegate authority to the Director, or his designee, to execute DMH LE Agreement for UCC Services, substantially similar to Attachment I, with existing UCC service providers. The Agreements will become effective on July 1, 2017 and remain in effect through June 30, 2021. These Agreements will include financial provisions for cost-based reimbursement so there is no MCA; however, the estimated annual funding is \$18,781,092.

4. Delegate authority to the Director, or his designee, to prepare, sign and execute future amendments to the Agreements in Recommendation 1, 2 and 3 provided that: 1) amendments are to provide additional services or add related services to ensure continuity of care or to reflect program and/or policy changes; 2) approval as to form of County Counsel, or her designee, is obtained prior to any such amendments; 3) the County and contractors may, by written amendment, reduce programs or services; and 4) the Director, or his designee, notifies your Board and the Chief Executive Office (CEO) of Agreement changes in writing within 30 days after execution of each amendment.

5. Delegate authority to the Director, or his designee, to delete a source of funding or to terminate the agreements in Recommendations 1, 2 and 3 completely in the event that the Contractor has failed to comply with the terms of a corrective action plan and the Director considers such actions to be in the County's best interest.

6. Delegate authority to the Director, or his designee, to prepare, sign and execute future administrative amendments to the Agreements in Recommendation 1, 2 and 3 provided that: 1) administrative amendments are necessary to change, revise, add, or delete the provider's name, address, situs address, or other technical corrections, or to shift funds between currently contracted Funded Programs; 2) approval as to form of County Counsel, or her designee, is obtained prior to any such administrative amendments; and 3) the Director, or his designee, notifies your Board and the CEO of Agreement changes in writing within 30 days after execution of each amendment.

7. Delegate authority to the CEO Real Estate Division (CEO-RED) to negotiate and execute a lease agreement, substantially similar to Attachment II, with Exodus to run concurrently with the LE Agreement in Recommendation 1, for the use of space at the Harbor-UCLA Medical Center located at 1000 W. Carson Ave., Torrance, CA90509, Building 2 South for a Psychiatric UCC. Entering into the lease under the proposed terms and conditions will further programs which are in the best interest of the County and general public, per Section 26227 of the Government Code.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Board approval of Recommendations 1 and 2 will allow DMH to execute new LE Agreements for Psychiatric UCC Services to expand capacity for community-based crisis services in accordance with the goals and objectives of the Investment in Mental Health Wellness Act, also known as Senate Bill (SB) 82. In enacting SB 82, the State legislature found that increasing access to effective outpatient and crisis stabilization services reduces costs associated with expensive inpatient and emergency room care and meets the needs of individuals with mental health disorders in the least restrictive manner possible. Additionally, funding from ODR will enhance DMH's capacity to provide crisis stabilization and linkage to recovery services for individuals with mental illness at the first point of contact with law enforcement entities and the criminal justice system as an alternative to repetitive incarcerations.

Board approval of Recommendations 1 and 2 will also allow DMH to execute new LE Agreements for Psychiatric UCC services once TIs for each proposed site have concluded. These TIs are part of a separate lease agreement between the County and the agencies in Recommendations 1 and 2 that will be executed concurrently with the LE Agreements for Psychiatric UCC services.

Board approval of Recommendation 3 will allow DMH to execute LE Agreements for UCC Services with existing providers. Currently, UCC service providers receive payment for services within the limits of their MCA; however, due to the need for UCCs to maintain sufficient staff to respond to fluctuating and unpredictable levels of census and client acuity, the new Agreement will include financial provisions for a cost-based payment structure.

Board approval of Recommendation 4 will give DMH the ability to amend the LE Agreements for UCC Services in Recommendation 1, 2 and 3 in an expeditious manner in response to increases in service capacity. It will also allow DMH and its LE Contractors to continue providing essential and urgent psychiatric services.

Board approval of Recommendation 5 will allow DMH to delete a source of funding or terminate the LE Agreement in Recommendation 1, 2 and 3, in the event Contractor fails to comply with the terms of a corrective action plan as described in Financial Exhibit A, Paragraph G of the LE Agreement.

Board approval of Recommendation 6 will allow DMH to execute administrative amendments under Paragraph 40, subparagraph B of the LE Agreements in Recommendation 1, 2 and 3, as necessary.

Board approval of Recommendation 7 will allow CEO-RED, in concert with DMH, to negotiate and execute a lease agreement with Exodus to occupy space and utilize it as a UCC in the Harbor-UCLA Medical Center.

Implementation of Strategic Plan Goals

The recommended actions are consistent with County Strategic Plan Goal No. 3, Integrated Services Delivery.

FISCAL IMPACT/FINANCING

DMH anticipates executing two Agreements in FY 2016-17.

The estimated cost of the Agreement with Star View, in the amount of \$454,467, for FY 2016-17 is fully funded with MHSA, AB 109 Post-Release Community Supervision, FFP Medi-Cal and 2011

Realignment – EPSDT revenue, which is included in the FY 2016-17 Final Adopted Budget.

The estimated cost of the Agreement with Exodus, in the amount of \$2,312,442, for FY 2016-17 is fully funded with an Intrafund Transfer from ODR, AB 109 Post-Release Community Supervision, FFP Medi-Cal and 2011 Realignment – EPSDT revenue. The estimated cost of this Agreement includes one time funding of \$1,403,508 for capital development and start up cost. Sufficient appropriation is included in the FY 2016-17 Final Adopted Budget for this Agreement.

Annual funding for the Agreements in Recommendation 1, 2 and 3 for future fiscal years is estimated at \$40,595,516, fully funded by MHSA, AB109 Post-Release Community Supervision, an Intrafund Transfer from ODR, an Intrafund Transfer from Department of Children and Family Services, FFP Medi-Cal and 2011 Realignment – EPSDT revenue. This funding will be requested during the annual budget request process.

There is no impact on net County Cost for these actions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 12, 2014, DMH applied for SB 82 funding, which included a proposal to implement three UCCs. On April 4, 2014, the County was awarded \$40,892,700 in SB 82 funding to increase capital capacity for crisis services, of which \$4,210,526 was allocated to develop the three UCCs. On November 12, 2014, your Board adopted a resolution to accept SB 82 funding. Subsequently, a funding opportunity from the County was identified for the capital costs for a fourth UCC to be developed in the South Bay/Harbor area of the County.

For any new UCC utilizing SB 82 funding, California Code of Regulations (CCR) Title 4, Division 10, Chapter 5 requires that the County maintain a possessory interest in the approved project through the execution of a lease between the Contractor and the County for the useful life of the project. DMH and the CEO-RED have collaborated to develop a County Lease Agreement that will ensure the County is in compliance with the requirements of CCR Title 4, Division 10, Chapter 5 and will enable a Contractor to access SB 82 funds. DMH and CEO-RED have aligned the term of the lease agreement with the life of the project that has been determined to be 10 years with two (2) optional five (5) year renewals. Approval of the Lease Agreement for UCC will be filed separately by the CEO-RED for all agencies except Exodus. Approval for Exodus' lease is included in this Board letter.

UCCs provide crisis stabilization services including integrated services for co-occurring mental health and substance use disorders, 24 hours per day, seven days per week; rapid access to mental health evaluation and assessment, crisis intervention/stabilization, medication support, case management; and linkage to community-based resources for individuals 13 years of age or older experiencing psychiatric crisis.

The LE Agreement for Psychiatric UCC Services format (Attachment I) has been approved as to form by County Counsel. DMH administrative staff will administer and monitor contractors' adherence to the Agreement and evaluate programs to ensure that quality services are provided. DMH administrative staff will also notify your Board and CEO, on an annual basis, regarding psychiatric UCC service expenditures for Los Angeles County.

Board Policy Manual Section 5.100, Sole Source Contracts, requires four-week advance written notice to the Board prior to commencing sole source contract negotiations. DMH notified your Board on December 1, 2016 of its intent to enter into contract negotiations with Star View for a UCC in the

Antelope Valley (Attachment III), and the required Sole Source Checklist has been reviewed and approved by CEO (Attachment IV). Accordingly, the Department will not commence negotiations with Star View until at least four weeks after the December 1, 2016 date of the sole source notification. For this reason, the Department is requesting delegated authority at this time, but will not exercise the delegated authority until this notification period has elapsed. This is due to the need to move expeditiously on the implementation of other UCCs covered in this Board Letter.

CONTRACTING PROCESS

On July 24, 2015, DMH issued a Request for Proposals (RFP) Bid No. 07242015B1 for the development of three new UCCs in areas of the County that do not currently have a UCC: the Antelope Valley, the San Gabriel Valley and the South Bay/Harbor areas. On August 10, 2015, an addendum to the RFP was issued to add a fourth UCC to be funded by the County.

DMH announced the release of the RFP and addendum by mailing out all documents to agencies on DMH's Bidder's List, publishing the announcement in major local newspapers and posting them on the DMH internet site and the Los Angeles County Doing Business With Us site. DMH required potential proposers to attend a Mandatory Proposers' Conference, after which, six (6) agencies submitted proposals to DMH by the October 6, 2015, deadline. The six proposals received were for the areas of San Gabriel Valley, Long Beach and South Bay/Harbor Area. Proposals were not received for the Antelope Valley.

The committee that was selected to evaluate proposals used the RFP Bid No. 07242015B1 specific standardized evaluation tool and an informed averaging process to arrive at final scores. Through this evaluation process, it was determined that Exodus, Star View and Telecare meet the RFP standards and have the adequate experience to provide the required services.

After notification of the RFP results, the non-awardees were given the opportunity to request a formal debriefing. The Department received two (2) debriefing requests. Following the debriefings, the agencies were given the opportunity to request a Proposed Contractor Selection Review, but did not do so.

DMH's Executive Management Team (EMT) has reviewed and approved the evaluation committee's final evaluation ratings and recommends that your Board award the Agreements in Recommendation 1. EMT also recommends the award of a sole source Agreement to Star View in SA 1.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions for the operation of these psychiatric UCCs will aid the County's efforts to decompress psychiatric emergency services, reduce unnecessary hospitalizations and inpatient days, and mitigate unnecessary incarcerations and expenditures of local law enforcement by expanding community-based crisis response services and improving access to timely assistance.

The Honorable Board of Supervisors

12/6/2016

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. E. Sherin', is written on a white background. The signature is fluid and cursive.

Jonathan E. Sherin, M.D., Ph.D.

Director

JES:RK:MM:MM:o

h

Enclosures

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

DEPARTMENT OF MENTAL HEALTH
LEGAL ENTITY AGREEMENT
FOR PSYCHIATRIC URGENT CARE CENTER SERVICES

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CONTRACTOR:

_____ Contract Number

_____ Vendor Number

Business Address:

_____ Reference Number(s)

_____ Legal Entity Number

Provider Number(s) _____

Contractor Headquarters' Supervisorial District _____

Mental Health Service Area(s) _____ OR Countywide _____

=====*Below This Line For Official CDAD Use Only*=====

DISTRIBUTION

(Please type in the applicable name for each)

Deputy Director _____

Lead Manager _____

K: S _____ --or-- U _____

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DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of ____ 201x, by and between the County of Los Angeles (hereafter "County"), and _____ (hereafter "Contractor") with the following business address at _____

WHEREAS, County desires to provide to those persons in Los Angeles County who qualify therefore certain mental health services contemplated and authorized by the Bronzan-McCorquodale Act, California Welfare and Institutions Code (WIC) Section 5600 et seq.; and

WHEREAS, County desires through the County's Request for Statement of Qualification (RFSQ) process to provide to those persons in Los Angeles County who qualify therefore certain mental health services contemplated and authorized by the Mental Health Service Act (MHSA) adopted by the California electorate on November 2, 2004; and

WHEREAS, Contractor is equipped, staffed, and prepared to provide these services as described in this Agreement; and

WHEREAS, County believes it is in the best interest of the people of the County of Los Angeles to provide these services by contract; and

WHEREAS, these services shall be provided by Contractor in accordance with all applicable federal, State and local laws, required licenses, ordinances, rules, regulations, manuals, guidelines, and directives, which may include, but are not necessarily limited to, the following: Bronzan-McCorquodale Act, WIC Section 5600 et seq., including, but not limited to, Sections 5600.2, 5600.3, 5600.4, 5600.9, 5602, 5608, 5651, 5670, 5670.5, 5671, 5671.5, 5672, 5705, 5709, 5710, 5751.2, and 5900 et seq.; Medi-Cal Act, WIC Section 14000 et seq., including, but not limited to, Section 14705.5, 14705.7, 14706, 14710, and 14132.44; WIC Section 15600 et seq., including Section 15630; WIC Section 17601 et seq.; California Work Opportunities and Responsibilities to Kids Act, WIC Section 11200 et seq.; California Government Code Sections 26227 and 53703; Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.; Part B of Title XIX of the Public Health Service Act, 42 United States Code Section 300x et seq.; Title XXI of the Social Security Act; California Penal Code Section 11164 et seq.; Title 9 and Title 22, including, but not limited to, Sections 51516, 70001, 71001, 72001 et seq., and 72443 et seq. of the California Code of

Regulations (CCR); 45 Code of Federal Regulations Parts 160 and 164 and WIC Section 5328 et seq.; California Department of Health Care Services (DHCS) Mental Health Plan Agreement; Los Angeles County Department of Mental Health (DMH) Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services; State's Cost and Financial Reporting System Instruction Manual; Federal Office of Management and Budget (OMB) Uniform Guidance, Subpart E: Cost Principles and Subpart F: Single Audit Requirement; County of Los Angeles Auditor-Controller Contract Accounting and Administration Handbook; policies and procedures developed by County; State's Medicaid Plan; and policies and procedures which have been documented in the form of Policy Letters issued by DHCS; and

WHEREAS, this Agreement is authorized by WIC Section 5600 et seq., California Government Code Sections 23004, 26227 and 53703, and otherwise.

NOW, THEREFORE, Contractor and County agree as follows:

1. **TERM:**

A. Initial Period: The Initial Period of this Agreement shall commence on _____ and shall continue in full force and effect through _____.

B. Automatic Renewal Period(s): After the Initial Period, this Agreement shall be automatically renewed two additional periods without further action by the parties hereto unless either party desires to terminate this Agreement at the end of either the Initial Period or First Automatic Renewal Period and gives written notice to the other party not less than 30 calendar days prior to the end of the Initial Period or the end of the First Automatic Renewal Period, as applicable.

(1) First Automatic Renewal Period: If this Agreement is automatically renewed, the First Automatic Renewal Period shall commence on _____ and shall continue in full force and effect through _____.

(2) Second Automatic Renewal Period: If this Agreement is automatically renewed, the Second Automatic Renewal Period shall commence on _____, and shall continue in full force and effect through _____.

C. Six Months Notification of Agreement Expiration: Contractor shall notify County when this Agreement is within six (6) months of expiration. Contractor shall send such notice to those persons and addresses which are set forth in Paragraph 70 (NOTICES).

D. Contractor Alert Reporting Database (CARD): The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

2. **TERMINATION WITHOUT CAUSE:** This Agreement may be terminated by either party at any time without cause by giving at least 30 calendar days prior written notice to the other party. Any termination of this Agreement by County pursuant to this Paragraph 2 shall be approved by County's Board of Supervisors.

3. **IMMEDIATE TERMINATION BY COUNTY:**

A. In addition to any other provisions for termination provided in this Agreement, this Agreement may be terminated by County immediately if County determines that:

(1) Contractor has failed to initiate delivery of services within 30 calendar days of the commencement date of this Agreement; or

(2) Contractor has failed to comply with any of the provisions of Paragraphs 18 (NONDISCRIMINATION IN SERVICES), 19 (NONDISCRIMINATION IN EMPLOYMENT), 21 (INDEMNIFICATION AND INSURANCE), 22 (WARRANTY AGAINST CONTINGENT FEES), 23 (CONFLICT OF INTEREST), 28 (DELEGATION AND ASSIGNMENT), 29 (SUBCONTRACTING), 34 (CHILD SUPPORT COMPLIANCE PROGRAM), 48 (CERTIFICATION OF DRUG-FREE WORK PLACE), 54 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM) and/or 64 (CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM); or

(3) In accordance with Paragraphs 35 (TERMINATION FOR INSOLVENCY), 36 (TERMINATION FOR DEFAULT), 37 (TERMINATION FOR IMPROPER CONSIDERATION), 49 (COUNTY LOBBYISTS), and/or 65 (TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM).

B. In the event that this Agreement is terminated, including termination as provided for in Paragraph 2 (TERMINATION WITHOUT CAUSE), then:

(1) On or after the date of the written notice of termination, County, in its sole discretion, may stop all payments to Contractor hereunder until preliminary settlement based on the Annual Cost Report. Contractor shall prepare an Annual Cost Report in accordance with the terms of the Financial Exhibit A.

(2) Upon issuance of any notice of termination, Contractor shall make immediate and appropriate plans to transfer or refer all patients/clients receiving services under this Agreement to other agencies for continuing services in accordance with the patient's/client's needs. Such plans shall be subject to prior written approval of Director or his designee, except that in specific cases, as determined by Contractor, where an immediate patient/client transfer or referral is indicated, Contractor may make an immediate transfer or referral. If Contractor terminates this Agreement, all

costs related to all such transfers or referrals as well as all costs related to all continuing services shall not be a charge to this Agreement nor reimbursable in any way under this Agreement; and

(3) If Contractor is in possession of any equipment, furniture, removable fixtures, materials, or supplies owned by County as provided in Paragraph 45 (PURCHASES), the same shall be immediately returned to County.

4. **ADMINISTRATION:** The Director of Mental Health (Director) shall have the authority to administer this Agreement on behalf of the County. All references to the actions or decisions to be made by the County in this Agreement shall be made by the Director unless otherwise expressly provided.

A. The Director may designate one or more persons to act as his/her designee for the purposes of administering this Agreement. Therefore "Director" shall mean "Director and/or his/her designee."

B. Contractor shall designate in writing a Contract Manager who shall function as liaison with County regarding Contractor's performance hereunder.

5. **DESCRIPTION OF SERVICES/ACTIVITIES:** Contractor shall provide those mental health services identified on the Financial Summary and Service Exhibit(s) of this Agreement and as described in the Contractor's Negotiation Package for this Agreement, as approved in writing by Director. The quality of services provided by Contractor shall be the same regardless of the patient's/client's ability to pay or source of payment.

Contractor shall be responsible for delivering services to new patients/clients to the extent that funding is provided by County. Where Contractor determines that services to new patients/clients can no longer be delivered, Contractor shall provide 30 calendar days prior notice to County. Contractor shall also thereafter make referrals of new patients/clients to County or other appropriate agencies.

Contractor shall not be required to provide the notice in the preceding paragraph when County reduces funding to Contractor, either at the beginning of or during the fiscal year. In addition, when County eliminates the funding for a particular program provided by Contractor, Contractor shall not be responsible for continuing services for those patients/clients linked to that funding but shall make referrals of those patients/clients to County or other appropriate agencies.

Contractor may provide activities claimable as Title XIX Medi-Cal Administrative Activities pursuant to WIC Section 14132.44. The administrative activities which may be claimable as Title XIX Medi-Cal Administrative Activities are shown on the Financial Summary and are described in the policies and procedures provided by SDMH and/or SDHS.

Contractor may provide mental health services claimable as Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services.

Contractors shall not be eligible to provide mental health services claimable under the Mental Health Services Act (MHSA) unless Contractor has been found to be eligible to provide mental health services as follows: (1) Contractor has submitted to the County a Statement of Qualifications (SOQ) in response to County's Request For Statement of Qualifications (RFSQ) for the provision of such services; Contractors has met the minimum qualifications listed in the RFSQ and has been selected for recommendation for placement on a MHSA Master Agreement eligibility list; and Contractor has demonstrated experience and training in its specialized field and has been selected to provide MHSA services pursuant to a solicitation process approved by County, or (2) Contractor intends to transform a portion of its services to MHSA services, Contractor has submitted a mid-year change to the Negotiation Package outlining the planned transformation and County has approved Contractor to provide MHSA services through the transformation process. Placement on the Master Agreement eligibility list does not guarantee that Contractor will be selected to provide mental health services claimable as MHSA services. In order to provide mental health services claimable as MHSA services, a provider must have been selected to provide MHSA services pursuant to a solicitation process approved by County, or be approved by County to provide MHSA service through the transformation process.

6. **FINANCIAL PROVISIONS:** In consideration of services and/or activities provided by Contractor, County shall reimburse Contractor in the amount and manner described in Attachment II, Financial Exhibit A (FINANCIAL PROVISIONS) attached thereto and by this reference incorporated herein.

7. **PRIOR AGREEMENT(S) SUPERSEDED:**

A. Reference is made to the certain document(s) entitled:

TITLE	COUNTY AGREEMENT NUMBER	DATE OF EXECUTION

The parties agree that the provisions of such prior Agreement(s), and all Amendments thereto, shall be entirely superseded _____ by the provisions of this Agreement.

B. The parties further agree that all payments made by County to Contractor under any such prior Agreement(s) for services rendered thereunder on and after _____, shall be applied to and considered against all applicable federal, State, and/or County funds provided hereunder.

C. Notwithstanding any other provision of this Agreement or the Agreement(s) described in Subparagraph 7.A, the total reimbursement by County to Contractor under all these Agreements for Fiscal Year _____ shall not exceed _____

DOLLARS (\$ _____); and for Fiscal Year _____ shall not exceed _____

DOLLARS (\$ _____); and for Fiscal Year _____ shall not exceed _____

_____ DOLLARS (\$ _____).

The supersession by this Agreement is not intended to replace ongoing programs and/or special provisions (such as, deeds, leases, rentals, or space use) which are implemented by special amendments to the agreement listed in Paragraph 7.A. above with Contractors. Such ongoing programs and special provisions set forth in special amendments can only be affected by a written contract amendment that refers specifically to the provisions set forth in the Amendment.

For information on amendment(s) for special provisions for such ongoing programs and/or special services, see Exhibit(s) _____. (If applicable, this attachment has been included under the Table of Contents in the Attachments Section.)

8. **STAFFING:** Throughout the term of this Agreement, Contractor shall staff its operations so that staffing approximates the type and number indicated in Contractor's Negotiation Package for this Agreement and as required by WIC and CCR.

A. Staff providing services under this Agreement shall be qualified and shall possess all appropriate licenses in accordance with WIC Section 5751.2 and all other applicable requirements of the California Business and Professions Code, WIC, CCR, Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services, SDMH Policy Letters, DHCS Policy Letters, and shall only function within the scope of practice as dictated by licensing boards/bodies.

B. If, at any time during the term of this Agreement, the Contractor has a sufficient number of vacant staff positions that would impair its ability to perform any services under the Agreement, Contractor shall promptly notify Director of such vacancies.

C. At all times during the term of this Agreement, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of all persons by name, title, professional degree, language capability(ies), and experience, who are providing any services under this Agreement.

9. **STAFF TRAINING AND SUPERVISION:** Contractor shall institute and maintain an in-service training program of treatment review and case conferences in which all its professional, para-professional, intern, student, and clinical volunteer personnel shall participate. Contractor shall institute and maintain appropriate supervision of all persons providing services under this Agreement with particular emphasis on the supervision of para-professionals, interns, students, and clinical volunteers in accordance with Departmental clinical supervision policy. Contractor shall be responsible for the provision of mandatory training for all staff at the time of initial employment and on an ongoing basis as required by federal and State law, including but not limited to HIPAA and Sexual Harassment, and for the training of all appropriate staff on the Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services, and other State and County policies and procedures as well as on any other matters that County may reasonably require.

Contractor shall document and make available upon request by the federal, State and/or County the type and number of hours of training provided to Contractor's officers, employees, agents, and subcontractors.

10. **PROGRAM SUPERVISION, MONITORING AND REVIEW:**

A. Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder shall be provided by Contractor under the general supervision of Director. Director shall have the right to monitor and specify the kind, quality, appropriateness, timeliness, and amount of services, and the criteria for determining the persons to be served.

B. Upon receipt of any contract monitoring report pertaining to services/activities under this Agreement, Contractor shall respond in writing to person(s) identified and within the time specified in the contract monitoring report. Contractor shall, in its written response, either acknowledge the reported deficiencies or present additional evidence to dispute the findings. In addition, Contractor must submit a plan for immediate correction of all deficiencies.

C. In the event of a State audit of this Agreement, if State auditors disagree with County's official written instructions to Contractor in its performance of this Agreement, and if such disagreement results in a State disallowance of any of Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as determined by State.

D. To assure compliance with this Agreement and for any other reasonable purpose relating to performance of this Agreement, and subject to the provisions of State and federal law, authorized County, State, and/or federal representatives and designees shall have the right to enter Contractor's premises (including all other places where duties under this Agreement are being performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities,

programs and procedures, or to otherwise evaluate the work performed or being performed; review and copy any records and supporting documentation pertaining to the performance of this Agreement; and elicit information regarding the performance of this Agreement or any related work. The representatives and designees of such agencies may examine, audit and copy such records at the site at which they are located. Contractor shall provide access to facilities and shall cooperate and assist County, State, and/or federal representatives and designees in the performance of their duties. Unless otherwise agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or federal representatives and designees within three (3) business days.

11. **PERFORMANCE STANDARDS AND OUTCOME MEASURES:** The Contractor shall comply with all applicable federal, State, and County policies and procedures relating to performance standards and outcome measures, including but not limited to those performance standards and outcome measures required by specific federal, State, and/or County rules, directive, and guidelines for entities receiving their funding. Examples of such performance standards and/or outcome measures include, but are not limited to, those identified in Attachment IX and those reflected in County and/or program Service Exhibits and practice parameters; as well as performance standards and/or outcomes measures related to the Patient Protection and Affordable Care Act (ACA) and Cal MediConnect Program.

Performance standards and/or outcome measures will be used as part of the determination of the effectiveness of the services delivered by Contractor. Substandard performance or outcomes by Contractor may be grounds for contract review and a corrective action plan (CAP).

12. **QUALITY MANAGEMENT PROGRAM:**

A. Contractor shall establish and maintain a Quality Management Program. Contractor's written Quality Management Program shall describe its quality assurance, quality improvement and utilization review structure, process, decisions, actions and monitoring, in accordance with the Department's Quality Improvement Program Policy No. 105.1, to ensure that the quality and appropriateness of care delivered to clients of the mental health system meets or exceeds the established County, State, and federal service standards and complies with the standards set by the DHCS through the Performance Contract and/or Mental Health Plan Agreement.

B. The Contractor's Quality Management Program shall be consistent with Department's Quality Improvement Program Policy No. 105.1 including the Department's Quality

Improvement Work Plan and participation in Service Area Quality Assurance and Quality Improvement Committee meetings as outlined in Policy No. 105.1.

C. The Contractor's Quality Management Program shall be consistent with the Department's Cultural Competency Plan.

D. The Contractor's Quality Management Program shall be consistent with the Department's Quality Assurance requirements for Contract Providers as outlined in Policy 104.09.

E. The Contractor's level of performance under this Agreement shall be evaluated by the County no less than annually. Contractor's failure to meet performance and program outcomes standards may place Contractor's Agreement in jeopardy; performance and outcomes deficits that are not remedied by Contractor will be reported to the Board of Supervisors. The report shall include improvement/corrective action measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or invoke other remedies such as funding reductions as specified in this Agreement.

13. **RECORDS AND AUDITS:**

A. Records:

(1) Direct Services and Indirect Services Records: Contractor shall maintain a record of all direct services and indirect services rendered by all professional, para-professional, intern, student, volunteer and other personnel under this Agreement in sufficient detail to permit an evaluation and audit of such services. All such records shall be retained, maintained, and made available within three (3) business days for inspection, review, and/or audit by authorized representatives and designees of County, State, and/or federal governments during the term of this Agreement and during the applicable period of records retention. Records shall be maintained by Contractor at location in Los Angeles County as specified in this Agreement. In the event any records are located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs incurred by County for any inspection, review, and/or audit at such other location. In addition to the general requirements in this Paragraph 13, Contractor shall comply with any additional patient/client record requirements described in the Service Exhibit(s) and shall adequately document the delivery of all services described in the Service Exhibit(s).

(a) Patient/Client Records (Direct Services): Contractor shall maintain treatment and other records for each individual patient/client of all direct services (e.g., 24-hour services, day services, targeted case management, mental health services, medication support, and crisis intervention) in accordance with all applicable County, State and federal requirements. Such treatment and other records shall include, but not be limited to, patient/client identification number,

demographic information, all data elements required by the County's claims processing information system, consent for treatment form, assessment, treatment plan, progress notes, and any other applicable information. The required data elements shall be in accordance with the Organizational Provider's Manual. All patient/client records shall be maintained by Contractor at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

- 1) Seven (7) years following discharge of the patient/client or termination of services;
- 2) For minors, until such time as the minor reaches 25 years of age;
- 3) Three (3) years after completion of all County, State and/or federal audits; or
- 4) Three (3) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection, review, and/or audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the period described by law.

(b) Case Management Support Services, Outreach Services, and Client Supportive Services Records (Indirect Services): Contractor shall maintain accurate and complete program records of all indirect services (i.e., all services other than direct services) in accordance with all applicable County, State and federal requirements. All program records shall be maintained by Contractor at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

- 1) Seven (7) years following the expiration or earlier termination of this Agreement;
- 2) Three (3) years after completion of all County, State and/or federal audits; or
- 3) Three (3) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection and/or audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the period described by law.

(2) Financial Records: Contractor shall prepare and maintain, on a current basis, accurate and complete financial records of its activities and operations relating to this Agreement in accordance with generally accepted accounting principles, with the procedures set out in the State's Cost and Financial Reporting System (CFRS) Instruction Manual, and with all applicable federal, State and County requirements, guidelines, standards, and procedures. Minimum standards for accounting principles are set forth in County's Auditor-Controller's Contract Accounting and Administration Handbook which shall be furnished to Contractor by County upon request. The above financial records shall include, but are not limited to:

(a) Books of original entry and a general ledger.

(b) Reports, studies, statistical surveys or other information Contractor used to identify and allocate indirect costs. "Indirect costs" shall mean those costs as described by the guidelines, standards, and procedures which may be provided by County in writing to Contractor, the Centers for Medicare and Medicaid Provider Reimbursement Manual Parts 1 and 2 (Publications #15-1 and #15-2), and the OMB Uniform Guidance, Subpart E: Cost Principles.

(c) Bronzan-McCorquodale/County statistics and total facility utilization information (e.g., patient days, visits) which can be identified by type of service pursuant to any policies and procedures which may be provided by County in writing to Contractor.

(d) A listing of all County remittances received.

(e) Patient/client financial folders clearly documenting:

1) Contractor's determination of patient's/client's eligibility for Medi-Cal, medical insurance and any other third party payer coverage; and

2) Contractor's reasonable efforts to collect charges from the patient/client, his/her responsible relatives, and any other third party payer.

(f) Individual patient/client ledger cards indicating the type and amount of charges incurred and payments by source and service type.

(g) Employment records.

(3) The entries in all of the above financial records must be readily traceable to applicable source documentation (e.g., remittance invoices, vendor invoices, employee timecards, signed by employee and countersigned by supervisor, subsidiary ledgers and journals, appointment logs, patient ledger cards, etc.). Any apportionment of costs shall be made in accordance with the requirements of the State's CFRS Instruction Manual, the Federal Centers for Medicare and Medicaid Provider Reimbursement Manual Parts 1 and 2 (Publications #15-1 and #15-2), and Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services. All such records shall be

maintained by Contractor at a location in Los Angeles County for a minimum period that is at least equivalent to the later of any of the following:

- (a) Seven (7) years following the expiration or earlier termination of this Agreement;
- (b) Three (3) years after completion of all County, State and/or federal audits; or
- (c) Three (3) years after the conclusion of any audit appeal and/or when audit findings are fully resolved.

During such retention period, all such records shall be available within three (3) business days and open during County's normal business hours to authorized representatives and designees of County, State, and/or federal governments for purposes of inspection, review, and/or audit. Such access shall include access to individuals with knowledge of financial records and Contractor's outside auditors, and regular and special reports from Contractor. In the event any records are located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs incurred by County for any inspection or audit at such other location.

(4) Preservation of Records: If, following termination of this Agreement, Contractor's facility(ies) is (are) closed or if majority ownership of Contractor changes, then within forty-eight hours of closure or ownership change, Director of DHCS and Director shall be notified in writing by Contractor of all arrangements made by Contractor for preservation of all the patient/client, financial, and other records referred to in this Paragraph 13.

B. Audits:

(1) Contractor shall provide County and its authorized representatives access to and the right to examine, audit, excerpt, copy, or transcribe, any pertinent transaction, activity, time cards, or any other records relating to this Agreement.

(2) County may, in its sole discretion, perform periodic fiscal and/or program review(s) of Contractor's records that relate to this Agreement. If County determines that the results of any such reviews indicate the need for corrective action, Contractor shall within 30 calendar days after receiving the findings of the fiscal and/or program review, either (a) submit a corrective plan of action to DMH, or (b) request a review by the Director. If Contractor requests a review by the Director within the 30 calendar days, and if a corrective plan of action is then required, Contractor shall have 30 calendar days to submit its corrective plan of action.

(3) Audit Reports: In the event that any audit of any or all aspects of this Agreement is conducted by any federal or State auditor, or by any auditor or accountant employed

by Contractor or otherwise, then Contractor shall file a copy of such audit report(s) with DMH's Contracts Development and Administration Division within 30 calendar days of Contractor's receipt thereof, unless otherwise provided by applicable federal or State law or under this Agreement. Contractor shall promptly notify County of any request for access to information related to this Agreement by any other governmental agency.

(4) **California Department of Health Care Services (DHCS) Access to Records:** Contractor agrees that for a period of seven (7) years following the furnishing of services under this Agreement; three (3) years after final audit is completed including appeals, or seven (7) years after termination of this Agreement; whichever occurs later, Contractor shall maintain and make available to the DHCS, the Secretary of the United States Department of Health and Human Services (HHS), or the Controller General of the United States, and any other authorized federal and State agencies, or to any of their duly authorized representatives, the contracts, books, documents and records of Contractor which are necessary to verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph 10 and in this Paragraph 13.

(5) **Federal Access to Records:** Grant-funded programs require audits and compliance with federal guidelines pursuant to OMB Uniform Guidance, Subpart F: Single Audit Requirements. If, and to the extent that, Section 1861(v)(1)(I) of the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable, Contractor agrees that for a period of seven (7) years following the furnishing of services under this Agreement, three (3) years after final audit is completed including appeals, or seven (7) years after termination of this Agreement; whichever is later Contractor shall maintain and make available to the Secretary of the United States Department of HHS, or the Controller General of the United States, or to any of their duly authorized representatives, the contracts, books, documents and records of Contractor which are necessary to verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontractor shall provide for such access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph 10 and in this Paragraph 13.

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14. **REPORTS:**

A. Contractor shall make reports as required by Director, State, or the federal government regarding Contractor's activities and operations as they relate to Contractor's performance of this Agreement. In no event may County require such reports unless it has provided Contractor with at least 30 calendar days' prior written notification. County shall provide Contractor with a written explanation of the procedures for reporting the required information.

B. **Income Tax Withholding:** Upon Director's request, Contractor shall provide County with certain documents relating to Contractor's income tax returns and employee income tax withholding. These documents shall include, but are not limited to:

(1) A copy of Contractor's federal and State quarterly income tax withholding returns (i.e., Federal Form 941 and/or State Form DE-3 or their equivalents).

(2) A copy of a receipt for, or other proof of payment of, each employee's federal and State income tax withholding, whether such payments are made on a monthly or quarterly basis.

C. **County Claims Processing Information System:**

(1) Notwithstanding any other provision of this Agreement, only units of service submitted by Contractor into the County's claims processing information system shall be counted as delivered units of service.

(2) Notwithstanding any other provision of this Agreement, the only units of service which shall be considered valid and reimbursable at Annual Cost Report Reconciliation and Settlement, Cost Report Audit Settlement, or at any other time otherwise shall be those units of service that are submitted by Contractor into the County's claims processing information system by the County's year-end cutoff date in accordance with the terms of this Agreement and its attachments thereto, including but not limited to Attachment II, Financial Exhibit A (Financial Provisions), and which are not voided, replaced and/or denied for any reason, except due to the fault of the County. Notwithstanding any other provision of this Agreement, claims entered into the County's claim processing information system shall be attributed to a specific Funded Program and Subprogram based upon the plan identified by Contractor when submitting the claim into the County's claims processing information system.

(3) Contractor shall train its staff in the operation, procedures, policies, and all related use, of the County's claims processing information system as required by County. County shall train Contractor's designated trainer in the operation, procedures, policies, and all related use of the County's information system.

15. **CONFIDENTIALITY:** Contractor shall maintain the confidentiality of all records and information, including, but not limited to, claims, County records, patient/client records and

information, and County claims processing information system records, in accordance with WIC Sections 5328 through 5330, inclusive, and all other applicable County, State, and federal laws, ordinances, rules, regulations, manuals, guidelines, and directives, relating to confidentiality and privacy. Contractor shall require all its officers, employees, and agents providing services hereunder to acknowledge, in writing, understanding of, and agreement to fully comply with, all such confidentiality and privacy provisions. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all loss, damage, liability, and expense arising from any disclosure of such records and information by Contractor, its officers, employees, or agents.

Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Attachment X -1.

16. **PATIENTS'/CLIENTS' RIGHTS:** Contractor shall comply with all applicable patients'/clients' rights provisions, including, but not limited to, WIC Section 5325 et seq., CCR Title 9, Section 850 et seq., and CCR Title 22. Further, Contractor shall comply with all patients'/clients' rights policies provided by County. County Patients' Rights Advocates shall be given access by Contractor to all patients'/clients, patients'/clients' records, and Contractor's personnel in order to monitor Contractor's compliance with all applicable statutes, regulations, manuals and policies.

17. **REPORTING OF PATIENT/CLIENT ABUSE AND RELATED PERSONNEL REQUIREMENTS:**

A. **Elders and Dependent Adults Abuse:** Contractor, and all persons employed or subcontracted by Contractor, shall comply with WIC Section 15600 et seq. and shall report all known or suspected instances of physical abuse of elders and dependent adults under the care of Contractor either to an appropriate County adult protective services agency or to a local law enforcement agency, as mandated by WIC Sections 15630, and permitted by Sections 15631 and 15632. Contractor and all persons employed or subcontracted by Contractor shall make the report on such abuse, and shall submit all required information, in accordance with WIC Sections 15630, 15633 and 15633.5.

B. **Minor Children Abuse:** Contractor and all persons employed or subcontracted by Contractor, shall comply with California Penal Code Section 11164 et seq. and shall report all known or suspected instances of child abuse to an appropriate child protective agency, as mandated by California Penal Code Sections 11164, 11165.9, and 11166. Contractor and all persons employed or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required information, in accordance with California Penal Code Sections 11166 and 11167.

C. **Contractor Staff:**

(1) Contractor shall assure that any person who enters into employment as a care custodian of elders, dependent adults or minor children, or who enters into employment as a health or other practitioner, prior to commencing employment, and as a prerequisite to that employment, shall sign, on a form provided by Contractor in accordance with the above code sections, a statement to the effect that such person has knowledge of, and will comply with, these code sections.

(2) Contractor shall assure that clerical and other non-treatment staff who are not legally required to report suspected cases of abuse, consult with mandated reporters upon suspecting any abuse.

(3) For the safety and welfare of elders, dependent adults, and minor children, Contractor shall, to the maximum extent permitted by law, ascertain arrest and conviction records for all current and prospective employees and shall not employ or continue to employ any person convicted of any crime involving any harm to elders, dependent adults, or minor children.

(4) Contractor shall not employ or continue to employ any person whom Contractor knows, or reasonably suspects, has committed any acts which are inimical to the health, morals, welfare, or safety of elders, dependent adults or minor children, or which otherwise make it inappropriate for such person to be employed by Contractor.

18. **NONDISCRIMINATION IN SERVICES:**

A. Contractor shall not discriminate in the provision of services hereunder because of race, religion, national origin, ancestry, gender, age, marital status, sexual orientation and/or physical or mental handicap or medical conditions (except to the extent clinically appropriate), in accordance with requirements of federal and State law. For the purpose of this Paragraph 18, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person which is different or is provided in a different manner or at a different time from that provided to others; subjecting any person to segregation or separate treatment in any matter related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment, eligibility, membership, or any other requirement or condition which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative steps to ensure that those persons who qualify for services under this Agreement are provided services without regard to ability to pay or source of payment, race, religion, national origin, ancestry, gender, age, marital status, sexual orientation and/or physical or mental handicap, or medical conditions.

B. Contractor shall establish and maintain written complaint procedures under which any person applying for or receiving any services under this Agreement may seek resolution from Contractor of a complaint with respect to any alleged discrimination in the rendering of services by Contractor's personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied with Contractor's resolution of the matter, shall be referred by Contractor to Director for the purpose of presenting his complaint of the alleged discrimination. Such complaint procedures shall also indicate that if such person is not satisfied with County's resolution or decision with respect to the complaint of alleged discrimination, such person may appeal the matter to the State, if appropriate.

C. If direct services (e.g., 24-hour services, day services, targeted case management, mental health services, medication support, and crisis intervention) are provided hereunder, Contractor shall have admission policies which are in accordance with CCR Title 9, Sections 526 and 527, and which shall be in writing and available to the public. Contractor shall not employ discriminatory practices in the admission of any person, assignment of accommodations, or otherwise. Any time any person applies for services under this Agreement, such person shall be advised by Contractor of the complaint procedures described in the above paragraph. A copy of such complaint procedures shall be posted by Contractor in each of Contractor's facilities where services are provided under this Agreement in a conspicuous place, available and open to the public.

19. **NONDISCRIMINATION IN EMPLOYMENT:**

A. Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and will be treated equally by it without regard to, or because of, race, color, religion, national origin, ancestry, gender, age (over 40), marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

B. Contractor shall certify to, and comply with, the provisions of Attachment XI – Contractor's Equal Employment Opportunity (EEO) Certification.

C. Contractor shall take affirmative steps to ensure that qualified applicants are employed, and that employees are treated during employment without regard to race, color, religion, national origin, ancestry, gender, age (over 40), marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Such treatment shall include, but is not limited to, the following actions: employment, upgrading, promotion, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, selection for training, including apprenticeship, and granting or denying family care leave. Contractor shall not discriminate against or harass, nor shall it permit harassment of, its employees during employment based upon race, color, religion, national origin, ancestry, gender, age (over 40), marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, or political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment are free from such discrimination and harassment, and will comply with the provisions of the Fair Employment and Housing Act (Government Code section 12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.).

D. Contractor shall deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, national origin, ancestry, gender, age, marital status, sexual orientation, condition of physical handicap (including HIV and AIDS) or mental handicap, disability, medical condition (e.g., cancer), denial of family care leave, political affiliation, status as a disabled veteran or veteran of the Vietnam era and in compliance with all applicable federal and State anti-discrimination laws and regulations. Further, Contractor shall give written notice of its obligations under this Paragraph 19 to labor organizations with which it has a collective bargaining or other agreement.

E. Contractor shall allow State and/or County representative's access to its books, accounts, and records during regular business hours to verify compliance with the provisions of this Paragraph 19 when so requested by Director.

F. If County finds that any of the above provisions has been violated, the same shall constitute a material breach of this Agreement upon which County may immediately terminate, cancel, or suspend this Agreement. The County reserves the right to determine independently that

the anti-discrimination provisions of this Agreement have been violated. In addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated State or federal anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Agreement.

G. In the event that Contractor violates any of the anti-discrimination provisions of this Paragraph 19, County shall be entitled, at its option, to the sum of FIVE HUNDRED DOLLARS (\$500) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Agreement.

H. Contractor shall include the provisions of this Paragraph 19 in every subcontract or purchase order unless otherwise expressly exempted.

20. **FAIR LABOR STANDARDS:** Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for services performed by Contractor's employees for which County may be found jointly or solely liable.

21. **INDEMNIFICATION AND INSURANCE:**

A. **Indemnification:** 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 Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

B. **General Provisions for all Insurance Coverage:** Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Subparagraphs B. and C. of this Paragraph 21. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Agreement.

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(1) Evidence of Coverage and Notice to County

(a) Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Agreement.

(b) Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Subcontractor insurance policies at any time.

(c) Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

(d) Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

**Los Angeles County - Department of Mental Health
Contracts Development and Administration Division
550 S. Vermont Ave., 5th Floor
Los Angeles, CA 90020**

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

(2) Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(3) Cancellation of or Changes in Insurance

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

(4) Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

(5) Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

(6) Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County

maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

(7) Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

(8) Subcontractor Insurance Coverage Requirements

Contractor shall include all Subcontractors as insureds under Contractor's own policies, or shall provide County with each Subcontractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Subcontractor complies with the Required Insurance provisions herein, and shall require that each Subcontractor name the County and Contractor as additional insureds on the Subcontractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Subcontractor request for modification of the Required Insurance.

(9) Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

(10) Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

(11) Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

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(12) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

(13) Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

(14) County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

C. Insurance Coverage:

(1) Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

(2) Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

(3) Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's

operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

(4) Unique Insurance Coverage

(a) Sexual Misconduct Liability

Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

(b) Professional Liability/Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$3 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

(c) Property Coverage

Contractors given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

22. **WARRANTY AGAINST CONTINGENT FEES:** Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any agreement or understanding for any commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business. For Contractor's breach or violation of this warranty, County may, in its sole discretion, deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

23. **CONFLICT OF INTEREST:**

A. No County employee whose position in County enables such employee to influence the award or administration of this Agreement or any competing agreement, and no spouse or economic dependent of such employee, shall be employed in any capacity by Contractor or have any direct or indirect financial interest in this Agreement. No officer or employee of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in

County's approval, or ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances and regulations now in effect or enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, without limitation, identification of all persons implicated and complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Agreement.

24. **UNLAWFUL SOLICITATION:** Contractor shall require all of its employees to acknowledge, in writing, understanding of and agreement to comply with the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to insure that there is no violation of such provisions by its employees. Contractor shall utilize the attorney referral services of all those bar associations within the County of Los Angeles that have such a service.

25. **INDEPENDENT STATUS OF CONTRACTOR:**

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Agreement all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

C. Contractor understands and agrees that all persons performing services pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all workers' compensation benefits to any person as a result of any injuries arising from or connected with any services performed by or on behalf of Contractor pursuant to this Agreement.

D. Contractor shall obtain and maintain on file an executed Contractor Employee Acknowledgement And Confidentiality Agreement, in the form as contained in Attachment X – 2 for this Agreement, for each of its employees performing services under this Agreement. Such Acknowledgments shall be executed by each such employee and non-employee on or immediately after the commencement date of this Agreement but in no event later than the date such employee first performs services under this Agreement.

26. **CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF OR FORMER COUNTY EMPLOYEES ON A REEMPLOYMENT LIST:** Should Contractor require additional or replacement personnel after the effective date of this Agreement to perform the services set forth herein, Contractor shall give first consideration for such employment openings to qualified permanent County employees who are targeted for layoff or qualified former County employees who are on a reemployment list during the term of this Agreement.

27. **CONSIDERATION FOR HIRING GREATER AVENUES FOR INDEPENDENCE (GAIN) OR GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR EMPLOYMENT:**

A. Should Contractor require additional or replacement personnel after the effective date of this agreement, contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services' GAIN Program or GROW Program who meet Contractor's minimum qualifications for the open position. If Contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to Department of Public Social Services' GAIN/GROW staff at GAINGROW@dpss.lacounty.gov. County will refer GAIN/GROW participants, by job category, to Contractor.

B. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

28. **DELEGATION AND ASSIGNMENT BY CONTRACTOR:**

A. Contractor shall not assign its rights or delegate its duties under this Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to this Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Agreement shall be deductible, at County's sole discretion, against the claims which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have in Contractor. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or entity other than the majority controlling interest therein at the time of execution of this Agreement, such disposition shall be deemed an assignment requiring the prior written consent of County in accordance with applicable provisions of this Agreement.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Agreement which may result in the termination of this Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

29. **SUBCONTRACTING:**

A. No performance of this Agreement, or any portion thereof, shall be subcontracted by Contractor without the prior written consent of County as provided in this Paragraph 29. Any attempt by Contractor to subcontract any performance, obligation, or responsibility under this Agreement, without the prior written consent of County, shall be null and void and shall constitute a material breach of this Agreement. Notwithstanding any other provision of this Agreement, in the event of any such breach by Contractor, this Agreement may be terminated forthwith by County. Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.

B. If Contractor desires to subcontract any portion of its performance, obligations, or responsibilities under this Agreement, Contractor shall make a written request to County for written approval to enter into the particular subcontract. Contractor's request to County shall include:

- (1) The reasons for the particular subcontract.
- (2) A detailed description of the services to be provided by the subcontract.
- (3) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.
- (4) A description of the proposed subcontract amount and manner of compensation, together with Contractor's cost or price analysis thereof.
- (5) A copy of the proposed subcontract which shall contain the following provision:

"This contract is a subcontract under the terms of the prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract, including those related to ensuring high quality of services and outcomes."

(6) A copy of the proposed subcontract, if in excess of \$10,000 and utilizes public funds, shall also contain the following provision:

"The contracting parties shall be subject to the examination and audit of the State Auditor, pursuant to the California Government Code, Section 8546.7, for a period of seven (7) years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, whichever occurs later."

Further, the Contractor will also be subject to the examination and audit of the State Auditor, pursuant to the Government Code, Section 8546.7, for a period of seven (7) years from the end of the Fiscal Year in which such services were provided or until final resolution of any audits, which ever occurs later.

(7) Any other information and/or certifications requested by County.

C. County shall review Contractor's request to subcontract and shall determine, in its sole discretion, whether or not to consent to such request on a case-by-case basis.

D. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and legal fees, arising from or related to Contractor's use of any subcontractor, including any officers, employees, or agents of any subcontractor, in the same manner as required for Contractor, its officers, employees, and agents, under this Agreement.

E. Notwithstanding any County consent to any subcontracting, Contractor shall remain fully liable and responsible for any and all performance required of it under this Agreement, and no subcontract shall bind or purport to bind County. Further, County approval of any subcontract shall not be construed to limit in any way Contractor's performance, obligations, or responsibilities, to County, nor shall such approval limit in any way any of County's rights or remedies contained in this Agreement. Additionally, County approval of any subcontract shall not be construed in any way to constitute the determination of the allowability or appropriateness of any cost or payment under this Agreement.

F. In the event that County consents to any subcontracting, such consent shall be subject to County's right to give prior and continuing approval of any and all subcontractor personnel providing services under such subcontract. Contractor shall assure that any subcontractor personnel not approved by County shall be immediately removed from the provision of any services under the particular subcontract or that other action is taken as requested by County. County shall

not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any liability, damages, costs or expenses arising from or related to County's exercise of such right.

G. In the event that County consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of Contractor or any subcontractor, for any liability, damages, costs, or expenses arising from or related to County's exercise of such right.

H. In the event that County consents to any subcontracting, each and all of the provisions of this Agreement and any amendment thereto shall extend to, be binding upon, and inure to the benefit of, the successors or administrators of the respective parties.

I. In the event that County consents to any subcontracting, such consent shall apply to each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 29 or a blanket consent to any further subcontracting.

J. In the event that County consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments and/or other compensation to all subcontractors and their officers, employees, and agents. County shall have no liability or responsibility whatsoever for any payment and/or other compensation for any subcontractors or their officers, employees, and agents.

K. Contractor shall deliver to the Chief of DMH's Contracts Development and Administration Division a fully executed copy of each subcontract entered into by Contractor pursuant to this Paragraph 29, on or immediately after the effective date of the subcontract but in no event later than the date any services are performed under the subcontract.

L. In the event that County consents to any subcontracting, Contractor shall obtain and maintain on file an executed Contractor Non-Employee Acknowledgement And Confidentiality Agreement, in the form as contained in Attachment X - 3 of this Agreement, for each of the subcontractor's employees performing services under the subcontract. Such Acknowledgments shall be obtained and maintained on file and made available upon request on or immediately after the commencement date of the particular subcontract but in no event later than the date such employee first performs any services under the subcontract.

M. County shall have no liability or responsibility whatsoever for any payment or other compensation for any subcontractor or its officers, employees, and agents.

N. Director or his designee is hereby authorized to act for and on behalf of County pursuant to this Paragraph 29, including, but not limited to, consenting to any subcontracting.

30. **GOVERNING LAW, JURISDICTION AND VENUE:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California. Further, this Agreement shall be governed by, and construed in accordance with, all laws, regulations, and contractual obligations of County under its agreement with the State.

31. **COMPLIANCE WITH APPLICABLE LAW:**

A. Contractor shall comply with all federal laws, including, but not limited to, Title XIX of the Social Security Act, State, and local laws, ordinances, rules, regulations, manuals, guidelines, Americans with Disabilities Act (ADA) standards, and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

B. Contractor shall be governed by and comply with all contractual obligations of the DHCS' Mental Health Plan Agreement with the County.

C. Contractor shall indemnify and hold harmless County from and against any and all liability, damages, costs or expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of Contractor, its officers, employees, or agents, of any such federal, State or local laws, ordinances, rules, regulations, manuals, guidelines, ADA standards, or directives.

D. Contractor shall maintain in effect an active compliance program in accordance with the recommendations set forth by the Department of Health and Human Services, Office of the Inspector General.

E. Duty to Notify: Contractor agrees to notify County of any and all legal complaints, citations, enforcement proceedings, administrative proceedings, judgments or litigation, known to Contractor, whether civil or criminal initiated against Contractor, its officers, employees, or agents which are likely to have a material effect on the organization's stewardship, financial position and/or ability to perform and deliver services under this contract.

32. **THIRD PARTY BENEFICIARIES:** Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Agreement.

33. **LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES:**

A. Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder), as required by all federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Agreement. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of each such license, permit, registration, accreditation, and certificate (including, but not limited to, certification as a Short-Doyle/Medi-Cal and/or Medicare provider if Title XIX Short-Doyle/Medi-Cal and/or Medicare services are provided hereunder) as required by all applicable federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines and directives shall be retained and current updates of such documents shall be maintained, and made available upon request, not to exceed three (3) business days after the initial request, for inspection, review, and/or audit by authorized representatives and designees of County, State, and/or federal governments during the term of this Agreement and during the applicable period of records retention.

B. If Contractor is a participant in the Short-Doyle/Medi-Cal and/or Medicare program, Contractor shall keep fully informed of all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal and Medicare certifications of all its facilities.

C. Contractor shall ensure that any independent contractors (i.e., individuals who are not employees but who are contracted by Contractor to perform services hereunder) who prescribe medications, in addition to obtaining and maintaining all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder, are credentialed by DMH and maintain such credentialing in effect during the term of this Agreement.

34. **CHILD SUPPORT COMPLIANCE PROGRAM:**

A. Contractor's Warranty of Adherence to County's Child Support Compliance Program: Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contract are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable

provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 United States Code (USC) Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholdings Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

B. Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program: Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph A (Contractor's Warranty of Adherence to County's Child Support Compliance Program) shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 90 calendar days of written notice shall be grounds upon which County may terminate this Agreement pursuant to Paragraph 36 (TERMINATION FOR DEFAULT) and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

35. **TERMINATION FOR INSOLVENCY:**

A. County may terminate this Agreement immediately in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least 60 days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code.

(2) The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code.

(3) The appointment of a Receiver or Trustee for Contractor.

(4) The execution by Contractor of a general assignment for the benefit of creditors.

B. The rights and remedies of County provided in this Paragraph 35 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

36. **TERMINATION FOR DEFAULT:**

A. County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two circumstances, does not cure such failure within a period of five days (or such longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

B. In the event that County terminates this Agreement as provided in Subparagraph A, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County, as determined by County, for such similar services.

C. The rights and remedies of County provided in this Paragraph 36 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

37. **TERMINATION FOR IMPROPER CONSIDERATION:** County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment or extension of the Agreement or the making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by the Contractor.

Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

38. **SEVERABILITY:** If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

39. **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.

40. **ALTERATION OF TERMS:**

A. No addition to, or alteration of, the terms of the body of this Agreement, or the Financial Summary or Service Exhibit(s) hereto, 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.

B. Administrative Amendments: Modifications to this Agreement may be accomplished using an administrative amendment process for the following purposes:

- Change of Contractor's name
- Change of Contractor's headquarter's address
- Change, revision, addition, or deletion of Provider site address.
- Change, revision, addition, or deletion of Provider site number.
- Change, revision, addition, or deletion of Provider site name.
- Change, revision, addition, or deletion of services previously approved within

the Legal Entity for an existing or new Provider site.

- Technical Corrections

(1) Such administrative amendment may be executed by Director, or designee, under delegated authority from the Board of Supervisors with prior approval of County Counsel. Such administrative amendment may be initiated by the County, with Contractor's written consent. Contractor's signature will be required to make such administrative amendment effective.

41. **ENTIRE AGREEMENT:** The body of this Agreement, all attachments, Financial Exhibit A (Financial Provisions), Financial Summary(ies), Fiscal Years _____ Service Delivery Site Exhibit, and Service Exhibit(s) _____

attached hereto and incorporated herein by reference, and Contractor's Negotiation Package for this Agreement, as approved in writing by Director, including any addenda thereto as approved in writing by Director, which are hereby incorporated herein by reference but not attached, shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. In the event of any conflict or inconsistency in the definition or

interpretation of any word, responsibility, or schedule, or the contents or description of any service or other work, or otherwise, between the body of this Agreement and the other referenced documents, or between such other documents, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Agreement and its definitions and then to such other documents according to the following priority:

- A. Financial Exhibit A (Financial Provisions)
- B. Financial Summary(ies)
- C. Service Delivery Site Exhibit
- D. Service Exhibit(s)
- E. Required Supplemental Documents
- F. Contractor's Negotiation Package (Subprogram Schedule)

42. **WAIVER**: No waiver by County of any breach of any provision of this Agreement shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 42 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

43. **EMPLOYMENT ELIGIBILITY VERIFICATION**: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others and that all its employees performing services hereunder meet the citizenship or alien status requirements set forth in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification and other documentation of employment eligibility status required by federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for the period prescribed by law. Contractor shall indemnify, defend, and hold harmless County, its officers and employees from and against any employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of any federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

44. **PUBLIC ANNOUNCEMENTS AND LITERATURE**: In public announcements and literature distributed by Contractor for the purpose of apprising patients/clients and the general public of the nature of its treatment services, Contractor shall clearly indicate that the services which it provides under this Agreement are funded by the County of Los Angeles.

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45. **PURCHASES**:

A. Purchase Practices: Contractor shall fully comply with all federal, State and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, in acquiring all furniture, fixtures, equipment, materials, and supplies. Such items shall be acquired at the lowest possible price or cost if funding is provided for such purposes hereunder.

B. Proprietary Interest of County: In accordance with all applicable federal, State and County laws, ordinances, rules, regulations, manuals, guidelines and directives, County shall retain all proprietary interest, except the use during the term of this Agreement, in all furniture, fixtures, equipment, materials, and supplies, purchased or obtained by Contractor using any County funds. Upon the expiration or termination of this Agreement, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Agreement, the bankruptcy of Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy any judgment against it within 30 calendar days of filing, County shall have the right to take immediate possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any claim for reimbursement whatsoever on the part of Contractor. County, in conjunction with Contractor, shall attach identifying labels on all such property indicating the proprietary interest of County.

C. Inventory Records, Controls and Reports: Contractor shall maintain accurate and complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds. Within 90 calendar days following the execution of this Agreement, Contractor shall provide Director with an accurate and complete inventory report of all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds. The inventory report shall be prepared by Contractor on a form or forms designated by Director, certified and signed by an authorized officer of Contractor, and one copy thereof shall be delivered to County within 30 calendar days of any change in the inventory. Within five business days after the expiration or termination of the Agreement, Contractor shall submit to County six copies of the same inventory report updated to the expiration or termination date of the Agreement, certified and signed by an authorized officer of Contractor, based on a physical count of all items of furniture, fixtures, equipment, materials, and supplies, as of such expiration or termination date.

D. Protection of Property in Contractor's Custody: Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds, against any damage or loss by fire, burglary, theft, disappearance, vandalism or misuse. In the event of any burglary, theft, disappearance, or vandalism of any item of furniture, fixtures, equipment, materials, and supplies, Contractor shall immediately notify the police and make a written report thereof, including a report of

the results of any investigation which may be made. In the event of any damage or loss of any item of furniture, fixtures, equipment, materials, and supplies, from any cause, Contractor shall immediately send Director a detailed, written report. Contractor shall contact DMH's Administrative Services Division for instructions for disposition of any such property which is worn out or unusable.

E. Disposition of Property in Contractor's Custody: Upon the termination of the funding of any program covered by this Agreement, or upon the expiration or termination of this Agreement, or at any other time that County may request, Contractor shall: (1) provide access to and render all necessary assistance for physical removal by County or its authorized representatives of any or all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds, in the same condition as such property was received by Contractor, reasonable wear and tear excepted, or (2) at Director's option, deliver any or all items of such property to a location designated by Director. Any disposition, settlement or adjustment connected with such property shall be in accordance with all applicable federal, State and County laws, ordinances, rules, regulations, manuals, guidelines and directives.

46. **AUTHORIZATION WARRANTY**: Contractor represents and warrants that the person executing this Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority.

47. **RESTRICTIONS ON LOBBYING**: If any federal funds are to be used to pay for any of Contractor's services under this Agreement, Contractor shall fully comply with all certification and disclosure requirements prescribed by Section 319 of Public Law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds under this Agreement also fully complies with all such certification and disclosure requirements.

48. **CERTIFICATION OF DRUG-FREE WORK PLACE**: Contractor certifies and agrees that Contractor and its employees shall comply with DMH's policy of maintaining a drug-free work place. Contractor and its employees shall not manufacture, distribute, dispense, possess, or use any controlled substances as defined in 21 United States Code Section 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any of Contractor's facilities or work sites or County's facilities or work sites. If Contractor or any of its employees is convicted of or pleads nolo contendere to any criminal drug statute violation occurring at any such facility or work site, then Contractor, within five (5) days thereafter, shall notify Director in writing.

49. **COUNTY LOBBYISTS**: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply

with County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

50. **MAINTENANCE STANDARDS FOR SERVICE DELIVERY SITES:** Contractor shall assure that all locations where services are provided under this Agreement are operated at all times in accordance with all County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies) shall include a review of compliance with this Paragraph 50.

51. **NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT:** Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

52. **USE OF RECYCLED-CONTENT PAPER PRODUCTS:** Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on the Project.

53. **CONTRACTOR RESPONSIBILITY AND DEBARMENT:** The following requirements set forth in the County's Non-Responsibility and Debarment Ordinance (Title 2, Chapter 2.202 of the County Code) are effective for this Agreement, except to the extent applicable State and/or federal laws are inconsistent with the terms of the Ordinance.

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other Agreements which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County Agreements for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Agreements the Contractor may have with the County.

C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of an Agreement with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states

one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

I. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

J. These terms shall also apply to subcontractors of County Contractors.

54. **CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED**

PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted, excluded or suspended from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within 30 calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion or suspension from participation in a federally funded health care program; and (2) any exclusionary or suspension action taken by any agency of the federal or State governments against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part. This warranty and notice requirements apply equally to suspensions from the Medi-Cal program as well as any other federally funded health care programs including but not limited to Medicare and Healthy Families.

There are a variety of different reasons why an individual or entity may be excluded from participating in a federally funded health care program. Sometimes, the exclusion is mandatory and in other cases the Office of Inspector General (OIG), and State officials have the discretion not to exclude.

The mandatory bases for federal exclusion include: (1) felony convictions for program related crimes, including fraud or false claims, or for offenses related to the dispensing or use of controlled substances, or (2) convictions related to patient abuse.

Permissive exclusions may be based on: (1) conviction of a misdemeanor related to fraud or financial misconduct involving a government program; (2) obstructing an investigation; (3) failing to

provide access to documents or premises as required by federal health care program officials; (4) conviction of a misdemeanor related to controlled substances; (5) failing to disclose information about the entity itself, its subcontractors or its significant business transactions; (6) loss of a State license to practice a health care profession; (7) default on a student loan given in connection with education in a health profession; (8) charging excessive amounts to a federally funded health care program or furnishing services of poor quality or which are substantially in excess of the needs of the patients; (9) paying a kickback or submitting a false or fraudulent claim. Persons controlling or managing excluded entities who knew of the conduct leading to the exclusion can themselves be excluded, and entities which are owned and controlled by excluded individuals can also be excluded. Mandatory exclusions under State law from Medi-Cal are similar but also include convictions of a misdemeanor for fraud or abuse involving the Medi-Cal program or a Medi-Cal beneficiary.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal or State exclusion or suspension of Contractor or its staff members from such participation in a federally funded health care program. Contractor shall provide the certification set forth in Attachment VI (Attestation Regarding Federally Funded Program) as part of its obligation under this Paragraph 54.

Contractor shall also comply with DMH Policy "Contractors Eligibility to Provide Goods and Services to Federally Funded Health Care Programs and to Secure Federally Funded Contracts" which includes the following topics: 1) Contractor's responsibility for any and all Civil Monetary Penalties associated with repayments for claims submitted for excluded or suspended agencies or individuals and 2) Contractor's responsibility to provide employee identification information within three (3) business days should DMH or its representatives request it related to sanction list screening compliance.

Failure by Contractor to meet the requirements of this Paragraph 54 shall constitute a material breach of Agreement upon which County may immediately terminate or suspend this Agreement.

55. **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.htm and http://lacdmh.lacounty.gov/hipaa/IBHIS_EDI_homepage.htm 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.

(4) As County defines standard formats for each EDI 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 EDI transaction 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 EDI transaction is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each newly defined EDI transaction, 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 EDI transactions requiring major development and testing

(b) 90 days for new EDI transactions requiring moderate development and testing

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

(5) Contractor acknowledges that County may modify EDI transactions as needed. County shall notify Contractor of the effective dates(s) by which Contractor shall be required to comply with each modified EDI transaction in accordance with County's revised EDI transaction 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 EDI transaction is required in accordance with the schedule below and in accordance with County's estimate of the effort required to implement each revised EDI transaction, 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 moderately modified EDI transactions

(b) 60 days for minimally modified EDI transactions.

(6) Contractor agrees to comply with the exchange of all EDI transactions 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.htm 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.htm

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 thirty (30) days from receipt of the request to deliver the requested information to the requesting party in the format specified by the requester.

56. **TECHNOLOGY REQUIREMENTS:**

A. Contractor shall acquire, manage, and maintain Contractor's own information technology and systems and/or services in order to meet all functional and EDI transaction requirements as specified by County.

B. Contractor shall ensure that all individuals using electronic methods to sign electronic health records in the performance of work specified under this Agreement complete an Electronic Signature Agreement annually.

(1) Contractor shall maintain a copy of each Electronic Signature Agreement and make them available for inspection by County upon request.

(2) Contractor shall submit to County a Legal Entity Electronic Signature Certification to certify compliance with this provision of this Agreement. Contractors who implement electronic methods to sign electronic health records subsequent to the execution of this Agreement shall submit to County a Legal Entity Electronic Signature Certification immediately upon implementation.

(3) County has a Legal Entity Electronic Signature Certification and a sample Electronic Signature Agreement available at http://lacdmh.lacounty.gov/hipaa/edi_homepage.html

57. **COMPLIANCE WITH JURY SERVICE PROGRAM:**

A. Jury Service Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to the County's satisfaction either that Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

(2) For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has an Agreement with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County Agreements or subcontracts. "Employee" means any California resident who is a full-time employee of Contractor. "Full-time" means 40 hours or more worked per week or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Agreement, the subcontractor shall also be subject to the provisions of this Section. The provisions

of this Section shall be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be attached to the Agreement.

(3) If Contractor is not required to comply with the Jury Service Program when the Agreement commences, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if Contractor no longer qualifies for an exception to the Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Agreement and at its sole discretion, that Contractor demonstrate to the County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that Contractor continues to qualify for an exception to the Program.

(4) Contractor's violation of this section of the Agreement may constitute a material breach of the Agreement. In the event of such material breach, County may, in its sole discretion, terminate the Agreement and/or bar Contractor from the award of future County Agreements for a period of time consistent with the seriousness of the breach.

58. **NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW:**

The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby.

The fact sheet is set forth in Attachment VII of this Agreement and is also available on the Internet at www.babysafela.org for printing purposes.

59. **CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW:**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

60. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS (45 C.F.R. PART 76):**

The Contractor hereby acknowledges that the County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are

suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Agreement, Contractor certifies that neither it nor any of its owners, officers, partners, directors or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Agreement, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this Agreement, should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Agreement upon which the County may immediately terminate or suspend this Agreement.

61. **CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE:** The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the certification in Attachment VIII, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both (County Code Chapter 2.202).

62. **LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:** This Contract is subject to all provisions of the County's ordinance entitled Local Business Enterprise (SBE) Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code. Specifically, Contractor shall pay particular attention to the following provisions in Chapter 2.204:

Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

If Contractor has obtained certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information

withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the Contract amount and what the County's costs would have been if the contract had been properly awarded;

2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the contract; and

3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the State, the Department of Consumer and Business Affairs and Internal Services Department (ISD) of this information prior to responding to a solicitation or accepting a contract award.

63. **FORCE MAJEURE:**

A. Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this sub-paragraph as "force majeure events").

B. Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet its obligations under this agreement. As used in this sub-paragraph, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

C. In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

64. **CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:** Contractor acknowledges that County has

established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers. Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

65. **TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM:** Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 64 (CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM) shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

66. **PUBLIC RECORDS ACT:**

A. Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Paragraph 13 - Record and Audits of this Agreement; as well as those documents which were required to be submitted in response to any solicitation conducted by the County for any services and/or programs for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

(1) County shall notify Contractor upon receipt of a request for such marked documents.

B. In the event the County is required to defend an action on a Public Records Act request, following notification to Contractor, for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

67. **SECURITY AND BACKGROUND INVESTIGATION:**

A. All Contractor staff performing services under this Contract who are in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

B. If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing services under the Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

C. County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

D. Disqualification of any member of Contractor's staff pursuant to this Paragraph 67 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

68. **AIR OR WATER POLLUTION REQUIREMENTS:** Unless specifically exempted under federal law, any federally funded Legal Entity Agreement and/or any subcontracts in excess of \$100,000 must comply with the following provisions:

A. Contractor agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Chapter 1).

B. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

69. **TIME OFF FOR VOTING:** The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable,

or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

70. **NOTICES:** All notices or demands required or permitted to be given under this Agreement shall be in writing and shall be 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.

For the County, please use the following contact information:

County of Los Angeles - Department of Mental Health

Contracts Development and Administration Division

550 South Vermont Ave., 5th Floor

Los Angeles, CA 90020

Attention: Chief of Contracts

For the Contractor, please use the following contact information:

Attention:

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this 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

APPROVED AS TO CONTRACT
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By _____
Chief, Contracts Development
and Administration Division

LEGAL ENTITY AGREEMENT FY 2016-17

DEFINITIONS

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

- A. "ACA" means the Patient Protection and Affordable Care, Public Law 111-148, comprehensive health care reform passed by Congress and then signed into law by the President on March 23, 2010;
- B. "Cal MediConnect" means the Centers for Medicare & Medicaid Services (CMS) and the State of California's three-year demonstration project to promote coordinated health care delivery to seniors and people with disabilities who are dually eligible for both of the State Medi-Cal program and the federal Medicare program;
- C. "CalWORKs" means California Work Opportunities and Responsibilities to Kids Act, which under California Welfare and Institutions Code Section 11200 et seq. provides for mental health supportive services to eligible welfare recipients. CalWORKs funding consists of both federal and State funds;
- D. "Cash Flow Advance" means County General Funds (CGF) furnished by County to Contractor for cash flow purposes in expectation of Contractor repayment pending Contractor's rendering and billing of eligible services/activities;
- E. "CCR" means the California Code of Regulations;
- F. "CDSS" means California Department of Social Services;
- G. "CGF" means County General Funds;
- H. "Cost Reimbursement" or "CR" means the arrangement for the provision of mental health services based on the reasonable actual and allowable costs of services provided under this Agreement, less all fees paid by or on behalf of patients/clients and all other revenue, interest and return resulting from the same services;
- I. "County's Claims Processing Information System" means the current system employed by the Department of Mental Health to submit and process claims;
- J. "Countywide Maximum Allowances" or "CMA" means County established maximum reimbursement rates for specialty mental health services provided by the Los Angeles County Department of Mental Health Legal Entity Contractors;
- K. "CPT" means Physicians' Current Procedural Terminology as referenced in the American Medical Association standard edition publication;

DEFINITIONS CONTINUED

- L. "Day(s)" means calendar day(s) unless otherwise specified;
- M. "DCFS" means County Department of Children and Family Services;
- N. "DHCS" means California Department of Health Care Services;
- O. "Director" means County's Director of Mental Health or his authorized designee;
- P. "DMH" means County's Department of Mental Health;
- Q. "DPSS" means County's Department of Public Social Services;
- R. "EOB" means 'Explanation of Balance' for Title XIX Short-Doyle/Medi-Cal services which is the State Department of Health Services adjudicated claim data and 'Explanation of Benefits' for Medicare which is the Federal designated Fiscal Intermediary's adjudicated Medicare claim data;
- S. "EPSDT" means the Early and Periodic Screening, Diagnosis, and Treatment program, which is a requirement of the Medicaid program to provide comprehensive health care. Such State funds are specifically designated for this program;
- T. "FFP" means Federal Financial Participation for Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities as authorized by Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- U. "Fiscal Intermediary" means County acting on behalf of the Contractor and the Federally designated agency in regard to and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities;
- V. "Fiscal Year" means County's Fiscal Year which commences July 1 and ends the following June 30;
- W. "Funded Program" means a set of services paid through a particular funding source for the benefit of a specific beneficiary (e.g., Medi-Cal/Healthy Families or Non-Medi-Cal/Non-Healthy Families). The Funded Program Amount is the basis for the provisional payment to the Contractor per Paragraph E of the Financial Exhibit A of the LAC-DMH LE Agreement. A Funded Program is made up of one or more Subprograms;
- X. "Gross Program Budget" is the sum total of the Net Program Budget and all "Third Party Revenues" shown in the Financial Summary;

DEFINITIONS CONTINUED

- Y. "GROW" means General Relief Opportunities for Work;
- Z. "IMD" means Institutions for Mental Disease and includes hospitals, nursing facilities or other institutions of more than 16 beds that are primarily engaged in providing diagnosis, treatment or care of persons with mental disease, including medical attention, nursing care and related services;
- AA. "Legal Entity" means a provider of mental health services as is described in Title 9 CCR section 1840.100;
- BB. "Master Agreement List" means a list of contractors who have submitted a Statement of Qualifications (SOQ) in response to County's Request for Statement of Qualifications (RFSQ), and have met the minimum qualifications listed in the RFSQ, and who have an executed Master Agreement;
- CC. "Maximum Contract Amount" is the sum total of all "Allocations" shown in the Financial Summary; except that the "Maximum Contract Amount" shall not include "Third Party Revenue" shown in the Financial Summary;
- DD. "Medicaid Expansion under ACA in California" means expansion of Medi-Cal eligibility to additional low-income adults;
- EE. "Mental Health Services Act" ("MHSA") means the initiative originally adopted by the California electorate on November 2, 2004, and as subsequently amended, which creates a new permanent revenue source, administered by the State, for the transformation and expanded delivery of mental health services provided by State and County agencies and which requires the development of integrated plans for prevention, innovation, and system of care services;
- FF. "MHRC" means Mental Health Rehabilitation Centers certified by the DHCS;
- GG. "Organizational Provider's Manual" is the Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services;
- HH. "PATH" means Projects for Assistance in Transition from Homelessness Federal grant funds;

DEFINITIONS CONTINUED

- II. "PHF" means a Psychiatric Health Facility. A Psychiatric Health Facility is a health facility licensed by the State Department of Mental Health, that provides 24 hour acute inpatient care on either a voluntary or involuntary basis to mentally ill persons; such care includes the following basic services: psychiatry, clinical psychology, psychiatric nursing, social work, rehabilitation, drug administration, and appropriate food services for those persons whose physical health needs can be met in an affiliated hospital or in outpatient settings;
- JJ. "Request for Services" ("RFS") is a second solicitation process to Contractors on a pre-qualified Master Agreement that requests specific and detailed services as defined in a Statement of Work at a time when such services are needed;
- KK. "Request for Statement of Qualifications" ("RFSQ") means a solicitation based on establishing a pool of qualified vendors/contractors to provider services through a Master Agreement;
- LL. "SAMHSA" means Substance Abuse and Mental Health Services Administration Federal block grant funds;
- MM. "Sensitive Position" means, per Resolution of the Board of Supervisors of the County, any position involving duties which pose a potential threat or risk to the County or to the public when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of the County or perform those services pursuant to contract;
- NN. "SDMH" means State Department of Mental Health; – Assembly Bill 102, signed by Governor Brown on June 28, 2011, directs the transfer of Medi-Cal related mental health services to DHCS therefor any reference to SDMH in Agreement should mean DHCS; unless otherwise specifically stated to mean "SDMH";
- OO. "SFC" means Service Function Code, as defined by Director, for a particular type of mental health service, and/or Title XIX Medi-Cal administrative claiming activity;
- PP. "SNF-STP" mean Skilled Nursing Facility licensed by the DHCS, with an added Special Treatment Program certified by the California Department of Public Health;
- QQ. "State" means the State of California;

DEFINITIONS CONTINUED

- RR. "Statement of Qualifications" ("SOQ") means a contractor's response to an RFSQ;
- SS. "Statement of Work" ("SOW") means a written description of services desired by County for a specific Work Order;
- TT. "Subprogram" means a set of services for a specific purpose. The Subprogram Amounts are allocated and/or awarded based on Contractors' areas of expertise and their ability to provide specific services and/or serve specific populations. The Subprogram Amounts will be used to monitor the provision of mental health services within the Funded Program and will not be used at cost settlement;
- UU. "Title IV" means Title IV of the Social Security Act, 42 United States Code Section 601 et seq.;
- VV. "Title XIX" means Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- WW. "Title XXI" means Title XXI of the Social Security Act, 42 United States Code Section 1396 et seq.;
- XX. "UMDAP" means DHCS's Uniform Method of Determining Ability to Pay;
- YY. "WIC" means the California Welfare and Institutions Code; and
- ZZ. "Work Order" means a document, which includes a Statement of Work, requesting Bids for specific services from a pre-qualified pool of Contractors that have Master Agreements. An executed Work Order becomes part of the Master Agreement.

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**DMH
LEGAL ENTITY AGREEMENT
FOR PSYCHIATRIC URGENT CARE CENTER SERVICES**

**FINANCIAL EXHIBIT A
(FINANCIAL PROVISIONS)**

1 FINANCIAL EXHIBIT A
2 URGENT CARE CENTERS
3 (FINANCIAL PROVISIONS)
4

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1 EXHIBIT

2 EXHIBIT A-1: COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH
3 URGENT CARE CENTER CONTRACTOR CLAIMS CERTIFICATION
4 FOR TITLE XIX SHORT-DOYLE MEDICAL AND TITLE XXI MEDICAID
5 CHILDREN'S HEALTH INSURANCE PROGRAM REIMBURSEMENTS

FINANCIAL EXHIBIT A
PSYCHIATRIC URGENT CARE CENTERS

FINANCIAL PROVISIONS

A. GENERAL

(1) The County shall pay Contractor in arrears for costs associated with eligible service(s) provided under this DMH Urgent Care Center (UCC) Legal Entity Agreement and in accordance with the terms of this Financial Exhibit A.

(a) The Contractor understands and agrees that payment under this Agreement is provided for the provision of the Urgent Care Center (UCC) services as set forth in this Financial Exhibit A and SB82 Crisis Stabilization-UCC Statement of Work (SOW).

(b) For the purposes of this Agreement, the phrase "Non-Medi-Cal" includes all of the following: Persons with no known outside payer source, persons for whom eligibility for benefits under the State's Medi-Cal programs is being determined or established, and persons whose eligibility for the Medi-Cal programs was unknown at the time that services were rendered.

(c) The Contractor understands and agrees that the Federal reimbursement for Medi-Cal services is provided based on Contractor's ability to provide specific services and/or serve specific populations, which may include but is not limited to, Medi-Cal beneficiaries eligible under Early and Periodic, Screening, Diagnosis, and Treatment (EPSDT) Program; Title XXI Medicaid Children's Health Insurance Program (MCHIP); existing Title XIX Short-Doyle/Medi-Cal Program for individuals with low income and resources such as children and families, pregnant women, seniors, and persons with disabilities; and Medicaid (Medi-Cal in California) Coverage Expansion under the Affordable Care Act, as set forth in the Negotiation Package (NP). Therefore, Contractor shall ensure the access and provision of UCC services to all eligible beneficiaries based on client needs as set forth in the NP under this Agreement.

(2) The Contractor shall comply with all requirements necessary for reimbursement as established by federal, State and local statutes, laws, ordinances, rules, regulations, manuals, policies, guidelines and directives.

(3) In order to reduce County costs, the Contractor shall seek payment from all sources for services provided under this Agreement consistent with the rules of the applicable payor, and further shall comply with all applicable provisions of the Welfare and Institutions Code (WIC) and/or California Code of Regulations (CCR) related to reimbursement by non-County and non-State sources, including, but not limited to, collecting reimbursement for services from clients (which shall be the same as patient fees established pursuant to WIC Section 5710) and from private or public third-party payers. In addition, Contractor shall ensure that, to the extent a recipient of services under this Agreement is eligible for coverage under Medicaid or any other federal or State funded program, services provided to such eligible beneficiary are properly identified and reported in County's claims processing information system with properly designate funding sources.

(a) To the extent that the County determines Contractor has improperly reported services in the County's claims processing information system, including but not limited to incorrectly assigning services to particular funding sources, County in its discretion, may assess liquidated damages, per DMH Policy, Number To Be Determined (TBD), *Psychiatric Urgent Care Center Contract Reimbursement*.

(4) The Countywide Maximum Allowances (CMA) limitations shall not apply to eligible UCC services (i.e., Mode 10, Service Function Code 25) provided to a non-Medi-Cal or Medi-Cal beneficiary.

B. REIMBURSEMENT BASIS

(1) County agrees to reimburse Contractor for services rendered under this Agreement to eligible clients during the term of this Agreement based on the actual, allowable cost for the Initial Period, First Automatic Renewal Period, and Second Automatic Renewal Period, as applicable, subject to all of the rules, regulations, and policies established by the County, State and/or federal governments regarding payment and reimbursement of services, and in accordance with the terms of this Agreement.

(2) The total maximum amount that will be paid by County to Contractor under this Agreement, including Cash Flow Advances if applicable, for the Initial Period, First

Automatic Renewal Period, the Second Automatic Renewal Period shall be, in no event, more than the actual, allowable cost to provide UCC services stipulated in this Agreement, for the Initial Period, First Automatic Renewal Period, and the Second Automatic Renewal Period, respectively, of this Agreement.

(a) Reimbursement for UCC services: Pursuant to the DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*, which is incorporated into this Financial Exhibit A by reference, reimbursement for UCC services shall be based on actual allowable cost consistent with the cost reimbursement methodology. As indicated in the policy, allowable costs only include those costs which are reasonable in amount, and which would be incurred by a prudent buyer of goods and services. As specified in DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*, Contractor shall submit, monthly, an invoice detailing the allowable actual cost related to the operation of the UCC and the provision of services as outlined in Contractor's most recent approved NP. Contractor shall continue to submit mental health units of service (UOS) data related to UCC services through the County's claims processing information system.

(b) County Payments: After Director's review and approval of a complete and accurate invoice, County shall make good faith efforts to make payments for services billed through the invoice as soon as possible, subject to the limitations and conditions specified in this Agreement, but in any event, such payment will be made no more than thirty (30) calendar days after each submitted invoice is approved.

C. BILLING PROCEDURES

(1) UCC: Contractors shall, no later than the 15th of each month, submit an invoice for the monthly allowable and actual cost for the operation of the UCC for the previous month to the persons and at the address identified in Paragraph R (PAYMENT AND INVOICE NOTIFICATIONS) of this Financial Exhibit A. Said invoice shall be in a form as specified by the County, and will include an itemized accounting, as specified in the DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*, of all allowable costs incurred to operate the UCC. In the event that the 15th of any month falls on

a weekend or holiday, then the invoice shall be submitted by the last business day before the 15th.

(a) In addition to the monthly invoices, Contractor shall submit, to the persons and at the address identified in Paragraph R (PAYMENT AND INVOICE NOTIFICATIONS) of this Financial Exhibit A, an Annual Expenditure Report (AER) that summarizes and/or updates, if any, actual and allowable costs for the entire fiscal year as specified in the DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*. The AER is due no later than thirty (30) calendar days after the Annual Cost Report due date for the applicable fiscal year and may be used as the final invoice for the applicable fiscal year.

(2) If Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services are provided under this Agreement, Contractor authorizes County to serve as the Mental Health Plan for State claiming and reimbursement of Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services and to act on Contractor's behalf with SDHCS in regard to claiming.

(3) Claims Certification and Program Integrity:

(a) Contractor hereby certifies that all UOS entered by Contractor into the County's claims processing information system and/or claims for actual costs submitted to County for any services covered by this Agreement are true and accurate to the best of Contractor's knowledge.

(b) Contractor shall annually provide the additional certification set forth in the "Urgent Care Center Contractor Claims Certification for Title XIX Short-Doyle/Medi-Cal and Title XXI Medicaid Children's Health Insurance Program Reimbursements" (Exhibit A-1 to this Attachment II) related to Contractor's compliance with specific State and federal statutory and regulatory requirements which are conditions for the reimbursement of Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP claims.

(4) Mental Health Services: UOS for all mental health services, including services funded by Title XIX Short-Doyle/Medi-Cal and Title XXI MCHIP but not including clients with private health insurance, shall be entered into County's claims processing information system within thirty (30) calendar days of the end of the month in which services are delivered, except as otherwise provided in this Paragraph C (BILLING PROCEDURES).

For clients with private health insurance, Contractor must enter UOS within sixty (60) calendar days of the end of the month in which services are delivered, except as otherwise provided below.

(a) In the event that Contractor has a reasonable justification for not submitting UOS data within the time frame specified above, Contractor shall promptly, but in no event later than ten (10) business days after the timeline specified above, notify the Chief Information Office Bureau (CIOB), in writing, of the justification and remedy for the delay in submission of UOS in the County's claims processing information system, with a copy to Countywide Resource Management (CRM). County will determine whether a reasonable justification exists; if it does not, Contractor may be liable for liquidated damages, as specified in Paragraph D (4) below. If reasonable justification exists, Contractor shall submit (i) an initial or original (non-replacement) UOS data as soon as possible but for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI MCHIP, no later than six (6) months after the end of the month in which the services were rendered, to the extent doing so would not preclude payment from a funding source; and (ii) replacement UOS data, if appropriate, for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI MCHIP no later than nine (9) months after the end of the month in which the services were rendered, to the extent doing so would not preclude payment from a funding source.

(b) INTENTIONALLY OMITTED

(c) In addition to all other limitations provided in this Paragraph C (BILLING PROCEDURES), UOS for all services provided through June 30th of a given fiscal year under certain categorical funding, i.e., Assembly Bill (AB)109 funding, Department of Children and Family Services funding, as specified in the approved NP, shall be entered into the County's claims processing information system no later than July 15th of the subsequent fiscal year.

(d) In the event the State or federal government or any other funding source denies any or all UOS or claims submitted by County on behalf of Contractor, Contractor shall correct and resubmit/replace such UOS or claims within the time frame provided in Subparagraph (4) (a) of this Paragraph C (BILLING PROCEDURES).

(e) Notwithstanding the requirements in UOS specified in Subparagraph (4)(a) of this Paragraph C (BILLING PROCEDURES), Contractor shall, as soon as practicable, notify County of any delay in meeting the timeframe for submitting UOS specified in Subparagraph (4) of this Paragraph C (BILLING PROCEDURES) in the event Contractor is not able to make timely data entry into the County's claims processing information system due to no fault on the part of Contractor. Such Contractor notification should be immediate upon Contractor's recognition of the delay and must include a specific description of the problem that the Contractor is having with the County's claims processing information system. Notification shall be pursuant to the DMH Urgent Care Center Legal Entity Agreement, Paragraph 70 (NOTICES), and such notification shall also be made by Contractor to the DMH CIOB's Help Desk with a copy to CRM.

(f) The County will notify Contractor in writing as soon as practicable of any County issue(s) which will prevent the entry by Contractor of UOS data into the County's claims processing information system, and County will waive the requirement of Subparagraph (4) of this Paragraph C (BILLING PROCEDURES) in the event of any such County issue(s). Once County has notified Contractor that its issues are resolved, Contractor shall enter billing information into the County's claims processing information system within thirty (30) calendar days of County's notice unless County and Contractor otherwise agreed to by County and Contractor to a different period, or pursuant to Subparagraph (i) below.

i. To the extent that issues identified pursuant to Subparagraph (4) (f) of this Paragraph C (BILLING PROCEDURES) requires that Contractor modify its procedures for entering UOS into the County's claims processing information system, Contractor shall consult with County regarding a reasonable time required to implement such modifications and, upon approval by County, the thirty (30) calendar days required by Subparagraph (4) (f) of this Paragraph C (BILLING PROCEDURES) shall be extended by the amount of time required to implement such modifications.

(g) County may modify the County's claims processing information system at any time in order to comply with changes in, or interpretations of, State or federal laws, rules, regulations, manuals, guidelines, and directives. County shall notify Contractor in writing of any such modification and the reason, if known, for the modification and the

planned implementation date of the modification. To the extent that such modifications create a delay in Contractor submitting claims into the County's claims processing information system for a period of time, the timelines under this Paragraph C (BILLING PROCEDURES) shall be extended by the number of calendar days reasonably based on the time the system is inactive.

D. BILLING AND PAYMENT LIMITATIONS

(1) Provisional Payments: County payments to Contractor for performance of eligible services hereunder are provisional until the completion of the Annual Cost Report, AER, and all audits, as such payments are subject to future County, State, and/or federal adjustments to allowable costs. County adjustments to provisional payments to Contractor will be based upon the AER, annual cost report, and compliance reviews, and/or County, State, or federal audits, all of which take precedence over monthly claim reimbursements provided by County. County and Contractor acknowledge that the references in this Paragraph D (BILLING AND PAYMENT LIMITATIONS) represent examples only and are not intended, nor shall be construed, to represent all of the circumstances or conditions that may result in adjustments to provisional payments.

(2) Other Limitations for Certain Categorical Funding: In addition to all other limitations provided in this Paragraph D (BILLING AND PAYMENT LIMITATIONS), reimbursement for services rendered under certain funding sources may be further limited by rules, regulations and procedures applicable to that funding source. Contractor shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

(3) Contractor shall compare its costs at least on a quarterly basis to Schedule 6-a (UCC Budget Schedule), and shall not exceed the projected budget amount, of the approved NP. Costs in excess of the projected budget amount which are not approved by County pursuant to DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*, will not be considered allowable.

(4) Recognizing that County will be damaged in the event that Contractor fails to meet certain obligations under this Agreement, and further recognizing that the damages may be difficult to determine in some instances, Contractor agrees that County has the right

to assess damages per DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement* based on the following:

(a) Contractor agrees that County has the right to assess liquidated damages under the following circumstances:

(i) Contractor Lapse in Invoicing: If Contractor fails to timely submit invoices as required by County;

(ii) Timely Submission of Client Data: If Contractor fails to timely input data in the County's claims processing information system without reasonable justification but, in the case of Medi-Cal or MCHIP beneficiaries, does submit the information in sufficient time to allow billing to Medi-Cal or MCHIP,

(iii) Correct Designation of Funding Sources: Contractor improperly designates the funding source responsible for the client and corrects the error before the time to bill the funding source has lapsed; and

(iv) Default: If the County determines that Contractor is in default under the provisions of this Agreement designated in DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*.

(b) Contractor agrees that County has the right to assess actual damages incurred under the following circumstances:

(i) Untimely submission of Medi-Cal or MCHIP Data: If Contractor fails to input data related to services to Medi-Cal or MCHIP beneficiaries in County's claims processing information system, or without good cause, such information is reported too late to allow timely claiming to Medi-Cal or MCHIP; and

(ii) Lack of Documentation: If Contractor fails to ensure documentation of clinical work meets the minimum federal, State, and County written standards.

(c) Concurrent with any such action(s) specified in Subparagraph (4)(a) or (4)(b) of this Paragraph D (BILLING AND PAYMENT LIMITATIONS) and except in cases of alleged fraud or similar intentional wrongdoing or a reasonable good faith determination of impending insolvency, Director shall provide Contractor with written notice of the County's decision to take such action(s), including the reason(s) for the action, per DMH Policy Number TBD, *Psychiatric Urgent Care Center Contract Reimbursement*.

(5) Expiration/Termination of Agreement: Contractor shall have no claim against County for payment of any money, or reimbursement of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement or any part thereof. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

(6) Agreement Compliance: Director, in his/her sole discretion and at any time and without prior written notice to Contractor, may take any necessary actions required to ensure that Contractor shall not be paid a sum in excess of the amount due to the Contractor under the terms and conditions of this Agreement. Such actions may include, but are not limited to, denying all or in part the payment of any invoices, and/or demanding repayment from Contractor.

(7) Contractor agrees to hold harmless both the State and beneficiary in the event County cannot or will not pay for services performed by Contractor pursuant to this Agreement.

E. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS

(1) This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.

(2) This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the federal government which may in any way affect the provisions or funding of this Agreement.

(3) In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in County contracts, County reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board of Supervisors reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, and the services to be provided by the Contractor under this Agreement shall also be reduced correspondingly. County's notice to the Contractor

regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action. Except as set forth in this Subparagraph (3) of this Paragraph E (LIMITATIONS OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS) and Subparagraph (3) of Paragraph F (CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS), the Contractor shall continue to provide all of the services set forth in this Agreement.

(4) Notwithstanding any other provision of this Agreement, County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during this or any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. County shall notify Contractor of any such non-appropriation of funds at the earliest possible date.

F. CONTRACTOR'S REQUIREMENTS FOR PAYMENT OF SERVICES BASED ON CLIENT ELIGIBILITY

(1) Payment under this Agreement is provided for the delivery of mental health services at a UCC to eligible beneficiaries identified in the SB82 Crisis Stabilization-UCC SOW and established in accordance with the requirements and restrictions imposed by each respective County, State and/or federal policies, guidelines, and regulations.

(2) Contractor shall not, in County's claims processing system, report services delivered to an eligible beneficiary for Medi-Cal to the Non-Medi-Cal Plan except in such cases where a client's eligibility for benefits is being established or determined at the time the report is made. Upon confirming that said client is approved for Medi-Cal benefits, Contractor shall void the original UOS for services provided on or after the effective date that Medi-Cal services became eligible for reimbursement, and replace/resubmit such UOS for Medi-Cal under the correct Plan. Similarly, where County determines that a service reported originally through the Non-Medi-Cal Plan was to a client approved for Medi-Cal, and so notifies Contractor, Contractor shall void the original UOS for services provided on or after the effective date that Medi-Cal services became eligible for reimbursement, and replace/resubmit such UOS for Medi-Cal under the correct Plan.

(3) Contractor shall be responsible for delivering services to clients to the extent that aggregate funding is in a County approved NP, except for special populations, not including County responsible clients, who have restricted sources of funding. Where Contractor determines that services to clients can no longer be delivered, Contractor shall provide thirty (30) calendar days prior written notice to County. Contractor shall thereafter refer clients to County or to another appropriate Contractor.

(a) Contractor shall not be required to provide the notice required under Subparagraph (3) of this Paragraph F (CONTRACTOR'S REQUIREMENT FOR PAYMENT OF SERVICES BASED ON CLIENT ELIGIBILITY) if the County reduces funding to the Contractor under Paragraph E (LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS) whether such reductions occur at the beginning or during a fiscal year. In addition, if County reduces or eliminates funding, or portion thereof, Contractor shall not be responsible for continuing services for those clients served by such funding, or portion thereof.

G. CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN

(1) County and Contractor may by written amendment reduce programs or services. The Director shall provide fifteen (15) business days prior written notice of such funding changes to Contractor, including any changes in the amount of services to be received by County.

(2) Contractor shall be responsible for delivering and monitoring services so that Contractor can provide continued and uninterrupted quality services to eligible beneficiaries as specified in this Agreement. Notwithstanding Subparagraph (1) of this Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN), if the County reasonably determines the Contractor will not meet expectations listed in Subparagraph (3), County may contact Contractor to discuss whether a corrective action plan (CAP) will be required. If County determines that a CAP is required, Contractor shall prepare such CAP. After receiving County approval of the CAP, Contractor shall implement its terms.

(3) Without limiting Contractor's obligations under this Agreement, Contractor shall meet the following expectations:

(a) Contractor shall not deviate twenty-five (25) percent or more from its projected unique client count, UOS, or costs for UCC services based on a quarterly review of Schedule 8 (Legal Entity Mental Health Service Plan) of the approved NP unless it has advised County of such deviation and County has agreed that it is permissible.

(b) Contractor shall meet performance and/or outcome expectations that are specified in the Agreement and/or any Service Exhibit, and/or are set forth in Department policies, guidelines, directives, and/or practice parameters.

(4) If a CAP is established pursuant to Subparagraph (2) of this Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN), and Contractor fails to comply with such CAP, County may implement options listed in subsections (a), (b), and/or (c) to safeguard County's mission to ensure access to quality services for all client populations and to ensure the types of services and supports necessary to assist clients in achieving hope, wellness, and recovery.

(a) Restrict payment to Contractor of any amount above the amount agreed to in the NP.

(b) In the event that Contractor is operating at capacity as defined in the approved NP and Agreement, clients will be redirected to other UCCs for services.

(c) Eliminate funding sources related to the deficiency within the Contractor's Agreement and/or terminate the Contractor's Agreement in its entirety for failure to meet performance and/or outcome expectations as specified in program service exhibit(s) and/or Department policies, guidelines, directives, and practice parameters.

(d) Changes that are based on one-time circumstances will be applicable to the current contract year only and shall not result in reductions (or increases) of funding in subsequent years, while changes that are based on clearly documented ongoing historical trends may result in ongoing reductions (or increases) of funding in subsequent years.

Prior to implementing options (a), (b), and/or (c) of Subparagraph (4), County shall provide fifteen (15) business days prior written notification to Contractor of County's intent to implement one or more such options. Such notification shall include an explanation of how the County reached the conclusion that Contractor is not meeting the expectations listed in Subparagraph (3) and copies of relevant data, such as but not limited to County information system reports used by County in making this decision, the nature and amount of proposed

funding changes, and any proposed changes in the amount of services to be provided by Contractor.

(5) In the event Contractor believes that an adjustment under Subparagraph (4) of this Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES AND TO MONITOR SERVICE PLAN is unjustified, Contractor may, within the fifteen (15) business days notice period, so notify the Director in writing, and request a meeting with County to review County's documentation. Any such meeting shall be held within thirty (30) calendar days of the initial written notification. If Contractor fails to meet with County in this period of time, and County has provided an opportunity to meet within that time period, Contractor is deemed to have waived its opportunity to meet with County and accepts County recommended changes in funding and/or program/service delivery up to and including termination of the entire Agreement.

If, after any such meeting, it is still determined that an adjustment under this Subparagraph (4) of Paragraph G (CONTRACTOR'S RESPONSIBILITY TO ENSURE QUALITY OF SERVICES is justified, the County shall take the appropriate action, as provided above. Director shall provide final prior written notice to Contractor of such action(s), including any changes in the amount of services to be received by County, and the determination of the Director will be final. Any such change in Contractor's Agreement, including termination of the entire Agreement shall be effected by an administrative amendment to this Agreement issued by the Director.

The determination by the Director shall be effective upon the receipt of such final prior written notice by Contractor and the changes to funding and services shall be incorporated into this Agreement as of the date of receipt. Contractor understands and agrees that funding may be reduced as a result of the adjustments authorized by this provision, and further acknowledges that County has relied upon this flexibility in establishing the funding for this Agreement. By executing this Agreement, Contractor specifically consents to the prospective adjustments set forth in this provision up to and including termination of the Agreement.

H. LIMITATION ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM

(1) If, under this Agreement, Contractor serves Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP clients, Contractor shall certify annually by submitting completed "Urgent Care Center Contractor Claims Certification for Title XIX Short-Doyle/Medi-Cal and Title XXI Medicaid Children's Health Insurance Program Reimbursements" (Exhibit A-1 to this Attachment II), no later than July 10 of each year, that all necessary documentation will exist at the time any claims for Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP are submitted by Contractor to County.

Contractor shall be solely liable and responsible for all service data and information submitted by Contractor.

(2) Contractor acknowledges and agrees that the County, in undertaking the processing of services, claims, and payment for services rendered under this Agreement to Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP beneficiaries, does so as the Mental Health Plan for the State and federal governments.

(3) Contractor shall submit to County all Title XIX Short-Doyle/Medi-Cal and/or Title XXI MCHIP UOS or other State required service data within the time frame(s) prescribed by this Agreement to allow the County to meet the timeframes prescribed by the State and federal governments.

(4) County, as the Mental Health Plan, shall submit to the State in a timely manner claims for Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services only for those services/activities identified and entered into the County's claims processing information system, as appropriate, which are compliant with State and federal requirements. County shall make available to Contractor any subsequent State approvals or denials of such claims within thirty (30) days of receipt thereof.

(5) Contractor shall comply with all written instructions provided to Contractor by Director, State or other applicable payer source regarding claiming and documentation.

(6) Nothing in this Paragraph H (LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM) shall be construed to limit Contractor's rights to appeal State and federal settlement and/or audit findings in accordance with the applicable State and federal regulations.

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I. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

(1) Contractor shall comply with all County, State, and federal requirements and procedures relating to:

(a) The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with State guidelines and Welfare and Institutions Code Sections 5709 and 5710; and

(b) The eligibility of patients/clients for Short-Doyle/Medi-Cal, private insurance, or other third party coverage; , and

(c) The collection, reporting, and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. Contractor shall pursue and report collection of all patient/client and other revenue.

(2) All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by Contractor only for the delivery of mental health service/activities specified in this Agreement.

(3) Contractor may retain unanticipated revenue, which is not shown in Contractor's NP for this Agreement, for a maximum period of one fiscal year, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement. Contractor shall report the expenditures for the mental health services/activities funded by this unanticipated revenue in the Annual Cost Report submitted by Contractor to County.

(4) Contractor shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.

(5) Contractor may retain any interest and/or return which may be received, earned or collected from any funds paid by County to Contractor, provided that Contractor shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.

(6) Failure of Contractor to report in all its claims and in its Annual Cost Report all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, all unanticipated revenue not shown in Contractor's NP for this Agreement, and all interest and return on funds paid by County to Contractor, shall result in:

(a) Contractor's submission of a revised claim statement showing all such non-reported revenue.

(b) A report by County to SDHCS of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries.

(c) Any appropriate financial adjustment to Contractor's reimbursement.

J. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED

(1) The Cash Flow Advance (CFA), if approved by County, is an advance of funds to be repaid by Contractor through direct payment of cash and/or through the provision of appropriate services/activities under this Agreement during the applicable period.

(2) For each month of each period of this Agreement, County will reimburse Contractor based upon Contractor's actual allowable cost, in accordance with the terms of this Agreement. However, for each month of the first two (2) months, of the Initial Term, the First Automatic Renewal Period, or the Second Automatic Renewal Period, Contractor may request in writing from County a monthly County General Fund CFA as herein described.

(3) CFA disbursement(s), if any, shall be part of the total maximum reimbursement, which is limited to the actual allowable cost as specified in Paragraph B (REIMBURSEMENT BASIS).

(4) CFA is intended to provide cash flow to Contractor pending Contractor's submission of invoices required by Subsection (1) of Paragraph C (BILLING PROCEDURES) for eligible services/activities, as identified in DMH Legal Entity Agreement Paragraph 5 (DESCRIPTION OF SERVICES/ACTIVITIES) and SB82 Crisis Stabilization-UCC SOW, and County payment thereof. Contractor may request each

monthly CFA only for such services/activities and only to the extent that there is no other reimbursement from any public or private sources for such services/activities.

(5) No CFA will be given if a Contractor has not been certified as an eligible Medi-Cal service provider unless otherwise agreed to by County.

(6) Cash Flow Advance Request Letter: For each month for which Contractor is eligible to request and receive a CFA, Contractor must submit to the County a letter requesting a CFA and the amount of CFA Contractor is requesting.

(a) In order to be eligible to receive a CFA, the letter requesting a CFA must be received by County on or before the 15th of that month (i.e., for the month of July 2014, the request must be received by July 15, 2014).

i. If the letter requesting CFA is received by the County from the Contractor after the 15th of the month, Contractor will not be eligible to receive a CFA for that month.

(b) The signed letter requesting a CFA must be sent via mail, fax or email (PDF file) to the Department of Mental Health Financial Services Bureau – Accounting Division, Provider Reimbursement Section (PRS).

i. PRS staff will determine whether Contractor is eligible to have its request considered based on the date the request letter is received by PRS and not the date on the request letter.

(c) Upon receipt of a request, Director, in his/her sole discretion, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.

i. If a CFA is not approved, Director will notify Contractor within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, Contractor may, within fifteen (15) calendar days, request reconsideration of the decision.

(7) Business Rules for the Determination of the Maximum Amount of the Cash Flow Advance Request:

For each of the first two (2) months of each period that this Agreement is in effect, Contractor may request in writing from County a monthly County General Fund CFA. Contractor shall specify in its request the amount of the monthly CFA it is requesting, not to

exceed 1/12th of UCC's budget as identified in the current and approved NP as of the specified month the CFA is requested.

(8) Recovery of Cash Flow Advances: If Contractor has received any CFA pursuant to this Paragraph J (CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ACTIVITIES TO BE RENDERED), then recovery of such CFA shall be made through County offsets to County payment(s) of Contractor's monthly approved claim(s) and/or invoice(s) as follows:

(a) County will initiate recovery of the CFA balance, if any, for a particular fiscal year in July following the close of such fiscal year. Such recovery is initiated through the Contractor's submission of invoices for actual and allowable cost of rendering appropriate services and activities. The determination to begin recovery of CFA balance in July of the following fiscal year is based on the presumption that when a contractor is meeting its contractual levels, then the Contractor will have incurred appropriate and allowable cost for services/activities, subject to the limitations and conditions specified in this Agreement, and submitted all invoices reflecting allowable actual cost by July 15 following the end of the fiscal year. In addition, Contractor will have entered such services/activities into the County's claims processing information system by July 30 following the end of the fiscal year.

(b) If at any time during the fiscal year, County determines that Contractor is not rendering services at a level that would meet the performance standard, County may initiate recovery of the CFA prior to July 1 of the following fiscal year. If County intends to initiate recovery of the CFA prior to July 1, County will give Contractor at least thirty (30) calendar days prior written notice, including the reason(s) for the intended actions. Contractor may, within fifteen (15) calendar days of the receipt of County's written notice, request reconsideration of the County's decision.

(c) County will perform a reconciliation to determine if any of the CFA balance is owed to County. Contractor repayment of amounts owed shall be conducted as specified in Paragraph N (METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY) unless otherwise agreed to by County.

(9) Should Contractor request and receive CFA, Contractor shall exercise cash management of such CFA in a prudent manner.

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K. ANNUAL COST REPORT AND AER

(1) For each fiscal year or portion thereof that this Agreement is in effect, Contractor shall provide County with two (2) copies of an accurate and complete Annual Cost Report, along with a statement of expenses and revenue, and a Cost Report Certification. The statement of expenses and revenue and Cost Report Certification must be signed by a Contractor's executive official or designee, by the due date specified in Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER).

(a) If Contractor has multiple DMH agreements with the County under one Legal Entity, Contractor shall submit a single consolidated Annual Cost Report for all provider numbers used by the Legal Entity, and such report shall include information regarding the costs and services under this Agreement.

(2) An accurate and complete Annual Cost Report shall be defined as a cost report which is completed to the best of the ability of Contractor on such forms or in such formats as specified by the County, is consistent with such instructions as the County may issue, and is based on the best available data.

(3) The Annual Cost Report will be comprised of a separate set of forms for the County and State based on the funding applicable to the fiscal year.

(4) The Annual Cost Report will be due on September 15th for the fiscal year ending on the previous June 30th or seventy-five (75) calendar days following the expiration or termination date of this Agreement, whichever occurs earlier. Should the due date fall on a weekend, such report will be due on the following business day.

(a) Failure by Contractor to submit an Annual Cost Report within thirty (30) calendar days after the due date specified in above Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT) shall constitute a breach of this Agreement.

i. In addition to, and without limiting, any other remedy available to the County for such breach, County may undertake any or all of the following to remedy such breach:

(A) In such instance that Contractor does not submit an Annual Cost Report by such thirty (30) calendar days after the applicable due date specified

in Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER), then all amounts covered by the outstanding Annual Cost Report and paid by County to Contractor for the fiscal year for which the Annual Cost Report is (are) outstanding shall be due by Contractor to County. Contractor shall pay County according to the method described in Paragraph N (METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY). Such payments shall be submitted to the persons and at the address identified in Paragraph R (PAYMENT AND INVOICE NOTIFICATIONS).

(B) If this Agreement is automatically renewed as provided in Paragraph 1 (TERM), then County may opt to suspend payments to Contractor under this Agreement until the Annual Cost Report is submitted. County shall give Contractor at least fifteen (15) business days written notice of its intention to suspend payments hereunder, including the reason(s) for its intended action. Thereafter, Contractor shall have fifteen (15) business days either to submit the Annual Cost Report, or to request reconsideration of the decision to suspend payments. Payments to Contractor shall not be suspended during said fifteen (15) business days provided to correct the deficiency or, if reconsideration is requested, pending the results of the reconsideration process.

(b) Failure by the Contractor to submit an Annual Cost Report by the due date specified in Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER) will result in damages being sustained by the County. County and Contractor agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to submit its Annual Cost Report to the County under this Paragraph K (ANNUAL COST REPORT AND AER). The County and Contractor hereby agree that a reasonable estimate of said damages is \$100 per day for each day that the Contractor fails to submit to the County by the due date.

i. Liquidated damages shall be assessed separately on each outstanding Annual Cost Report.

ii. Liquidated damages shall be assessed commencing on September 16th or on the seventy-sixth (76th) day following the expiration or earlier termination of this Agreement and shall continue until the outstanding Annual Cost Report is received.

iii. Upon written request from the County, Contractor shall, within thirty (30) calendar days of the date of the written request, submit to the County payment for said damages. Said Payment shall be submitted to the persons and at the address identified in Paragraph R (PAYMENT AND INVOICE NOTIFICATIONS).

iv. Contractor may ask that liquidated damages not be assessed by sending a written request for an extension to submit the Annual Cost Report to the Director no later than thirty (30) calendar days prior to the due date specified in this Subparagraph (4) of this Paragraph K (ANNUAL COST REPORT AND AER). The decision to grant an extension without assessing liquidated damages in accordance with Subparagraph (4) (b) of this Paragraph K (ANNUAL COST REPORT AND AER) shall be at the sole discretion of the Director.

(5) Each Annual Cost Report shall be prepared by Contractor in accordance with the Centers for Medicare and Medicaid Services' Publications #15-1 and #15-2; "The Provider Reimbursement Manual Parts 1 and 2;" the State's Cost and Financial Reporting System (CFRS) Instruction Manual; and any other written guidelines that shall be provided to Contractor at the Cost Report training, to be conducted by County on or before June 30 of the fiscal year for which the Annual Cost Report is to be prepared.

(a) Attendance by Contractor at the County's Cost Report Training is mandatory.

(b) Failure by the Contractor to attend the Cost Report Training shall be considered a breach of this Agreement that will result in damages being sustained by the County. County and Contractor agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to attend the Cost Report Training. County and Contractor hereby agree that a reasonable estimate of said damages is \$100 per occurrence. Therefore, County may, in its sole discretion, assess liquidated damages in the amount of \$100 for Contractor's non-attendance at the Cost Report Training. Said Payment shall be submitted to the persons and at the address identified in Paragraph R (PAYMENT AND INVOICE NOTIFICATIONS).

(6) Upon written notification from the Director that its Annual Cost Report contains errors or inaccuracies, Contractor shall, within thirty (30) calendar days, correct such errors and inaccuracies and resubmit its Annual Cost Report.

(a) If Contractor fails to correct inaccuracies in Annual Cost Report within thirty (30) calendar days after receipt of written notification from the Director and said inaccuracies result in the loss of reimbursement to County for claimable amounts that were paid to Contractor, Contractor must pay County the amount of lost reimbursement that County could have claimed if the inaccuracy was corrected by Contractor.

(7) Contractor shall be solely responsible for any loss incurred by County due to Contractor's failure to comply with County and State cost report requirements.

(8) The AER will be due 30 calendar days after the Annual Cost Report due date for the applicable fiscal year or 90 days following the expiration or termination date of this Agreement, which occurs earlier.

(a) Upon review and approval of the AER, County will reconcile the AER with total payments to Contractor for UCC services. County will issue a settlement with the Contractor for the allowable cost of such UCC services, as certified in the Annual Cost Report and reflected in the AER.

(i) If an additional amount is owed to Contractor, County shall issue payment to Contractor within 60 days of issuance of the settlement.

(ii) If an amount is owed to County, Contractor will issue payment to County consistent with Paragraph N (METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY).

L. OTHER REQUIREMENTS FOR CONTRACTORS PROVIDING TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM SERVICES

(1) Contractor shall maintain records documenting all Title XIX Short-Doyle/Medi-Cal services and/or Title XXI MCHIP services in compliance with the terms of Paragraph 13 (RECORDS AND AUDITS) of the Agreement.

(2) Contractor shall complete and certify, in accordance with State and County instructions, and provide DMH with two (2) copies of an accurate and complete Specialty Mental Health Services (SMHS) Reconciliation Report, also referred to as Title XIX Short-Doyle/Medi-Cal Reconciliation Report, by the due date set by the State for the applicable fiscal year. If Contractor also provides specialty mental health services pursuant

to any other agreement with County, a single SMHS Reconciliation Report covering all contracted services shall be filed.

(a) Should Contractor fail to provide County with the SMHS Reconciliation Report by the due date, then Director, in his/her sole discretion, shall determine which State approved Short-Doyle/Medi-Cal services shall be used by County for completion of the SMHS Reconciliation Report.

(b) Contractor shall hold County harmless from and against any loss to Contractor resulting from the Contractor's failure to provide County with the SMHS Reconciliation Report and County's subsequent determination of which State-approved Short Doyle/Medi-Cal services to use for completion of the SMHS Reconciliation Report for the Contractor.

**M. AUDITS, AUDIT APPEALS AND POST-AUDIT APPEAL
SHORT-DOYLE/MEDI-CAL (SD/MC) SETTLEMENT**

(1) At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with State and federal law including but not limited to the California Welfare and Institutions Code (WIC) Sections 14170 et seq., authorized representatives from the County, State or federal governments may conduct an audit of Contractor regarding the services/activities provided under this Agreement.

(2) Settlement of audit findings will be conducted according to the auditing party's procedures in place at the time of the audit.

(3) Post-Audit SD/MC Settlement: In the case of a State Short-Doyle/Medi-Cal (SD/MC) audit, the State and County will perform a post-audit SD/MC settlement based on State audit findings. Such settlement will take place when the State initiates its settlement action, which customarily is after the issuance of the audit report by the State and before the State's audit appeal process.

(4) County may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit for UCC services.

(a) Contractor shall provide all applicable documentation as requested by County, if County decides to appeal any such audit disallowances.

(b) For federal audit exceptions, federal audit appeal processes shall be followed.

(c) County may appeal the State audit findings in conformance with provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. County shall notify Contractor of State appeal deadlines after County's receipt of information from State in order to coordinate receipt of applicable documentation.

(5) County Audits: Should County be the auditing party, Contractor will have thirty (30) calendar days from the date of the audit report within which to file an appeal with County. The letter providing the Contractor with notice of the audit findings shall indicate the persons and address to which the appeal should be directed. County shall consider all information and arguments provided by Contractor with its appeal, and will issue its decision on the appeal after such consideration. Such decision is final. County will issue an invoice for any amount due County fifteen (15) calendar days after County has notified Contractor of the County's audit appeal findings. Contractor shall make payment to the County in accordance with the terms of Paragraph N (METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY). Said payment shall be submitted to the persons and at the address identified in Paragraph R (PAYMENT AND INVOICE NOTIFICATIONS).

N. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

(1) Within ten (10) business days after County issues written notification to Contractor of any amount due by Contractor to County, Contractor shall notify County as to which of the following four payment options Contractor requests be used as the method by which County shall recover such amount. Any such amount shall be:

- (a) Paid in one cash payment by Contractor to County;
- (b) Deducted from future invoices over a period not to exceed three (3) months;
- (c) Paid by cash payment(s) by Contractor to County over a period not to exceed three (3) months; or
- (d) A combination of (b) and (c) above.

(2) If Contractor does not so notify County within such ten (10) days, or if Contractor fails to make payment of any such amount to County as required, then Director, in his/her sole discretion, shall determine which of the above four payment options shall be used by County for recovery of such amount from Contractor.

(3) In such instance that Contractor can not meet the timeline approved by the County, Contractor shall provide County and its authorized representatives access to and the right to audit pertinent financial records relating to this Agreement.

O. INTEREST CHARGES ON DELINQUENT PAYMENTS

(1) If Contractor, without good cause as determined in the sole judgment of Director, fails to pay County any amount due to County under this Agreement within sixty (60) calendar days after the due date, then Director, after written notice to Contractor, may assess interest charges on such late payment.

(a) The amount of said interest charge shall be calculated at a rate equal to County's Treasury Pool Rate, as determined by County's Auditor-Controller, on the delinquent amount due commencing on the sixty-first (61st) calendar day after the due date.

(2) Contractor shall have an opportunity to present to the Director information bearing on the issue of whether there is a good cause justification for Contractor's failure to pay County within sixty (60) calendar days after the due date.

(3) The interest charges shall be: (i) paid by Contractor to County by cash payment upon demand and/or (ii) at the sole discretion of Director, deducted from any amounts due to Contractor by County whether under this Agreement or otherwise.

P. FINANCIAL SOLVENCY

Contractor shall maintain adequate provisions to meet the solvency/working capital criteria specified in DMH Policy 812.03, *Financial Responsibility Requirements for Existing DMH Contractors*.

Q. COUNTY AND CONTRACTOR REQUESTED CHANGES

(1) If Contractor desires any change in the terms and conditions of this Agreement, Contractor shall request such change in writing prior to April 1 of the fiscal year for which the change would be applicable, unless otherwise agreed to by County.

(a) All changes requested by Contractor shall be made by an amendment pursuant to DMH Legal Entity Agreement Paragraph 40 (ALTERATION OF TERMS).

(b) After requesting any change, Contractor shall submit a Mid-Year Change to the last approved NP, which must be approved by the Director as specified in DMH Notice, *Negotiation Package Submission Procedures*.

(2) If County requires changes per options specified in Paragraph G (CONTRACTOR'S RESPONSIBILITY TO MONITOR SERVICE PLAN , Contractor must submit a Mid-Year Change to the last approved NP as specified in DMH Notice, *Negotiation Package Submission Procedures*.

(3) If County requires changes per Paragraph E (LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS), Contractor must submit a Mid-Year Change to the last approved NP as specified in DMH Notice, *Negotiation Package Submission Procedures*.

(4) If County and Contractor agree to make a funding and/or service plan change relevant to this Agreement, Contractor must submit a Mid-Year Change to the last approved Negotiation Package as specified in DMH Notice, *Negotiation Package Submission Procedures*.

R. PAYMENT AND INVOICE NOTIFICATIONS

(1) Contractor shall submit all Invoices, including any supporting documentation, to the following:

County of Los Angeles Department of Mental Health
Financial Services Bureau – Accounting Division
550 S. Vermont Avenue, 8th Floor
Los Angeles, CA 90020
Attn: Provider Reimbursement Section

(2) Contractor shall submit all remittances and payments for amounts due to the County under this agreement to the following:

County of Los Angeles Department of Mental Health
Financial Services Bureau – Accounting Division
550 S. Vermont Avenue, 8th Floor
Los Angeles, CA 90020
Attn: Accounts Receivable

COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH URGENT CARE CENTER
CONTRACTOR CLAIMS CERTIFICATION FOR TITLE XIX SHORT-DOYLE MEDI-CAL and TITLE XXI
MEDICAID CHILDREN'S HEALTH INSURANCE PROGRAM REIMBURSEMENTS

Legal Entity: _____

Legal Entity Number: _____

Claims for services/activities with dates of services: July 1, _____ through June 30, _____ .

I HEREBY CERTIFY under penalty of perjury that I am the official responsible for the administration of the mental health services in and for said claimant; that the amounts for which reimbursement will be claimed for Medi-Cal and Medicaid Children's Health Insurance Program (MCHIP) services to be rendered during the above indicated fiscal year and to be claimed to the County of Los Angeles Department of Mental Health will be in accordance the terms and conditions of the Legal Entity Agreement; and that to the best of my knowledge and belief each claim will be in all respects true, correct, and in accordance with State and federal law and regulation. I agree and shall certify under penalty of perjury that all claims for services to be provided to county mental health clients will be provided to the clients by this Legal Entity. The services will be provided in accordance with the client's written treatment plan. This Legal Entity also certifies that all information submitted to the County Department of Mental Health will be accurate and complete. I and this Legal Entity understand that payment of these claims will be from County, State and federal funds, and any falsification or concealment of a material fact may be prosecuted under federal and/or State laws. The Legal Entity agrees to keep for a minimum period of as specified in its Legal Entity Agreement with County a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. The Legal Entity agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the County of Los Angeles Department of Mental Health, California Department of Health Care Services; the Medi-Cal Fraud Unit; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human Services, or their duly authorized representatives. The Legal Entity also agrees that services will be offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.

FURTHER, I HEREBY CERTIFY under penalty of perjury to the following: An assessment of the beneficiary will be conducted in compliance with the requirements established in the County's Mental Health Plan (MHP) contract with the California Department of Health Care Services (State DHCS). The beneficiary will be determined to be eligible to receive Medi-Cal services at the time the services are provided to the beneficiary. The services to be included in the claims during the above indicated period will actually be provided to the beneficiary. Medical necessity will be established for the beneficiary as defined under Title 9, California Code of Regulations, Division 1, Chapter 11, for the service or services to be provided, for the timeframe in which the services will be provided. A client plan will be developed and maintained for the beneficiary that meets all client plan requirements established in the County's MHP contract with the State DHCS. For each beneficiary with day rehabilitation, day treatment intensive, or EPSDT supplemental specialty mental health services to be included in the claim during said period, all requirements for payment authorization for day rehabilitation, day treatment intensive, and EPSDT supplemental specialty mental health services will be met, and any reviews for such service or services will be conducted prior to the initial authorization and any re-authorization periods as established in the County's MHP contract with the State DHCS.

Date: _____

Signature: _____

Executed at _____, California

I CERTIFY under penalty of perjury that I am a duly qualified and authorized official of the herein Legal Entity claimant responsible for the examination and settlement of accounts. I further certify that this Legal Entity claimant will provide from the eligible designated funds in the Financial Summary of the Legal Entity Agreement with County, the local share of payment for Short-Doyle/Medi-Cal and/or MCHIP covered services to be included in the claims to be submitted to County during the above referenced period in order to satisfy matching requirements for federal financial participation pursuant to the Title XIX and Title XXI of the Social Security Act.

Date: _____

Signature: _____

Executed at _____, California

Please forward the completed form to the Department of Mental Health (DMH):

Los Angeles County – Department of Mental Health
Attn: Contract Development and Administration Division
550 S. Vermont Ave.,
5th Floor, RM 500
Los Angeles, CA 90020

DMH LEGAL ENTITY AGREEMENT
ATTACHMENT IV

Service Delivery Site Exhibit

CONTRACTOR NAME: _____

LEGAL ENTITY NO.: _____ PERIOD: _____

*DESIGNATED PROGRAM OFFICE	SERVICE EXHIBIT NO.	PROV. NO.	SERVICE DELIVERY SITE(S)	M.H. SERVICE AREA(S) SERVED	SITE SUP. DISTRICT
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*Legend: Adult Systems of Care (A)
Child, Youth, & Family Program Administration (C)
Critical Care (CC)
Court Programs (CP)
Older Adult Program (OA)
Transition Age Youth (TAY)
Homeless (H)
Managed Care (MC)

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

SERVICE EXHIBITS

A duplicate original of the Service Exhibit(s) will be on file in the Department of Mental Health's Contracts Development and Administration Division and is deemed incorporated herein by reference as though fully set forth, and will be made available to interested persons upon request.

<u>DESCRIPTION</u>	<u>CODES</u>
Targeted Case Management Services (Rehab. Option)	104-A
Short-Term Crisis Residential Services (Forensic)	201
Crisis Stabilization Services (Rehab. Option)	202-A
Vocational Services	304-A
Day Rehabilitation Services (Adult) (Rehab. Option)	308-B
Day Rehabilitation Services (Children/Adolescents) (Rehab. Option)	309-B
Day Treatment Intensive Services (Adult) (Rehab. Option)	310-B
Day Treatment Intensive Services (Children/Adolescents) (Rehab. Option)	311-B
Mental Health Services (Rehab. Option)	402
Medication Support Services (Rehab. Option)	403
Crisis Intervention Services (Rehab. Option)	404-A
Mental Health Service Treatment Patch (La Casa)	405
Therapeutic Behavioral Services	406-A
Outreach Services	501-A
Outreach Services (Suicide Prevention Services)	502-A
American Indian Life Skills (United American Indian Involvement, Inc.)	503-A
Intensive Skilled Nursing Facility Services	601
Mental Health Rehabilitation Centers (La Casa Mental Health Rehabilitation Center)	602
Intensive Skilled Nursing Facility Services (La Paz)	603
Intensive Skilled Nursing Facility Services Forensic Treatment	604
Skilled Nursing Facilities (Psychiatric Services)	605
Skilled Nursing Facility – Special Treatment Program Services (SNF-STP/Psychiatric Services)	608
Intensive Skilled Nursing Facility Services – Enhanced Treatment Program (ETP)	609
Socialization Services	701-A
Life Support Services	801
Case Management Support Services	802-A
Case Management Support Services (Forensic)	803-A
Case Management Support Services (Children & Youth)	804-A
Life Support Services (Forensic)	805
Independent Living Services	901

**DMH LEGAL ENTITY AGREEMENT
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Local Hospital Services	902
Semi-Supervised Living Services	904
Adult Residential Treatment Services (Transitional) (MSHA)	912
Adult Residential Treatment Services (Long Term)	913
Non-Hospital Acute Inpatient Services (La Casa PHF)	914
Comprehensive Adult Residential Treatment Services (Bio-Psycho-Social Services)	915
Assertive Community Treatment Program (ACT)	921
Psychiatric Inpatient Hospital Services	930
Primary Linkage and Coordination Program	1001
Service Provisions (Organizational Provider Only)	1003
Consumer Run/Employment Program	1005
Client Supportive Services (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1010-A
Mental Health 24-Hour Services Interim Placement Funding for Basic Care Services	1011
Mental Health 24-Hour Services Children Under Age 18 Basic Services	1012
Supportive Services – Residential Programs (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1013
Client Supportive Services-Mental Health Services Act Programs (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1014-A
Full Service Partnership (FSP)	1015
Supportive Services – Intensive Residential Program (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1016
Client Supportive Services (New Directions) (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1018
Family Support Services	1019
Service Extender Stipend Program Mental Health Services Act Programs (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1020
Client Supportive Services Field Capable Clinical Services (FCCS) Mental Health Services Act Programs (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1021
Intensive In-Home Mental Health Services	1022
Intensive Treatment Foster Care	1025
One-Time Expenses Associated with Program Development for Intensive In-Home Evidence Based Practices (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1026
Outreach and Engagement Services (MHSA Only)	1027
Enriched Residential Services (Alternative Crisis) (Adults)	1028
IMD Step-Down Programs (Adults)	1029
Urgent Care Centers (Alternative Crisis) (Adults)	1030

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ATTACHMENT V**

Client Supportive Services Homeless CalWORKs Families Project (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1031
Star View-PHF-Supplemental Financial Support	1032
Star View-CTF-Supplemental Financial Support	1033
Field Capable Clinical Services (FCCS)	1035
Suicide Prevention Program Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) Plan	1036
One-Time Expenses Associated with Starting a new MHSA Program for PEI Early Start Suicide Prevention Program (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1037
One-Time Expenses Associated with Starting a New MHSA Program for Urgent Care Center – Exodus Recovery, Inc. (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1038
PEI Early Intervention EBP programs for Children & TAY	1039
Exodus Recovery, Inc. Urgent Care Center	1040
Client Supportive Services for MHSA (CSS Manual Billing Service Exhibit) (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1042
One-Time Expenses Associated with Implementing a New MHSA Program for Prevention and Early Intervention (PEI) Program (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1046
Prevention and Early Intervention (PEI) Program (<i>Includes Attachment A - MHSA PEI Programs Core Interventions and Ancillary Services Guide and Attachment B - PEI Evidenced Based Practices (EBP) Outcome Measures</i>)	1047
One-Time Expenses Associated with Starting A New Mental Health Services Act Innovation Program (<i>Includes Attachment A</i>)	1052
Client Supportive Services For Mental Health Services Act Innovation Plan Programs Integrated Clinic Model (<i>Includes Attachment A</i>)	1059
Statement of Work (SOW) CalWORKs Program (<i>Exhibits 1-7</i>)	1060
One-Time Expenses Associated with Starting A New Mental Health Services Act Prevention And Early Intervention Integrated School Health Centers Program (<i>Includes Attachment A - Reimbursement Procedures and Attachment B – Reimbursement Claim</i>)	1061
SAMHSA Project ABC - Family Wellness Network	1062
Family Support Services Enhanced Respite Care Pilot	1063
MHSA Innovation – Integrated Peer Run Model: Peer Run Integrated Services Management (SHARE and MHALA Only)	1064
MHSA Innovation – Integrated Peer Run Model: Peer Run Respite Care Home (SHARE and MHALA Only)	1065
Intensive Enhanced Field Capable Clinical Services (IFCCS)	1066
Parent–Child Interaction Therapy 0-5 YRS (PCIT)	1067
Parent-Child Interaction Therapy 2-5 YRS (PCIT)	1068
Client Supportive Services – Homeless Programs (<i>Includes Attachment A - Reimbursement Procedures and Attachment B - Monthly Claim for Cost Reimbursement</i>)	1069
Exodus Foundation dba Exodus Foundation for Recovery. MLK JR. Psychiatric UCC	1070

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VIP Community Mental Health Center, Inc. – Forensic Center Services	1071
Psychiatric Inpatient Hospital Services	1072
Non-Hospital Acute Inpatient Services (Exodus Recovery Psychiatric Health Facility)	1073
The Center for Assessment and Prevention of Prodromal States Prevention and Early Intervention Program for Transition Age Youth Ages 16-25	1074
Parent-Child Interaction Therapy 2-5 YRS (PCIT)	1075
Assisted Outpatient Treatment – Los Angeles IMD Step Down Programs (Adults) <i>(Includes Attachment I)</i>	1076
Assisted Outpatient Treatment – Los Angeles Full Service Partnership <i>(Includes Attachment I)</i>	1077
Projects for Assistance in Transition From Homelessness (PATH) Program <i>(Includes Attachment A – One-time Expense Claim)</i>	1078
Client Supportive Services Field Capable Clinical Services (FCCS) Mental Health Services Act Programs <i>(Includes Attachment A – Reimbursement Procedures and Attachment B – Reimbursement Claim (Medicaid Coverage Expansion))</i>	1079
Intensive Care Coordination (ICC) and Intensive Home Based Services (IHBS)	1080
Integrated Care Program-Community Designed integrated Service Management Model (ICP-ISM)	1081
Integrated Care Program-Integrated Clinics (ICP-IC)	1082
Integrated Mobile Health Team-Full Service Partnership (IMHT-FSP)	1083

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VI**

ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

In accordance with the DMH Legal Entity Agreement's Paragraph 54 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM):

I, the undersigned certify that I am not presently excluded from participation in federally funded health care programs, nor is there an investigation presently pending or recently concluded of me which is likely to result in my exclusion from any federally funded health care program, nor am I otherwise likely to be found by a federal or state agency to be ineligible to provide goods or services under the federally funded health care programs.

I further certify as the official responsible for the administration of Legal Entity Name (hereafter "Contractor") that all of its officers, employees, agents and/or sub-contractors are not presently excluded from participation in any federally funded health care programs, nor is there an investigation presently pending or recently concluded of any such officers, employees, agents and/or sub-contractors which is likely to result in an exclusion from any federally funded health care program, nor are any of its officers, employees, agents and/or sub-contractors otherwise likely to be found by a federal or state agency to be ineligible to provide goods or services under the federally funded health care programs.

I understand and certify that I will notify DMH within thirty (30) calendar days, in writing of:

- Any event that would require Contractor or any of its officers, employees, agents and/or sub-contractors exclusion or suspension under federally funded health care programs, or
- Any suspension or exclusionary action taken by an agency of the federal or state government against Contractor, or one or more of its officers, employees, agents and/or sub-contractors, barring it or its officers, employees, agents and/or sub-contractors from providing goods or services for which federally funded healthcare program payment may be made.

Name of authorized official (Official Name) _____

Please print name

Signature of authorized official _____ Date _____

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VII**

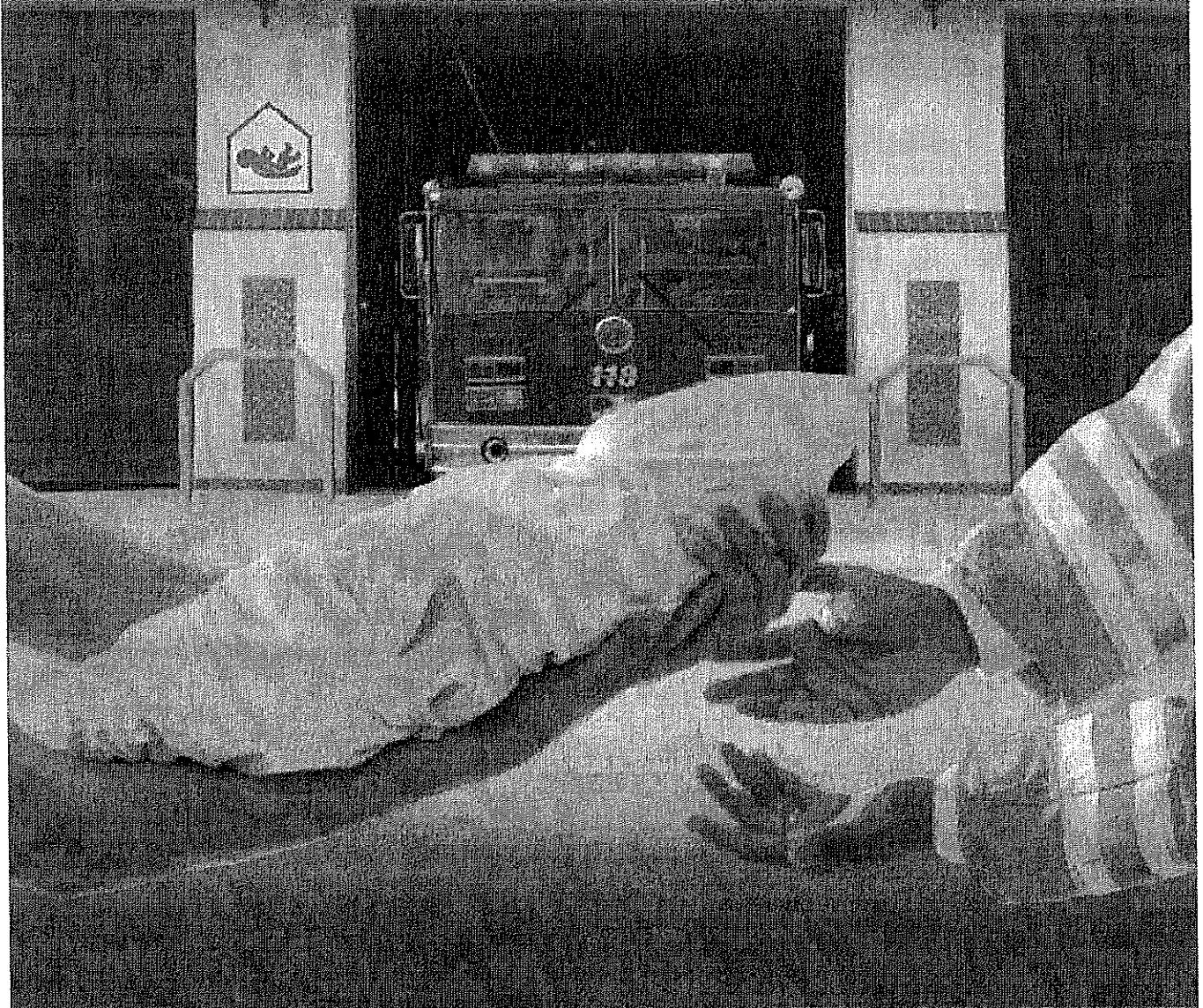
SAFELY SURRENDERED BABY LAW

Posters and Fact Sheets are available in English and Spanish for printing purposes at the following website:

www.babysafela.org



Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

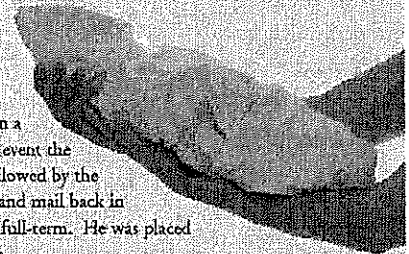
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

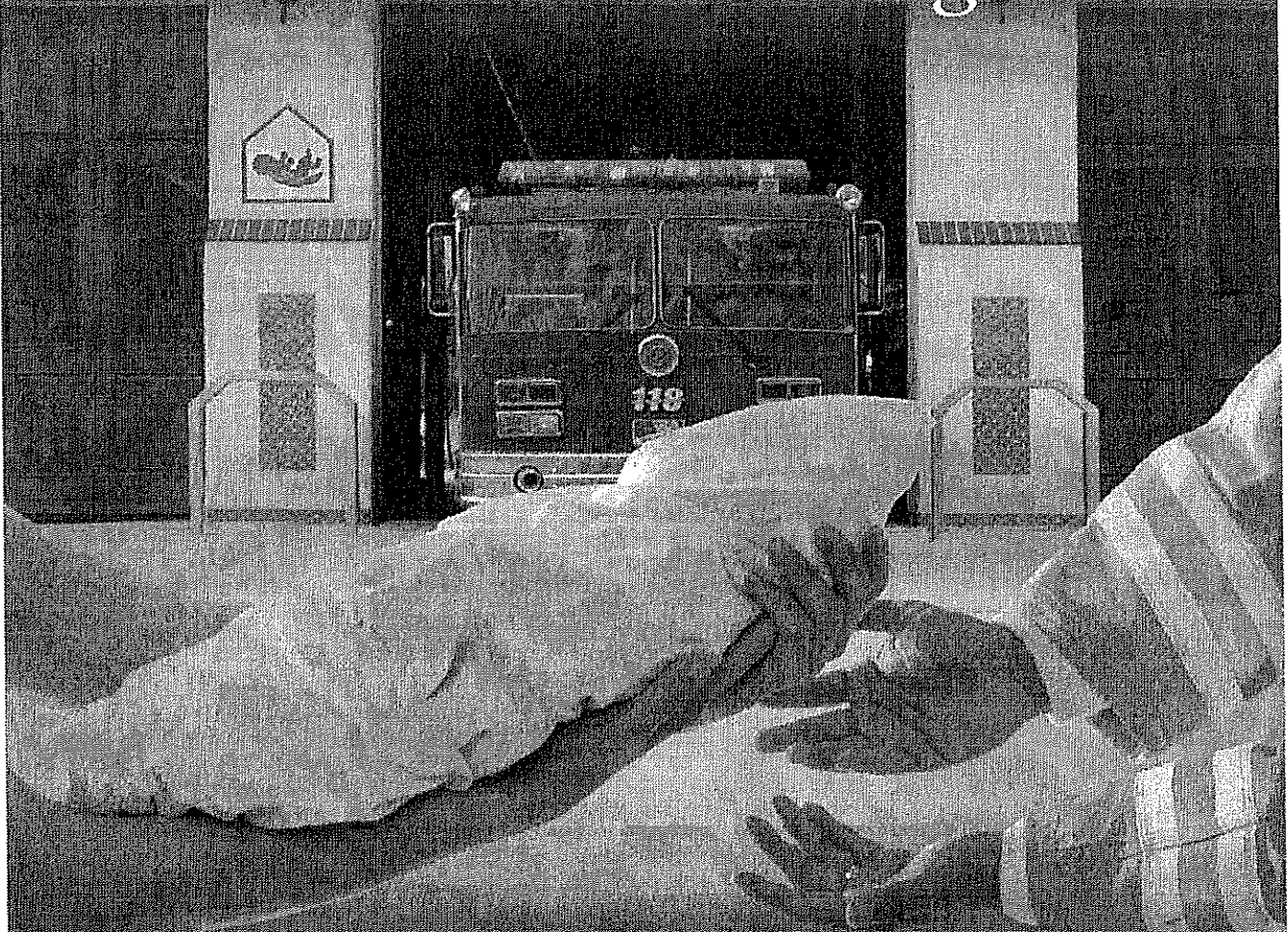
The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Angeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Angeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida a manos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VIII**

CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company.

- Proposer or Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Proposer engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

- Proposer or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

Signature

Date

Name and Title of Signer (Official Name, Official Title)

Please print

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

CONTRACTOR (Legal Entity _____
Name): Legal Entity Number: _____

Pursuant to Paragraph 11 PERFORMANCE STANDARDS AND OUTCOME MEASURES Contractor shall be subject to the following standards and outcomes that have been checked in the last column titled "Required Outcome" and which will be used by County as part of the determination of the effectiveness of services delivered by Contractor. Also, as stated in Paragraph 11, Contractor may be subjected to other specific performance outcomes that are required for Mental Health Service Act (MHSA) programs. MHSA performance outcomes are separately identified from this Attachment X and are instead provided in the respective MHSA service exhibits that are part of this Legal Entity Agreement, if applicable.

Line ID	Outcomes Domains	Performance Outcomes Targets	Method of Data Collection	Required Outcome (check)
1		State mandated (California Welfare and Institutions Code (WIC) § 5612 and WIC § 5613)	California Consumer's Perception Survey - MHSIP ¹ , YSS ² and YSS-F ³ survey instruments.	P

Performance Outcomes Project:				
2	Access to Services	Client received continuity of care by being seen within 7 calendar days of discharge from an acute psychiatric hospital. (Systemwide benchmark is 46% or more of the clients are seen within the seven (7) days).	County DMH's claims processing information system data repository.	
3		90% or more of responding clients were able to receive services at convenient times and location.	MHSIP, YSS and YSS - F survey instruments.	
4		Client received continuity of care by being seen within 14 calendar days time of discharge from mental health residential treatment program/institutional setting. (Only applicable to residential/institutional service providers. Unplanned discharges are excepted from the 14 day requirement). (Systemwide benchmark is 59% or more of the clients are seen within the seven (7) days).	County DMH's claims processing information system data repository.	
5		80% or more of responding clients report that they had someone to talk to when they were troubled.	MHSIP, YSS and YSS-F survey instruments.	
6	Client Satisfaction	80% or more of responding clients reported that staff were sensitive to the client's cultural/ethnic background.	MHSIP, YSS and YSS-F survey instruments.	
7		70% or more of responding child/youth get along better with family members.	YSS and YSS-F survey instruments.	
8		70% or more of responding child/youth in a crisis, have the support they need from family or friends.	YSS and YSS-F survey instruments.	
9		75% or more of responding child/youth are doing better in school and/or work.	YSS and YSS-F survey instruments.	
10		65% or more of responding Transitional Age Youth are doing better in school and/or work.	MHSIP, YSS, YSS-F	
11		60% or more of responding adult clients are doing better in school and/or work.	MHSIP, YSS and YSS-F survey instruments.	
12	Clinical Effectiveness	75% or more of responding adult/older adult clients report they deal more effectively with daily problems and/or 65% report that their symptoms are not bothering them as much.	MHSIP, YSS and YSS-F survey instruments.	

¹ MHSIP means Mental Health Statistics Improvement Program and is used for adult and older adult surveys.

² YSS means Youth Services Survey for Youth.

³ YSS-F means Youth Services Survey for Families.

REQUIRED SUPPLEMENTAL DOCUMENTS

INSTRUCTIONS ON SUBMISSION OF DOCUMENTS

For Contracts up for renewal (submit every three years): *All the documents listed below must be submitted to DMH's Contracts Development Administration Division at 550 S. Vermont Ave., 5th Floor, Los Angeles, CA 90020, at the time of execution of Contract, but no later than ten (10) business days after July 1st of the fiscal year in which Contract is being renewed (for new Contracts with an effective date other than July 1st, these documents must be submitted ten (10) business days after the effective date of the Contract). Documents must be submitted in a one-subject binder in sequence as listed below. Contractor must give a good cause justification, in writing, for not submitting the documents in the time period described above. The written justification must be addressed to the DMH lead District Chief overseeing the Contract.*

For Contracts that will be superseded (submit annually if necessary): *The documents listed below, with the exception of No. 3 Financial Responsibility Requirements, No. 10 Indemnification and Insurance, and No. 14 Contractor Acknowledgement and Confidentiality Agreement, must be resubmitted to DMH only if there are any updates or revisions after the initial period of submission. See above for submission instructions.*

1. **Corporation Documents**

Provide a copy of the following:

- a. List of Authorized Persons: Board minutes authorizing the person(s) and identifying her/his job title that is (are) legally empowered to sign legal documents on behalf of the organization;
- b. Articles of Incorporation and Corporate Seal: The imprint/copy of the Corporate Seal if the organization is a corporation is to be **affixed to the copy of the Articles of Incorporation.** The Corporate Seal must read the same as the organization's name. An explanation for any difference, if any, between the Corporate Seal and the organization's name as used in the Negotiation Package is to be provided; and
- c. By-Laws/Amendments.

2. **Organizational Chart** – Attach a current/proposed organizational chart, showing all existing and proposed mental health and substance abuse programs/subprograms irrespective of DMH funding.

3. **Financial Responsibility Requirements**

The Contractor must comply with Department's Policy No. 813.04 - **Financial Responsibility Requirements for Contracting with the County of Los Angeles Department of Mental Health**. This DMH Policy can be accessed in its entirety at the following website: http://lacdmh.lacounty.gov/ContractorsPolicies/Documents/800/813_04.pdf

4. **Rent and Lease Agreements** specifying all Terms and Conditions shall be made available within three (3) business days should DMH or its representative request the documents.

Such agreements if requested are to include: term of Agreement; monetary consideration; other leasing consideration; full names and addresses of leaser; and any family/related party relationship between leaser and the organization and its officers and Board of Directors including a full listing of full names of officers, directors, etc. who have any family/related party relationship with leaser.

5. **Fully Executed Contracts** (e.g., Consultants, professional services, etc.) shall be made available within three (3) business days should DMH or its representative request the documents.

6. **Equipment Lease(s)** copies for equipment, including automobiles, photocopiers, etc. shall be made available within three (3) business days should DMH or its representative request the documents.

7. **Maintenance Agreement(s)** for equipment and other items shall be made available within three (3) business days should DMH or its representative request the documents.

8. **Non-Discrimination in Services and Employment Policy Statement** – Submit the following:

- a. Policy statement of non-discrimination in delivery of services and employment practices;
- b. Non-discrimination in Employment Complaint Procedures. Include a copy of such procedures which are to be posted by contractor; and
- c. Written procedures to address complaints concerning non-discrimination in services. Include a copy of such procedures which are to be posted by contractor in the facility (ies).

9. **Other Government Contracts** (Attachment X – 4) – Provide a list of all contracts with other County, State, and federal departments/agencies and the amount of each contract.

10. **Indemnification and Insurance** – Contractor must comply with and submit insurance verification documents per Contract Paragraph 21.

11. **Subcontract(s)** – List of all subcontractors.

Contractors must have **prior written approval** from DMH in order to enter a particular subcontract.

12. **County of Los Angeles Community Business Enterprises (CBE) Program**

The Community Business Enterprise Program was established to allow business enterprises owned by minorities, women, the disadvantaged, and disabled veterans to take advantage of opportunities in government and private-sector procurement programs.

Your business must be certified as any one of the following: 1) Minority Business Enterprise (MBE); 2) Women Business Enterprise; 3) Disadvantaged Business Enterprise (DBE); and/or 4) Disabled Veteran Business Enterprise (DVBE).

For more information please visit this website: <http://dcba.lacounty.gov>

13. **County of Los Angeles Local Small Business Enterprise Preference (SBE) Program**

Eligibility and Requirements

Businesses that are eligible to participate in the Local Small Business Enterprise Preference Program, have been certified as a small business enterprise with the State of California; and have been certified by the County's Internal Services Department as holding a principal office located within the County of Los Angeles for at least the previous 12 months.

OR

Where geographic preferences are precluded by federal funding restrictions, businesses are eligible to participate in the Local Small Business Enterprise Preference Program if they are certified by the federal Small Business Administration (SBA) or are registered as small on the federal System for Award Management (SAM) data base. Information about the federal SBA guidelines and the federal Central Contractor Registration data base is available at: www.sam.gov.

Small Business and DVBE Certification information, guidelines and applications can be accessed online from this link: <http://www.dgs.ca.gov/pd/Home.aspx>

Detailed eligibility requirements, policies, and procedures for participating in the Local Small Business Enterprise (LSBE) Preference Program can be accessed online from this link: <http://osb.lacounty.gov>

14. Contractor Acknowledgement and Confidentiality Agreement – Attachment X - 1

Purpose: The organization acknowledges awareness that its employees, contractors, subcontractors and vendors are its sole responsibility, are not employees of the County, while performing services under the contract, and will not acquire any rights or benefits from the County of Los Angeles pursuant to any Agreement between any persons or entity and the County of Los Angeles. The organization also acknowledges its responsibility regarding the confidentiality of certain information.

15. Contractor Employee Acknowledgement and Confidentiality Agreement – Attachment X – 2

This form will be required for each contractor employee. Such form **shall be made available within three (3) business days should DMH or its representative request the documents.**

Purpose: The Contractor's employee acknowledges awareness that he/she is not an employee of the County, while performing services under the contract, and will not acquire any rights or benefits from the County of Los Angeles pursuant to any Agreement between any persons or entity and the County of Los Angeles.

16. Contractor Non-Employee Acknowledgement and Confidentiality Agreement – Attachment X – 3

This form will be required for each contractor's subcontractor employee. Such form **shall be made available within three (3) business days should DMH or its representative request the documents.**

Purpose: The Subcontractor's employee acknowledges awareness that he/she is not an employee of the County, while performing services under the subcontract, and will not acquire any rights or benefits from the County of Los Angeles pursuant to any Agreement between any persons or entity and the County of Los Angeles.

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME _____ Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any Protected Health Information (PHI) and confidential clinical data obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any confidential clinical data or PHI received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note – for Contractor's record; shall be made available within three (3) business days upon DMH request)

Contractor Name _____ Contract No. _____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any confidential clinical data or PHI obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any confidential clinical data or PHI received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note – for Contractor’s record; shall be made available within three (3) business days upon DMH request)

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGEMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any confidential clinical data or PHI obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

SIGNATURE: _____ DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

ATTACHMENT XI

CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number

Vendor Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the Contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment. Yes No
2. The Contractor periodically conducts a self-analysis or utilization analysis of its work force. Yes No
3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups. Yes No
4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. Yes No

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

**SB 82 CRISIS STABILIZATION PROGRAM - URGENT CARE CENTERS
STATEMENT OF WORK (SOW)**

1.0 INTRODUCTION

1.1 Overview

The Investment in Mental Health Wellness Act of 2013, also known as Senate Bill (SB) 82, intends to expand crisis services statewide by providing capital funding to counties in California. The Los Angeles County Department of Mental Health (DMH) has been awarded a total of \$40,892,700 by the California Health Facilities Financing Authority (CHFFA) to expand Los Angeles County's (County) crisis services, \$4,210,526 of which has been designated for its Crisis Stabilization Program or Urgent Care Centers (UCCs). SB 82 intends to expand access to and capacity for community-based mental health crisis services that offer appropriate alternatives to emergency room care, hospitalization and incarceration by establishing three additional UCCs in Service Area (SA) 1 (Antelope Valley), SA 3 (San Gabriel Valley), and SA 8 (South Bay/Harbor Area) within close proximity of a hospital trauma center.

DMH currently has four psychiatric UCCs, developed as part of the County's Mental Health Services Act Community Services and Supports Plan and strategically located to decompress County and private hospital emergency rooms. UCCs provide rapid access to mental health evaluation and assessment, crisis intervention and medication support 24 hours per day, 7 days per week (24/7), as well as case management/linkage to community-based resources for individuals experiencing psychological distress and/or psychiatric crisis. These programs are required to abide by federal and State statutes and regulations and County policies.

1.2 Headings and Definitions

The headings herein are for convenience and reference only and are not intended to define the scope of any provision thereof. The words used herein shall be construed to have the meanings described in this section, unless otherwise apparent from the context in which they are used.

1.3 Scope of Work

The UCCs shall provide crisis intervention services, including integrated services for co-occurring substance abuse disorders, focused on stabilization and linkage to recovery-oriented community based resources. Proposers shall deliver services in one or more of the following areas:

Antelope Valley, San Gabriel Area, and South Bay/Harbor Area, and may serve individuals residing in adjacent communities.

Each of the three UCCs shall have capacity to treat 12 adults and six (6) adolescents at any given time, for a total of 18 individuals per UCC. The UCCs shall be Lanterman-Petris-Short (LPS) designated for the UCC site and for appropriate staff.

Target population is individuals 13 years and older whose presenting problems can be met with short-term (under 24 hours), immediate care and linkage to on-going community services and supports, who would otherwise be taken to emergency rooms or incarcerated. Each individual served shall participate in the development of an individualized plan, focused on recovery and wellness principles that will promote successful re-integration into the community.

1.4 Outcomes for Urgent Care Centers

CHFFA and Los Angeles County DMH have identified the following outcomes for the Crisis Stabilization Program's UCCs regarding individuals served:

- 1.4.1 Reduced utilization of hospital emergency rooms and psychiatric inpatient units, and a reduction in incarceration;
- 1.4.2 Reduced law enforcement involvement on mental health crisis calls, contacts, custodies and/or transports for assessment;
- 1.4.3 Improved participation rates in outpatient mental health services, case management programs, crisis and other supportive residential programs and intensive services programs;
- 1.4.4 Clients' and/or their family members' satisfaction with the crisis stabilization services received; and
- 1.4.5 An increase in the percentage of individuals who, within 15 and 30 days have not returned for crisis services at a County or private hospital emergency department.

1.5 Performance-Based Criteria

- 1.5.1 Any resulting agreement shall include nine (9) Performance-based Criteria that measure the Proposer's performance related to program and operational measures and are indicative of quality mental health services. These measures assess the agency's

ability to provide the mandated services as well as the operation's ability to monitor the quality of services.

- 1.5.2 The Proposer shall provide processes for systematically involving families, key stakeholders, and direct service staff in defining, selecting, and measuring quality indicators at the program and community levels. Should there be a change in Federal, State and/or County policies/regulations DMH, at its sole discretion, will advise the Proposer of the revised Performance-based Criteria with 30-day's notice.

The Performance-based Criteria are as follows:

PERFORMANCE BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
1. Agency has ethnic parity of staff to clients served	Review of staffing pattern and personnel records	Ethnic staff is in proportion to the percentage of ethnic minority clients to be served.
2. Agency has linguistic capability sufficient to meet the needs of clients to be served	Review of staffing pattern and personnel records	Staff is available to meet the linguistic needs of clients served.
3. Provider offers immediate access to mental health services for clients in a crisis	Sample review of client records; client satisfaction surveys	100% of clients entering the Program are seen in a timely fashion, ensuring client satisfaction as measured by self-reports that are included in a client satisfaction survey.
4. Agency has sufficient number of LPS designated staff to serve clients	Review of staffing records	LPS designated staff on each shift
5. Agency identifies clients with co-occurring mental health and substance abuse disorders and provides appropriate services	Integrated System (IS) report of clients who have substance abuse diagnosis; sample review of client records.	A minimum of 50% of clients are identified as having co-occurring mental health and substance abuse disorders.
6. Agency provides (or arranges access to) peer support and self-help groups	Sample review of client records	A minimum of 50% of clients will be referred to peer support and self-help groups
7. Agency has paid staff who are clients/peer advocates and/or family members	Review of personnel records	Approximately 10% of staff will be persons with lived experience.

PERFORMANCE BASED CRITERIA	METHOD OF DATA COLLECTION	PERFORMANCE TARGETS
8. Agency serves uninsured clients	IS report	Approximately 20% of clients served were uninsured at the time of admission.
9. UCC reduces hospital admissions for clients served	IS report and analysis	Clients using UCC demonstrate decreased use of hospital services compared with baseline period.

1.6 Staffing

Proposer and/or its Subcontractor(s) shall ensure that the following staff and volunteer requirements are met:

- 1.6.1 Criminal Clearances: Criminal clearances and background checks shall have been conducted for all Proposer's staff and volunteers and all Subcontractor staff prior to beginning and continuing work under any resulting contract. The cost of such criminal clearances and background checks is the responsibility of Proposer, whether or not the Proposer or Subcontractor's staff or volunteers pass or fail the background and criminal clearance investigations.
- 1.6.2 Linguistic and Cultural Capacity: Proposer personnel, as well as all Subcontractor staff performing services under this SOW shall be able to read, write, speak, and understand English in order to conduct business with County. In addition to having competency in English, Proposer shall ensure there is a sufficient number of ethnically and linguistically diverse staff to meet the cultural and language needs of the community served.
- 1.6.3 Service Delivery: Proposer shall ensure that all professional and paraprofessional staff and volunteers are able to provide services in a manner that effectively responds to differences in cultural beliefs, behaviors and learning, and communication styles within the community in which the Proposer will provide services. Staff shall include professionals, paraprofessionals, and persons with lived experience
- 1.6.4 Driver's License: Proposer shall maintain copies of current driver's licenses, including current copies of proof of auto insurance, of staff providing transportation for clients.

- 1.6.5 Driving Record: Proposer shall maintain copies of driver's Department of Motor Vehicles (DMV) printouts for all Proposers' drivers providing service under this SOW. Reports shall be available to County upon request. County reserves the right to conduct a DMV check on Proposer's drivers upon request.
- 1.6.6 Experience: Proposer shall be responsible for securing and maintaining staff who have sufficient experience and expertise necessary to provide the services required in this SOW. Proposer shall obtain written verification for staff with foreign degrees that the degrees are recognized as meeting established standards and requirements of an accrediting agency authorized by the U.S. Secretary of Education.
- 1.6.7 Staff Training: Proposer shall provide orientation to all professional and paraprofessional staff, interns and volunteers providing UCC services prior to their beginning service and shall complete initial training within thirty (30) business days from their start date. Training shall continue throughout an employee's provision of services.
- 1.6.8 Documentation: Proposer shall maintain documentation in the personnel files of all professional and paraprofessional staff, interns, and volunteers of: (1) all training hours and topics; (2) copies of résumés, degrees, and professional licenses; and (3) current criminal clearances.
- 1.6.9 Rosters: Proposer shall provide County, at the beginning of each contract term and within 30 days of any staff change(s), a roster of all staff that includes: (1) name and positions; (2) work schedules; and (3) facsimile and telephone numbers.
- 1.6.10 Changes: Proposer shall advise County in writing of any change(s) in Proposer's key personnel, consisting of management staff and the Project Manager, at least twenty-four (24) hours before proposed change(s), including names and qualifications of new personnel. Proposer shall ensure that no interruption of services occurs as a result of the change in personnel.

1.7 Administrative Tasks

- 1.7.1 Record Keeping: Proposer shall keep a record of services that were provided, as well as the dates, agendas, sign-in sheets, and minutes of all UCC and Subcontractor staff meetings.

- 1.7.2 Evaluation Tools: Proposer shall provide clients and their families a tool by which to evaluate the services rendered by the UCC. Proposer shall ensure the tool addresses the performance of the UCC and the satisfaction of the clients and, when appropriate, their families. Proposer shall make this tool and related information available to County upon request.
- 1.7.3 Data Entry: Proposer shall be responsible for collecting and entering data via the data collection instrument developed by County and the State on all clients referred to the agency. Proposer shall ensure the data is entered electronically at network sites and downloaded at the County centralized database (Integrated System). At a minimum, data collection shall include demographic data, the number of case openings, the number of case closings, and the services recommended and received.
- 1.7.4 Project Manager: Proposer shall designate a Project Manager responsible for the over-all administration and day-to-day management of the UCC. This manager shall be responsible for ongoing communication about the status of the Project with County and State and for addressing any community concerns.
- 1.7.5 Days/Hours of Operation: Proposer shall ensure that the services offered by the UCC are available 24 hours per day, 7 days per week (24/7). Proposer shall notify DMH of the names and phone numbers of primary contact persons for all hours of the program's operation. In addition, the Proposer's Project Manager or County approved alternate shall have full authority to act for Proposer on all matters relating to the daily operation of the UCC, and shall be available during the County's regular business hours of Monday through Friday, from 8:00 A.M. until 5:00 P.M., to respond to County inquiries and to discuss problem areas.
- 1.7.6 Computer and Information Technology Requirements: Proposer shall acquire a computer system within 30 days of commencement of the contract with sufficient hardware and software, and an agreement for its on-site maintenance to comply with the terms of the contract.
- 1.7.7 Cooperation: Proposer shall work cooperatively with DMH Information Technology Services staff and any contracted program evaluator, if applicable. Proposer shall provide data entry staff to process electronic/fully automated invoices for DMH web-based IS implemented by DMH. Proposer shall electronically invoice County on a monthly basis.

1.8 Service Delivery Site(s)

Services shall be delivered at the site(s) listed in any resulting agreements.

2.0 URGENT CARE CENTER PROGRAM REQUIREMENTS

- 2.1** A safe and pleasant environment that meets community standards and certification requirements;
- 2.2** Locations in the Antelope Valley, San Gabriel Valley , and the South Bay/Harbor Area and, to the extent possible, in close proximity to County Hospitals in order to provide dedicated services for these programs;
- 2.3** Medi-Cal certified within seven (7) days of initiating services, including fire clearance from the local fire department and handicapped accessibility and be LPS designated;
- 2.4** Accept admissions 24 hours per day, 7 days per week (24/7) and be available during the County's regular business hours of Monday through Friday, from 8:00 A.M. until 5:00 P.M., to respond to County inquiries and to discuss problem areas;
- 2.5** Protocols for responding to suicide risks, threats, acts of violence, and refusal to participate in treatment;
- 2.6** A staffing pattern that requires a ratio of at least one licensed/waivered/registered mental health professional on site for every four clients 24/7, with a peak staffing ratio of one staff to two-three clients (8:00 a.m. to 6:00 p.m. daily). The program shall have the capacity for flexible staffing above the required minimum based on individualized needs of the clients. The Project Manager and consulting psychiatrist may provide additional coverage when on site. Staff shall include a consulting psychiatrist, other professionals, paraprofessionals, and peer support/advocates;
- 2.7** A policy for physician accessibility during and after normal business hours to ensure adequate coverage for client care;
- 2.8** A minimum of one registered nurse, psychiatric technician or licensed vocational nurse on site at all times;

- 2.9 Collaboration with local law enforcement agencies to accept appropriate referrals of individuals with mental illness;
- 2.10 Working with emergency medical service providers to access services for clients found to have critical medical problems;
- 2.11 Accessing all available funding, including Medi-Cal, Medicare and other third party revenue, and assisting clients and families to access the most cost efficient services and supports possible;
- 2.12 A “no refusal” admissions policy;
- 2.13 Provision of or arrangement for the delivery of required ancillary services including laboratory tests and X-rays and when necessary, food for special dietary requirements and linens;
- 2.14 Cooperation with CRM staff to ensure that, prior to discharge, clients are linked to Full Service Partnerships or other mental health providers that will address mental health services and supports, housing, education and employment on an ongoing basis;
- 2.15 A “no discrimination” policy against individuals with a mental illness who have co-occurring disorders and can be safely treated at a UCC. Proposer shall collaborate with other departments or entities (e.g., Regional Center, Department of Health Services) in order to ensure clients’ access to the services most appropriate for their needs and to which they are entitled;
- 2.16 Adherence to DMH policy and procedures regarding admissions and discharges, risk management and participation in quality improvement activities; and
- 2.17 **Medi-Cal Certification and LPS Designation**

Programs providing UCC services must be Medi-Cal certified as Crisis Stabilization Units by the California Department of Health Care Services, Mental Health Services Division (DHCS) pursuant to California Code of Regulations, Title 9, Sections 1840.338 and 1840.348 within seven (7) days of initiating services. If Proposer does not meet this timeline and an extension has not been granted, Proposer could be subject to forfeiture of the UCC award.

Proposers must also meet the criteria and process requirements to be LPS designated by DHCS to evaluate and treat individuals involuntarily detained pursuant to Welfare and Institutions Code, Sections 5150 and 5585.

3.0 POPULATION TO BE SERVED

Proposer shall ensure that the following populations are served:

- 3.1 Adolescents, aged 13-17; adults 18 years of age or older, including older adults (60+), and families in mental health crisis;
- 3.2 Individuals with a primary diagnosis of mental illness, including those who have co-occurring substance abuse, developmental, medical and/or cognitive disorders;
- 3.3 Identified frequent users of psychiatric emergency and inpatient services;
- 3.4 Mentally ill individuals referred by specially trained law enforcement personnel or DMH Law Enforcement Teams because of contact with the criminal justice system for low-level offenses resulting from or associated with their mental illness;
- 3.5 Individuals with an urgent need for mental health services who are unable to access services in a timely manner, thereby risking decompensation and the need for a higher level of care;
- 3.6 Individuals who need medication management;
- 3.7 Individuals at high risk for suicide; and
- 3.8 Individuals referred/diverted from County and private hospital emergency departments.

4.0 SERVICES TO BE PROVIDED

Proposer shall provide the services described below directly or by referrals to agencies with which the UCC has established relationships, as follows:

- 4.1 Culturally and Linguistically Appropriate Services: These are services delivered by professional and paraprofessional staff with similar cultural and linguistic backgrounds to those of the population(s) being served. Service providers understand and utilize the strengths of culture in service delivery, and incorporate the languages and cultures of their clients into the services that provide the most effective outcomes.
- 4.2 Assessment/Mental Health Services: Assessment refers to an analysis of the history and current status of mental, emotional or behavioral disorder. Mental Health Services refers to individual and group therapies and interventions designed to provide reduction of mental disability and improvement or maintenance of functioning consistent with the goals of learning, development, independent living and enhanced self-sufficiency.

Providers design, support and implement services that are client, and family-driven, when appropriate, and strength-focused.

- 4.3** Crisis Intervention: These are services rendered to or on behalf of a client for a condition that requires a more timely response than a regularly scheduled visit. Crisis Intervention Services last less than 24 hours and include activities such as assessment, collateral services, therapy and case management/linkage.
- 4.4** Co-Occurring Services: These are services for individuals with a primary diagnosis of mental illness who have co-occurring disorders such as substance abuse, physical health difficulties, cognitive disorders and developmental disabilities. This includes individual and group interventions (e.g. Alcoholic Anonymous meetings on-site).
- 4.5** Medication Evaluation and Support: – These are services provided by physicians and nurses to evaluate an individual’s need for psychiatric medication and administer medications, monitoring clients’ status as appropriate. Medication Evaluation and Support Services are provided by staff persons who have within the scope of practice of their professions, prescribing, administering, dispensing and monitoring the psychiatric medications necessary to alleviate the symptoms of mental illness.
- 4.6** Case Management/Linkage: These services are consistent with the Medicaid/Medicare definition for Targeted Case Management: services that assist a client to access needed medical, education, social, pre-vocational, vocation, rehabilitative, or other community services. Multidisciplinary staff provides linkage and transition to necessary community supports, based on assessments conducted at the time of admission to the program.
- 4.7** Transportation Services: Transportation to crisis residential facilities or emergency, transitional or permanent housing when appropriate to ensure that successful linkage takes place.
- 4.8** Housing Services: These services assist clients to access emergency, transitional, temporary, and permanent housing. Services may include helping homeless individuals link with emergency shelter bed program(s), and/or assisting individuals who require crisis residential or longer-term transitional residential program(s) to access such services.
- 4.9** Physical Health Care: Basic physical health assessment, including assessment of symptoms related to co-occurring mental health and substance abuse disorders, including arrangements to ensure rapid access to emergency medical care for individuals in a health crisis and referrals to ensure follow-up treatment.

- 4.10 Interagency Collaboration: These are formal or informal relationships, with other community agencies and/or resources that serve mentally ill individuals and share accountability for achieving outcomes on their behalf in the community served by the Proposer.
- 4.11 Community Partnerships: These are formal or informal arrangements with an array of community-based organizations and collaboratives that meet regularly to promote the well-being of clients and their families.
- 4.12 Referrals and Coordination of Care: These are linkages to services necessary to meet the needs of clients and their families. This includes linkage with intensive mental health services programs, community mental health centers in the client's community of choice and/or clients' existing service providers; Wellness Centers and client-run support programs; and/or other public agencies, private agencies, or other community resources to ensure coordination of services that support wellness and recovery.
- 4.13 Benefits Establishment and Services to the Uninsured: These are services designed to assess individuals' financial status, identify all benefits to which they may be entitled (e.g., Medicaid, Medicare) and perform all actions with or on behalf of clients who do not have entitlements, insurance, or income at the time of admission to initiate benefits establishment processes while clients are receiving services.

5.0 QUALITY ASSURANCE AND DATA COLLECTION

5.1 Quality Assurance

- 5.1.1 Proposer shall establish and utilize a comprehensive Quality Assurance Plan (Plan) to ensure that required UCC services are provided at a consistently high level of service throughout the term of the contract. The Plan shall be submitted to DMH for review and approval. The Plan shall be effective on the contract start date and shall be updated and re-submitted for DMH approval as changes occur.
- 5.1.2 The Plan shall include an identified monitoring system covering all the services listed in this RFP and SOW. The system of monitoring to ensure that SOW requirements are being met includes:
 - 5.1.2.1 The activities to be monitored, frequency of monitoring, samples of forms to be used in monitoring, title/level and qualifications of personnel performing monitoring functions;

- 5.1.2.2 Ensuring the services, deliverables, and requirements defined in this SOW are being provided at or above the level of quality agreed upon by the County and the Proposer;
- 5.1.2.3 Assuring that professional staff rendering services under this SOW meets the necessary prerequisites;
- 5.1.2.4 Identifying and preventing deficiencies in the quality of service before the level of performance becomes unacceptable;
- 5.1.2.5 Taking any corrective action needed, providing to County upon request a record of all inspections, the corrective action taken, the time the problem is first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action;
- 5.1.2.6 Continuing to provide services in the event of a strike or other labor action of the Proposer's employees; and
- 5.1.2.7 Timely notification to County by the Proposer of community complaints and concerns, including indication of the corrective actions taken to address/resolve the complaint or concern.

5.2 WData Collection

The Proposer shall have the ability to collect, manage and submit the data specified by DMH to demonstrate client outcomes inclusive of guidelines set forth by DMH and CHFFA. Proposer shall work with DMH to develop and implement client tracking systems that include client characteristics and demographics, collection and reporting of data on the outcomes and objectives, method of monitoring the quality of services provided by the UCC, and survey instruments. Proposer shall perform data entry to support these activities. Proposer shall use this outcome data to assess the program's design and implementation and make any mid-course corrections necessary to ensure the achievement of positive outcomes.

6.0 INFORMATION TECHNOLOGY REQUIREMENTS

6.1 Functional Requirements

- 6.1.1 Proposer shall admit individuals and provide basic clinical and demographic information, services detail, assessment and outcomes data, and submit claims for services provided in an electronic form.
- 6.1.2 Throughout the duration of the contracted services, Proposer shall obtain, certify, submit, and review comprehensive information on client status and the outcomes of the service in accordance with

CHFFA and DMH requirements. Proposer shall comply with all DMH deadlines for time-specific processes for the submittal and delivery of information. These include:

- 6.1.2.1 Claims for reimbursement that shall be submitted timely to avoid penalty, payment delays, or outright denial of a claim;
 - 6.1.2.2 Comprehensive admission-time information about the status of clients; and
 - 6.1.2.3 Assessment information at admission and discharge, and reports of key event indicators during the period of service.
- 6.1.3 For claims-related enrollment, units of service reporting and claiming, Proposer shall submit information to the DMH IS by one of two methods: 1) Electronic Data Interchange (EDI), which is electronically submitting Health Insurance Portability and Accountability Act (HIPAA) compliant claims transactions, or 2) Direct Data Entry (DDE), which is entering claims data directly into the IS. EDI is strongly preferred by DMH.
- 6.1.4 Proposer shall provide status and outcomes information by:
- 6.1.4.1 Transmitting the information electronically to DMH from the provider, billing company, or clearinghouse systems using an XML format that DMH will provide that is substantially similar to what the State requires DMH to submit; or
 - 6.1.4.2 Using DDE as above into a web-based DMH Outcomes Measurement System.
- 6.1.5 For claiming, status and outcomes information, an Internet connection shall be required and broadband shall be essential.

6.2 Privacy And Electronic Security

- 6.2.1 Proposer shall comply with federal and state laws as they apply to protected health information (PHI), individually identifiable health information (IIHI), and electronic information security. Any communication containing PHI or IIHI to DMH via an electronic mailing system shall be done through the use of DMH's Email Encryption Solution.
- 6.2.2 Any Proposer that is deemed a "Covered Entity" under HIPAA shall comply with HIPAA privacy and security regulations independently of any activities or support of DMH or the County.

6.2.3 Any Proposer that is deemed a HIPAA "Business Associate" of County shall enter into a Business Associate Agreement with the County of Los Angeles to ensure compliance with privacy and electronic security standards.

6.3 Technology Requirements

6.3.1 Proposer shall acquire, manage, and maintain its own information technology and systems in order to meet the functional, workflow, and privacy/security requirements listed above. For claiming, status and outcomes information, an Internet connection shall be required; broadband shall be essential unless the provider is a very small agency.

6.3.2 A Proposer who elects to connect to County systems for DDE shall maintain an Internet Connection and use a Web browser at the level of Internet Explorer 6.0 or better. Neither the IS nor the Outcomes Measurement System has been tested using a Macintosh, and DDE using a Macintosh, while theoretically possible, is not supported by DMH. The most effective systems for this purpose will be Microsoft Windows-based PCs equipped with Internet Explorer 6.0 or better.

6.3.3 A proposer who elects to submit internally generated electronic information to DMH shall use Secure Internet File Transfer protocol to do so. DMH will provide the XML specifications for the outcomes data. Claiming, remittance advice, enrollment, eligibility, and other financial transactions shall comply with the HIPAA standard for transactions and code sets. The applicable trading partner agreements and specifications are available at the DMH web site and will be provided at the time the Contract is approved. DMH does not maintain and will not support a private network of any kind.

6.3.4 Proposer shall be solely responsible for complying with all applicable state and federal regulations affecting the maintenance and transmittal of electronic information.

7.0 SUBCONTRACTOR(S)

7.1 If Proposer intends to employ a Subcontractor(s) to perform some of the services described in this SOW, the transmittal letter shall clearly indicate the other agency(ies) involved and describe the role of the Subcontractor(s). A statement from all Subcontractors indicating their willingness to work with the Proposer and the intent to sign a formal

agreement between/among the parties shall be submitted over the signature of the person authorized to bind the subcontracting organization.

- 7.2 If a Proposer is selected for funding, the Proposer shall obtain prior written approval from DMH in order to enter into a particular subcontract, and all requests for approval shall be in writing. The Proposer shall remain responsible for any and all performance required under the Contract.
- 7.3 All Subcontracting Agreements shall be required for County review and the official record after award of the Contract, if any.
- 7.4 The role that the Subcontractor will play in the UCC must be fully described in the proposal narrative.

8.0 REQUIRED DOCUMENTS

Proposer shall demonstrate in writing how the services impact the performance targets. Proposer shall maintain, at a minimum, the following documents that indicate whether performance targets have been reached:

- 8.1 Required statistical reports related to the Proposer's services.
- 8.2 Required documents such as licenses, certification, etc. related to the services.
- 8.3 Training schedules and curricula.
- 8.4 Documentation in client records of activities related to performance targets.

9.0 ONE-TIME COSTS

- 9.1 Proposer shall be reimbursed for up to two (2) months of allowable program startup costs, consisting of lease payments, utilities, repairs or maintenance of facility, personnel costs, moving expenses, cleaning supplies or supplies for offices, kitchens and bathrooms. Supplies do not include foods, beverages or medications. Although the Regulations allow for *up to* three (3) months of start-up costs, DMH has limited these costs to up to two (2) months to maximize CHFFA Funding to support the renovation costs, furnishing and equipment, and information technology (see Request for Proposal, Appendix D – Required Forms, Exhibit 11 Budget Narrative/Justification and Budget Sample Form for eligible start-up costs).
- 9.2 Proposer shall be reimbursed according to procedures established for allowable one-time expenses associated with starting a new UCC.

LEASE AGREEMENT

ARTICLE I BASIC LEASE PROVISIONS

THIS LEASE AGREEMENT ("Lease") is made and entered into this ____ day of _____, 201__ by and between **COUNTY OF LOS ANGELES**, as landlord ("County"), a body corporate and politic organized under the laws of the State of California and _____ doing business in California as _____, as tenant ("Tenant").

RECITALS:

County is the fee owner of real property located at 12021 South Wilmington Avenue, Los Angeles, California known as the _____ (the "_____"); and

County is prepared to lease certain portions of the _____ property, a building known as the _____ to Tenant pursuant to Government Code Sections ____ and _____, in order for Tenant to occupy and operate such building for use as a mental health crisis stabilization center and such other purposes as are related thereto; and

Tenant's use of leased property as a mental health crisis stabilization center is in accordance with valid Agreement for Services dated _____ (the "Service Agreement") between the County and Tenant; and

In consideration of the terms and conditions hereinafter contained, and the foregoing recitals, each of which is deemed a contractual part hereof, County and Tenant agree as follows:

1.1 Independent Contractor Status.

This Lease is by and between the County and Tenant and is not intended, and will not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Tenant.

1.2 Prior Agreements; Amendment.

The Lease, the Service Agreement, and all other agreements incorporated by reference and attachments hereto contain all of the agreements of the parties hereto with respect to the subject matter hereof, and no prior agreements between the parties hereto with respect to the subject matter hereof, and no prior agreements between the

parties or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This Lease shall not be effective or binding on any party until fully executed by both parties.

ARTICLE 2 DESCRIPTION OF PREMISES

2.1 Description of Premises.

The County, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Tenant, upon the following terms and conditions, hereby leases to the Tenant, and the Tenant hereby leases from the County the _____, a portion of the _____, located at _____, Los Angeles, in the County of Los Angeles, State of California as depicted on Exhibit A attached hereto and incorporated herein by this reference. The _____ ("Building") consists of approximately _____ square feet of space. Tenant shall lease approximately _____ square feet of space in the Building ("Premises). The remaining _____ square feet of space shall be occupied by the Department of Health Services ("DHS") or its designee. The location of the _____ square feet shall be determined by the parties after the site design layout has been completed.

ARTICLE 3 TERM

3.1 Original Term and Commencement Date.

The term of this Lease shall be for a period of _____ years. The effective date of this Lease shall be the date of its execution by the County (the "Effective Date"). The term of this Lease shall commence upon _____ (the "Commencement Date"), which date shall be memorialized in a Commencement Date Memorandum in the form attached hereto as Exhibit B and incorporated herein by this reference.

The County of Los Angeles Board of Supervisors, at its sole discretion, may provide year-to-year extensions to run concurrently with the Service Agreement.

Notwithstanding anything to the contrary set forth in this Lease, in the event the Service Agreement is terminated for any reason prior to the expiration of the term hereof, this Lease shall automatically terminate concurrently with the termination of the Service Agreement, without notice from County or Tenant.

**ARTICLE 4
CONSIDERATION**

The use of the Premises shall be _____. Consideration for this Lease shall be Tenant's adherence to the terms and conditions of the Lease and Service Agreement.

**ARTICLE 5
USE**

5.1 Use.

Tenant is hereby granted permission to utilize the Premises for the full term of this Lease unless earlier terminated as provided herein. Such use by Tenant shall be exclusively for the operation of a mental health crisis stabilization center ("Leased Use"). All such services shall be open and available to low income, primarily uninsured or underinsured residents of incorporated and unincorporated areas of the County of Los Angeles. There shall be no discrimination against or preference, gratuity, bonus or other benefit given to residents of incorporated areas not equally accorded to residents of unincorporated territory of the County of Los Angeles.

5.1.2 Tenant shall maintain all necessary licenses, certifications or permits to operate a mental health crisis stabilization center and the individual services associated with such operation. Tenant shall comply with its obligations hereunder and under the Service Agreement and be subject to all applicable laws, rules and obligations of County or any other agency having jurisdiction in connection with the operation of the Premises as promulgated or amended from time to time (collectively, the "Applicable Laws"). Failure to comply with this paragraph shall constitute a material breach for which County may terminate pursuant to paragraph 11.2

5.1.3 While a portion of the Premises may be used for the purpose of management and administration of health programs, the principal use of the Premises shall be for the direct provision of health services and health-related services. Tenant shall notify the County's Department of Mental Health ("DMH") prior to any proposed material change in the occupancy or the Leased Use of the Premises and obtain DHS's written approval thereof. It is expressly understood that this space use does not constitute the conveyance by County to Tenant of any estate or interest in real or personal property (other than a leasehold estate). Tenant shall not use or pledge its leasehold interest in the Premises to obtain financing. Nothing contained in this Lease constitutes a subsidy or financial assistance of any kind to Tenant.

**ARTICLE 6
DAMAGE OR DESTRUCTION**

6.1 Termination of Lease.

In the event Tenant ceases to perform the Leased Use described in Article 5 or

the Building or any portion thereof is damaged by fire, incidents of war, earthquake, or other elements or by other disaster or casualty as to render them reasonably unfit for Tenant's occupancy as reasonably determined by County, County may immediately terminate this Lease in whole or as to any damaged portion of the Building by giving Tenant written notice of such termination, which notice shall be effective upon the delivery of such notice as prescribed in Article 14, whereupon Tenant shall surrender the Premises (or such portion as is being terminated) and shall not be obligated for any further consideration to the County as to the terminated portion of the Premises.

6.2 Termination by County.

In the event the Building or any portion thereof is damaged by earthquake, fire, the elements, or by other public disaster or casualty and the County reasonably determines that the Building or any portion thereof shall be demolished, County may terminate this Lease without further liability to Tenant by giving thirty (30) days' prior written notice of such termination to Tenant. This right to terminate the Lease is independent of any termination right contained in Section 6.1.

6.3 Restoration by County

In the event County undertakes restoration of the Building and Tenant desires to remain in the space, County may, in its discretion, allow Tenant to do so, in which case commencement of the restoration shall require: (1) securing the Building by the County to prevent injury to persons and/or vandalism to the improvements thereon, and (2) the placement of a work order or contract by the County for obtaining the labor and materials to accomplish the repair and restoration. Nothing in this Section 6.3 shall be interpreted to require County to undertake the restoration of the Building. Any decision to restore or demolish the Building shall be made by the County in its sole discretion.

ARTICLE 7 TENANT'S FIXTURES

7.1 Tenant's Fixtures.

Tenant may remove, at its own expense, during or at the expiration of the Term or other termination of this Lease, all fixtures, equipment, furniture, and all other personal property placed or installed in or upon the Premises by Tenant (hereinafter, collectively, the "Equipment"). Tenant agrees that if so instructed by County, Tenant shall remove, at its own expense, at the expiration or earlier termination of the Term of this Lease, or any extension or holdover period thereof, all Equipment placed or installed in or upon the Premises by the Tenant. In the event Tenant removes any or all fixtures pursuant to this Section, Tenant shall restore the Premises to the original condition, which existed upon the Effective Date, ordinary wear and tear excepted, unless restoration would be manifestly unreasonable in light of improvements made to the Basic Structure of the Premises, as defined in Article 8, Section 8.1, during the term of the Lease.

All Equipment which was not placed or installed in or upon the Premises by the Tenant, or replacements of Equipment placed or installed by the County shall remain the property of the County. Tenant may remove said Equipment, at its own expense, only with the prior written consent of the Chief Executive Office of County.

At the final expiration of the Lease, all improvements to the Premises, including without limitation any completed by the Tenant (excluding fixtures and/or equipment), shall become the exclusive property of the County.

ARTICLE 8 REPAIR, MAINTENANCE, AND REPLACEMENT

8.1 Tenant's Obligations.

County agrees that the Tenant shall repair, maintain and replace, as necessary, at Tenant's own expense the entire exterior and interior of the Building, with the exception of Basic Structure, which will be maintained by County. Such repair and maintenance obligations shall include without limitation those Tenant improvements, any security systems installed for the Premises by Tenant, all fixtures, equipment, and other personal property owned by Tenant, or owned by any officer, agent, employee, contractor, licensee, or invitee of Tenant or otherwise placed or installed in, on, or upon the Premises by Tenant, and further excepting any damage resulting from the intentional acts or negligence of Tenant or its officers, agents, employees, contractors, or licensees. Tenant's responsibility shall also include, but not limited to lamps and tubes, exposed plumbing, windows, doors, fire extinguishers, and graffiti removal. "Basic Structure" is agreed to include the Building and other appurtenances thereto, including but not limited to all permanent exterior and interior walls, floors and ceilings, roof, all interior and exterior drainage systems, concealed plumbing, stairways, elevators, concealed electrical systems, and heating, ventilating and air-conditioning system and fire sprinklers, if applicable.

Tenant shall also be responsible for repairing and maintaining the _____ square feet of space occupied by DHS or its designee.

Tenant shall maintain the Building in compliance with all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record, building codes, and the requirements of any applicable fire insurance underwriter or rating bureau, now in effect or which may hereafter come into effect, including, without limitation, the relevant disabled access laws such as the Americans with Disabilities Act, and laws regulating hazardous substances.

8.2 Janitorial Services

Tenant shall provide for janitorial services in the Building, including the _____ square feet of space occupied by DHS or its designee. Tenant has a trash bin, which is located in the back of the Building and is designated for the Building. Tenant shall be

responsible for disposing the trash.

8.3 Condition of Premises Upon Termination.

Tenant shall return the Premises to County in as good condition as existed on the Effective Date, ordinary wear and tear excepted, unless restoration would be manifestly unreasonable in light of improvements made to the Basic Structure of the Premises, as defined in Article 8, Section 8.1, during the term of the Lease.

ARTICLE 9 UTILITIES AND SERVICES

9.1 Utilities.

The Tenant shall maintain all Utilities accounts in its name and cause all Utilities to be provided to the Building

Tenant shall comply with any applicable laws, ordinances, regulations, or policies with respect to the curtailment or conservation of energy or water. Tenant shall be responsible for those telephone and other communications costs and installations on the Premises related to and arising from Tenant's activities as described in the provisions of Article 5, Section 5.1. Tenant shall be responsible for any costs associated with any security system(s) placed or installed in or upon the Premises by Tenant.

"Utilities" means all of the utilities provided or caused to be provided by the Tenant to the Buildings water, sprinkler standby charges, electricity, gas, other lighting, heating, power, and other utility rents and charges accruing in connection with the Premises, but excluding telecommunications services.

9.2 Security

Tenant shall provide, at its sole expense, reasonable security services within the Building. County shall, at County's expense provide reasonable security services to the Medical Center grounds and Common Areas.

ARTICLE 10 ACCESS BY COUNTY

10.1 Access by County.

Tenant agrees to permit the County or its authorized agents free access to any part of the Premises upon advance written, telephonic, or facsimile notice of forty-eight (48) hours, or sooner if Tenant agrees, for the purpose of inspection or performance of any County obligation hereunder. Such advance notice shall also not be required for

the purpose of the County making emergency repairs; however, County will use its best efforts to notify Tenant as soon as possible.

ARTICLE 11 TERMINATION FOR DEFAULT

11.1 Default by County.

If default shall be made by County in any of the covenants or agreements herein contained on the part of the County to be kept and performed, and such default constitutes a material breach of the Lease, Tenant may, at its sole discretion, terminate this Lease upon the giving of thirty (30) days written notice. In addition thereto, Tenant shall have such other rights or remedies as may be provided by law. Notwithstanding anything to the contrary contained in this Lease, County shall not be in default under this Lease and Tenant may not terminate the Lease if (1) County cures the default within thirty (30) days after notice is given, or (2) the default cannot reasonably be cured within the thirty (30) days after notice is given, but County reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default to completion.

11.2 Default by Tenant.

Tenant's failure to perform any of the covenants or agreements herein after the expiration of the notice and cure period set forth herein, shall place Tenant in default under this Lease. County may, at its sole discretion, terminate this Lease upon a material breach of any of its terms by giving Tenant thirty (30) days written notice of termination. In addition thereto, County shall have such other right or remedies as may be provided by law. Notwithstanding anything to the contrary contained in this Lease, Tenant shall not be in default under this Lease and County may not terminate the Lease if: (1) Tenant cures the default within the thirty (30) days after notice is given, or (2) the default cannot reasonably be cured within the thirty (30) days after notice is given, but Tenant reasonably commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default to completion. However, in the event that Tenant breaches the requirements in paragraph 5.1.2 to maintain all necessary licenses, permits or certifications, County has the right to terminate this Lease if Tenant is not able to cure the breach within 90 days, irrespective of any good faith efforts by Tenant to cure such breach. In addition, County shall have such other right or remedies as may be provided by law.

ARTICLE 12 ASSIGNMENT AND SUBLETTING

12.1 Assignment and Subletting.

The use of the Premises is restricted as provided for in Article 5, Section 5.1.

Accordingly, Tenant shall not assign, sublease, or otherwise transfer its interest in this Lease without the prior written approval of the County's Chief Executive Office, which approval shall not be unreasonably withheld, upon receipt of a written request from Tenant. Any assignment, sublease, or other transfer of any interest in this Lease without the County's written consent shall be void and shall constitute a material breach, for which County may terminate this Lease. The parties acknowledge and agree that any proposed transfer that would violate the terms of the County's bond financing related to the subject matter hereof shall be absolutely prohibited. Any contract between Tenant and a third party vendor for cafeteria services or vending machine services shall not be subject to the prohibitions set forth in this Article 12; provided, however, that all such contracts shall be subject to and not exempt from any applicable County policies with regard to such services. Tenant hereby assumes all responsibility for compliance with all such applicable County policies.

ARTICLE 13 ALTERATIONS

13.1 Alterations.

Except for the Tenant Improvements performed in accordance with Article 22 hereof, Tenant agrees not to make any material alterations in or on the Premises without first securing the prior written consent of DMH. Consent shall be given or denied within thirty (30) days of receipt of written request, which shall include a complete set of plans, where applicable, for such alterations. Consent shall not be unreasonably withheld. Failure to provide written approval or disapproval within thirty (30) days shall be deemed disapproval. County may impose reasonable conditions on its consent to any and all alterations. Tenant agrees to cooperate fully in the County's posting of notices of non-responsibility prior to the commencement of work on any alterations. Any alterations installed by Tenant which are "trade fixtures" as such are defined by the law of eminent domain shall be treated as Tenant's fixtures in accordance with the provisions of this Lease.

ARTICLE 14 NOTICES

14.1 Notices.

All notices and demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands shall be personally delivered (including by means of professional messenger service), sent by United States registered or certified mail, postage prepaid, return receipt requested, or transmitted by facsimile transmission, in which case the receiving party shall immediately confirm receipt of such notice. All notices are effective upon receipt. For the purposes of such notices, the addresses for the parties are set forth in Section 14.2, below. Either party may from time to time designate another person or place for

receipt of notice by writing to the other party delivered in conformity with this Section.

14.2 Notices-Where to Send.

All notices given under this Lease shall be addressed and/or delivered to the respective parties as follows:

County:
County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012

Tenant:

**ARTICLE 15
INSURANCE AND INDEMNIFICATION**

15.1 Insurance.

INDEMNIFICATION AND INSURANCE REQUIREMENTS: During the term of this Lease, the following indemnification and insurance requirements shall be in effect.

I. INDEMNIFICATION

The Lessor shall indemnify, defend and hold harmless the Lessee from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Lessor's construction, repair, maintenance and other acts and omissions arising from and/or relating to the Lessor's ownership of the Premises. However, this Lease shall not be construed to waive, limit, or supersede any of County's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Labor Code section 3864. County shall not be required to indemnify, defend, or hold harmless Tenant from any damages or liability arising out of facility design or facility access issues related to the Americans with Disabilities Act, California Disabled Persons Act, California Unruh Civil Rights Act, or any other laws pertaining to facility design or facility access for handicapped or disabled persons.

The Lessee shall indemnify, defend and hold harmless the Lessor, from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from or connected with the Lessee's repair, maintenance and other acts and omissions arising from and/or relating to the Lessee's use of the Premises.

II. GENERAL INSURANCE PROVISIONS -TENANT REQUIREMENTS

Without limiting the Tenant's indemnification of County and during the term of this Lease, and until all of its obligations pursuant to this Lease have been met, Tenant shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (collectively, the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Tenant pursuant to this Lease. The County in no way warrants that the Required Insurance is sufficient to protect the Tenant for liabilities which may arise from or relate to this Lease.

A. Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County Indemnitees (defined below) has been given Insured status under the Tenant's General Liability policy, shall be delivered to County at the address shown below and provided prior to the start day of this Lease.
- Renewal Certificates shall be provided to County not less than 10 days prior to Tenant's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Tenant insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Tenant identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding twenty five thousand (\$25,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Tenant, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

- Certificates and copies of any required endorsements, notices of cancellation shall be delivered to:

County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Manager, Property Management Section

Tenant also shall promptly notify County of any third party claim or suit filed against Tenant which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Tenant and/or County.

B. Additional Insured Status and Scope of Coverage

County Indemnitees shall be provided additional insured status under Licensee's General Liability policy with respect to liability arising from or connected with the Licensee's acts, errors, and omissions arising from and/or relating to the Licensee's operations on and/or its use of the premises. Licensor's additional insured status shall apply with respect to liability and defense of suits arising out of the Licensee's acts or omissions, whether such liability is attributable to the Licensee or to the Licensor. The full policy limits and scope of protection also shall apply to the Licensor as an additional insured, even if they exceed the Licensor's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

C. Cancellation of or Change In Insurance

Tenant shall provide County with, or Tenant's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Lease, in the sole discretion of the County, upon which the County may suspend or terminate this Lease..

D. Failure to Maintain Insurance

Tenant's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Lease, upon which County immediately may suspend or terminate this Lease.

County, at its sole discretion, may obtain damages from Tenant resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Tenant and pursue Tenant for reimbursement

Use of the Premises shall not commence until Tenant has complied with the insurance requirements, and shall be suspended during any period that Tenant fails to maintain said policies in full force and effect.

E. Compensation for County Costs

In the event that Tenant fails to comply with any of the indemnification or insurance requirements of this Lease, and such failure to comply results in any costs to County, Tenant shall pay full compensation for all reasonable costs incurred by County.

F. Insurer Financial Ratings.

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the County, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the County.

G. Tenant's Insurance Shall Be Primary

Tenant's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to all other sources of coverage available to County. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Tenant coverage.

H. Waiver of Subrogation

To the fullest extent permitted by law, the Tenant hereby waives its and its insurer(s) rights of recovery against County under all required insurance policies for any loss arising from or related to this Lease. The Tenant shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

F. Deductibles and Self-Insured Retentions (SIRs)

Tenant's policies shall not obligate the County to pay any portion of any Tenant deductible or SIR. The County retains the right to require Tenant to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Tenant's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

I. Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Tenant understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

J. Application of Excess Liability Coverage

Tenant may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

K. Separation of Insured

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insured provision with no insured versus insured exclusions or limitations.

L. County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

III. INSURANCE COVERAGE TYPES AND LIMITS

- A. Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01}, naming County Indemnitees as an additional insured, with limits of not less than:

General Aggregate:	\$4 million
Products/Completed Operations Aggregate:	\$2 million
Personal and Advertising Injury:	\$2 million
Each Occurrence:	\$2 million

- B. Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Tenant's use of autos pursuant to this Lease, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

- C. Workers Compensation and Employers' Liability** insurance or qualified

self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

D. Sexual Misconduct Liability insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 million aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

E. Commercial Property Insurance. Such insurance shall:

- Provide coverage for County's property and any improvements and betterments; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), excluding earthquake and including flood and ordinance or law coverage.
- Be written for the full replacement cost of the property, with a deductible no greater than \$250,000 or 5% of the property value, whichever is less. Insurance proceeds shall be payable to the Tenant and County as their interests may appear.

F. Professional Liability/Errors and Omissions: Insurance covering liability arising from or related to this Agreement, with limits of not less than \$1 million per claim and \$3 million aggregate Further, Tenant understands and agrees it shall maintain such coverage for a period of not less than three (2) years following this Agreement's expiration, termination or cancellation

G. Contractor(s) Insurance Requirements- Types and Limits:

1. **Builder's Risk Course of Construction Insurance.** Such coverage shall:

Insure against damage from perils covered by the Causes-of-Loss Special Form (ISO form CP 10 30), and be endorsed to include ordinance or law coverage, coverage for temporary offsite storage, debris removal, pollutant clean-up and removal, preservation of property, and full collapse coverage during construction (without restricting collapse coverage to specified perils)Such insurance shall be extended to include boiler & machinery coverage for air conditioning, heating and other equipment testing.

Be written on a completed value basis and cover the entire value of the construction, including any Tenant and County furnished materials and equipment, against loss or damage until completion accepted by Tenant.

2. General Liability Insurance: written on ISO policy form CG 00 01 or its equivalent with limits of not less than those specified or evidence of such excess insurance to meet these requirements:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$2 million
Personal and Advertising injury	\$1 million
Each Occurrence:	\$ 1 million

The products/completed operations coverage shall continue to be maintained in the amount indicated above for at least 2 years from the date construction is completed and accepted by Tenant.

3. Automobile Liability insurance: Written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for bodily injury property damage, in combined or its equivalent split limits, for each single accident. Such insurance shall cover liability arising out of Contractor's use of vehicles pursuant to this Project, including owned, leased, hired, and/or non-owned autos, as each may be applicable.
4. Professional Liability/Errors and Omission insurance. Such insurance shall cover liability arising from any error, omission, negligent or wrongful act of the Contractor, its officers or employees arising from or related to the design and construction with limits of not less than \$1 million per occurrence and 2 million aggregate. The coverage shall also provide an extended five years from the date the construction is completed and accepted by the tenant and County.

5. Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.
6. Asbestos or Pollution Abatement Liability Insurance: If construction requires remediation of asbestos or pollutants General Contractor or Subcontractor shall provide certificate of insurance before proceeding. Such insurance shall cover liability for personal injury and property damage arising from the release, discharge, escape, dispersal, or emission of asbestos or pollutants, whether gradual or sudden, and include coverage for the costs and expenses associated with voluntary clean-up, testing, monitoring, and treatment of asbestos or pollutants in compliance with governmental mandate or requests. If the asbestos or pollutant will be removed from the construction site, asbestos or pollution liability is also required under the contractor's or Subcontractor's Automobile Liability Insurance. Contractor shall maintain limits of not less than \$3 million.
7. Contractors Pollution Liability: If any hazardous material is found, Contractor and all Subcontractors shall be covered for pollution liability, including transportation and cleanup arising from the handling, application or other release of pollution from operations under this contract. Coverage shall be for sudden and accidental occurrences with limits no less than \$3 million. Coverage shall apply for the entire construction period, and include coverage for completed operations for a period of at least ten (10) years after final completion.
8. Performance Security Requirements. Prior to execution of the Construction Contract between Tenant and its Contractor, the Contractor shall file surety bonds with the Tenant in the amounts and for the purposes noted below. All bonds issued in compliance with the Construction Contract shall be duly executed by a solvent

surety company that is authorized by the State of California, is listed in the United States Department of Treasury's Listing of Approved Sureties Treasury (Circular 570) (see www.fms.treas.gov/c570/) and is satisfactory to the Tenant, and it shall pay all premiums and costs thereof and incidental thereto.

Each bond shall be signed by both the Tenant's Contractor (as Principal) and the Surety.

The Tenant shall require its Contractor to provide two surety bonds with good and sufficient sureties: the first in the sum of not less than 80% of the Contract price to assure the payment of claims of material men supplying materials to the Contractor, subcontractors and mechanics and laborers employed by the Contractor on the Work and the second in the sum of not less than 100% of the Contract price to assure the faithful performance of the Construction Contract.

1. The "Materials and Labor Bond" (or "Payment Bond") shall be so conditioned as to insure to the benefit of persons furnishing materials for or performing labor upon the Work. This bond shall be maintained by the Contractor in full force and effect until Work is completed and accepted by the Tenant, and until all claims for materials, labor and subcontracts are paid.

2. The "Bond for Faithful Performance" shall be so conditioned as to assure the faithful performance by the Contractor of all Work under said Construction Contract, within the time limits prescribed, including any maintenance and warranty provisions, in a manner that is satisfactory and acceptable to the Tenant, that all materials and workmanship supplied by Contractor will be free from original or developed defects, and that should original or developed defects or failures appear within a period of one year from the date of Acceptance of the Work by the Tenant, the Contractor shall, at Contractor's own expense, make good such defects and failures and make all replacements and adjustments required, within a reasonable time after being notified by the Tenant to do so, and to the approval of the department. This bond shall be maintained by the Contractor in full force and effect during the performance of the Work under this Lease and for a period of one year after acceptance of the Work by the Tenant.

Should any surety or sureties upon said bonds or any of them become insufficient or be deemed unsatisfactory by the Tenant, said Contractor shall replace said bond or bonds with good and sufficient sureties within 10 days after receiving notice from the

Tenant that the surety or sureties are insufficient or unsatisfactory.

Tenant shall stipulate in the Construction Contract that no further payment shall be deemed due or will be made to Contractor until the new sureties shall qualify and be accepted by the Tenant.

ARTICLE 16 TAXES

16.1 Real Property Taxes.

County, as owner, shall be responsible, when appropriate, for applying for exemptions and waivers concerning taxation of the real property of the Medical Center and the Premises. Tenant shall use its best efforts to assist County, as required, in any such application for exemption or waiver. In any event, County shall pay promptly all applicable real property taxes, assessments and special assessments which may be levied or assessed against the Premises during the term of this Lease or any extension or holdover period thereof.

16.2 Personal Property Taxes, Possessory Interest Taxes, Assessments, and License Fees.

Tenant shall be responsible, when appropriate, for applying for exemptions and waivers concerning taxation of personal property, possessory interests, parking assessments, fees, and license fees. County shall use its best efforts to assist Tenant, as required and when appropriate, in any such application for exemption or waiver. In any event, Tenant shall pay before delinquency all taxes, assessments, license fees, and other charges that are levied and assessed against Tenant's personal property installed or located in or on the Premises, that become payable during the term. Tenant hereby acknowledges that its occupancy and use of the Premises may result in a possessory interest subject to taxation. All possessory interest taxes levied and billed shall be the sole responsibility of the Tenant and shall be paid when due by Tenant. County may terminate this Lease (in accordance with the default provisions hereof) upon Tenant's nonpayment of such taxes, assessments, and/or license fees.

ARTICLE 17 BINDING ON SUCCESSORS

17.1 Binding on Successors.

Each and all of the conditions and agreements herein contained shall be binding upon and shall inure to the benefit of the successors-in-interest of the County, and wherever the context permits or requires, the successors-in-interest to the Tenant.

**ARTICLE 18
PARKING SPACES**

18.1 Parking Spaces.

Subject to parking facility rules and regulations as established by County or any parking facility licensee/operator from time to time, Tenant and its employees shall be entitled to the use of _____ parking spaces, which shall be designated by signs on the parking spaces and _____ parking spaces for a total of _____. All such parking spaces shall be available for use on a 24-hours per day, seven days per week basis and shall allow the drivers of the automobiles validly parked in such spaces to have in-and-out access to such spaces and to lock their respective vehicles.

**ARTICLE 19
HAZARDOUS MATERIALS**

19.1 Definition.

For purposes of the Lease, the phrase "Hazardous Substances" shall be deemed to include hazardous, toxic or radioactive substances as defined in California Health and Safety Code Section 25316, as amended from time to time, or the same or related defined phrase in any successor or companion statutes, and crude oil or byproducts of crude oil, other than crude oil which exists on the Premises as a natural formation, and those chemicals and substances identified pursuant to Health and Safety Code Section 25249.8.

19.2 County's Warranties and Representations.

County hereby warrants and represents, based upon appropriate and reasonable inspection of the Building, that it has no actual knowledge of any release of Hazardous Substances in the Building during its ownership of the Building; that County shall comply with all Federal, State and local laws and regulations concerning the use, release, storage and disposal of Hazardous Substances; and that County shall require any other tenants and occupants of the Medical Center to comply with the aforementioned rules and regulations.

19.3 Tenant's Warranties and Representations.

Tenant hereby covenants that it shall comply with all Federal, State and local laws and regulations concerning Tenant's use, release, storage and disposal of Hazardous Substances in the Building.

19.4 Notification.

County and Tenant agree to immediately notify each other when either party learns that Hazardous Substances have been released in the Building.

19.5 Indemnification.

County agrees to indemnify, defend and hold harmless Tenant, its agents, officers and employees from and against all liability, expenses (including without limitation defense costs, legal fees, and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Substances in the Building or at the Medical Center campus and have not been caused by Tenant, or Tenant's officers, employees, agents, licensees or contractors.

Tenant agrees to indemnify, defend and hold harmless County from and against all liability, expenses (including without limitation defense costs, legal fees and response costs imposed by law) and claims for damages of any nature whatsoever which arise out of the presence of Hazardous Substances in the Building or the Medical Center campus caused by Tenant, or Tenant's officers, employees, agents, licensees, or contractors.

The indemnity provided each party by this Section shall survive the termination of this Lease.

19.6 Default/Remediation.

The presence or release of Hazardous Substances in the Building or at the Medical Center campus subject property, which is not caused by Tenant, or Tenant's officers, employees, agents licensees, contractors, or invitees, and which threatens the health and safety of Tenant's agents, officers, employees or invitees, as determined by either County or Tenant, shall entitle Tenant to immediately terminate this Lease. Without limiting the foregoing, if the presence of any Hazardous Substance in the Building or the Medical Center campus caused or permitted by either party results in any contamination of the property such party shall promptly take all actions at its sole expense as are necessary to comply with all applicable law.

19.7 Asbestos Notification.

County agrees to notify Tenant as least annually of County's actual knowledge of the presence of asbestos-containing materials on or within the Building. Tenant and County agree to notify their own employees of the presence of asbestos-containing materials on or within the Building. Such notification shall comply with Health and Safety Code Section 25915, et seq., as amended from time to time or as required by any successor or companion statute enacted subsequent to this Lease.

**ARTICLE 20
WARRANTY OF AUTHORITY**

20.1 Warranty of Authority

Each of the parties hereto covenants, warrants and guarantees that the individuals executing this Lease and the instruments referenced herein, have the legal power, right and actual authority to execute this Lease upon the provisions and conditions stated herein and each agrees to indemnify and hold harmless the other from all damages, costs, and expenses which result from a breach of this material representation.

**ARTICLE 21
ESTOPPEL CERTIFICATE/NON-DISTURBANCE**

21.1 Estoppel Certificate.

Intentionally deleted.

21.2 Non-Disturbance.

County represents and warrants to Tenant that the Building is not currently encumbered by any mortgage or deed of trust and is owned in fee by County. As a condition precedent to Tenant being required to subordinate its interest in this Lease to any future mortgage covering the Building, County shall obtain for Tenant's benefit a Non-Disturbance Agreement. Notwithstanding anything to the contrary contained in this Lease, Tenant shall not be obligated to subordinate its interest in this Lease without recognition of its rights as tenant by any third party requiring such subordination.

**ARTICLE 22
TENANT IMPROVEMENTS**

22.1 Tenant Improvements

Tenant shall at its own expense, perform tenant improvements ("Tenant Improvement") to the Building, which shall include the _____ square feet of space occupied by DHS or its designee. Tenant shall give County seven (7) days prior written notice of the commencement of any work to be done on the property and/or the Building.

Except as otherwise set forth in this Lease, County is providing the Premises and Building to Tenant in an "as is" condition. Subject to County's approval, Tenant may install or construct the Tenant Improvements at its own and sole expense as may be necessary to fit said Building for delivery of health services and health services related

uses, subject to the provisions of this Lease, including without limitation this Article 22. Preliminary design documents, construction drawings, and specifications for any proposed interior Tenant Improvements shall be prepared by a licensed California architect at the sole expense of the Tenant. Prior to the commencement of construction, Tenant shall obtain approval of the proposed improvements from the County. Tenant shall submit all preliminary and final design documents, construction drawings, and specifications (collectively, "Construction Plan") for review and approval by the Los Angeles County and Department of Public Works Building and Safety Division ("DPW") and DMH.

The Building shall meet all applicable Federal, State, and local building codes, regulations, and ordinances required for beneficial occupancy. At Tenant's sole cost and expense, Tenant shall obtain all necessary permits and jurisdictional approvals for any work, construction, and occupancy from DMH and DPW. Tenant shall obtain all necessary permits within 12 months of lease execution. In the event that Tenant fails to obtain a building permit and/or complete construction of the proposed Tenant improvements within 18 months, from County's execution of the this Lease, County at its option, may cancel the Lease upon thirty (30) days written notice to Tenant.

It is mutually agreed by all parties that all construction shall be completed and operations commenced within 6 months of approval of the Construction Plans. Tenant shall provide a notice of completion, as evidenced by the issuance of a certificate of occupancy. Upon completion, Tenant shall furnish County with one (1) complete set of reproducible as-built drawings in electronic format.

All Tenant Improvement work in scope shall be completed at the expense of Tenant, including without limitation capital and financing costs and without cost to County. All work shall be prosecuted with due diligence. Lessee shall construct, perform, complete and maintain all construction covered by this agreement in a good and workmanlike manner with high quality material, and shall furnish all tools, equipment, labor and materials necessary to perform and complete same, and hereby expressly warrants that all said materials and workmanship will be free from defects. Initial installation with respect to electrical, gas and plumbing will be approved by the appropriate County Building inspector and provided at Tenant's expense.

In connection with all work permitted herein, Tenant shall take all reasonable necessary measures to minimize any damage, disruption or inconvenience caused by such work and make adequate provision for the safety and convenience of all persons affected thereby, including the day-to-day operations of existing tenants. Tenant shall repair, at its own expense, any and all damage caused by such work, and shall restore the area upon which work is performed to a condition which is at least equal to or better than the condition existed prior to the beginning of such work, ordinary wear and tear excepted. In addition, Tenant shall pay (or caused to be paid) all costs and expenses associated therewith and shall indemnify, defend and hold harmless the County from all damages, losses or claims attributable to the performance of such work. Dust, noise and other effects of such work shall be minimized using the methods customarily

utilized in order to control such deleterious effects associated with construction projects.

The parties agree that any delay in the construction of the Tenant Improvements due to fire, earthquake, war labor dispute or other events beyond the control of Tenant shall extend the time in which said construction must be completed by the length of time of such delay. Tenant shall coordinate Tenant's work schedule with other contractors to avoid delay in completion of the project. In addition, Tenant shall require an architect to oversee the construction to ensure that it is performed in accordance with the approved Construction Plans for the Building.

No Consent of County: Nothing in this Lease shall be construed as constituting the consent of County, express or implied, to the performance of any labor or the furnishing of any materials or any specific improvements, alterations of or repairs to, the Building or any part thereof by any contractor, subcontractor, laborer or material man, nor as giving Tenant or any other person any right, power or authority to act as agent of or to contract for or permit the rendering of, any services, or the furnishing of any materials, in such manner as would give rise to the filing of mechanic's liens or other claims against the fee of the Premises or Building or the Tenant's improvement project.

Protection Against Liens: County shall have the right at all reasonable times to post, and keep posted, on the Premises, any notices which County may deem necessary for the protection of County and of the Building and the improvements thereof from mechanics' liens or other claims. Tenant shall give County ten days prior to written notice of the commencement of any work to be done on the Building to enable County to post such notices. In addition, Tenant shall make, or cause to made, prompt payment of all monies due and legally owing to all persons doing any work or furnishing any materials or supplies to Tenant or any of its contractors or subcontractors in connection with the Building and the Tenant Improvements thereon in accordance with Article 22.3 hereof.

22.2 Liens

A. General: Subject to the provisions of Article 16 regarding TAXES, Tenant hereby covenants to keep the Building and every part thereof free and clear of any and all liens or encumbrances of any kind whatsoever created by Tenant's Tenant Improvement acts or omissions and/or created by the performance of any labor or furnishing of any material, supplies, or equipment contemplated hereunder. County covenants to keep the Tenant's project and every part thereof free and clear of any and all liens or encumbrances of any kind whatsoever created by County's acts or omissions or those of its agents or employees, and shall indemnify and hold tenant harmless from any such County created liens or demands. Tenant further agrees to hold County and the Building and all parts thereof free and harmless from any such Tenant-created liens, claims, or demands, and any and all costs, damages or liability in connection therewith, together with reasonable attorneys' fees and all Actual Costs and expenses incurred by County in negotiating, settling, defending, and otherwise protecting the Building or

Tenant's Tenant Improvement project or any part thereof against such liens, claims or demands.

B. Mechanics' and other Liens: Tenant shall pay, or cause to be paid, the total cost and expense of all works of improvement as that phrase is defined in the applicable mechanics' lien law in effect when Construction of the Tenant Improvement begins. Tenant shall not permit any mechanic's, material man's, contractor's, subcontractor's or other lien, arising out of the performance of the Lease, to stand against the Building or Tenants Improvement Work, or any part thereof. If any such lien shall be filed against the Building or the Tenant Improvement project, Tenant shall cause the same to be discharged within ten days after actual notice of such filing, by payment, deposit, or bond. If Tenant fails to discharge any such lien, County may, but shall not be obligated to, discharge the same, and any amount so paid or deposited by County and all actual costs and expenses incurred by County, including reasonable attorney's fees, shall become immediately due and payable by Tenant to County, together with interest thereon computed at the rate of seven percent per annum. If Tenant desires to contest any such lien, Tenant shall notify County in writing of Tenant's intention to do so within ten days after the filing of and service upon Tenant of such lien, or lose the right to contest. In such case, provided that Tenant shall furnish the bond required by California Civil Code Section 3143 (or any comparable statute hereafter enacted for providing a bond freeing the Building and the Tenant Improvement project from the effect of such lien), Tenant shall not be in default until five days after the final determination of the validity thereof, within which time Tenant shall satisfy and discharge any such lien to the extent held valid, but the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had upon any judgment rendered thereto, and such delay shall be a material default of Tenant hereunder. In the event of any such contest, Tenant shall protect and indemnify County against all loss, actual cost, expense and damage, including reasonable attorneys' fees, resulting therefrom.

22.3 Removal of Tenant Improvements

All of the Tenant Improvements and any other improvements of every kind and nature whatsoever installed by Tenant in the Building or on the Premises with written consent and approval of County shall remain the property of Tenant during the Term of this Lease. Upon expiration of this Lease, all such improvements (excluding Tenant's fixtures, trade fixtures, and equipment) shall revert to County ownership.

22.4 ADA Requirements.

All of the Tenant Improvements shall comply with the Americans With Disabilities Act ("ADA").

22.5 Signs and Name of the Facility.

Tenant shall be allowed to place and maintain signs inside and outside the Premises and Building at appropriate locations in order to identify the facility, recognize donors and direct persons for delivery of health services. Tenant shall provide written notification to the County concerning the size, design, precise location, and means of attachment of outside and external signs which shall be subject to the consent of County or its designee, which consent shall not be unreasonably withheld. County shall provide its written approval or disapproval of any proposed signage within thirty (30) days of the receipt of a written request from Tenant. Failure to provide written approval or disapproval by the County will be deemed disapproval. Written notification should be sent to:

**ARTICLE 23
GENERAL PROVISIONS**

23.1 Arbitration.

In the event of any dispute regarding the provisions or conditions hereof, or the rights or obligations of the parties hereto, such dispute shall be submitted to arbitration in accordance with the provisions of California Code of Civil Procedure Section 1280 et seq., as they now exist or may later be amended. The Chief Executive Office, or its designee, shall act on behalf of the County in arbitration, with the assistance of County Counsel.

23.2 Captions and Titles.

The captions and titles in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

23.3 Choice of Law

This Lease is made and entered into, and shall be governed by the laws of the State of California, irrespective of and state or federal conflict of law provisions.

23.4 Construction.

Any construction work paid for directly or by reimbursement with public funds pertaining to this Lease by the Tenant or its designated contractors or subcontractors

shall comply with all applicable Federal, State, and local regulations, codes and ordinances, including but not limited to all provisions of the Labor Code of the State of California. Under the provisions of said Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of worker or mechanic needed for construction of the improvements, if any, which are paid for by public funds. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, are filed with the Clerk of the Board of Supervisors. In the event construction work by Tenant under this Lease is paid for by public funds, Tenant shall post said scale at the subject site. The provisions of this Section 23.4 shall only be applicable to the extent Tenant receives public funds for construction work and is required by law to comply with State prevailing wage laws.

23.5 Cumulative Remedies.

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23.6 Force Majeure.

In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period for the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

23.7 Impairment of Title.

County shall notify Tenant in writing within thirty (30) days of each and every occurrence which may impair County's title to the Building. Such occurrences include, but are not limited to, default on a trust deed, transfer of any interest in any trust deed, notification of any lien recordation, notification of any foreclosure, and notification of default should a master lease exist.

23.8 Interpretation.

The language of this Lease shall be construed according to its fair meaning and not strictly for or against County or Tenant.

23.9 Quiet Possession.

As long as Tenant is in compliance with the terms and conditions of this Lease, Tenant shall have and enjoy quiet possession of the Premises for the entire Term

hereof.

23.10 Recordation.

Either party may record this Lease at anytime without the prior written consent of the other party.

23.11 Severability.

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

23.12 Waiver.

Any waiver by either party of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of either party to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Lease or estopping either party from enforcing the full provisions hereof. No option, right, power, remedy, or privilege of either party shall be construed as being exhausted by the exercise thereof in one or more instances. The rights, powers, options and remedies given either party by this Lease shall be cumulative.

23.13 Endorsement

Tenant shall not, in any manner, advertise, publish or represent that County endorses the services herein mentioned without the prior written consent of County.

23.14 County Lobbyists.

Tenant and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010 retained by Tenant, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160 to the extent applicable. Failure on the part of Tenant or any County lobbyist or a county lobbying firm retained by Tenant to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Lease upon which County may immediately terminate or suspend this Lease.

23.15 Title.

Tenant hereby acknowledges the title of County in and to the Premises, and covenants and agrees never to assail, contest, or resist said title. County represents and warrants that it is the fee simple owner of said Premises, and that it has full right,

power and authority to make, execute and deliver this Lease.

23.16 Administration of County Space.

County does not grant or delegate to Tenant hereunder any of its governmental powers (statutory, implied, administrative, or otherwise) with respect to the Premises.

23.17 Acknowledgment of Ineligibility for Relocation Assistance.

Tenant expressly acknowledges that Tenant will be in possession of the Premises as a result of County's previously acquired property interest. In recognition of such fact, Tenant hereby disclaims any status as a "displaced person" as such is defined in Governmental Code Section 7260, and hereby acknowledges its ineligibility for relocation assistance as provided in Government Code Sections 7260 through 7276, inclusive, as interpreted in Title 25, Chapter 6, Section 6034(b)(1) of the California Code of Regulations.

23.18 Delegation of Authority.

Unless otherwise expressly set forth herein, County hereby delegates to its Chief Executive Officer or his designee, the authority to make any and all determinations required herein and to execute any and all instruments necessary to effectuate this Lease.

23.19 Solicitation of Consideration.

It is improper for any County Officer, employee or agent to solicit consideration, in any form, from a lessee with the implication, suggestion or statement that the lessee's provision of consideration may secure more favorable treatment for the lessee in the award of the lease or that the lessee's failure to provide such consideration may negatively affect the County's consideration of the lessee's submission. A lessee shall not offer to or give, either directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to award of a lease.

Tenant shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller Employee Fraud Hotline at (800) 544-6861 or Hotline@auditor.lacounty.gov. Failure to report such solicitation may result in termination of this Lease.

23.20 Conflict of Interest.

No County employee whose position in County service enables him/her to influence obtaining or awarding any lease, license or permit, and no spouse or economic dependent of such employee, shall be employed in any capacity by the

Tenant herein, or have any other direct or indirect financial interest resulting from this Lease.

23.21 Entire Agreement.

This Lease contains the entire agreement between the parties hereto, and no addition or modification of any terms or provisions shall be effective unless set forth in writing, signed by both County and Tenant.

/ / / / SIGNATURE PAGE FOLLOWS / / / /

IN WITNESS WHEREOF, Tenant has executed this Lease or caused it to be duly executed, and County of Los Angeles, pursuant to the order of the Los Angeles County Board of Supervisors, has caused this Lease to be executed on its behalf by the Chairman of said Board on the day, month and year first written above.

TENANT

COUNTY OF LOS ANGELES

ATTEST:

APPROVED AS TO FORM:



**LOS ANGELES COUNTY
DEPARTMENT OF MENTAL HEALTH**

JONATHAN E. SHERIN, M.D., Ph.D., Director
ROBIN KAY, Ph.D., Chief Deputy Director
RODERICK SHANER, M.D., Medical Director



December 1, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Jonathan E. Sherin, M.D., Ph.D.
Director

**SUBJECT: ADVANCE NOTIFICATION OF INTENT TO ENTER INTO SOLE
SOURCE CONTRACT NEGOTIATIONS WITH STAR VIEW
BEHAVIORAL HEALTH, INC.**

This memo is to notify your Board of the Los Angeles County (LAC) Department of Mental Health's (DMH) intent to enter into sole source contract negotiations with Star View Behavioral Health, Inc. (Star View), located at 1501 Hughes Way, Suite 150, Long Beach, California, for a psychiatric Urgent Care Center (UCC) in the Antelope Valley (AV) for individuals 13 years and older whose presenting problems can be met with short-term (under 24 hours), immediate care and linkage to on-going community services and supports. Board Policy Manual Section 5.100, Sole Source Contracts, requires four-week advance written notice to the Board prior to commencing sole source contract negotiations. Accordingly, the Department will not commence negotiations with Star View until at least four weeks after the December 1, 2016 date of this sole source notification. The Department needs to move expeditiously on the implementation of other UCCs covered in a related Board Letter scheduled to be heard by your Board on December 6, 2016. For this reason, the Department will request delegated authority in the December 6, 2016 Board letter, but will not proceed with sole source negotiations until this notification period has elapsed.

The UCC target population includes repetitive and frequent utilizers of psychiatric emergency and inpatient services, individuals at risk of incarceration due to low-level offenses resulting from or associated with their mental illness, adolescents at risk of removal from their out of home placements, individuals needing medication services and individuals with co-occurring mental health and substance use disorders. UCCs

provide rapid access to mental health assessment, crisis intervention and medication support 24/7, as well as case management/linkage to community-based resources for individuals experiencing psychiatric crisis.

DMH currently has four psychiatric UCCs, strategically located to decompress County hospital Psychiatric Emergency Services (PES). Under the Investment in Mental Health Wellness Act of 2013, also known as Senate Bill (SB) 82, DMH was awarded funding to establish three additional UCCs in areas of the County that do not currently have a UCC: the Antelope Valley, the San Gabriel Valley and the South Bay/Harbor areas. On July 24, 2015, DMH released a Request for Proposals (RFP) for the development of the three UCCs and on October 15, 2015 six proposals were received: one proposal for the San Gabriel Valley area, five for the South Bay/Harbor area, and no proposals for the Antelope Valley. Although no proposals were submitted, Star View subsequently indicated an interest in developing and operating a UCC in the Antelope Valley.

Funding for the Antelope Valley UCC will be governed by two separate agreements. A DMH Legal Entity Agreement will govern funding for the delivery of mental health services with a term of three years. A lease agreement between the County and the landlord of the UCC site will govern SB 82 funding to allow the contractor to request payment for eligible costs under SB 82 grant regulations. The term of the lease agreement will be at least as long as the useful life of the proposed property which County has interpreted as 10 years with two five-year option periods. The Maximum Contract Amounts are \$1,403,508 for the lease agreement and up to \$5,453,606 in annual funding for the operation of the UCC program, funded by Mental Health Services Act, Assembly Bill 109 and Medicaid Expansion revenue.

Star View has provided acute inpatient and high level residential treatment services for adolescents in Los Angeles County since 1996 and school and community-based mental health services for children, adolescents, Transitional Age Youth and their families, including crisis intervention since 2000. Currently, Star View operates the 56-bed Star View Adolescent Center including a 16-bed secure Psychiatric Health Facility and a 40-bed locked Community Treatment Facility with intensive trauma treatment for highest needs adolescents. Its community-based programs include crisis intervention services, with Lanterman-Petris-Short designated staff that provide field response for its Full Service Partnership and Wraparound programs. Star View has also been selected through the RFP process to provide the new UCC in Long Beach for the South Bay/Harbor area.

Star View is a subsidiary of Stars Behavioral Health Group, which currently operates facility-based crisis services in six California counties. Operating with an integrated crisis services model designed to address co-occurring mental health, substance use and physical health complications, clinical staff provide emergency assessment, stabilization and connection to community-based services for continued support and recovery.

Based on its years of experience treating children, adolescents, TAY and their families in psychiatric crisis in its acute inpatient facility and high level residential treatment facility, as well as the experience of its parent company, Stars Behavioral Health Group, in providing crisis services, Star View is well qualified to provide UCC services in Los Angeles County. In addition, Star View qualifies for a sole source contract due to the lack of other providers interested in developing and operating a UCC in the Antelope Valley.

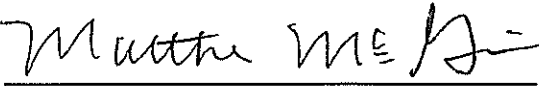
Unless otherwise instructed by a Board office, DMH will proceed with negotiating the sole source contract. DMH will work closely with both the Office of the County Counsel and the Chief Executive Office in preparing a new UCC Legal Entity Agreement with Star View Behavioral Health, Inc.

If you have any questions, please contact Robin Kay, Chief Deputy Director, at (213) 738-4108.

JES:RK:MM:lq

c: Executive Office, Board of Supervisors
Chief Executive Office
Mental Health Deputies
County Counsel
Robin Kay, Ph.D.
Mary Marx, L.C.S.W.

**SOLE SOURCE CHECKLIST
STAR VIEW BEHAVIORAL HEALTH, INC.
URGENT CARE CENTER IN THE ANTELOPE VALLEY**

Check (✓)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS
	<i>Identify applicable justification and provide documentation for each checked item.</i>
	➤ Only one bona fide source (monopoly) for the service exists; performance and price competition are not available.
	➤ Compliance with applicable statutory and/or regulatory provisions.
	➤ Compliance with State and/or federal programmatic requirements.
	➤ Services provided by other public or County-related entities.
	➤ Services are needed to address an emergent or related time-sensitive need.
	➤ The service provider(s) is required under the provisions of a grant or regulatory requirement.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the original equipment manufacturer or an authorized service representative.
	➤ It is more cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is in the best interest of the County (e.g., significant costs to replace an existing system or infrastructure, administrative cost savings and excessive learning curve for a new service provider, etc.) In such cases, departments must demonstrate due diligence in qualifying the cost-savings or cost-avoidance associated with the best economic interest of the County.
✓	<p>➤ Other reason. Proposals were solicited but no satisfactory proposals were received by response deadlines.</p> <p>As part of DMH's effort to expand capacity for community-based crisis services in accordance with the Investment in Mental Health Wellness Act (SB 82), DMH has identified the Antelope Valley as one of the areas of the County where there was a critical need for and Urgent Care Center (UCC) to increase access to effective outpatient and crisis stabilization.</p> <p>However, DMH received no proposals for the Antelope Valley by the deadline for the Department's applicable Request for Proposals (RFP) for the UCCs. Subsequently, Star View Behavioral Health, Inc. (Star View) indicated an interest in operating a UCC in the Antelope Valley. DMH has determined that Star View is qualified to provide UCC services, and that Star View qualifies for a sole source contract due to the lack of other providers interested in developing and operating a UCC in the Antelope Valley area.</p>
 Authorized Representative. Chief Executive Office	<p align="center"><u>11/23/16</u></p> Date

