



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH  
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.  
Director  
ROBIN KAY, Ph.D.,  
Chief Deputy Director  
RODERICK SHANER, M.D.  
Medical Director

May 05, 2015

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

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

24 May 5, 2015

PATRICK O'RAWA  
ACTING EXECUTIVE OFFICER

**APPROVAL OF A MEMORANDUM OF AGREEMENT/SPACE USE AGREEMENT BETWEEN THE DEPARTMENT OF MENTAL HEALTH AND TARZANA TREATMENT CENTERS, INC., TO PROVIDE HEALTHCARE SERVICES IN SAN FERNANDO MENTAL HEALTH CENTER (SUPERVISORIAL DISTRICT 5) (3 VOTES)**

**SUBJECT**

Request approval to execute a Memorandum of Agreement/Space Use Agreement between the Department of Mental Health and Tarzana Treatment Centers, Inc., to provide healthcare services at the Department's directly operated San Fernando Mental Health Center.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Approve and authorize the Director of Mental Health (Director), or his designee, to prepare, sign, and execute a Memorandum of Agreement/Space Use Agreement (MOA), substantially similar to the Attachment, between the Department of Mental Health (DMH) and Tarzana Treatment Centers, Inc. (TTC), for the provision of accessible and coordinated healthcare and mental health services on the site of San Fernando Mental Health Center (SFMHC) in Service Area (SA) 2. No funding will be provided by DMH for this project. The term of the MOA will be effective upon your Board's approval through September 29, 2015, with three one-year automatic renewal extensions.
2. Delegate authority to the Director, or his designee, to prepare, sign, and execute amendments to the MOA provided that any such amendment: 1) authorizes any necessary revisions to the space allocation and use of space conditions, or operations of the program with the mutual consent of all parties, including the lessor of the SFMHC; 2) approval of County Counsel, is obtained prior to execution of any such amendment; and 3) the Director notifies the Board and Interim Chief Executive Officer (CEO) of MOA changes in writing within 30 days after execution of each amendment.

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will allow DMH and TTC to provide integrated healthcare within a behavioral health home model, where coordination between treating providers will improve access to services and timely treatment of comorbid mental health conditions. Mental health is often comorbid with many physical health problems such as cancer, Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome, and diabetes among others. The presence of substantial comorbidity has serious implications for the identification, treatment, and recovery of affected clients. This behavioral health home project will promote consultation among professionals to collaboratively address the multiple needs of served clients in settings that are non-stigmatizing that can both decrease the severity and duration of the mental illness while simultaneously improving healthcare outcomes. This collaboration is essential in order to effectively coordinate clinical care of individuals receiving services from DMH and TTC.

According to a clients' survey conducted in 2012 at the SFMHC's Wellness Center, 80 percent of the respondents indicated they would use the health clinic to access healthcare for the first time or change healthcare providers in order to have all of their healthcare and mental health needs met at one site. Clients also reported that having multiple services in the same center is desirable as this saves them time and effort.

Currently, SFMHC serves over 3,000 Seriously Mentally Ill (SMI) clients annually that would benefit considerably from the proposed integrated primary and behavioral health services with TTC. The large number of SMI clients served at SFMHC will make it feasible for TTC to serve at least 200 clients the first year and increasing numbers of clients in the subsequent years, up to 600 patients by the fourth year. Integration of primary care into behavioral health will promote the following: 1) rapid access/open access; 2) treat to target; 3) resilience and recovery; and 4) improve customer service which DMH anticipates will provide better outcomes for clients receiving mental health and healthcare services under this project.

The purpose of this co-located project is to establish a one-stop health and behavioral health center in a community-based behavioral health setting that will effectively increase coordination between health and mental health providers by minimizing medical errors due to lack of information shared between providers and increase accessibility for clients. The project is expected to improve outcomes for mental health clients who often suffer from a variety of health conditions but lack access to appropriate healthcare services. The goal for this project is to improve the healthcare of adults with SMI who have or are at risk for co-occurring primary care conditions and chronic diseases. Overall, the project supports the "Triple Aim," which is an approach to optimizing the health system performance by simultaneously: 1) improving the experience of care (including quality and satisfaction); 2) improving the health of clients; and 3) reducing per capita costs of healthcare.

The health services provided by TTC will target the SFMHC Adult, Older Adult, and Transition Age Youth clients with an established relationship with the mental health clinic who may not have a healthcare provider or confront barriers to accessing healthcare in the community. Per the MOA, TTC will provide healthcare services to 2 to 3 clients per hour with a maximum of 18 per day when fully operational. TTC will staff the project with a Registered Nurse, Physician's Assistant or Nurse Practitioner, a supervising Medical Doctor, case manager, and peer support staff. In addition to the encounters with the Physician's Assistant, there will be five to ten patient encounters with the case managers and peer support specialists for clients' education and wellness activities.

TTC will bill and receive reimbursement from the appropriate healthcare plans available to TTC for the clients' healthcare services and will fully fund the cost of medical supplies, including medical equipment and furniture needed for the start-up, as well as medication and lab work for indigent/uninsured clients. TTC will also assist with enrolling SFMHC clients into an available healthcare plan available to TTC.

### **Implementation of Strategic Plan Goals**

The recommended actions support the County's Strategic Plan Goal 3, Integrated Services Delivery.

### **FISCAL IMPACT/FINANCING**

There is no monetary payment between DMH and TTC. DMH will provide the following to TTC at no cost: 1) space usage that includes access to the following: a) two exam rooms; b) two offices for patient meetings; and c) patient waiting area; 2) telephone, fax line, Internet access services; and 3) office machines.

There is no net County cost impact associated with the recommended action.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Early in 2014, TTC approached DMH to collaborate in this effort based on its application and subsequent award in late 2014 of the Substance Abuse and Mental Health Services Administration (SAMHSA) grant for primary and behavioral health integration project. TTC is a leader in providing integrated healthcare services for Substance Use Disorders, co-occurring mental health services, and primary care in Los Angeles County. The SAMHSA grant received by TTC will allow for the co-location of a healthcare provider at DMH's SFMHC clinic. Following the successful implementation of a previous co-location project, DMH supports and intends to demonstrate another successful integration of healthcare and mental health services using a behavioral health home model at the SFMHC directly operated clinic.

SFMHC clinic is located at 10605 Balboa Avenue, Granada Hills, CA 91344, which is leased by DMH. TTC will utilize a designated portion of this site office space solely for the provision of health services in accordance with the MOA and lease agreement between DMH and the lessor.

TTC is a nonprofit organization with its headquarters office located at 18646 Oxnard Street, Tarzana, CA 91356, Third Supervisorial District, in SA 4. TTC opened its first clinics in Tarzana and Lancaster in 1995. As of today TTC operates a total of five clinics that are tightly integrated with TTC's behavioral health services.

TTC's mission is to provide high quality, integrated healthcare that improves the quality of life and health of clients regardless of financial resources and contributes to a reduction in the total cost of care. The quality of TTC's primary care services is indicated by its accreditation by the Joint Commission under the Behavioral Health, Opiate Treatment, and Hospital standards, the last of which cover the Primary Care clinics.

The MOA contains the following provisions: 1) responsibilities of DMH and TTC including services to be provided by TTC, staffing, and estimated number of clients to be served by TTC; 2) sharing of confidential information and records between DMH and TTC; 3) insurance and indemnification; 4) space utilization by TTC that includes space for up to five staff simultaneously and access to two existing exam rooms which are currently equipped for primary care visits; 5) access to two offices for

patient meetings, for education and handling lab specimens; 6) two refrigerators one for medication and one for specimens; 7) medication and medical supplies room; and 8) usage of reception area.

The attached MOA format has been approved as to form by County Counsel. DMH clinical and administrative staff will administer the MOA, evaluate programs to ensure that quality services are provided to clients, and ensure that the MOA provisions and Departmental policies are followed by TTC.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Board approval of the co-location of a health center within the SFMHC clinic is intended to accomplish the following: 1) overcome barriers to care through co-location; 2) improve healthcare outcomes through coordination of care at place of service; and 3) enhance effectiveness of coordination through real time collaboration between health and mental health professionals, thus improving the quality of care provided to mental health clients and overall quality of life.

Respectfully submitted,



MARVIN J. SOUTHARD, D.S.W.

Director of Mental Health

MJS:CCS:LW:IM:J

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Enclosures

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



# **MEMORANDUM OF AGREEMENT SPACE USE AGREEMENT**

**BETWEEN  
Tarzana Treatment Centers, Inc.**

**And**

**THE COUNTY OF LOS ANGELES**

**Acting by and through**

**THE DEPARTMENT OF MENTAL HEALTH**

**Regarding**

**San Fernando Mental Health Center Co-located Health Project**

**Prepared by:**  
Department of Mental Health  
550 South Vermont Avenue  
Los Angeles, California 90020



## I. PURPOSE/GOALS

In 2014, TTC was awarded with the Substance Abuse and Mental Health Services Administration (SAMHSA) grant for primary and behavioral health care integration. The purpose of this program is to establish projects for the provision of coordinated and integrated services through the co-location of primary and specialty care medical services in community-based mental and behavioral health settings. The goals for the program are to improve the physical health status of older adults, adults and transition aged youth with serious mental illnesses (SMI) who have or are at risk for co-occurring primary care conditions and chronic diseases. This program supports the "Triple Aim" approach, which aims at optimizing the health system performance by simultaneously: 1) improving the experience of care (including quality and satisfaction); 2) improving the health of clients; and 3) reducing per capita costs of health care. This collaboration offers the opportunity to test the integration of primary care services in the Directly Operated SFMHC clinic in Service Area (SA) 2.

It is well known that multiple barriers to healthcare exist for mental health clients, including transportation, finances, insurance, and even the mental illness itself.

In a survey of clients at the SFMHC Wellness Center in 2012, 80% of the respondents indicated that if health services were available at the center, they would use the health clinic to access health care for the first time, or change healthcare providers in order to have all of their healthcare and mental health care needs met at SFMHC. Clients also reported that having multiple services in the same center is desirable as this save them time and effort.

This project is funded by SAMHSA and allows for the co-location of a community primary care clinic operated by TTC, at the DMH's Directly Operated SFMHC clinic. SFMHC currently serves over 3,000 SMI clients annually. These clients would benefit considerably from TTC proposed integrated primary and behavioral health care services. DMH anticipates better outcomes for mental health and for physical health for the clients to be served by the project. The large number of SMI clients served at SFMHC will make it feasible for the project to serve at least 200 clients in the first year and increasing numbers of clients in the subsequent years, up to 600 patients by the fourth year.

The health services would be targeted primarily to Adult, Older Adult, and Transition Aged Youth clients of SFMHC who have an established relationship with the mental health clinic, and who may not have a health care provider, or have barriers to accessing health care in the community.

The primary goals of the co-located program include the following: 1) increased coordination between mental health and medical treatment providers; 2) minimized medical errors due to lack of information shared between providers; 3) increased accessibility for clients; and 4) improved client satisfaction by providing comprehensive services under the same center. In the end, a secondary goal and outcome will be decreased costs and client distress, as clients receive more

coordinated and integrated care, which will reduce emergency room visits and hospitalizations. The purpose is for this effort to become a model program in SA 2 with measurable evidence of improved health care access and collaboration between medical treatment providers and the benefit of improved treatment outcomes for our clients.

## II. PLANNED SERVICES

TTC will conduct routine medical examinations, treatment, chronic disease management activities, laboratory diagnostics, follow-up, dispensing of medications to treat ailments, and referrals to specialty care. TTC will utilize medication assistance programs for clients, including assistance with applying for Prescription Assistance Program drugs. TTC will also use its available resources to purchase bulk medications, e.g. via their federal 340 B drug pricing program for Human Immunodeficiency Virus (HIV) positive clients. TTC will offer reproductive health services, including family planning services. With the proper consents signed, the medical team on site will also confer with the mental health team on site to ensure coordination of care. Mental health clients who present with medical needs will be provided health exams and lab tests at the site. Flu shots, vaccinations, testing for specific illnesses and HIV testing can also be provided. Clients identified as a result of testing or exams to need a higher level of medical care will be linked to specialty services. Health education materials, including information on chronic diseases, exercise, HIV and sexually transmitted disease prevention and treatment will also be provided. The site will be connected to TTC's main network, thus clients who need additional treatment and diagnostics not provided on site that may include substance use disorder treatment will be referred to a full-service TTC clinic.

## III. TERM OF AGREEMENT

- 1.0 A. Initial Period: The Initial Period of this MOA shall commence on \_\_\_\_\_, 2015 and shall continue in full force and effect through September 29, 2015.
- B. Three Optional One-Year Renewal Periods: After the Initial Period, stated in Section A, this Agreement shall have three (3) optional one-year renewal periods, at the sole discretion of the Director of Mental Health (Director), or his designee, without further action by the parties unless 1) either party desires to terminate this MOA at the end of the Initial Period and gives written notice to the other party not less than 30 calendar days prior to the end of Initial Period, as applicable, or 2) during the term of this MOA, the lease between DMH and the Condor Partners, LLC, is terminated or expires and is not renewed.
1. First Optional One-Year Renewal Period: If this MOA is renewed, the First Optional One-Year Renewal Period shall commence on September 30, 2015, and shall continue in full force and effect through September 29, 2016.

2. Second Optional One-Year Renewal Period: If this MOA is renewed, the Second Optional One-Year Renewal Period shall commence on September 30, 2016, and shall continue in full force and effect through September 29, 2017.
3. Third Optional One-Year Renewal Period: If this MOA is renewed, the Third Optional One-Year Renewal Period shall commence on September 30, 2017, and shall continue in full force and effect through September 29, 2018.

- 2.0 All parties involved in this MOA/Space Use Agreement may terminate the Agreement at any time without cause provided that a written notice is given at least 30 days in advance to the other party.
- 3.0 This Agreement may be modified by written amendment executed by both parties.

#### IV. CONFIDENTIALITY

The signatories to this Agreement agree that the sharing of identified information and records described in this Agreement is needed in, and directly connected to, the administration of this co-located Health Center Program with SFMHC. Furthermore, the signatories to this Agreement agree that the use of information and records described in this Agreement is needed, and directly connected to, the operations of TTC and DMH. DMH and TTC, their employees, agents, and subcontractors, shall maintain the confidentiality of all records obtained from TTC and DMH under this Agreement in accordance with the Welfare and Institutions Code (*W&I Code, Sections 5328, 10850 et seq. and 17006*), *Health Insurance Portability and Accountability Act of 1996, the Americans with Disability Act, California Civil Code (Sections 56-56.16), the Confidentiality of Alcohol and Drug Abuse Patient Records (CFR 42, Part 2)* and all other applicable Federal, State, or local laws, ordinances, regulations, and directives relating to confidentiality.

#### V. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA)

- 1.0 The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations. TTC understands and agrees that, as a provider of medical treatment services, 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 its staff and the establishment of proper procedures for the release of such information, including the use of appropriate consents and authorizations specified under HIPAA.

- 2.0 The parties acknowledge their separate and independent obligations with respect to HIPAA and that such obligations relate to transactions and code sets, privacy, and security. TTC understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on TTC's behalf. TTC has not relied, and will not in any way rely, on County for legal advice or other representations with respect to TTC's obligations under HIPAA but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.
- 3.0 TTC and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA laws and implementing regulations related to transactions and code sets, privacy, and security.
- 4.0 Each party further agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless the other party (including the other party's officers, employees, and agents), for damages to the other party that are attributable to such failure.

## VI. DMH RESPONSIBILITIES

DMH shall:

- 1.0 Designate a contact person. The contact person is:
- Lisa Wong, MA**  
District Chief  
County of Los Angeles  
Department of Mental Health  
6800 Owensmouth Avenue, Suite 160  
Canoga Park, CA 91303  
Telephone: (818) 610-6708  
Fax: (818) 347-8736  
E-mail: lwong@dmh.lacounty.gov
- 2.0 Provide adequate space at no monetary cost to TTC. This space will include the following:
- a) Desk space for up to five staff simultaneously on site with access to phone and install a referral system data lines. This space will not be used for client encounters;
  - b) Access to two existing exam rooms which are currently equipped for primary care visits two days per week;
  - c) Access to a restroom suitable for collecting urine specimens from clients up to four days per week;

- d) Access to two offices for client meetings, education, and for handling lab specimens up to four days per week;
- e) Ability to share use of a client waiting area;
- f) Refrigerators: One for medication, and one for specimens;
- g) Medication and medical supplies room;
- h) TTC staff will need phone and internet access to reach TTC's network, the primary care Electronic Health Records, and resources that are available via the public internet, e.g., websites used for checking patient insurance eligibility; and
- i) The DMH clinic's front reception area will be made available for the TTC receptionist to check-in patients.

In addition, DMH would incur related ongoing costs for this space, including lease costs, phone and fax line usage, and utilities. As needed, DMH may also commit staff resources to assist DMH clients in accessing appointments with TTC.

- 3.0 Collaborate with TTC by referring SFMHC clients in need of health services and willing to work with TTC as their primary health care provider. Linkages will be completed regardless of health care coverage status. SFMHC will also release mental health records, with client consent, collaborate with TTC on case management needs, and consult with the health care provider to determine an optimal level of care from both systems.

## VII. TTC RESPONSIBILITIES

TTC shall:

- 1.0 Designate a contact person. The contact person is:

**Albert M. Senella**  
**President and Chief Executive Officer**  
 Tarzana Treatment Centers, Inc.  
 18646 Oxnard Street  
 Tarzana, Ca. 91335  
 Tel: (818) 996-1051 ext. 3815  
 E-mail: [asenella@tarzanatc.org](mailto:asenella@tarzanatc.org)

- 2.0 Provide a satellite at SFMHC that will operate 40 hours or less a week, with healthcare serviced provided to clients SFMHC.
- 3.0 TTC will staff the project with a Registered Nurse, Physician's Assistant or Nurse Practitioner, a supervising MD, case managers, and peer support staff. When fully operational TTC is expecting to see in the clinic exam rooms 2 – 3 clients per hour with a maximum of 18 per day. In addition to the encounters with the Physician's Assistant there will be 5 – 10 client encounters with the case managers and peer support specialists for client

education and wellness activities. When possible, for client convenience, visits with case managers and peer support specialists will coincide with visits with the Physician's Assistant. Actual numbers of visits will depend on client needs. Clients needing medical care beyond the capacity of the primary care staff will be referred to other TTC services and to the services of other medical providers.

- 4.0 Secure Medi-Cal, Medicare, and the Department of Health Services authorization for the establishment of a satellite health facility co-located with SFMHC. This will include assurance of compliance with all Office of Statewide Health Planning and Development regulations, Health and Safety Code, Section 1200, California Code of Regulations, Title 24, and any other applicable regulations required to permit the administration of health services at the San Fernando Mental Health Services site.
- 5.0 With client consent, provide administrative data such as names, social security number, address, birth dates to be matched against DMH clients to identify concomitant clients for the coordination of care.
- 6.0 Indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents, and volunteers ("County Indemnities") and Condor Partners, LLC, as owner of the premises and its officers and agents 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 the TTC acts and/or omissions under this Agreement, except for such loss or damage arising from the sole gross negligence or willful misconduct of the County Indemnities. TTC will defend and hold harmless the County and Condor Partners, LLC from all claims and litigation that may arise from services provided to clients on the premises (within the TTC designated space and when entering and leaving the facility from a TTC service(s), consultation, or meeting).
- 7.0 Provide County and Condor Partners, LLC with proof of the following insurance:
  - 7.1 Commercial General Liability insurance, naming County and Condor Partners, LLC as additional insured with limits of not less than General Aggregate \$2 million; Products/Completed Operations Aggregate \$1 million; Personal and Advertising Injury \$1 million.
  - 7.2 Automobile Liability insurance 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 TTC's use of autos pursuant to this Agreement, including owned, leased, hired, and/or non-owned auto, as each may be applicable.

7.3 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.

7.4 Unique Insurance Coverage 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.

7.5 Professional Liability/Errors and Omissions insurance covering TTC's liability arising from or related to this Agreement, with limits of not less than \$1 million per claim and \$3 million aggregate. Individual physicians and registered nurses will carry medical malpractice insurance with limits not less than \$1 million per occurrence and \$2 million aggregate. Further, TTC 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.

7.6 Property Coverage

TTC 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 TTC'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.

7.7 Evidence of Coverage and Notice to County

7.7.1 Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) and Condor Partners, LLC has been given Insured status under TTC's General Liability policy, shall be delivered to County at the address shown below and provided prior to the start day of this License.

- 7.7.2 Renewal Certificates shall be provided to County not less than 10 days prior to TTC's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required TTC insurance policies at any time.
- 7.7.3 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 TTC identified 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 MOA of any policy deductibles or self-insured retentions exceeding twenty five thousand (\$25,000.00) dollars, and list any County required endorsement forms.
- 7.7.4 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 TTC, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- 7.7.5 Certificates and copies of any required endorsements, notices of cancellation shall be delivered to:

**Attn: Chief, Contracts Development & Admin.  
County of Los Angeles  
Department of Mental Health  
550 Vermont Ave., 5<sup>th</sup> Floor  
Los Angeles, CA 90020**

- 7.8 Cancellation of or Change of Insurance  
TTC shall provide County with, or TTC'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 Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

- 7.9 Failure to Maintain Insurance  
TTC's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which County immediately may suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from TTC resulting from said breach. Alternatively, the County may purchase the Required Insurance, without further notice to TTC, and pursue TTC reimbursement.
- 7.10 Insurer Financial Ratings  
Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the County with A.M. Best rating of not less than A:VII, unless otherwise approved by the County.
- 7.11 TTC's Insurance Shall Be Primary  
TTC'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 County. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any TTC coverage.
- 7.12 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.
- 7.13 Waivers of Subrogation  
To the fullest extent permitted by law, TTC 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. TTC shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.
- 8.0 Bill all physical health care costs to available plans including Medi-Cal, Medi/Medi, and Family Planning, Access, Care and Treatment as well as health maintenance organizations from major health plans. TTC will also assist with enrolling San Fernando clients into an available physical healthcare funding source under TTC. DMH will not serve as a payor of last resort.
- 9.0 Fully fund the costs of medical supplies, including medical equipment and furniture needed for start-up, as well as medication for indigent clients and lab work provided to uninsured clients for monitoring of health status.

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## VIII. SPACE PROVISIONS

TTC is hereby granted permission to utilize for the term of this Agreement, in accordance with the following terms and conditions, a designated portion of the DMH leased site located at 10605 Balboa Blvd., Granada Hills, CA 91344. TTC may occupy such space solely for the provision of health services in accordance with this Agreement.

- 1.0 TTC is authorized to use non-exclusive and non-reserved parking spaces at the front of the Facility on a first come, first served basis or purchase a parking card to access the structure parking.
- 2.0 TTC shall not make either structural or non-structural alterations, improvements, or repairs to the facility utilized by it without the prior written consent of DMH and the landlord, as applicable. DMH management shall approve or disapprove such alteration, improvement, or installation requests from TTC within thirty (30) calendar days of receipt of TTC's written request. Approvals by the landlord, as applicable, must be obtained directly from the landlord. The performance of any such alteration, improvement, or repair shall be subject to Federal and State statutes and regulations, including but not limited to, the prevailing wage and hour provisions of the California Labor Code, local laws and codes, and County ordinances. DMH may require TTC, at TTC's expense, to restore the premises to the conditions as existed prior to any such alteration, improvement, or repair, except for normal wear and tear.
- 3.0 All personal property, fixtures, and equipment, which are not owned by DMH and which have been installed or placed by TTC on the premises, shall be removed by TTC by the expiration or termination date of this Agreement. In the event of failure to remove such property or fixtures in accordance herewith, title to such property or fixtures shall vest in the County, or DMH may elect to have such property or fixtures removed and stored, the cost of which shall be borne by TTC.
- 4.0 While this Agreement confers on TTC permission to occupy the space described herein in accordance with the terms and conditions hereinabove specified, it does not grant or reserve to TTC any other property interest, estate, or right therein.
- 5.0 The premises described herein shall be open to the inspection of authorized County, State, and Federal representatives at any time; however, DMH management shall use his or her best efforts to notify TTC as soon as possible of such entry.
- 6.0 DMH reserves the right for San Fernando staff to use office space, reserved for TTC, when TTC is not utilizing said space for the provision of health care services.

- 7.0 DMH does not grant or delegate to TTC hereunder any of its governmental powers (statutory, implied, administrative, or otherwise) with respect to DMH space which is the subject of this Agreement.
- 8.0 In the event DMH management finds that any activity conducted by TTC on the premises endangers the health or safety of DMH patients, DMH personnel, or others, TTC shall cease such activities immediately. In addition, management may close or secure the premises where the activity has been conducted until the endangering activities cease.
- 9.0 TTC expressly acknowledges that TTC will be situated upon the premises as a result of DMH's previously acquired property interest. In recognition of such fact, TTC hereby disclaims any status as a "displaced person" as such is defined in Government Code section 7260, and hereby acknowledges its ineligibility for relocation assistance as provided in Government Code sections 7260 through 7277.
- 10.0 TTC shall not post signs or advertising matter unless prior approval therefore is obtained from DMH, whose approval shall not be unreasonably withheld.
- 11.0 No offensive matter of refuse or substance constituting an unnecessary, unreasonable, or unlawful fire hazard, or material detrimental to the public health, shall be permitted or remain in the facility, and TTC shall prevent any accumulation thereof from occurring. TTC shall pay all charges which may be made for the removal thereof.
- 12.0 Operational Space Responsibilities, TTC shall:
  - 12.1 Keep the area occupied in a clean and sanitary manner.
  - 12.2 Conduct the authorized activities in a courteous and professional manner; remove any agent, servant, or employee who fails to conduct the authorized activities on the premises in the manner heretofore described.
  - 12.3 Repair any and all damage beyond normal wear and tear to the subject property arising out of the conduct of the authorized activities on the premises.
  - 12.4 Maintain all existing and subsequently DMH-installed security devices required for protection of fixtures and personal property belonging to DMH, TTC, and its employees, from theft, burglary, or vandalism. Written approval for the installation of all personal property and fixtures on facility premises hereunder, except office furniture such as desks and chairs and medical equipment such as exam tables, blood pressure cuffs, and otoscopes, must be first obtained from DMH Management.

- 12.5 Comply with all applicable municipal and County ordinances, and all State and Federal laws, and in the course thereof, obtain and keep in effect all permits and licenses required to conduct the permitted activities on the premises.
- 12.6 Assume the risk of loss, damage, or destruction to any and all fixtures and personal property belonging to TTC that are installed or placed within the area occupied.
- 13.0 Damage to Facility, Building, or Grounds:
  - 13.1 TTC shall repair, or cause to be repaired, or make due diligent efforts to begin such repair beyond normal wear and tear, at its own cost, any and all damage to DMH facilities, buildings, or grounds caused by TTC, employees of TTC, or persons or companies making pick-ups from or deliveries to TTC. Such repairs or due diligent efforts to begin such repairs shall be made immediately after TTC has become aware of such damage, but in no case later than thirty (30) calendar days after the occurrence.
  - 13.2 If TTC fails to make timely repairs, DMH may make any necessary repairs. All costs incurred by DMH for such repairs shall be repaid by TTC by cash payment within thirty (30) calendar days of the date of invoice.
  - 13.3 TTC shall notify DMH in writing of any DMH facility, building, or grounds in need of repair caused by normal wear and tear. DMH, as appropriate, shall review each request for repair and work with the appropriate sections.
- 14.0 Upon termination or expiration of this Agreement, TTC shall immediately vacate the facility space, unless the current agreement is extended or a new agreement is approved.

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**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement for the San Fernando Mental Health Center Co-Located Health Project as of this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**Tarzana Treatment Centers, Inc.**

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Albert Senella  
President and Chief Executive Officer

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement for the San Fernando Mental Health Center Co-Located Health Project as of this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**Los Angeles County Department of  
Mental Health**

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MARVIN J. SOUTHARD, D.S.W.  
Director