

COUNTY OF LOS ANGELES

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DEPARTMENT OF MENTAL HEALTH

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550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
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March 17, 2005

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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

46

MAR 29 2005

Violet Varona-Lukens
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF A NEW DEPARTMENT OF MENTAL HEALTH
LEGAL ENTITY AGREEMENT WITH EMOTIONAL HEALTH ASSOCIATION
DBA SHARE THE SELF-HELP AND RECOVERY EXCHANGE
FOR FISCAL YEARS 2004-2005, 2005-2006 AND 2006-2007
(SUPERVISORIAL DISTRICT 2)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health or his designee to prepare, sign, and execute a new Department of Mental Health (DMH) Legal Entity (LE) Agreement, substantially similar to Attachment I, with Emotional Health Association dba SHARE the Self-Help And Recovery Exchange for the provision of a client-run, peer-to-peer toll-free referral service to self-help support groups. The Maximum Contract Amount (MCA) will be \$206,939 for Fiscal Year (FY) 2004-05 fully funded by \$173,606 of Sales Tax Realignment funds and \$33,333 of Department of Public Social Services California Work Opportunity and Responsibility to Kids (DPSS-CalWORKs) funds, which is included in DMH's Adopted Budget. The annualized MCA in the amount of \$422,560 for FYs 2005-2006 and 2006-2007 is anticipated to be fully funded by \$322,560 of Sales Tax Realignment funds and \$100,000 of DPSS-CalWORKs funds. The term of this new LE Agreement will be effective upon Board approval for FY 2004-2005, with two (2) automatic one-year renewal periods.
2. Delegate authority to the Director of Mental Health or his designee to prepare, sign, and execute amendments to this new DMH LE Agreement provided that: 1) the County's total payments to Contractor under this Agreement for each fiscal year shall not exceed an increase of 20 percent from the applicable MCA; 2) any

"To Enrich Lives Through Effective And Caring Service"

such increase shall be used to provide additional services or to reflect program and/or policy changes; 3) the Board of Supervisors has appropriated sufficient funds for all changes; 4) approval of County Counsel and the Chief Administrative Officer (CAO) or their designees is obtained prior to any such Amendment; 5) the parties may, by written Amendment, mutually agree to reduce programs or services without reference to the 20 percent limitation; and 6) the Director of Mental Health shall notify the Board of Supervisors of Agreement changes in writing within 30 days after execution of each Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The purpose of the requested action is to enter into a new DMH LE Agreement with SHARE to provide client/peer support/self-help and 12-step meetings and activities for persons diagnosed with mental illness, dually diagnosed persons, CalWORKs participants, and other underserved populations in Supervisorial District 2, Mental Health Service Area (MHSA) 5, in accordance with the DMH Stakeholders recommendations provided to your Board on October 19, 2004. On January 18, 2005, DMH submitted an Advance Notification of Intent to enter into a Sole Source contract with SHARE to your Board.

Over recent years there has been an increasing recognition nationwide by mental health providers, clients, family members, and other stakeholders of the valuable and critical role that peer support and self-help activities play in mental health clients' recovery and integration into community living. SHARE's mission is to help people in Los Angeles County pursue personal growth and empower people to change their own lives through the provision of a safe, non-stigmatizing place where they can find community information and self-help support. SHARE is located on the edge of several distinct cultural and socio-economic communities where people can come together for self-help groups conducted in English, Spanish, Korean, Vietnamese, Cambodian, Armenian, Russian, Hebrew, Mandarin, and Farsi.

Implementation of Strategic Goals

The recommended Board actions are consistent with the principles of the Countywide Strategic Plan Organizational Goal No. 1, "Service Excellence," and Programmatic Goal No. 7, "Health and Mental Health." These actions will provide the public with easy access to quality information and services that are both beneficial and responsive.

FISCAL IMPACT/FINANCING

There is no increase in net County cost.

The MCA in the amount of \$206,939 is fully funded by \$173,606 in Sales Tax Realignment funds and \$33,333 in Intrafund Transfers from DPSS-CalWORKs. Funding is included in the DMH's FY 2004-2005 Adopted Budget.

Funding for the annualized MCAs for FYs 2005-2006 and 2006-2007 is \$422,560, anticipated to be fully funded by \$322,560 of Sales Tax Realignment funds and \$100,000 in Intrafund Transfers from DPSS-CalWORKs funds. Funding for FYs 2005-2006 and 2006-2007 will be requested during DMH's annual budget process, but may be subject to change because of anticipated budgetary factors which may impact the funding that is given to the County by the State and/or Federal government on an annual basis.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

SHARE is located at 5521 Grosvenor Boulevard, Los Angeles, California 90066, in Supervisorial District 2, MHSA 5 and has operated at this location for 12 years. SHARE has served as a client liaison with other mental health and CalWORKs programs in MHSA 5 through participation in the Service Area Advisory Committee (SAAC-DMH local forum) and the Service Planning Area 5 (SPA-LA County Planning Council). Additionally, the agency has well-established relationships with the Regional Center for Developmental Disabilities, the Westside Mental Health Network, and the Los Angeles County Client Coalition. Lastly, SHARE is working with the Office of Consumer Affairs and the Latino Access Program to establish Spanish-language support groups to serve monolingual and bilingual Spanish speaking persons diagnosed with mental illness.

In order to assure the incorporation of the Recovery Model into DMH System of Care and promote recovery oriented mental health services, DMH has selected SHARE, which is a client-run, peer-to-peer toll-free referral service to self-help support groups, including the research, development, and maintenance of a database of self-help support groups in Los Angeles County which has the approval of the communities it serves.

SHARE provides a unique and valuable client-driven self-help service that addresses recovery and healing from mental health problems through achievement in personal goals and development of skills. SHARE offers support in the areas of health, education, and employment in a free and non-stigmatizing an environment as possible. For example, when some Los Angeles residents were diagnosed with Hepatitis C, the center provided supportive and educational interventions for the impacted residents. The goal of providing such interventions was to assist these residents through their disease and treatment in an effort to overcome the associated depression that at times accompanies the illness.

The proposed action has been reviewed and approved by County Counsel, the CAO, and DMH's Fiscal and Program Administrations. The Los Angeles County Community Business Enterprise (LAC/CBE) Program information form is Attachment II.

CONTRACTING PROCESS

DMH has met the County's requirement for advance notification of intent to negotiate a sole source contract of \$250,000 or greater in its notification letter to your Board dated January 18, 2005. SHARE is a community based self-help exchange and support group center that empowers persons diagnosed with mental illness to pursue personal growth and change.

SHARE is a recognized service provider in Supervisorial District 2 that has the respect and approval of DMH programs and the community at large. The agency will provide essential self-help resources to Los Angeles County clients and others who need mental health services, yet cannot currently be accommodated by DMH.

SHARE is uniquely positioned to provide the services being contracted, as SHARE already has the database, clearinghouse, and groups in place. Over the past three (3) years, services provided by SHARE to mental health clients have been partially funded under a subcontract with the National Mental Health Association of Greater Los Angeles.

IMPACT ON CURRENT SERVICES

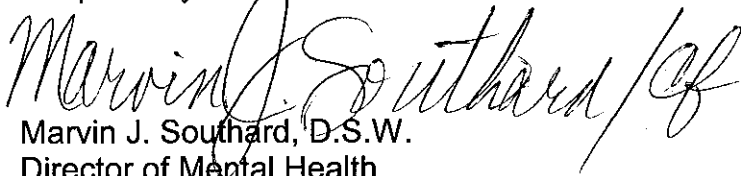
With Board approval, DMH will continue to expand existing self-help and other client-run programs. The agency will be an asset to the mental health service delivery network in MHSA 5.

The Honorable Board of Supervisors
March 17, 2005
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CONCLUSION

The Department of Mental Health will need one (1) copy of the adopted Board's action. It is requested that the Executive Officer of the Board notifies the Department of Mental Health's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

Handwritten signature of Marvin J. Southard in cursive script.

Marvin J. Southard, D.S.W.
Director of Mental Health

MJS:RK:CK:er

Attachments (2)

c: Chief Administrative Officer
County Counsel
Chairperson, Mental Health Commission

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

CONTRACTOR:

Emotional Health Association dba SHARE
the Self-Help And Recovery Exchange

Contract Number

Business Address:

5521 Grosvenor Boulevard

N/A

Reference Number(s)

Los Angeles, CA 90066

TBA

Legal Entity Number

Provider Number(s) TBA

Contractor Headquarters' Supervisorial District 2

Mental Health Service Area(s) 5 OR Countywide

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

DISTRIBUTION

(Please type in the applicable name for each)

Deputy Director Yvette Townsend

Lead Manager Robin Kay

K: S X --or-- U

LEGAL ENTITY:NRTIT20C.IVA.LEtbiCont04-05

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LEGAL ENTITY: NRTIT20C.IVA.LEtblCont04-05

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

3 NOW, THEREFORE, Contractor and County agree as follows:

4 **PREAMBLE**

5 For nearly a decade, the County has collaborated with its community partners to enhance
6 the capacity of the health and human services system to improve the lives of children and families.

7 These efforts require, as a fundamental expectation, that the County's contracting partners share
8 the County and community's commitment to provide health and human services that support
9 achievement of the County's vision, goals, values, and adopted outcomes. Key to these efforts is
10 the integration of service delivery systems and the adoption of the Customer Service and
11 Satisfaction Standards.

12 The County of Los Angeles' Vision is to improve the quality of life in the County by providing
13 responsive, efficient, and high quality public services that promote the self-sufficiency, well-being and
14 prosperity of individuals, families, business and communities. This philosophy of teamwork and
15 collaboration is anchored in the shared values of:

- 16
- | | |
|-------------------|-------------------------|
| ➤ Responsiveness | ➤ Integrity |
| ➤ Professionalism | ➤ Commitment |
| ➤ Accountability | ➤ A Can-Do Attitude |
| ➤ Compassion | ➤ Respect for Diversity |
- 17

18 These shared values are encompassed in the County Strategic Plan's eight goals: 1) Service
19 Excellence; 2) Workforce Excellence; 3) Organizational Effectiveness; 4) Fiscal Responsibility; 5)
20 Children and Families' Well-Being; 6) Community Services; 7) Health and Mental Health; and 8)
21 Public Safety. Improving the well-being of children and families requires coordination, collaboration,
22 and integration of services across functional and jurisdictional boundaries, by and between County
23 departments/agencies, and community and contracting partners.

24 The basic conditions that represent the well-being we seek for all children and families in
25 Los Angeles County are delineated in the following five outcomes, adopted by the Board of
26 Supervisors in January 1993.

- 27
- Good Health;
 - Economic Well-Being;
 - Safety and Survival;
 - Emotional and Social Well-Being; and
 - Education and Workforce Readiness.
- 28
29
30
31

32 Recognizing no single strategy - in isolation - can achieve the County's outcomes of well-
33 being for children and families, consensus has emerged among County and community leaders that
34 making substantial improvements in integrating the County's health and human services system is
35 necessary to significantly move toward achieving these outcomes. The County has also
36 established the following values and goals for guiding this effort to integrate the health and human

1 services delivery system:

- 2 ✓ Families are treated with respect in every encounter they have with the health,
3 educational, and social services systems.
- 4 ✓ Families can easily access a broad range of services to address their needs, build on
5 their strengths, and achieve their goals.
- 6 ✓ There is no "wrong door": wherever a family enters the system is the right place.
- 7 ✓ Families receive services tailored to their unique situations and needs.
- 8 ✓ Service providers and advocates involve families in the process of determining service
9 plans, and proactively provide families with coordinated and comprehensive information,
10 services, and resources.
- 11 ✓ The County service system is flexible, able to respond to service demands for both the
12 Countywide population and specific population groups.
- 13 ✓ The County service system acts to strengthen communities, recognizing that just as
14 individuals live in families, families live in communities.
- 15 ✓ In supporting families and communities, County agencies work seamlessly with public
16 and private service providers, community-based organizations, and other community
17 partners.
- 18 ✓ County agencies and their partners work together seamlessly to demonstrate substantial
19 progress towards making the system more strength-based, family-focused, culturally-
20 competent, accessible, user-friendly, responsive, cohesive, efficient, professional, and
21 accountable.
- 22 ✓ County agencies and their partners focus on administrative and operational
23 enhancements to optimize the sharing of information, resources, and best practices
24 while also protecting the privacy rights of families.
- 25 ✓ County agencies and their partners pursue multi-disciplinary service delivery, a single
26 service plan, staff development opportunities, infrastructure enhancements, customer
27 service and satisfaction evaluation, and revenue maximization.
- 28 ✓ County agencies and their partners create incentives to reinforce the direction toward
29 service integration and a seamless service delivery system.
- 30 ✓ The County human service system embraces a commitment to the disciplined pursuit of
31 results accountability across systems. Specifically, any strategy designed to improve the
32 County human services system for children and families should ultimately be judged by
33 whether it helps achieve the County's five outcomes for children and families: good
34 health, safety and survival, economic well-being, social and emotional well-being, and
35 education and workforce readiness.

1 The County, its clients, contracting partners, and the community are working together to
2 develop practical ways to make County services more accessible, customer friendly, better
3 integrated, and outcome-focused. Several departments have identified shared themes in their
4 strategic plans for achieving these goals including: making an effort to become more
5 consumer/client-focused; valuing community partnerships and collaborations; emphasizing values
6 and integrity; and using a strengths-based and multi-disciplinary team approach. County
7 departments are also working to provide the Board of Supervisors and the community with a better
8 understanding of how resources are being utilized, how well services are being provided, and what
9 are the results of the services: is anyone better off?

10 The County of Los Angeles health and human service departments and their partners are
11 working together to achieve the following *Customer Service And Satisfaction Standards* in support
12 of improving outcomes for children and families.

13 Personal Service Delivery

14 The service delivery team – staff and volunteers – will treat customers and each other with
15 courtesy, dignity, and respect.

- 16 • Introduce themselves by name
- 17 • Listen carefully and patiently to customers
- 18 • Be responsive to cultural and linguistic needs
- 19 • Explain procedures clearly
- 20 • Build on the strengths of families and communities

21 Service Access

22 Service providers will work proactively to facilitate customer access to services.

- 23 • Provide services as promptly as possible
- 24 • Provide clear directions and service information
- 25 • Outreach to the community and promote available services
- 26 • Involve families in service plan development
- 27 • Follow-up to ensure appropriate delivery of services

28 Service Environment

29 Service providers will deliver services in a clean, safe, and welcoming environment, which
30 supports the effective delivery of services.

- 31 • Ensure a safe environment
- 32 • Ensure a professional atmosphere
- 33 • Display vision, mission, and values statements
- 34 • Provide a clean and comfortable waiting area
- 35 • Ensure privacy
- 36 • Post complaint and appeals procedures

37 The basis for all County health and human services contracts is the provision of the highest
38 level of quality services that support improved outcomes for children and families. The County and
39 its contracting partners must work together and share a commitment to achieve a common vision,
40 goals, outcomes, and standards for providing services.

1 **TERM:**

2 A. Initial Period: The Initial Period of this Agreement shall commence on Upon Board
3 approval and shall continue in full force and effect through June 30, 2005.

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

9 (1) First Automatic Renewal Period: If this Agreement is automatically renewed,
10 the First Automatic Renewal Period shall commence on July 1, 2005 and shall continue in
11 full force and effect through June 30, 2006.

12 (2) Second Automatic Renewal Period: If this Agreement is automatically
13 renewed, the Second Automatic Renewal Period shall commence on July 1, 2006 and shall
14 continue in full force and effect through June 30, 2007.

15 C. Termination:

16 (1) This Agreement may be terminated by either party at any time without cause by
17 giving at least 30 days prior written notice to the other party.

18 (2) This Agreement may be terminated by County immediately:

19 (a) If County determines that:

20 i. Any Federal, State, and/or County funds are not available for
21 this Agreement or any portion thereof; or

22 ii. Contractor has failed to initiate delivery of services within 30
23 days of the commencement date of this Agreement; or

24 iii. Contractor has failed to comply with any of the provisions of
25 Paragraphs 16 (NONDISCRIMINATION IN SERVICES), 17 (NONDISCRIMINATION IN EMPLOYMENT),
26 19 (INDEMNIFICATION AND INSURANCE), 20 (WARRANTY AGAINST CONTINGENT FEES), 21
27 (CONFLICT OF INTEREST), 26 (DELEGATION AND ASSIGNMENT), 27 (SUBCONTRACTING), 32
28 (CHILD SUPPORT COMPLIANCE PROGRAM), 46 (CERTIFICATION OF DRUG-FREE WORK PLACE),
29 and/or 52 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED
30 PROGRAM); or

31 (b) In accordance with Paragraphs 33 (TERMINATION FOR INSOLVENCY),
32 34 (TERMINATION FOR DEFAULT), 35 (TERMINATION FOR IMPROPER CONSIDERATION), and/or 47
33 (COUNTY LOBBYISTS).

34 (3) This Agreement shall terminate as of June 30 of the last Fiscal Year for which
35 funds for this Agreement were appropriated by County as provided in Paragraph 5 (COUNTY'S
36 OBLIGATION FOR CURRENT AND FUTURE FISCAL YEARS).

1 (4) In the event that this Agreement is terminated, then:

2 (a) On or after the date of the written notice of termination, County, in its
3 sole discretion, may stop all payments to Contractor hereunder until preliminary settlement based on the
4 Annual Cost Report. Contractor shall prepare an Annual Cost Report, including a statement of expenses
5 and revenues, which shall be submitted pursuant to Paragraph 4 (FINANCIAL PROVISIONS),
6 Subparagraph N (Annual Cost Reports), within 75 days of the date of termination. Such preliminary
7 settlement shall not exceed the Maximum Monthly Payment (see Paragraph 4 (FINANCIAL
8 PROVISIONS), Subparagraph L (Maximum Monthly Payment) multiplied by the actual number of months
9 or portion thereof during which this Agreement was in effect during the particular Fiscal Year; and

10 (b) Upon issuance of any notice of termination, Contractor shall make
11 immediate and appropriate plans to transfer or refer all patients/clients receiving services under this
12 Agreement to other agencies for continuing services in accordance with the patient's/client's needs.
13 Such plans shall be subject to prior written approval of Director, except that in specific cases, as
14 determined by Contractor, where an immediate patient/client transfer or referral is indicated, Contractor
15 may make an immediate transfer or referral. If Contractor terminates this Agreement, all costs related
16 to all such transfers or referrals as well as all costs related to all continuing services shall not be a
17 charge to this Agreement nor reimbursable in any way under this Agreement; and

18 (c) If Contractor is in possession of any equipment, furniture, removable
19 fixtures, materials, or supplies owned by County as provided in Paragraph 43 (PURCHASES), the same
20 shall be immediately returned to County.

21 (5) Any termination of this Agreement by County shall be approved by County's
22 Board of Supervisors.

23 D. Suspension of Payments: Payments to Contractor under this Agreement shall be
24 suspended if Director, for good cause, determines that Contractor is in default under any of the
25 provisions of this Agreement. Except in cases of alleged fraud or similar intentional wrongdoing, at least
26 30 days notice of such suspension shall be provided to Contractor, including a statement of the
27 reason(s) for such suspension. Thereafter, Contractor may, within 15 days, request reconsideration of
28 the Director's decision. Payments shall not be withheld pending the results of the reconsideration
29 process.

30 E. Six Months Notification of Agreement Expiration: Contractor shall notify County when
31 this Agreement is within six (6) months of expiration. Contractor shall send such notice to those
32 persons and addresses which are set forth in Paragraph 58 (NOTICES).

33 2. ADMINISTRATION: Director shall have the authority to administer this Agreement on behalf of
34 County. Contractor shall designate in writing a Contract Manager who shall function as liaison with
35 County regarding Contractor's performance hereunder.

1 3. DESCRIPTION OF SERVICES/ACTIVITIES: Contractor shall provide mental health services in the
2 form as identified on the Financial Summary and Service Exhibit(s) and in the Program Description of
3 Contractor's Negotiation Package for this Agreement as approved in writing by Director, including any
4 addenda thereto as approved in writing by Director. Services provided by Contractor shall be the same
5 regardless of the patient's/client's ability to pay or source of payment.

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

10 Contractor shall not be required to provide the notice in the preceding paragraph when County
11 reduces funding to Contractor, either at the beginning or during the fiscal year. In addition, when
12 County cuts the funding for a particular program provided by Contractor, Contractor shall not be
13 responsible for continuing services for those clients linked to that funding. Contractor shall also
14 thereafter make referrals of those clients to County or other appropriate agencies.

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

19 Contractor may provide mental health services claimable as EPSDT services.

20 If, during Contractor's provision of services under this Agreement, there is any need for
21 substantial deviation from the services as described in Contractor's Negotiation Package for this
22 Agreement, as approved in writing by Director, including any addenda thereto as approved in writing by
23 Director, then Contractor shall submit a written request to Director for written approval before any such
24 substantial deviation may occur.

25 4. FINANCIAL PROVISIONS:

26 A. General: This Agreement provides for reimbursement as provided in this Paragraph 4
27 (FINANCIAL PROVISIONS), Subparagraph J. (1) (Payment) and as shown on the Financial Page(s).
28 The Contractor will comply with all requirements necessary for reimbursement as established by
29 Federal, State and local statutes, laws, ordinances, rules, regulations, manuals, policies, guidelines
30 and directives. Under no circumstances can the total Maximum Contract Amount of this Agreement
31 be increased or decreased without a properly executed amendment.

32 (1) Cost Reimbursement: County agrees to reimburse Contractor during the term of
33 this Agreement for the actual and allowable costs, less all fees paid by or on behalf of patients/clients
34 receiving services/activities hereunder and all other revenue, interest and return resulting from
35 services/activities and/or funds paid by County to Contractor hereunder but not to exceed the Maximum
36 Reimbursable Amount per visit as shown on the Financial Summary and the maximum number of

1 allowable visits stipulated in the Fee-For-Service Medi-Cal Specialty Mental Health Services Provider
2 Manual when Contractor is providing mental health services, specialty mental health services and/or
3 Title XIX Medi-Cal Administrative Activities hereunder in accordance with WIC Sections 5704, 5707,
4 5709, 5710, 5714, 5716, 5717, 5718, 5719, 5720, 5721, 5723, and 14132.44; CCR Titles 9 and
5 22; SDMH Policy Letters; CR/DC Manual; RO/TCM Manual; DMH policies and procedures; and all other
6 applicable Federal, State, and local laws, ordinances, rules, regulations manuals, guidelines, and
7 directives.

8 (2) EPSDT: County agrees to reimburse Contractor during the term of this
9 Agreement for providing EPSDT mental health services/activities over the State established baseline in
10 accordance with Federal and State laws and regulations. Baseline increases imposed by the State will
11 be imposed on the Contractor in like percentages.

12 EPSDT funds are part of the Maximum Contract Amount(s) of this Agreement
13 and shall be paid by County to Contractor solely in County's capacity as the EPSDT claim intermediary
14 between the Contractor and the State.

15 Notwithstanding any other provision of this Agreement, in the event that Contractor provides
16 EPSDT services reimbursable under the State's EPSDT mandate claim process, in excess of the
17 Contractor's Fiscal Year 2004-2005 base of \$ 0, Contractor shall be
18 paid by County from EPSDT funds upon receipt from the State. The CGF allocated on the Financial
19 Summary Page for EPSDT baseline services is designated solely for EPSDT eligible services and no CGF
20 in this category shall be transferred to any other category on said Financial Summary Page. In the event
21 that EPSDT funds are not available to pay EPSDT claims or that State denies any or all of the EPSDT
22 claims submitted by County on behalf of Contractor, Contractor shall indemnify and hold harmless
23 County for any and all liability for payment of any or all of the denied EPSDT claims or for the
24 unavailability of EPSDT funds to pay for EPSDT claims. Contractor shall be solely liable and responsible
25 for all data and information submitted by Contractor to County in support of all claims for EPSDT funds
26 submitted by County as the fiscal intermediary.

27 (3) IMD: County agrees to reimburse Contractor during the term of this Agreement
28 for providing IMD mental health services/activities in accordance with State laws and regulations.

29 (4) Negotiated Rate: County agrees to reimburse Contractor during the term of this
30 Agreement for providing mental health services hereunder in accordance with WIC Sections 5704,
31 5705, 5707, 5709, 5710, 5714, 5716, 5717, 5718, 5719, 5720, 5721, 5723, and 14132.44; CCR
32 Titles 9 and 22; SDMH Policy Letters; CR/DC Manual; RO/TCM Manual; DMH policies and procedures;
33 and all other applicable Federal, State, and local laws, ordinances, rules, regulations, manuals,
34 guidelines, and directives. Except for Title XIX Medi-Cal Administrative Activities, reimbursement shall
35 be at the Negotiated Rate(s), as mutually agreed upon between County and Contractor and approved by
36 SDMH (for any NR funded in whole or in part by Title XIX Short-Doyle/Medi-Cal and/or State funds) and

1 as shown on the Financial Summary less all fees paid by or on behalf of patients/clients receiving
2 services hereunder and all other revenue, interest and return resulting from services/activities and/or
3 funds paid by County to Contractor hereunder.

4 B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period
5 of this Agreement as described in Paragraph 1 (TERM) shall not exceed TWO HUNDRED SIX
6 THOUSAND NINE HUNDRED THIRTY-NINE
7 DOLLARS (\$206,939) and shall consist of County, State, and/or Federal funds as shown on the
8 Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is repayable
9 through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other
10 provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall
11 County pay Contractor more than this Maximum Contract Amount for Contractor's performance
12 hereunder during the Initial Period. Furthermore, Contractor shall inform County when up to 75 percent
13 (75%) of the Maximum Contract Amount has been incurred. Contractor shall send such notice to those
14 persons and addresses which are set forth in Paragraph 58 (NOTICES).

15 C. Reimbursement If Agreement Is Automatically Renewed:

16 (1) Reimbursement For First Automatic Renewal Period: The Maximum Contract
17 Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM)
18 shall not exceed FOUR HUNDRED TWENTY-TWO THOUSAND FIVE HUNDRED SIXTY
19 _____ DOLLARS (\$422,560) and shall
20 consist of County, State, and/or Federal funds as shown on the Financial Summary. This Maximum
21 Contract Amount includes the Cash Flow Advance which is repayable through cash and/or appropriate
22 SFC units and/or actual and allowable costs as authorized by other provisions of this Agreement.
23 Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more
24 than this Maximum Contract Amount for Contractor's performance hereunder during the First Automatic
25 Renewal Period. Furthermore, Contractor shall inform County when up to seventy-five percent (75%) of
26 the Maximum Contract Amount has been incurred. Contractor shall send such notice to those persons
27 and addresses which are set forth in Paragraph 58 (NOTICES).

28 (2) Reimbursement For Second Automatic Renewal Period: The Maximum Contract
29 Amount for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1
30 (TERM) shall not exceed FOUR HUNDRED TWENTY-TWO THOUSAND FIVE HUNDRED SIXTY
31 _____ DOLLARS (\$422,560)
32 and shall consist of County, State, and/or Federal funds as shown on the Financial Summary. This
33 Maximum Contract Amount includes the Cash Flow Advance which is repayable through cash and/or
34 appropriate SFC units and/or actual and allowable costs as authorized by other provisions of this
35 Agreement. Notwithstanding any other provision of this Agreement, in no event shall County pay
36

1 Contractor more than this Maximum Contract Amount for Contractor's performance hereunder during
2 the Second Automatic Renewal Period. Furthermore, Contractor shall inform County when up to 75
3 percent (75%) of the Maximum Contract Amount has been incurred. Contractor shall send such notice
4 to those persons and addresses which are set forth in Paragraph 58 (NOTICES).

5 D. SDMH Approval of Negotiated Rate(s):

6 (1) Pursuant to WIC Section 5716, SDMH's approval of each NR, which is funded
7 in whole or in part by Federal and/or State funds, shall be obtained prior to the commencement date of
8 this Agreement and prior to the beginning of any subsequent Fiscal Year or portion thereof that this
9 Agreement is in effect. Each such NR shall be effective only upon SDMH approval. If SDMH approval
10 is received after the commencement date of this Agreement or after the beginning of any subsequent
11 Fiscal Year, SDMH approval may be retroactive. If any such NR is disapproved by SDMH for any Fiscal
12 Year or portion thereof, Contractor shall be compensated for all mental health services under this
13 Agreement in accordance with the provisions of WIC Section 5716.

14 (2) Contractor understands that any NR funded in whole or in part by Title XIX
15 Short-Doyle/Medi-Cal and/or State funds may include County's share of reimbursement for
16 administrative support costs, including, but not limited to, quality assurance, utilization review, technical
17 assistance, training, cost accounting, contract administration, other direct administrative activities which
18 result because of contracting activities, medications, monitoring, revenue generation, and client data
19 collection. County shall pay Contractor for Contractor's share of reimbursement for any such NR and
20 shall retain County's share of reimbursement to pay for County's associated administrative support
21 costs, if any.

22 E. Established Maximum Allowable Rates:

23 (1) Notwithstanding any other provision of this Agreement, County shall not be
24 required to pay Contractor more than the Established Maximum Allowable Rates for applicable Title XIX
25 Short-Doyle/Medi-Cal SFC units. The Established Maximum Allowable Rates shall be those specified in
26 CCR Title 22, as authorized by WIC Section 5720.

27 (2) Pursuant to Subparagraph D (SDMH Approval of Negotiated Rate(s)) and this
28 Subparagraph E, the appropriate Established Maximum Allowable Rates in effect during the Initial Period
29 of this Agreement, the First Automatic Renewal Period, or the Second Automatic Renewal Period, shall
30 be applicable to this Agreement when adopted by State.

31 (3) The Established Maximum Allowable Rates shall not apply to SFC units which
32 are wholly funded by CGF.

33 F. EPSDT Title XIX Medi-Cal Services, Title XIX Short-Doyle/Medi-Cal Services and Title
34 XIX Medi-Cal Administrative Activities:

35 (1) Except as otherwise provided in this Agreement, if Contractor provides EPSDT
36 Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal

1 Administrative Activities, then Contractor shall be reimbursed by County for the eligible and Federal and
2 State-approved EPSDT Title XIX Medi-Cal SFC units furnished to eligible Medi-Cal beneficiaries; and/or
3 for the eligible and State-approved Title XIX Short-Doyle/Medi-Cal SFC units furnished to eligible
4 Medi-Cal beneficiaries; and/or as determined by the State, for the actual and allowable costs of eligible
5 and State-approved Title XIX Medi-Cal Administrative Activities only in arrears and only to the extent of
6 actual EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal, and/or Title XIX Medi-Cal
7 Administrative Activities payments made by the Federal and State governments to County for such
8 service and activities.

9 (2) Each Fiscal Year of the term of this Agreement, such reimbursement for Title
10 XIX Short-Doyle/Medi-Cal SFC units, and/or for Title XIX Medi-Cal Administrative Activities, shall be
11 made as applicable on the basis of: (1) fifty percent Title XIX Short-Doyle/Medi-Cal services FFP funds
12 and/or fifty percent Title XIX Medi-Cal Administrative Activities FFP funds, and/or fifty percent Specialty
13 Mental Health Services FFP funds which are part of the applicable Maximum Contract Amount of this
14 Agreement and which are paid by County to Contractor solely in County's capacity as the fiscal
15 intermediary for such Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative
16 Activities, and (2) fifty percent match from funds which are part of the applicable Maximum Contract
17 Amount of this Agreement, and which qualify as eligible FFP match as on the Financial Summary.

18 (3) Each Fiscal Year of the term of this Agreement, such reimbursement for EPSDT
19 Title XIX Medi-Cal services shall be one hundred percent of the program funds which are part of the
20 applicable Maximum Contract Amount of this Agreement and which are paid by County to Contractor
21 solely in County's capacity as the fiscal intermediary. EPSDT Title XIX Medi-Cal services shall be paid
22 as applicable on the basis of fifty percent EPSDT Title XIX services FFP funds and fifty percent State
23 matching general funds for EPSDT and only when such EPSDT Title XIX services exceed the individual
24 Contractor's EPSDT base line as identified in Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph A
25 (3) (EPSDT).

26 (4) Notwithstanding any other provision of this Agreement, if EPSDT Title XIX
27 Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal
28 Administrative Activities are provided hereunder, such services and administrative activities shall comply
29 with and be compensated in accordance with all applicable Federal and State reimbursement
30 requirements.

31 (5) If EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal
32 services, and/or Title XIX Medi-Cal Administrative Activities, are provided under this Agreement,
33 Contractor authorizes County to serve as the fiscal intermediary for claiming and reimbursement for such
34 EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX
35 Medi-Cal Administrative Activities and to act on Contractor's behalf with SDMH, SDHS and/or SDSS in
36 regard to claiming reimbursement for EPSDT Title XIX Medi-Cal services, and/or Title XIX

1 Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities.

2 Contractor shall be solely liable and responsible for all data and information submitted by
3 Contractor to County in support of all claims for EPSDT Title XIX Medi-Cal services, and/or Title XIX
4 Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, submitted by County
5 as the fiscal intermediary to SDMH, SDHS and/or SDSS and for any subsequent State approvals or
6 denials of such claims that may be based on data and information submitted by Contractor. Contractor
7 shall process all EPSDT Title XIX Medi-Cal and/or Title XIX Short-Doyle/Medi-Cal, Explanation of Balance
8 (EOB) or other data within the time frame prescribed by the State and Federal governments. County
9 shall have no liability for Contractor's failure to comply with State and Federal time frames.

10 Notwithstanding any other provision of this Agreement, Contractor shall hold County
11 harmless from and against any loss to Contractor resulting from any such State denials, unresolved EOB
12 claims, and/or any Federal and/or State audit disallowances for such Title XIX Short-Doyle/Medi-Cal
13 services, and/or Title XIX Medi-Cal Administrative Activities.

14 (6) Contractor shall hold County harmless from and against any loss to Contractor
15 resulting from any such State denials, unresolved EOB claims, and/or any Federal and/or State audit
16 disallowances for such EPSDT Title XIX Medi-Cal services.

17 (7) Notwithstanding any other provision of this Agreement, Contractor shall be
18 totally liable and responsible for: (1) the accuracy of all data and information on all claims for EPSDT
19 Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services which Contractor inputs into
20 IS, (2) the accuracy of all data and information which Contractor provides to DMH, and (3) ensuring that
21 all EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX
22 Medi-Cal Administrative Activities, are performed appropriately within Medi-Cal, guidelines including, but
23 not limited to, administration, utilization review, documentation, and staffing.

24 (8) As the State designated Short-Doyle/Medi-Cal fiscal intermediary, County shall
25 submit a claim to SDMH for EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal
26 reimbursement only for those services entered by Contractor into IS which are identified by Contractor
27 as "Y". The "Y" means that the service provided is to be claimed by County to Short-Doyle/Medi-Cal.
28 Contractor shall comply with all written instructions from County and/or State regarding EPSDT Title
29 XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal claiming and documentation.

30 Contractor shall maintain an audit file documenting all EPSDT Title XIX Medi-Cal, and/or
31 Title XIX Short-Doyle/Medi-Cal services as instructed by County for a period of seven (7) years from the
32 end of the Fiscal Year in which such services were provided or until final resolution of any audits,
33 whichever occurs later.

34 (9) County is the State designated fiscal intermediary for EPSDT Title XIX Medi-Cal
35 services, and Title XIX Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities.
36 Contractor shall comply with all written instructions from County regarding any such Title XIX claims.

1 and documentation. Contractor shall certify in writing that all necessary Title XIX documentation exists
2 at the time any such claims for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-
3 Cal services, and/or Title XIX Medi-Cal Administrative Activities, are submitted by Contractor to County.

4 Contractor shall maintain all records, including, but not limited to, all time studies
5 prepared by Contractor, documenting all EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-
6 Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, as instructed by County for
7 a period of seven (7) years from the end of the quarter in which such services were provided or until
8 final resolution of any audits, whichever occurs later.

9 (10) County may modify the claiming systems for either EPSDT Title XIX Medi-Cal
10 services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative
11 Activities, at any time in order to comply with changes in, or interpretations of, State or Federal laws,
12 rules, regulations, manuals, guidelines, and directives. When possible, County shall notify Contractor in
13 writing of any such modification and the reason for the modification 30 days prior to the implementation
14 of the modification.

15 (11) EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation
16 Report: Prior to 14 and one-half months after the close of each Fiscal Year, Contractor shall provide
17 DMH with two (2) copies of an accurate and complete EPSDT Title XIX Medi-Cal and Title XIX
18 Short-Doyle/Medi-Cal Reconciliation Report at the legal entity level for each of Contractor's
19 Short-Doyle/Medi-Cal provider numbers which are part of the legal entity, for all EPSDT Title XIX Medi-
20 Cal, and/or Title XIX Short-Doyle/Medi-Cal SFC units furnished and State-approved during the applicable
21 Fiscal Year. Each such EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation
22 Report shall be prepared by Contractor in accordance with all SDMH instructions and shall be certified in
23 writing by Contractor's Chief Executive Officer. If Contractor does not so provide DMH with the EPSDT
24 Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report within such 14 and one-half
25 months, then Director, in his sole discretion, shall determine which State approved EPSDT Medi-Cal,
26 and/or Short-Doyle/Medi-Cal data shall be used by County for completion of the EPSDT Title XIX Medi-
27 Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report.

28 (12) EPSDT Title XIX Medi-Cal Services, Title XIX Short-Doyle/Medi-Cal Services,
29 Title XIX Medi-Cal Administrative Activities, Overpayment Recovery Procedures: Contractor shall repay
30 to County the amount, if any, paid by County to Contractor for EPSDT Title XIX Medi-Cal services, and
31 Title XIX Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities, which are
32 found by County, State, and/or Federal governments not to be reimbursable.

33 For Federal audit exceptions, Federal audit appeal processes shall be followed. County
34 recovery of Federal overpayment shall be made in accordance with all applicable Federal laws,
35 regulations, manuals, guidelines, and directives.

36 For State audit exceptions, County shall immediately recover any overpayment from

1 Contractor when the State recovers the overpayment from County.

2 For County audit exceptions, County shall immediately recover the overpayment from
3 Contractor 30 days from the date of the applicable audit determination by Director.

4 Contractor shall pay County according to the method described in Subparagraph S
5 (Payments Due to County/Method of Payment).

6 G. Funding Sources:

7 (1) County, State, and/or Federal funds shall be limited to and shall not exceed the
8 respective amounts shown on the Financial Summary. County funds include the portion of Cash Flow
9 Advance and is repayable through cash, and/or County SFC units, and/or approved EPSDT Title XIX
10 Medi-Cal units of service, approved Title XIX Short-Doyle/Medi-Cal SFC units, and/or approved Title XIX
11 Medi-Cal Administrative Activities units of activities.

12 (2) The reimbursement method of payment for the respective County, State and/or
13 Federal funding source(s) is shown on the Financial Summary.

14 (3) The combined CGF and any other funding sources shown on the Financial
15 Summary as funds to be disbursed by County shall not total more than the Maximum Contract Amount
16 for the applicable period of the Agreement term as specified in Subparagraphs B (Reimbursement For
17 Initial Period) and C (Reimbursement If Agreement Is Automatically Renewed).

18 (4) County funds include Cash Flow Advance which is repayable through cash
19 and/or County SFC units, and/or approved EPSDT Title XIX Medi-Cal SFC units, and/or approved Title
20 XIX Short-Doyle/Medi-Cal SFC units, and/or approved Title XIX Medi-Cal Administrative Activities units
21 of activities.

22 Notwithstanding any other provision of this Agreement, EPSDT Title XIX Medi-Cal, FFP
23 funds shall be paid by County to Contractor solely in County's capacity as the fiscal intermediary for
24 EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX
25 Medi-Cal Administrative Activities. In no event shall County be liable or responsible to Contractor for
26 any payment for any disallowed EPSDT Title XIX Medi-Cal services, and/or Title XIX
27 Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities.

28 EPSDT Title XIX Medi-Cal and FFP funds shall be subject to all applicable Federal and
29 State laws, rules, regulations, manuals, guidelines, and directives.

30 (5) To the extent permitted by Federal law, certain funds, as designated on the
31 Financial Summary, may be used to match the FFP component of reimbursement for Title XIX
32 Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, in order to achieve
33 the maximum Federal reimbursement possible for mental health services and administrative activities
34 provided under this Agreement.

35 H. Government Funding Restrictions: This Agreement shall be subject to any restrictions,
36 limitations, or conditions imposed by State, including, but not limited to, those contained in State's

1 Budget Act, which may in any way affect the provisions or funding of this Agreement. This Agreement
2 shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal
3 government which may in any way affect the provisions or funding of this Agreement.

4 I. Patient/Client Eligibility, UMDAP Fees, Third Party Revenue, and Interest:

5 (1) Contractor shall comply with all County, State, and Federal requirements and
6 procedures, as described in WIC Sections 5709, 5710 and 5721, relating to: (1) the determination and
7 collection of patient/client fees for services hereunder based on UMDAP and DMH's Revenue Manual,
8 (2) the eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicare, private insurance, or other third
9 party revenue, and (3) the collection, reporting and deduction of all patient/client and other revenue for
10 patients/clients receiving services hereunder. Contractor shall vigorously pursue and report collection of
11 all patient/client and other revenue.

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

15 (3) If Contractor provides Title XIX Medi-Cal Administrative Activities funded by
16 Title XIX pursuant to WIC Section 14132.44 as described in Paragraph 3 (DESCRIPTION OF
17 SERVICES), or then Contractor shall assure that FFP reimbursement for such Title XIX Medi-Cal
18 Administrative Activities and shall be utilized by Contractor only for the provision of Title XIX Medi-Cal
19 Administrative Activities.

20 (4) Contractor may retain unanticipated revenue, which is not shown in
21 Contractor's Negotiation Package for this Agreement, for a maximum period of one Fiscal Year, provided
22 that the unanticipated revenue is utilized for the delivery of mental health service units specified in this
23 Agreement. Contractor shall report the mental health services funded by this unanticipated revenue in
24 the Annual Cost Report submitted by Contractor to County. The Annual Cost Report shall be prepared
25 as instructed by State and County.

26 (5) Contractor shall not retain any fees paid by any resources for or on behalf of
27 Medi-Cal beneficiaries without having those fees deducted from the cost of providing the mental health
28 service/units specified in this Agreement.

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

32 (7) Failure of Contractor to report in all its monthly claims and in its Annual Cost
33 Report all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of
34 patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal
35 beneficiaries receiving services and/or activities hereunder, all unanticipated revenue not shown in
36 Contractor's Negotiation Package for this Agreement, and all interest and return on funds paid by

1 County to Contractor, shall result in: (1) Contractor's submission of a revised claim statement showing
2 all such nonreported revenue, (2) a report by County to SDMH of all such nonreported revenue, (3) a
3 report by County to the Federal Health Care Financing Administration (HCFA) should any such
4 unreported revenue be paid by any resources for or on behalf of Medi-Cal beneficiaries, and/or (4) any
5 appropriate financial adjustment to Contractor's reimbursement.

6 J. Payment:

7 (1) For each month of the term of this Agreement, Contractor shall submit to
8 County a claim for each applicable row (payer funding source) identified on the Financial Summary and
9 Rate Schedule, in the form and content specified by County. Each monthly claim shall be submitted
10 within 60 days of Contractor's receipt of County's IS reports for the last date mental health services
11 were provided during the particular month and within 60 days of the last date Title XIX Medi-Cal
12 Administrative Activities were provided during the particular month.

13 (a) Cost Reimbursement: Contractor's monthly claim to County shall show
14 all Contractor's actual and allowable costs and all other revenue, interest and return resulting from
15 services/activities and/or funds paid by County to Contractor hereunder for the particular month. The
16 County may make provisional reimbursement, subject to final settlement to cost. All provisional
17 reimbursement shall be based upon specialty mental health services actually provided as shown on
18 County's Claims Systems reports. Contractor certifies that all units of service claimed by Contractor on
19 a provisional reimbursement basis are true and accurate claims for reimbursement.

20 (b) For IMDs Only: Those Institutions for Mental Disease which are
21 licensed as Skilled Nursing Facilities (SNF) by SDHS are, thereby, entitled by law to the rates established
22 by SDHS for Skilled Nursing Facilities. The IMD rate consists of a basic SNF rate and a STP rate, or a
23 MHRC rate. Contractor's monthly claim to County shall be for those patient days that have been
24 approved in writing by the County and shall be separately itemized by each patient day. Claims shall be
25 submitted to County within 30 days of the end of the billing period. Monthly claims shall be reviewed
26 and approved by County.

27 (c) Negotiated Rate: Contractor's monthly claim to County shall be
28 separately itemized by each SFC to show the payment calculation for each SFC by multiplying the SFC
29 units as shown on IS reports by the applicable NR for such SFC as shown on the Financial Summary,
30 except that for PATH and SAMHSA services, Contractor's monthly claim shall show Contractor's actual
31 and allowable costs, less all fees paid by or on behalf of patients/clients receiving services hereunder and
32 all other revenue, interest and return resulting from services/activities and/or funds paid by County to
33 Contractor hereunder.

34 i. DMH shall have the option to deny payment for services when
35 documentation of clinical work does not meet minimum State and County standards.

36 ii. Final reimbursement to Contractor shall not exceed the listed

1 rates as shown on the Financial Summary. Provisional reimbursement to contractor shall be at the State
2 established Title XXII rates for CPT codes. At cost report, provisional reimbursement will be adjusted to
3 State approved Negotiated Rates not to exceed the rates shown on the Financial Summary and shall be
4 considered payment in full, subject to third party liability and beneficiary share of cost, for the specialty
5 mental health services provided to a beneficiary. Reimbursement shall be made only for State approved
6 Short-Doyle/Medi-Cal claims and to the extent that funds allocated by State for County specifically for
7 these services are available.

8 iii. For Organizational Providers Only. Provisional reimbursement
9 shall be based on the rates shown on the Provisional Rate Schedule(s) as published and periodically
10 revised as supplements to the Los Angeles County DMH Fee-For-Service Medi-Cal Specialty Mental
11 Health Services Provider Manual by the DMH, Office of Managed Care and distributed to DMH
12 Organizational Providers and to the Los Angeles County DMH Contracts Development and
13 Administration Division.

14 Further, Contractor agrees to hold harmless both the State and beneficiary in the event
15 County cannot or will not pay for services performed by Contractor pursuant to this Agreement.

16 (2) On the basis of this monthly claim and after Director's review and approval of
17 the monthly claim, Contractor shall receive from County payment of Contractor's claimed amount for
18 NR services, and actual and allowable costs for all cost reimbursed services and activities, less all
19 revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor
20 hereunder, including, but not limited to, all Medicare, patient/client fees, private insurance, and any other
21 revenue, interest and return as described in Subsection 7 of Subparagraph I (Patient/Client Eligibility,
22 UMDAP Fees, Third Party Revenue, and Interest).

23 The monthly claim and subsequent payment shall be made in accordance with County
24 policies and procedures. If a claim is not submitted as required by County, then payment shall be
25 withheld until County is in receipt of a complete and correct claim and such claim has been reviewed
26 and approved by Director.

27 If Contractor has received any Cash Flow Advance pursuant to Subparagraph K (Cash
28 Flow Advances In Expectation of Services/Activities To Be Rendered), then Director may, in his
29 discretion, at any time, make adjustments to any of Contractor's monthly claims as necessary to ensure
30 that Contractor shall not be paid by County a sum in excess of the amount determined by multiplying
31 the SFC units as shown on IS reports by the applicable NR for such SFC as shown on the Financial
32 Summary for NR services and/or Contractor's actual and allowable costs of providing mental health
33 services and Title XIX Medi-Cal Administrative Activities, or the Maximum Contract Amount for such
34 Fiscal Year as shown in Subparagraphs B (Reimbursement for Initial Period) or C (Reimbursement If
35 Agreement Is Automatically Renewed), whichever is less, less all revenue, interest and return resulting
36 from services/activities and/or funds paid by County to Contractor hereunder. Contractor may request

1 in writing, and shall receive if requested, DMH's computations for determining any adjustment to
2 Contractor's monthly claim.

3 (3) All monthly claims shall be subject to adjustment based upon the IS reports,
4 EOB data, and/or Contractor's Annual Cost Report which shall supersede and take precedence over all
5 claims.

6 (4) All monthly claims shall be based on mental health services actually provided as
7 shown on IS reports and/or Title XIX Medi-Cal Administrative Activities actually provided as shown by
8 State-approved time studies prepared or actual and allowable costs for State approved units of activities
9 reported by Contractor. Contractor certifies that all units of services reported by Contractor into IS are
10 true and accurate claims for reimbursement.

11 (5) EPSDT Title XIX Medi-Cal funds, and Title XIX Short-Doyle/Medi-Cal FFP funds
12 shall be paid by County to Contractor only for State approved claims for EPSDT Title XIX Medi-Cal
13 and/or Title XIX Short-Doyle/Medi-Cal SFC units provided to eligible Medi-Cal beneficiaries. EPSDT Title
14 XIX Medi-Cal funds, and Title XIX Short-Doyle/Medi-Cal FFP funds shall be paid by County to Contractor
15 only in arrears, only for the period of time Contractor is certified as a Title XIX Short-Doyle/Medi-Cal
16 provider, only to the extent that eligible FFP matching funds are available under this Agreement, and
17 only after County has received EPSDT and FFP payment from State.

18 (6) Title XIX Medi-Cal Administrative Activities FFP funds shall be paid by County to
19 Contractor only for State approved claims for Title XIX Medi-Cal Administrative Activities based on time
20 studies prepared or actual and allowable costs for units of activities reported by Contractor. Title XIX
21 Medi-Cal Administrative Activities FFP funds shall be paid by County to Contractor only in arrears and
22 only if Contractor is authorized as a Title XIX Medi-Cal Administrative Activities provider, only to the
23 extent that eligible FFP matching funds are available under this Agreement, and only after County has
24 received FFP payment from State.

25 (7) EPSDT and FFP funds shall be paid by County to Contractor solely in County's
26 capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal services, Title XIX
27 Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities. Each Fiscal Year of the
28 term of this Agreement, County shall pay to Contractor FFP funds only to the extent that the applicable
29 Maximum Contract Amount has eligible State and/or local funds which qualify as the match to FFP, as
30 required by Federal and/or State laws, regulations, manuals, guidelines, and directives.

31 (8) EPSDT Title XIX Medi-Cal services funds, Title XIX Short-Doyle/Medi-Cal
32 services FFP funds, Title XIX Medi-Cal Administrative Activities FFP funds, shall be paid by County to
33 Contractor solely in County's capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal services,
34 Title XIX Short-Doyle/Medi-Cal services, Title XIX Medi-Cal Administrative Activities. Each Fiscal Year
35 of the term of this Agreement, County shall pay to Contractor EPSDT Title XIX Medi-Cal services,
36 and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities funds

1 only to the extent required by Federal laws, regulations, manuals, guidelines, and directives.

2 (9) Notwithstanding any other provision of this Agreement, in the event that
3 Contractor provides EPSDT Title XIX Medi-Cal services pursuant to the EPSDT provisions of this
4 Agreement in excess of Contractor's EPSDT baseline as identified in Paragraph 4 (FINANCIAL
5 PROVISIONS), Subparagraph A (3) (EPSDT) as calculated with SDMH service approval data, and County
6 does not meet the Fiscal Year 1994-95 base as adjusted by the State, Contractor shall be paid by
7 County from a CGF risk reserve pool established for this purpose. The CGF risk reserve pool funds shall
8 be maintained in accordance with County policies and procedures and shall be for the SDMH general
9 fund portion of the individual Contractor's EPSDT approved services.

10 (10) County pays any EPSDT-SGF (Early and Periodic Screening, Diagnosis, and
11 Treatment--State General Funds) local matching funds in excess of the EPSDT baseline as identified in
12 Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph A (3) (EPSDT) and Medi-Cal Federal Financial
13 Participation Funds (FFP) to Contractor solely in County's capacity as the EPSDT-SGF and FFP
14 intermediary between the Contractor and the State. Solely to assist the County in expeditiously
15 processing and initially paying Contractor (because of the internal accounting necessity for
16 appropriation authority) for such claims for payment pending reimbursement from the State, the
17 Maximum Contract Amount(s) of this Agreement shall include EPSDT-SGF and/or FFP. This will
18 establish legal authorization by the Board of Supervisors to make expenditures for the services and/or
19 activities identified on the Financial Summary and Service Exhibit(s) of this Agreement, pending
20 reimbursement by the State. To the extent Contractor exceeds the EPSDT-SGF and/or FFP amount(s)
21 included in this Agreement, such excess will be paid to Contractor only upon Contract Amendment
22 approved by the Board of Supervisors, or from an Appropriation Account set up to record the Board's
23 specific authorization to spend EPSDT-SGF and FFP in excess of the Maximum Contract Amount(s).

24 Contractor understands and agrees that County's assistance in processing
25 and, as an intermediary for the State and Federal governments, initially paying for EPSDT-SGF and
26 FFP in accordance with the above is subject to reimbursement from the State and does not render
27 County in any way responsible for the substantive obligation to be ultimately fiscally responsible for
28 payment for Contractor's claims for payment for these services. Contractor's entitlement to payment
29 for such services, or claimed services, is entirely dependent upon compliance with the law and
30 regulations related to same. In the event of a dispute regarding entitlement for payment, Contractor
31 agrees that County is not liable for payment for such claims and will not pursue any such claims for
32 payment against County.

33 (11) No Payment for Services Provided Following Expiration/Termination of
34 Contract: Contractor shall have no claim against County for payment of any money or
35 reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or
36 other termination of this Contract. Should Contractor receive any such payment, it shall immediately

1 notify County and shall immediately repay all such funds to County. Payment by County for services
2 rendered after expiration/termination of this Contract shall not constitute a waiver of County's right
3 to recover such payment from Contractor. This provision shall survive the expiration or other
4 termination of this Contract.

5 K. Cash Flow Advance In Expectation Of Services/Activities To Be Rendered:

6 For each month of each fiscal year, County will reimburse Contractor based upon the County
7 and/or State and/or Federal government(s) processing of the reimbursement claims for rendered
8 services/activities submitted by Contractor to the County subject to claim edits, and future settlements
9 and audit processes. However, for each month of each fiscal year not to exceed three (3) or five (5)
10 consecutive months, or portion thereof, as described below, and for such month the County and/or
11 State and/or Federal government(s) have not made payment, and/or such payment is less than 1/12th of
12 the Maximum Contract Amount, Contractor may request in writing from County a monthly County
13 General Fund Cash Flow Advance as herein described.

14 Cash Flow Advance shall consist of, and shall be payable only from, the Maximum Contract
15 Amount appropriation approved by County's Board of Supervisors for the particular fiscal year in which
16 the costs are to be incurred and upon which the request(s) is (are) based.

17 Cash Flow Advance is intended to provide cash flow to Contractor pending Contractor's
18 rendering and billing of eligible services/activities, as identified by Paragraph 3 (DESCRIPTION OF
19 SERVICES/ACTIVITIES) of this Agreement, to the County and/or State and/or Federal government(s),
20 and the County and/or State and/or Federal government(s) have made payment for such
21 services/activities. Contractor may request each monthly Cash Flow Advance only for such
22 services/activities and only when there is no reimbursement from other public or private sources for
23 such services/activities.

24 No Cash Flow Advance will be given if a Contractor has not been certified as an eligible Medi-
25 Cal service provider.

26 The Cash Flow Advance amount for any particular month will be reduced by County payments
27 of actual reimbursement claims received by County from the Contractor. The County's claims payment
28 process is initiated immediately upon County receipt from Contractor of a reimbursement claim. If such
29 Contractor reimbursement claim is received at any time during either the initial three (3) or two (2)
30 additional consecutive months, the monthly payment to Contractor will include the payment for such
31 actual reimbursement claim thereby reducing the Cash Flow Advance disbursement amount for that
32 particular month.

33 Cash Flow Advance is based upon the following:

34 (1) Each month of each fiscal year not to exceed three (3) consecutive months, or portion
35 thereof, that this Agreement is in effect, Contractor may request, separately for each month, in writing
36 from County a monthly County General Fund Cash Flow Advance for any funds which may be part of

1 the Maximum Contract Amount for such fiscal year as identified on the Financial Summary Page.
2 Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed
3 \$17,245 per month and the total Cash Flow Advance for the three (3) months shall not exceed
4 \$51,735. The Cash Flow Advance monthly amount is 1/12th of Maximum Contract Amount as
5 identified on the Financial Summary Page, annualized Maximum Contract Amount if a partial year.

6 (2) A Contractor providing EPSDT Short-Doyle Medi-Cal services as part of this Agreement,
7 may for two (2) additional consecutive months, or portion thereof, that this Agreement is in effect,
8 request, separately for each month, in writing from County a monthly County General Fund Cash Flow
9 Advance for any FFP and/or EPSDT-SGF funds designated for clients less than 21 years of age which
10 may be part of the Maximum Contract Amount for such fiscal year as shown on the Financial Summary
11 Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to
12 exceed \$_____0_____ per month for each of the two (2) additional consecutive months and the total
13 Cash Flow Advance for the two (2) additional consecutive months shall not exceed \$_____0_____.
14 The Cash Flow Advance monthly amount for each of the two (2) consecutive months is:

15 (1) 1/12th of the Maximum Contract Amount for EPSDT-SGF as identified on the Financial
16 Summary Page, annualized Maximum Contract Amount if a partial year plus;

17 (2) An amount equal to the 1/12th of the Maximum Contract Amount for EPSDT-SGF that is
18 the Cash Flow Advance component for the anticipated FFP financial participation to be provided by the
19 Federal government for services provided to EPSDT Medi-Cal beneficiaries.

20 Upon receipt of a request, Director, in his sole discretion, shall determine whether to approve
21 the Cash Flow Advance request and, if approved, whether the request is approved in whole or in part.
22 The time schedules and examples for County claims payment, and the three (3) and five (5) months
23 Cash Flow Advance disbursement(s) and Contractor repayment of Cash Flow Advance funds to County
24 by means of a County offset to Contractor claims to County are incorporated herein as Attachment V.

25 County identifies if Contractor's units of service and State FFP & EPSDT-SGF approvals are
26 meeting or exceeding the contracted levels and if not Cash Flow Advance recovery is initiated to
27 ensure Contractor completes repayment of the Cash Flow Advance with units of services by the time
28 the Contractor's fiscal year's twelfth month of claims are received and processed.

29 Any County and/or State and/or Federal government(s) approved Contractor reimbursement
30 claims for eligible services/activities in excess of the actual unpaid Cash Flow Advance County to
31 Contractor will be disbursed in accordance with the terms and conditions of this Agreement.

32 Should Contractor request and receive Cash Flow Advance, Contractor shall exercise cash
33 management of such Cash Flow Advance in a prudent manner.

34 For IMD, PHE and Mental Health Rehabilitation Center Contractors Only: The amount of a Cash
35 Flow Advance payment shall be based on 95 percent (95%) of the average daily census for the last two
36 months of the preceding fiscal year.

1 L. Maximum Monthly Payment: County's Maximum Monthly Payment to Contractor for
2 each monthly claim shall not exceed an amount determined pursuant to County policies and procedures.

3 The State and FFP funds for State approved claims for EPSDT Title XIX Medi-Cal SFC
4 units claimed by County to State on behalf of the Contractor shall be paid by County to Contractor only
5 in arrears and only after County has received State and FFP payment from State.

6 The FFP funds for State approved claims for EPSDT Title XIX Medi-Cal SFC units, and/or
7 Title XIX Short-Doyle/Medi-Cal SFC units, and/or Title XIX Medi-Cal Administrative Activities, claimed
8 by County to State on behalf of the Contractor shall be paid by County to Contractor only in arrears and
9 only after County has received FFP payment from State.

10 In order to recover CGF provided to Contractor as Cash Flow Advance pursuant to this
11 Subparagraph L, or any amounts due to County by Contractor under this Agreement or otherwise,
12 County shall withhold from any amounts due by County to Contractor under this Agreement or
13 otherwise: (1) the FFP and/or EPSDT-SGF portions of total State approved Short-Doyle/Medi-Cal
14 claims Cash Flow Advances that are in excess of a cumulative, for each month actual State approval
15 data has been received, 1/12 of the Maximum Contract Amount and/or (2) the FFP portion of Title XIX
16 Short-Doyle/Medi-Cal for State approved claims for Title XIX Short-Doyle/Medi-Cal SFC units and/or (3)
17 the State and FFP portion of EPSDT Title XIX Medi-Cal for State approved claims for EPSDT Title XIX
18 Medi-Cal SFC units and/or (4) the FFP for Title XIX Medi-Cal Administrative Activities and/or (5) the
19 County, State and Federal portions of SFC units claimed by Contractor in IS for non-Title XIX Medi-Cal.
20 Contractor may request in writing, and shall receive if requested, DMH's computations for determining
21 any amounts withheld.

22 M. Withholding of Payment for Nonsubmission of IS and Other Information: County may
23 withhold a maximum of 10 percent (10%) of any monthly claim, if any IS data, EOB data, RGMS report,
24 or other information is not submitted by Contractor to County within the time limits of submission of
25 this Agreement or if any IS data, EOB data, RGMS report, or other information is incomplete, incorrect,
26 or is not completed in accordance with the requirements of this Agreement. County shall give
27 Contractor at least 15 working days written notice of its intention to withhold payments hereunder,
28 including the reason(s) for its intended action. Thereafter, Contractor shall have 15 days either to
29 correct any deficiencies, or to request reconsideration of the decision to withhold payment. Payment to
30 Contractor shall not be withheld pending the correction of deficiencies, or if reconsideration is requested,
31 pending the results of the reconsideration process.

32 N. Annual Cost Reports:

33 (1) For each Fiscal Year or portion thereof that this Agreement is in effect,
34 Contractor shall provide DMH with two copies of an accurate and complete Annual Cost Report, with a
35 statement of expenses and revenue. The annual cost report will be comprised of a separate set of
36 forms for the County and State for the Financial Summary within each entity. Such reports will be due

1 within 75 days following either the end of such Fiscal Year or the expiration or termination date of this
2 Agreement, whichever occurs earlier. Each such Annual Cost Report shall be prepared by Contractor in
3 accordance with the requirements set forth in the Short-Doyle/Medi-Cal Automated Cost Reporting
4 System Users Manual, CR/DC Manual, RO/TCM Manual, and any other written guidelines which shall be
5 provided to Contractor by Director by June 30 of the Fiscal Year for which the Annual Cost Report is to
6 be prepared.

7 (2) If Contractor fails to submit accurate and complete Annual Cost Report(s) by
8 such due date, and if this Agreement is automatically renewed as provided in Paragraph 1 (TERM), then
9 County shall not make any further payments to Contractor under this Agreement until the accurate and
10 complete Annual Cost Report(s) is (are) submitted.

11 (3) Failure of Contractor to submit accurate and complete Annual Cost Report(s) by
12 such due date shall result in a Late Penalty of ONE HUNDRED DOLLARS (\$100) for each day that the
13 accurate and complete Annual Cost Report(s) is (are) not submitted. The Late Penalty shall be assessed
14 separately on each outstanding Annual Cost Report. The Late Penalty shall commence on the
15 seventy-sixth day following either the end of the applicable Fiscal Year or the expiration or termination
16 date of this Agreement and shall continue thereafter up to the one hundred and fifth day.

17 In the event that Contractor does not submit accurate and complete Annual Cost
18 Report(s) by the one hundred and fifth day, then all amounts covered by the outstanding Annual Cost
19 Report(s) and paid by County to Contractor in the Fiscal Year for which the Annual Cost Report(s) is
20 (are) outstanding shall be due by Contractor to County. Contractor shall pay County according to the
21 method described in Subparagraph S (Payments Due to County/Method of Payment).

22 O. Annual Cost Report Adjustment and Settlement: Based on the Annual Cost Report(s)
23 submitted pursuant to Subparagraph N (Annual Cost Reports), at the end of each Fiscal Year or portion
24 thereof that this Agreement is in effect the cost of all mental health services, and Title XIX Medi-Cal
25 Administrative Activities rendered hereunder shall be adjusted as follows:

26 (1) Cost Reimbursement - to actual and allowable costs, not to exceed the
27 applicable Maximum Contract Amount as shown in Subparagraph B (Reimbursement For Initial Period) or
28 C (Reimbursement If Agreement Is Automatically Renewed), provided that reimbursement for
29 Short-Doyle/Medi-Cal funded services shall be consistent with the amounts authorized by State law and
30 State's Medicaid Plan, and reimbursement for Title XIX Medi-Cal Administrative Activities shall be
31 consistent with the amounts authorized by State law and State's Title XIX Medi-Cal Administrative
32 Activities Plan not to exceed the Maximum Contract Amount. Reimbursement for Title XIX Short-
33 Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, shall not exceed an amount
34 for which there is sufficient CGF/State match funds in the applicable Maximum Contract Amount.

35 (2) IMD - to the lower of the DMH determined final IS run of reported patient days
36 or the patient days reported in Contractor's Annual Cost Report, multiplied by the applicable SDHS's

1 currently approved Skilled Nursing Facility Rate per patient day for Basic Service plus SDHS's currently
2 approved STP Rate per patient day for STP Services.

3 (3) Negotiated Rate - to the lower of the DMH determined final IS run of reported
4 SFC units, or the SFC units reported in Contractor's Annual Cost Report, multiplied by the applicable NR
5 less all revenue, interest and return resulting from services/activities and/or funds paid by County to
6 Contractor, including, but not limited to, all Medicare, patient/client fees, private insurance, and any
7 other revenue, interest and return resulting from services/activities and/or funds paid by County to
8 Contractor as described in Subsection 7 of Subparagraph I (Patient/Client Eligibility, UMDAP Fees, Third
9 Party Revenue, and Interest), not to exceed the applicable Maximum Contract Amount as shown in
10 Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically
11 Renewed), provided that reimbursement for Title XIX Short-Doyle/Medi-Cal funded services shall be
12 consistent with the amounts authorized by State law and State's Medicaid Plan, and reimbursement for
13 Title XIX Medi-Cal Administrative Activities shall be consistent with the amounts authorized by State
14 law and State's Title XIX Medi-Cal Administrative Activities Plan not to exceed the Maximum Contract
15 Amount. Reimbursement for Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal
16 Administrative Activities, shall not exceed an amount for which there is sufficient CGF/State match
17 funds in the applicable Maximum Contract Amount. In the event that Contractor adjustments based on
18 any of the above methods indicate an amount due the County, Contractor shall pay County according to
19 the method described in Subparagraph S (Payments Due to County/Method of Payment).

20 P. Post-Contract Audit Settlement:

21 (1) In the event of a post-contract audit conducted by County, State, and/or Federal
22 personnel, actual and allowable SFC units for NR services and actual and allowable costs for cost
23 reimbursement services shall be determined for each Fiscal Year or portion thereof that this Agreement
24 is in effect. Such audit may include requests to review any fiscal, programmatic, or SFC unit concerns
25 County, State, and/or Federal auditors may have under this Agreement. CR/DC Manual, RO/TCM
26 Manual, SDMH's utilization review policies and procedures, State's Medicaid Plan, State's Title XIX
27 Medi-Cal Administrative Activities Plan, and the Federal Health Care Financing Administration's Health
28 Insurance Manual Volume 15 (HIM 15) shall serve as the basic reference and authority for the audit
29 determination of actual and allowable SFC units for mental health services and actual and allowable
30 costs for Title XIX Medi-Cal Administrative Activities and PATH and SAMHSA services. One of the
31 purposes of the audit determination of actual and allowable SFC units is to identify and adjust for
32 duplicated claims; SFC units not provided; SFC units not documented; and utilization review findings,
33 including, but not limited to, unnecessary care and the lack of appropriate licensed practitioners of the
34 healing arts.

35 (2) For mental health services, if the post-contract audit conducted by County,
36 State, and/or Federal personnel determines that the amounts paid by County to Contractor for any SFC

1 units furnished hereunder are more than the amounts allowable pursuant to this Agreement, then the
2 difference shall be due by Contractor to County upon the State and/or Federal collection from County of
3 the amount due, or after exhausting all appeals, if any, whichever occurs first.

4 For Title XIX Medi-Cal Administrative Activities, if the post-contract audit conducted by
5 County, State, and/or Federal personnel determines that the actual and allowable costs for Title XIX
6 Medi-Cal Administrative Activities furnished hereunder are more than the amounts allowable pursuant to
7 this Agreement, then the difference shall be due by Contractor to County. Contractor shall pay County
8 according to the method described in Subparagraph S (Payments Due to County/Method of Payment).

9 (3) For NR and CR services, if the post-contract audit conducted by County, State,
10 and/or Federal personnel determines that the amounts paid by County to Contractor for any NR SFC
11 units furnished hereunder are less than the allowable pursuant to this Agreement and/or CR services,
12 then the difference shall be paid by County to Contractor, provided that in no event shall County's
13 Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement
14 For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded.

15 For Title XIX Medi-Cal Administrative Activities, if the post-contract audit conducted by
16 County, State, and/or Federal personnel determines that the actual and allowable costs for Title XIX
17 Medi-Cal Administrative Activities furnished hereunder are less than the amounts reimbursable pursuant
18 to this Agreement, then the difference shall be paid by County to Contractor, provided that in no event
19 shall County's Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B
20 (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be
21 exceeded.

22 Q. Audit Appeals After Post-Contract Audit Settlement: If Contractor appeals any audit
23 report, the appeal shall not prevent the post-contract audit settlement pursuant to Subparagraph P
24 (Post-Contract Audit Settlement).

25 R. County Audit Settlements: If, at any time during the term of this Agreement or at any
26 time after the expiration or termination of this Agreement, authorized representatives of County conduct
27 an audit of Contractor regarding the mental health services and/or Title XIX Medi-Cal Administrative
28 Activities provided hereunder and if such audit finds that County's dollar liability for such services and/or
29 administrative activities is less than payments made by County to Contractor, then the difference shall
30 be due by Contractor to County, unless Contractor files an appeal with County, in which case the
31 amount due, if any, will be determined upon the completion of the appeal. Contractor shall pay County
32 according to the method described in Subparagraph S (Payments Due to County/Method of Payment).

33 If such audit finds that County's dollar liability for such services and/or administrative
34 activities provided hereunder is more than payments made by County to Contractor, then the difference
35 shall be paid to Contractor by County by cash payment, provided that in no event shall County's
36 Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement

1 For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded.

2 S. Payments Due to County/Method of Payment: Within ten days after written notification
3 by County to Contractor of any amount due by Contractor to County, Contractor shall notify County as
4 to which of the following six payment options Contractor requests be used as the method by which
5 such amount shall be recovered by County. Any such amount shall be: (1) paid in one cash payment
6 by Contractor to County, (2) offset against prior year(s) liability(ies), (3) deducted from future claims
7 over a period not to exceed three months, (4) deducted from any amounts due from County to
8 Contractor whether under this Agreement or otherwise, (5) paid by cash payment(s) by Contractor to
9 County over a period not to exceed three months, or (6) a combination of any or all of the above. If
10 Contractor does not so notify County within such ten days, or if Contractor fails to make payment of
11 any such amount to County as required, then Director, in his sole discretion, shall determine which of
12 the above six payment options shall be used by County for recovery of such amount from Contractor.

13 T. Interest Charges on Delinquent Payments: If Contractor, without good cause as
14 determined in the sole judgment of Director, fails to pay County any amount due to County under this
15 Agreement within 60 days after the due date, as determined by Director, then Director, in his sole
16 discretion and after written notice to Contractor, may assess interest charges at a rate equal to
17 County's Pool Rate, as determined by County's Auditor-Controller, per day on the delinquent amount
18 due commencing on the sixty-first day after the due date. Contractor shall have an opportunity to
19 present to Director information bearing on the issue of whether there is a good cause justification for
20 Contractor's failure to pay County within 60 days after the due date. The interest charges shall be: (1)
21 paid by Contractor to County by cash payment upon demand and/or (2) at the sole discretion of
22 Director, deducted from any amounts due by County to Contractor whether under this Agreement or
23 otherwise.

24 U. Financial Solvency: Contractor shall maintain adequate provisions against the risk of
25 insolvency.

26 V. Limitation of County's Obligation Due to Nonappropriation of Funds: Notwithstanding
27 any other provision of this Agreement, County shall not be obligated for Contractor's performance
28 hereunder or by any provision of this Agreement during this or any of County's future fiscal years unless
29 and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for
30 each such fiscal year. Should County, during this or any subsequent fiscal year impose budgetary
31 restrictions which appropriate less than the amount provided for in Subparagraph B (Reimbursement For
32 Initial Period) and Subparagraph C (Reimbursement If Agreement Is Automatically Renewed) of this
33 Agreement, County shall reduce services under this Agreement consistent with such imposed budgetary
34 reductions. In the event funds are not appropriated for this Agreement, then this Agreement shall
35 terminate as of June 30 of the last fiscal year for which funds were appropriated. County shall notify
36 Contractor of any such changes in allocation of funds at the earliest possible date.

1 W. Contractor Requested Changes:

2 (1) If Contractor desires any change in the terms and conditions of this Agreement,
3 Contractor shall request such change in writing prior to April 1 of the Fiscal Year for which the change
4 would be applicable, and all changes shall be made by an amendment pursuant to Agreement Paragraph
5 38 (ALTERATION OF TERMS).

6 (2) If Contractor requests to increase or decrease any Maximum Contract Amount,
7 such request and all reports, data, and other information requested by DMH's Contracts Development
8 and Administration Division, shall be received by DMH's Contracts Development and Administration
9 Division for review prior to April 1 of the Fiscal Year in which the increase or decrease has been
10 requested by Contractor.

11 X. Delegated Authority: Notwithstanding any other provision of this Agreement, County's
12 Department of Mental Health Director or his designee may, without further action by County's Board of
13 Supervisors, prepare and sign amendments to this Agreement during the remaining term of this
14 Agreement, under the following conditions:

15 (1) County's total payments to Contractor under this Agreement, for each Fiscal
16 Year of the term of this Agreement, shall not exceed an increase of more than the Board-approved
17 percentage of the applicable Maximum Contract Amount; and

18 (2) Any such increase shall only be used for additional services or to reflect program
19 and/or policy changes that affect this Agreement; and

20 (3) County's Board of Supervisors has appropriated sufficient funds for all changes
21 described in each such amendment to this Agreement; and

22 (4) Approval of County Counsel and the Chief Administrative Officer or his designee
23 is obtained prior to any such amendment to this Agreement; and

24 (5) County and Contractor may by written amendment reduce programs or services
25 and revise the applicable Maximum Contract Amount; and

26 (6) County's Department of Mental Health Director shall notify County's Board of
27 Supervisors of all Agreement changes in writing within 30 days following execution of any such
28 amendment(s).

29 Y. California Work Opportunity and Responsibility to Kids (CalWORKs):

30 (1) CalWORKs Reimbursement:

31 (a) Reimbursement at cost for existing services under this Agreement shall
32 be considered payment in full, subject to third party liability and beneficiary share of costs, for the
33 CalWORKs beneficiaries.

34 For each month of the term of this Agreement, Contractor shall submit
35 to County a separate claim for CalWORKs services in the form and content specified by County. Each
36 monthly claim shall be submitted within 30 days of Contractor's receipt of County's IS CalWORKs

1 Service Reports for the last date CalWORKs' mental health services were provided during the particular
2 month.

3 All monthly claims shall be subject to adjustment based upon the IS
4 reports, EOB data, and/or Contractor's annual Cost Report which shall supersede and take precedence
5 over all claims. No billing changes/adjustments or audits will be allowed after such time.

6 (b) Under no circumstances shall Contractor be reimbursed for the provision
7 of CalWORKs services from any funds included in the Cash Flow Loan Exhibit(s).

8 (c) Director shall have the option to deny payment for services when
9 documentation of clinical work does not meet minimum State and County standards as set forth in the
10 Los Angeles County annotated version of the Rehabilitation Option and Targeted Case Management
11 Manual. Director shall provide Contractor with at least 30 days written notice of his intention to deny
12 payment, including the reason(s) for his intended actions. Thereafter, Contractor may, within 15 days,
13 request reconsideration of the County's decision.

14 (d) Reimbursement shall only be made for CalWORKs services to the extent
15 that funds are allocated by DPSS and the State for these services.

16 (e) Services to CalWORKs beneficiaries shall be limited to Contractor's
17 existing services as provided in this Agreement.

18 (2) CalWORKs Suspension of Payment: Payments to Contractor may be suspended
19 if Director, for good cause, determines that Contractor is in default under any of the provisions of this
20 Agreement, or if funds are unavailable from the State or DPSS for payment on CalWORKs claims.
21 Except in cases of alleged fraud or similar intentional wrongdoing, at least 30 days notice of such
22 suspension shall be provided to Contractor, including a statement of the reason(s) for such suspension.
23 Thereafter, Contractor may, within 15 days, request reconsideration of Director's decision to suspend
24 payment. Suspension of payment to Contractor shall not take effect pending the results of such
25 reconsideration process.

26 Director shall immediately notify Contractor upon receiving notification of unavailability
27 of funds from the State or DPSS for payment on CalWORKs claims.

28 Z. AB 3632 Services Utilizing SB 90 Funds: SB 90 funds are part of the Maximum
29 Contract Amount(s) of this Agreement and shall be paid by County to Contractor solely in County's
30 capacity as the SB 90 claim intermediary between the Contractor and the State. The CGF allocated on
31 the Financial Summary Page for AB 3632 (SB 90) services is designated solely for AB 3632 services
32 and no CGF in this category shall be transferred to any other category on said Financial Summary Page.
33 County shall make all instructions issued by the State for SB 90 claiming available to Contractor.

34 Notwithstanding any other provision of this Agreement, in the event that Contractor provides
35 AB 3632 services reimbursable under the State's SB 90 mandate claim process, in excess of the
36 Contractor's Fiscal Year 1997-1998 base of \$ 0, Contractor shall be paid by County

1 from SB 90 funds upon receipt from the State. In the event that SB 90 funds are not available to pay
2 SB 90 claims or that State denies any or all of the SB 90 claims submitted by County on behalf of
3 Contractor, Contractor shall indemnify and hold harmless County for any and all liability for payment of
4 any or all of the denied SB 90 claims or for the unavailability of SB 90 funds to pay for SB 90 claims.
5 Contractor shall be solely liable and responsible for all data and information submitted by Contractor to
6 County in support of all claims for SB 90 funds submitted by County as the fiscal intermediary.

7 AA. General Relief Opportunities for Work (GROW) Reimbursement:

8 (1) Reimbursement at cost of existing services under this Agreement shall be
9 considered payment in full, subject to third party liability and beneficiary share of costs, for the GROW
10 beneficiaries.

11 (2) Under no circumstances shall Contractor be reimbursed for the provision of
12 GROW services from any funds included in the Cash Flow Loan Exhibit(s).

13 (3) DMH shall have the option to deny payment for services when documentation of
14 clinical work does not meet minimum State and County standards as set forth in the Los Angeles
15 County annotated version of the Rehabilitation Option and Targeted Case Management Manual.

16 (4) Reimbursement shall only be made for GROW services to the extent that funds
17 are allocated by the Department of Public Social Services (DPSS).

18 (5) Services to GROW beneficiaries shall be limited to Contractor's existing services
19 as provided in this Agreement.

20 BB. Healthy Families:

21 (1) Healthy Families Reimbursement

22 (a) Title XXI Healthy Families funds shall be paid to Contractor only for
23 State approved claims for Title XXI Healthy Families services and only to the extent that 1) the
24 Contractor has complied with Federal and State laws, regulation, manuals, guidelines, and directives,
25 2) eligible FFP matching funds are available under this Agreement, and only after County has received
26 FFP payment from the State.

27 (b) Reimbursement to the Contractor for services to Serious Emotionally
28 Disturbed (SED) HFPM will be existing rates for existing mental health services under this Agreement.

29 (c) Under no circumstances shall Contractor be reimbursed for the provision
30 of services to HFPM from any Cash Flow Advance funds.

31 (2) Healthy Families Suspension of Payments: At the sole discretion of Director,
32 payments to Contractor under this Agreement shall be suspended if Director determines that Contractor
33 is in default under any of the provisions of this Agreement, or if the State fails to make prompt payment
34 as determined by Director on County's claims to State.

35 CC. Supportive and Therapeutic Options Program (STOP) Funds: STOP funds may not be
36 used as local match for any State or Federal programs. Notwithstanding any other provision of this

1 Agreement, in the event that Contractor provides STOP services reimbursable under the State's STOP
2 claim process, Contractor shall be paid by County from STOP funds upon receipt from the State. In
3 the event that STOP funds are not available to pay STOP claims or that State denies any or all of the
4 STOP claims submitted by County on behalf of Contractor, Contractor understands and agrees that
5 County is not responsible for any substantive payment obligation and, accordingly, Contractor shall
6 not seek any payment from County and shall indemnify and hold harmless County for any and all
7 liability for payment of any or all of the denied STOP claims or for the unavailability of STOP funds to
8 pay for STOP claims.

9 5. COUNTY'S OBLIGATION FOR CURRENT AND FUTURE FISCAL YEARS: Notwithstanding any
10 other provision of this Agreement, this Agreement shall not be effective and binding upon the parties
11 unless and until County's Board of Supervisors appropriates funds for purposes hereof in County's
12 Budget for County's current Fiscal Year. Further, County shall not be obligated for Contractor's
13 performance hereunder or by any provision of this Agreement during any of County's future Fiscal
14 Years unless and until County's Board of Supervisors appropriates funds for purposes hereof in
15 County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for
16 this Agreement, then this Agreement shall terminate as of June 30 of the last Fiscal Year for which
17 funds were appropriated.

18 6. PRIOR AGREEMENT(S) SUPERSEDED:

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

TITLE	COUNTY AGREEMENT NUMBER	DATE OF EXECUTION
-------	-------------------------	-------------------

20 _____
21 _____
22 _____
23 _____
24 _____
25 _____
26 _____
27 _____
28 _____
29 _____
30 _____
31 _____
32 _____
33 _____
34 _____
35 _____
36 _____

The parties agree that the provisions of such prior Agreement(s), and all Amendments thereto, shall be
entirely superseded as of _____ N/A _____, 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 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 (\$ _____).

37 The supersession of this Agreement is not intended to supersede ongoing programs and/or

1 special provisions (such as, deeds, leases, rentals, or space use) which are implemented by special
2 amendments with providers. Such ongoing programs and special provisions set forth in special
3 amendments can only be affected by a written contract amendment that refers specifically to the
4 provisions set forth in the Amendment.

5 For information on amendment(s) for special provisions for such ongoing programs and/or special
6 services, see Exhibit(s) N/A.

7 **7. STAFFING:** Contractor shall operate throughout the term of this Agreement with staff, including,
8 but not limited to, professional staff, that approximates the type and number as indicated in
9 Contractor's Negotiation Package for this Agreement, as approved in writing by Director, including any
10 addenda thereto as approved in writing by Director, and as required by WIC and CCR. Such staff shall
11 be qualified and shall possess all appropriate licenses in accordance with WIC Section 5603 and all other
12 applicable requirements of the California Business and Professions Code, WIC, CCR, CR/DC Manual,
13 RO/TCM Manual, SDMH Policy Letters, and function within the scope of practice as dictated by
14 licensing boards/bodies. (1) If vacancies occur in any of Contractor's staff that would reduce
15 Contractor's ability to perform any services under the Agreement, Contractor shall promptly notify
16 Director of such vacancies. (2) During the term of this Agreement, Contractor shall have available and
17 shall provide upon request to authorized representatives of County, a list of all persons by name, title,
18 professional degree, and experience, who are providing any services under this Agreement.

19 **8. STAFF TRAINING AND SUPERVISION:** Contractor shall institute and maintain an in-service
20 training program of treatment review and case conferences in which all its professional,
21 para-professional, intern, student and clinical volunteer personnel shall participate. Contractor shall
22 institute and maintain appropriate supervision of all persons providing services under this Agreement
23 with particular emphasis on the supervision of para-professionals, interns, students, and clinical
24 volunteers in accordance with Departmental clinical supervision policy. Contractor shall be responsible
25 for the training of all appropriate staff on the CR/DC Manual, RO/TCM Manual, and other State and
26 County policies and procedures as well as on any other matters that County may reasonably require.

27 **9. PROGRAM SUPERVISION, MONITORING AND REVIEW:**

28 A. Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder
29 shall be provided by Contractor under the general supervision of Director. Director shall have the right
30 to monitor and specify the kind, quality, appropriateness, timeliness, amount of services, and the criteria
31 for determining the persons to be served. Upon receipt of a DMH Contract Monitoring Report,
32 Contractor shall respond in writing to the particular DMH Contract Monitor within the time specified in
33 the Report either acknowledging the reported deficiencies or presenting contrary evidence, and, in
34 addition, submitting a plan for immediate correction of all deficiencies. In the event of a State audit of
35 this Agreement, if State auditors disagree with County's written instructions to Contractor in its
36 performance of this Agreement, and if such disagreement results in a State disallowance of any of

1 Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as
2 determined by State.

3 B. To assure compliance with this Agreement and for any other reasonable purpose
4 relating to performance of this Agreement, and subject to the provisions of State and Federal law,
5 authorized County, State, and/or Federal representatives and designees shall have the right to enter
6 Contractor's premises (including all other places where duties under this Agreement are being
7 performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities, programs
8 and procedures, or to otherwise evaluate the work performed or being performed; review and copy
9 any records and supporting documentation pertaining to the performance of this Agreement; and elicit
10 information regarding the performance of this Agreement or any related work. The representatives
11 and designees of such agencies may examine, audit and copy such records at the site at which they
12 are located. Contractor shall provide access to facilities and shall cooperate and assist County, State,
13 and/or Federal representatives and designees in the performance of their duties. Unless otherwise
14 agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or
15 Federal representatives and designees within ten (10) State working days for monitoring purposes.

16 10. COUNTY'S QUALITY ASSURANCE PLAN: The County or its agent will evaluate Contractor's
17 performance under this Agreement on not less than an annual basis. Such evaluation will include
18 assessing Contractor's compliance with all contract terms and performance standards. Contractor
19 deficiencies which County determines are severe or continuing and that may place performance of the
20 Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will
21 include improvement/corrective action measures taken by the County and Contractor. If improvement
22 does not occur consistent with the corrective action measures, County may terminate this Agreement or
23 impose other penalties as specified in this Agreement.

24 11. RECORDS AND AUDITS:

25 A. Records:

26 (1) Direct Services and Indirect Services Records: Contractor shall maintain a
27 record of all direct services and indirect services rendered by all the various professional,
28 para-professional, intern, student, volunteer and other personnel to fully document all services provided
29 under this Agreement and in sufficient detail to permit an evaluation and audit of such services. All
30 such records shall be retained, maintained, and made immediately available for inspection, program
31 review, and/or audit by authorized representatives and designees of County, State, and/or Federal
32 governments during the term of this Agreement and during the applicable period of records retention.
33 Such access shall include regular and special reports from Contractor. In the event any records are
34 located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs
35 incurred by County for any inspection, program review, and/or audit at such other location. In addition
36 to the requirements in this Paragraph 11, Contractor shall comply with any additional patient/client

1 record requirements described in the Service Exhibit(s) and shall adequately document the delivery of all
2 services described in the Service Exhibit(s).

3 (a) Patient/Client Records (Direct Services): Contractor shall maintain
4 treatment and other records of all direct services (i.e., 24-hour services, day services, targeted case
5 management, mental health services, medication support, and crisis intervention) in accordance with all
6 applicable County, State and Federal requirements on each individual patient/client which shall include,
7 but not be limited to, patient/client identification number, IS patient/client face sheet, all data elements
8 required by IS, consent for treatment form, initial evaluation form, treatment plan, progress notes and
9 discharge summary. All patient/client records shall be maintained by Contractor at a location in Los
10 Angeles County for a minimum period of seven (7) years following discharge of the patient/client or
11 termination of services (except that the records of unemancipated minors shall be kept at least one year
12 after such minor has reached the age of 18 years and in any case not less than seven (7) years), or until
13 County, State and/or Federal audit findings applicable to such services are fully resolved, whichever is
14 later. During such retention period, all such records shall be immediately available and open during
15 County's normal business hours to authorized representatives and designees of County, State, and/or
16 Federal governments for purposes of inspection, program review, and/or audit.

17 (b) Case Management Support Services and Outreach Services Records
18 (Indirect Services): Contractor shall maintain accurate and complete program records of all indirect
19 services (i.e., all services other than direct services) in accordance with all applicable County, State and
20 Federal requirements. All program records shall be maintained by Contractor at a location in Los
21 Angeles County for a minimum period of seven years following the expiration or termination of this
22 Agreement, or until County, State and/or Federal audit findings applicable to such services are fully
23 resolved, whichever is later. During such retention period, all such records shall be immediately available
24 and open during normal business hours to authorized representatives and designees of County, State,
25 and/or Federal governments for purposes of inspection and/or audit.

26 (2) Financial Records: Contractor shall prepare and maintain, on a current basis,
27 accurate and complete financial records of its activities and operations relating to this Agreement in
28 accordance with generally accepted accounting principles, with the procedures set out in the
29 Short-Doyle/Medi-Cal Automated Cost Reporting System Users Manual, and with all guidelines,
30 standards, and procedures which may be provided by County to Contractor. Minimum standards for
31 accounting principles are set forth in County's Auditor-Controller's Contract Accounting and
32 Administration Handbook which shall be furnished to Contractor by County upon request. The above
33 financial records shall include, but are not limited to:

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

35 (b) Reports, studies, statistical surveys or other information Contractor used
36 to identify and allocate indirect costs among Contractor's various modes of service. "Indirect costs"

1 shall mean those costs as described by the CR/DC Manual and all guidelines, standards, and procedures
2 which may be provided by County to Contractor.

3 (c) Bronzan-McCorquodale/County statistics and total facility statistics
4 (e.g., patient days, visits) which can be identified by type of service pursuant to the CR/DC Manual and
5 any policies and procedures which may be provided by County to Contractor.

6 (d) A listing of all County remittances received.

7 (e) Patient/client financial folders clearly documenting:

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

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

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

14 (g) Employment records.

15 (3) The entries in all of the above financial records must be readily traceable to
16 applicable source documentation (e.g., remittance invoices, vendor invoices, employee timecards signed
17 by employee and countersigned by supervisor in ink, subsidiary ledgers and journals, appointment logs,
18 patient ledger cards, etc.). Any apportionment of costs shall be made in accordance with the
19 requirements of the Short-Doyle/Medi-Cal Automated Cost Reporting System Users Manual, the Federal
20 Health Care Financing Administration's Health Insurance Manual Volume 15 (HIM 15), CR/DC Manual,
21 and RO/TCM Manual. All such records shall be maintained by Contractor at a location in Los Angeles
22 County for a minimum period of seven years following the expiration or termination of the Agreement,
23 or until County, State and/or Federal audit findings are fully resolved, whichever is later. During such
24 retention period, all such records shall be immediately available and open during County's normal
25 business hours to authorized representatives and designees of County, State, and/or Federal
26 governments for purposes of inspection, program review, and/or audit. Such access shall include access
27 to individuals with knowledge of financial records and Contractor's outside auditors, and regular and
28 special reports from Contractor. In the event any records are located outside Los Angeles County,
29 Contractor shall pay County for all travel, per diem, and other costs incurred by County for any
30 inspection or audit at such other location.

31 (4) Preservation of Records: If, following termination of this Agreement,
32 Contractor's facility(ies) is (are) closed or if majority ownership of Contractor changes, then within
33 forty-eight hours thereafter, Director of SDMH and Director shall be notified thereof by Contractor in
34 writing of all arrangements made by Contractor for preservation of all the patient/client, financial, and
35 other records referred to in this Paragraph 11.

1 B. Audits:

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

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

12 (3) Audit Reports: In the event that any audit of any or all aspects of this
13 Agreement is conducted of Contractor by any Federal or State auditor, or by any auditor or accountant
14 employed by Contractor or otherwise, then Contractor shall file a copy of such audit report(s) with
15 DMH's Contracts Development and Administration Division within 30 days of Contractor's receipt
16 thereof, unless otherwise provided by applicable Federal or State law or under this Agreement.
17 Contractor shall promptly notify County of any request for access to information related to this
18 Agreement by any other governmental agency.

19 (4) State Department of Mental Health Access to Records: Contractor agrees that
20 for a period of seven years or until final audit is completed, which ever occurs later, following the
21 furnishing of services under this Agreement, Contractor shall maintain and make available to the State
22 Department of Mental Health, the Secretary of the United States Department of Health and Human
23 Services or the Controller General of the United States, and any other authorized Federal and State
24 agencies, or to any of their duly authorized representatives, the contracts, books, documents and
25 records of Contractor which are necessary to verify the nature and extent of the cost of services
26 hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any
27 subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or more over a 12-month
28 period with a related organization (as that term is defined under Federal law), Contractor agrees that
29 each such subcontract shall provide for such access to the subcontract, books, documents and records
30 of the subcontractor as provided in Paragraph 9 and in this Paragraph 11.

31 (5) Federal Access to Records: If, and to the extent that, Section 1861(v)(1)(I) of
32 the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable, Contractor agrees
33 that for a period of seven (7) years following the furnishing of services under this Agreement, Contractor
34 shall maintain and make available to the Secretary of the United States Department of Health and
35 Human Services or the Controller General of the United States, or to any of their duly authorized
36 representatives, the contracts, books, documents and records of Contractor which are necessary to

1 verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out
2 any of the services provided hereunder through any subcontract with a value or cost of TEN
3 THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related organization (as that
4 term is defined under Federal law), Contractor agrees that each such subcontract shall provide for such
5 access to the subcontract, books, documents and records of the subcontractor as provided in Paragraph
6 9 and in this Paragraph 11.

7 12. REPORTS:

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

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

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

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

20 C. Integrated System (IS):

21 (1) Contractor shall participate in IS, including, but not limited to, RGMS, as
22 required by Director. Contractor shall report to County, all program, patient/client, staff, and other data
23 and information about Contractor's services, within the specified time periods as required by DMH's
24 Integrated System Procedure Manual and Reports Reference Guide and any other County requirements;
25 in no event, no later than 40 calendar days after the close of each Fiscal Year in which the services
26 were provided.

27 (2) Notwithstanding any other provision of this Agreement, only units of service
28 entered by Contractor into IS shall be counted as delivered units of service. All units of service
29 generated during the Start-Up Period, if any, shall be entered by Contractor into IS. After the close of
30 the monthly IS time frame, no data and information relating to units of service for that month may be
31 added without the written approval of Director.

32 (3) If, after the close of the monthly IS time-frame, Contractor desires to enter any
33 data and information documenting units of services for a particular month, then Contractor shall submit
34 a request in writing setting forth the good cause reasons which prevented Contractor from timely
35 entering such particular data and information into IS. Director may, at his sole discretion, approve in
36 writing Contractor's request to enter the data and information into IS. Notwithstanding any other

1 provision of this Agreement, the only units of service which shall be considered legitimate and
2 reimbursable at Annual Cost Report adjustment and settlement time or otherwise shall be those units of
3 service as entered by Contractor into IS.

4 (4) Contractor shall train its staff in the operation, procedures, policies, and all
5 related use, of IS as required by County.

6 13. CONFIDENTIALITY: Contractor shall maintain the confidentiality of all records and information,
7 including, but not limited to, claims, County records, patient/client records and information, and IS
8 records, in accordance with WIC Sections 5328 through 5330, inclusive, and all other applicable
9 County, State, and Federal laws, ordinances, rules, regulations, manuals, guidelines, and directives,
10 relating to confidentiality. Contractor shall require all its officers, employees, and agents providing
11 services hereunder to acknowledge, in writing, understanding of, and agreement to fully comply with, all
12 such confidentiality provisions. Contractor shall indemnify and hold harmless County, its officers,
13 employees, and agents, from and against any and all loss, damage, liability, and expense arising from
14 any disclosure of such records and information by Contractor, its officers, employees, or agents.

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

21 15. REPORTING OF PATIENT/CLIENT ABUSE AND RELATED PERSONNEL REQUIREMENTS:

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

29 B. Minor Children Abuse: Contractor, and all persons employed or subcontracted by
30 Contractor, shall comply with California Penal Code (hereafter "PC") Section 11164 *at seq.* and shall
31 report all known or suspected instances of child abuse to an appropriate child protective agency, as
32 mandated by California Penal Code 11164, 11165.8 and 11166. Contractor, and all persons employed
33 or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required
34 information, in accordance with PC Sections 11166 and 11167.

35 C. Contractor Staff:

36 (1) Contractor shall assure that any person who enters into employment as a care

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

5 (2) Contractor shall assure that clerical and other nontreatment staff who are not
6 legally required to directly report suspected cases of abuse, consult with mandated reporters upon
7 suspecting any abuse.

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

12 (4) Contractor shall not employ or continue to employ, or shall take other
13 appropriate action to fully protect all persons receiving services under this Agreement concerning, any
14 person whom Contractor knows, or reasonably suspects, has committed any acts which are inimical to
15 the health, morals, welfare, or safety of elders, dependent adults or minor children, or which otherwise
16 make it inappropriate for such person to be employed by Contractor.

17 16. NONDISCRIMINATION IN SERVICES:

18 A. Contractor shall not discriminate in the provision of services hereunder because of race,
19 religion, national origin, ancestry, sex, age, marital status, or physical or mental handicap or medical
20 conditions, in accordance with requirements of Federal and State law. For the purpose of this Paragraph
21 16, discrimination in the provision of services may include, but is not limited to, the following: denying
22 any person any service or benefit or the availability of a facility; providing any service or benefit to any
23 person which is different, or is provided in a different manner or at a different time, from that provided
24 to others; subjecting any person to segregation or separate treatment in any matter related to the receipt
25 of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed
26 by others receiving any service or benefit; and treating any person differently from others in determining
27 admission, enrollment quota, eligibility, membership, or any other requirement or condition which
28 persons must meet in order to be provided any service or benefit. Contractor shall take affirmative
29 action to ensure that intended beneficiaries of this Agreement are provided services without regard to
30 ability to pay or source of payment, race, religion, national origin, ancestry, sex, age, marital status, or
31 physical or mental handicap, or medical conditions.

32 B. Contractor shall establish and maintain written complaint procedures under which any
33 person applying for or receiving any services under this Agreement may seek resolution from Contractor
34 of a complaint with respect to any alleged discrimination in the rendering of services by Contractor's
35 personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied
36 with Contractor's resolution of the matter, shall be referred by Contractor to Director for the purpose of

1 presenting his complaint of the alleged discrimination. Such complaint procedures shall also indicate
2 that if such person is not satisfied with County's resolution or decision with respect to the complaint of
3 alleged discrimination, such person may appeal the matter to the State, if appropriate.

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

13 **17. NONDISCRIMINATION IN EMPLOYMENT:**

14 A. Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries,
15 or holding companies are and will be treated equally by it without regard to, or because of, race, color,
16 religion, national origin, ancestry, sex, age, marital status, condition of physical disability (including HIV
17 and AIDS) or mental disability, medical condition (cancer), denial of family care leave, or political
18 affiliation, and in compliance with all applicable Federal and State anti-discrimination laws and
19 regulations.

20 B. Contractor shall take affirmative action to ensure that qualified applicants are employed,
21 and that employees are treated during employment without regard to race, color, religion, national origin,
22 ancestry, sex, age, marital status, condition of physical disability (including HIV and AIDS) or mental
23 disability, medical condition (cancer), denial of family care leave, or political affiliation. Such action shall
24 include, but is not limited to, the following: employment, upgrading, demotion, transfer, recruitment or
25 recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection
26 for training, including apprenticeship. Contractor shall not discriminate against or harass, nor shall it
27 permit harassment of, its employees during employment based upon race, color, religion, national origin,
28 ancestry, sex, age, marital status, condition of physical disability (including HIV and AIDS) or mental
29 disability, medical condition (cancer), denial of family care leave, or political affiliation in compliance with
30 all applicable Federal and State anti-discrimination laws and regulations. Contractor shall insure that the
31 evaluation and treatment of its employees and applicants for employment are free from such
32 discrimination and harassment, and will comply with the provisions of the Fair Employment and Housing
33 Act (Government Code section 12990 *et seq.*) and the applicable regulations promulgated thereunder
34 (California Code of Regulations, Title 2, Section 7285.0 *et seq.*).

35 C. Contractor shall deal with its subcontractors, bidders, or vendors without regard to or
36 because of race, color, religion, national origin, ancestry, sex, age, marital status, condition of physical

1 disability (including HIV and AIDS) or mental disability, medical condition (cancer), denial of family care
2 leave, or political affiliation. Further, Contractor shall give written notice of its obligations under this
3 Paragraph 17 to labor organizations with which it has a collective bargaining or other agreement.

4 D. Contractor shall allow County representatives access to its employment records during
5 regular business hours to verify compliance with the provisions of this Paragraph 17 when so
6 requested by Director.

7 E. If County finds that any of the above provisions has been violated, the same shall
8 constitute a material breach of this Agreement upon which County may immediately terminate or
9 suspend this Agreement. While County reserves the right to determine independently that the
10 anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the
11 California Fair Employment Practices Commission or the Federal Equal Employment Opportunity
12 Commission that Contractor has violated State or Federal anti-discrimination laws or regulations shall
13 constitute a finding by County that Contractor has violated the anti-discrimination provisions of this
14 Agreement.

15 F. In the event that Contractor violates any of the anti-discrimination provisions of this
16 Paragraph 17, County shall be entitled, at its option, to the sum of FIVE HUNDRED DOLLARS (\$500)
17 pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or
18 suspending this Agreement.

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

25 19. INDEMNIFICATION AND INSURANCE:

26 A. Indemnification: Contractor shall indemnify, defend and hold harmless County, and its
27 Special Districts, elected and appointed officers, employees, and agents from and against any and all
28 liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including
29 attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions
30 arising from and/or relating to this Agreement.

31 B. General Insurance Requirements: Without limiting Contractor's indemnification of
32 County and during the term of this Agreement, Contractor shall provide and maintain, and shall require
33 all of its subcontractors to maintain, the following programs of insurance specified in this Agreement.
34 Such insurance shall be primary to and not contributing with any other insurance or self-insurance
35 programs maintained by County, and such coverage shall be provided and maintained at Contractor's
36 own expense.

1 1) Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory
2 to County shall be delivered to *Department of Mental Health, 550 South Vermont Avenue, Contracts*
3 *Development and Administration Division, 5th Floor, Los Angeles, CA, 90020*, prior to commencing
4 services under this Agreement. Such certificates or other evidence shall:

5 (a) Specifically identify this Agreement.

6 (b) Clearly evidence all coverages required in this Agreement.

7 (c) Contain the express condition that County is to be given written notice
8 by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of
9 insurance.

10 (d) Include copies of the additional insured endorsement to the commercial
11 general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and
12 employees as insureds for all activities arising from this Agreement.

13 (e) Identify any deductibles or self-insured retentions for County's approval.

14 The County retains the right to require Contractor to reduce or eliminate such deductibles or self-insured
15 retentions as they apply to County, or, require Contractor to provide a bond guaranteeing payment of all
16 such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to
17 investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate
18 surety licensed to transact business in the State of California.

19 2) Insurer Financial Ratings: Insurance is to be provided by an insurance company
20 acceptable to the County with an A.M. Best rating of not less than A:VII, unless otherwise approved by
21 County.

22 3) Failure to Maintain Coverage: Failure by Contractor to maintain the required
23 insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material
24 breach of the contract upon which County may immediately terminate or suspend this Agreement.
25 County, at its sole option, may obtain damages from Contractor resulting from said breach.
26 Alternatively, County may purchase such required insurance coverage, and without further notice to
27 Contractor, County may deduct from sums due to Contractor any premium costs advanced by County
28 for such insurance.

29 4) Notification of Incidents, Claims or Suits: Contractor shall report to County:

30 (a) Any accident or incident relating to services performed under this
31 Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit
32 against Contractor and/or County. Such report shall be made in writing within 24 hours of occurrence.

33 (b) Any third party claim or lawsuit filed against Contractor arising from or
34 related to services performed by Contractor under this Agreement.

35 (c) Any injury to a Contractor employee which occurs on County property.
36 This report shall be submitted on a County "Non-employee Injury Report" to the County contract

1 manager.

2 (d) Any loss, disappearance, destruction, misuse, or theft of any kind
3 whatsoever of County property, monies or securities entrusted to Contractor under the terms of this
4 Agreement.

5 5) Compensation for County Costs: In the event that Contractor fails to comply
6 with any of the indemnification or insurance requirements of this Agreement, and such failure to comply
7 results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

8 6) Insurance Coverage Requirements for Subcontractors: Contractor shall ensure
9 any and all sub-contractors performing services under this Agreement meet the insurance requirements
10 of this Agreement by either:

11 (a) Contractor providing evidence of insurance covering the activities of
12 sub-contractors, or

13 (b) Contractor providing evidence submitted by sub-contractors evidencing
14 that sub-contractors maintain the required insurance coverage. County retains the right to obtain copies
15 of evidence of sub-contractor insurance coverage at any time.

16 C. Insurance Coverage Requirements:

17 1) General Liability: Insurance (written on ISO policy form CG 00 01 or its
18 equivalent) with limits of not less than the following:

19	General Aggregate:	Two Million Dollars (\$2,000,000)
20	Products/Completed Operations Aggregate:	One Million Dollars (\$1,000,000)
21	Personal and Advertising Injury:	One Million Dollars (\$1,000,000)
22	Each Occurrence:	One Million Dollars (\$1,000,000)

23 2) Automobile Liability: Insurance (written on ISO policy form CA 00 01 or its
24 equivalent) with a limit of liability of not less than One Million Dollars (\$1,000,000) for each accident.
25 Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage
26 for "any auto".

27 3) Workers Compensation and Employers' Liability: Insurance providing workers
28 compensation benefits, as required by the Labor Code of the State of California or by any other state,
29 and for which Contractor is responsible. If Contractor's employees will be engaged in maritime
30 employment, coverage shall provide workers compensation benefits as required by the U.S. Longshore
31 and Harbor Workers' Compensation Act, Jones Act or any other Federal law for which Contractor is
32 responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits
33 of not less than the following:

34	Each Accident:	One Million Dollars	(\$1,000,000)
35	Disease - policy limit:	One Million Dollars	(\$1,000,000)
36	Disease - each employee:	One Million Dollars	(\$1,000,000)

1 4) Professional Liability: Insurance covering liability arising from any error,
2 omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less
3 than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) aggregate.

4 The coverage also shall provide an extended two-year reporting period commencing upon termination or
5 cancellation of this Agreement.

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

13 21. CONFLICT OF INTEREST:

14 A. No County employee whose position in County enables such employee to influence the
15 award or administration of this Agreement or any competing agreement, and no spouse or economic
16 dependent of such employee, shall be employed in any capacity by Contractor or have any direct or
17 indirect financial interest in this Agreement. No officer or employee of Contractor who may financially
18 benefit from the provision of services hereunder shall in any way participate in County's approval, or
19 ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or
20 ongoing evaluation of such services.

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

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

35 23. INDEPENDENT STATUS OF CONTRACTOR:

36 A. This Agreement is by and between County and Contractor and is not intended, and shall

1 not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or
2 association, as between County and Contractor. The employees and agents of one party shall not be, or
3 be construed to be, the employees or agents of the other party for any purpose whatsoever.

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

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

14 D. Contractor shall obtain and maintain on file an executed Contractor Employee
15 Acknowledgment of Employer, in the form as contained in Contractor's Negotiation Package for this
16 Agreement, for each of its employees performing services under this Agreement. Such
17 Acknowledgments shall be executed by each such employee on or immediately after the
18 commencement date of this Agreement but in no event later than the date such employee first performs
19 services under this Agreement.

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

26 25. CONSIDERATION FOR HIRING GREATER AVENUES FOR INDEPENDENCE (GAIN)
27 PARTICIPANTS: Should Contractor require additional or replacement personnel after the effective date
28 of this Agreement, Contractor shall give consideration for any such employment openings to participants
29 in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN)
30 Program who meet Contractor's minimum qualifications for the open position. The County will refer
31 GAIN participants by job category to the Contractor.

32 26. DELEGATION AND ASSIGNMENT: Contractor shall not delegate its duties or assign its rights
33 under this Agreement, or both, either in whole or in part, without the prior written consent of County,
34 and any prohibited delegation or assignment shall be null and void. Any payments by County to any
35 delegatee or assignee on any claim under this Agreement, in consequence of any such consent, shall be
36 subject to set off, recoupment, or other reduction for any claim which Contractor may have against

1 County.

2 27. SUBCONTRACTING:

3 A. No performance of this Agreement, or any portion thereof, shall be subcontracted by
4 Contractor without the prior written consent of County as provided in this Paragraph 27. Any
5 attempt by Contractor to subcontract any performance, obligation, or responsibility under this
6 Agreement, without the prior written consent of County, shall be null and void and shall constitute a
7 material breach of this Agreement. Notwithstanding any other provision of this Agreement, in the
8 event of any such breach by Contractor, this Agreement may be terminated forthwith by County.
9 Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any
10 person or entity shall acquire any rights as a third party beneficiary of this Agreement.

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

14 (1) The reasons for the particular subcontract.

15 (2) A detailed description of the services to be provided by the subcontract.

16 (3) Identification of the proposed subcontractor and an explanation of why and how
17 the proposed subcontractor was selected, including the degree of competition involved.

18 (4) A description of the proposed subcontract amount and manner of compensation,
19 together with Contractor's cost or price analysis thereof.

20 (5) A copy of the proposed subcontract which shall contain the following provision:

21 "This contract is a subcontract under the terms of the prime contract with the County of
22 Los Angeles and shall be subject to all of the provisions of such prime contract."

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

25 "The contracting parties shall be subject to the examination and audit of the Auditor
26 General for a period of three (3) years after final payment under contract (Government
27 Code, Section 8546.7)."

28 The Contractor will also be subject to the examination and audit of the State
29 Auditor General for a period of three (3) years after final payment under contract (Government Code,
30 Section 8546.7).

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

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

34 D. Contractor shall indemnify and hold harmless County, its officers, employees, and
35 agents, from and against any and all liability, damages, costs, and expenses, including, but not limited
36 to, defense costs and legal fees, arising from or related to Contractor's use of any subcontractor,

1 including any officers, employees, or agents of any subcontractor, in the same manner as required for
2 Contractor, its officers, employees, and agents, under this Agreement.

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

10 F. In the event that County consents to any subcontracting, such consent shall be subject
11 to County's right to give prior and continuing approval of any and all subcontractor personnel providing
12 services under such subcontract. Contractor shall assure that any subcontractor personnel not approved
13 by County shall be immediately removed from the provision of any services under the particular
14 subcontract or that other action is taken as requested by County. County shall not be liable or
15 responsible in any way to Contractor, to any subcontractor, or to any officers, employees, or agents of
16 Contractor or any subcontractor, for any liability, damages, costs or expenses arising from or related to
17 County's exercise of such right.

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

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

27 I. In the event that County consents to any subcontracting, such consent shall apply to
28 each particular subcontract only and shall not be, or be construed to be, a waiver of this Paragraph 27
29 or a blanket consent to any further subcontracting.

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

34 K. Contractor shall deliver to the Chief of DMH's Contracts Development and
35 Administration Division a fully executed copy of each subcontract entered into by Contractor pursuant to
36 this Paragraph 27, on or immediately after the effective date of the subcontract but in no event later

1 than the date any services are performed under the subcontract.

2 L. In the event that County consents to any subcontracting, Contractor shall obtain and
3 maintain on file an executed Subcontractor Employee Acknowledgment of Employer, in the form as
4 contained in Contractor's Negotiation Package for the Agreement, for each of the subcontractor's
5 employees performing services under the subcontract. Such Acknowledgments shall be delivered to the
6 Chief of DMH's Contracts Development and Administration Division on or immediately after the
7 commencement date of the particular subcontract but in no event later than the date such employee
8 first performs any services under the subcontract.

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

11 N. Director is hereby authorized to act for and on behalf of County pursuant to this
12 Paragraph 27, including, but not limited to, consenting to any subcontracting.

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

20 29. COMPLIANCE WITH APPLICABLE LAW:

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

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

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

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

1 31. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES:

2 A. Contractor shall obtain and maintain in effect during the term of this Agreement, all
3 licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification
4 as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are provided hereunder), as
5 required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and
6 directives, which are applicable to Contractor's facility(ies) and services under this Agreement.
7 Contractor shall further ensure that all of its officers, employees, and agents, who perform services
8 hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits,
9 registrations, accreditations, and certificates which are applicable to their performance hereunder. A
10 copy of each such license, permit, registration, accreditation, and certificate (including, but not limited
11 to, certification as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are
12 provided hereunder) as required by all applicable Federal, State, and local laws, ordinances, rules,
13 regulations, manuals, guidelines and directives shall be provided, in duplicate, to DMH's Contracts
14 Development and Administration Division.

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

18 32. CHILD SUPPORT COMPLIANCE PROGRAM:

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

24 As required by County's Child Support Compliance Program (County Code Chapter
25 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable
26 provisions of law, Contractor warrants that it is now in compliance and shall during the term of this
27 Agreement maintain in compliance with employment and wage reporting requirements as required by the
28 Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code
29 Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholdings Orders or Child
30 Support Services Department Notices of Wage and Earnings Assignment for Child, Family, or Spousal
31 Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

32 B. Termination for Breach of Warranty to Maintain Compliance with County's Child Support
33 Compliance Program: Failure of Contractor to maintain compliance with the requirements set forth in
34 Subparagraph A (Contractor's Warranty of Adherence to County's Child Support Compliance Program)
35 shall constitute default under this Agreement. Without limiting the rights and remedies available to
36 County under any other provision of this Agreement, failure of Contractor to cure such default within 90

1 calendar days of written notice shall be grounds upon which County may terminate this Agreement
2 pursuant to Paragraph 34 (TERMINATION FOR DEFAULT) and pursue debarment of Contractor,
3 pursuant to County Code Chapter 2.202.

4 33. TERMINATION FOR INSOLVENCY:

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

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

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

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

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

15 B. The rights and remedies of County provided in this Paragraph 33 shall not be exclusive
16 and are in addition to any other rights and remedies provided by law or under this Agreement.

17 34. TERMINATION FOR DEFAULT:

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

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

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

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

32 C. The rights and remedies of County provided in this Paragraph 34 shall not be exclusive
33 and are in addition to any other rights and remedies provided by law or under this Agreement.

34 35. TERMINATION FOR IMPROPER CONSIDERATION:

35 County may, by written notice to
36 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

1 intermediary, to any County officer, employee or agent with the intent of securing the Agreement or
2 securing favorable treatment with respect to the award, amendment or extension of the Agreement or
3 the making of any determinations with respect to the Contractor's performance pursuant to the
4 Agreement. In the event of such termination, County shall be entitled to pursue the same remedies
5 against Contractor as it could pursue in the event of default by the Contractor.

6 Contractor shall immediately report any attempt by a County officer or employee to solicit such
7 improper consideration. The report shall be made either to the County manager charged with the
8 supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-
9 0914 or (800) 544-6861.

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

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

15 37. CAPTIONS AND PARAGRAPH HEADINGS: Captions and paragraph headings used in this
16 Agreement are for convenience only and are not a part of this Agreement and shall not be used in
17 construing this Agreement.

18 38. ALTERATION OF TERMS: No addition to, or alteration of, the terms of the body of this
19 Agreement, or the Financial Summary or Service Exhibit(s) hereto, whether by written or oral
20 understanding of the parties, their officers, employees or agents, shall be valid and effective unless
21 made in the form of a written amendment to this Agreement which is formally approved and executed
22 by the parties in the same manner as this Agreement.

23 39. ENTIRE AGREEMENT: The body of this Agreement, all attachments, Financial Summary(ies),
24 Fiscal Years 2004-2005, 2005-2006 and 2006-2007 Service Delivery Site Exhibit, and
25 Service Exhibit(s) 1, attached
26 hereto and incorporated herein by reference, and Contractor's Negotiation Package for this Agreement,
27 as approved in writing by Director, including any addenda thereto as approved in writing by Director,
28 which are hereby incorporated herein by reference but not attached, shall constitute the complete and
29 exclusive statement of understanding between the parties which supersedes all previous agreements,
30 written or oral, and all other communications between the parties relating to the subject matter of this
31 Agreement. In the event of any conflict or inconsistency in the definition or interpretation of any word,
32 responsibility, or schedule, or the contents or description of any service or other work, or otherwise,
33 between the body of this Agreement and the other referenced documents, or between such other
34 documents, such conflict or inconsistency shall be resolved by giving precedence first to the body of
35 this Agreement and its definitions and then to such other documents according to the following priority:

36 A. Financial Summary(ies)

- 1 B. Service Delivery Site Exhibit
- 2 C. Service Exhibit(s)
- 3 D. Contractor's Negotiation Package.

4 40. WAIVER: No waiver by County of any breach of any provision of this Agreement shall
5 constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or
6 from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The
7 rights and remedies set forth in this Paragraph 40 shall not be exclusive and are in addition to any other
8 rights and remedies provided by law or under this Agreement.

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

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

24 43. PURCHASES:

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

29 B. Proprietary Interest of County: In accordance with all applicable Federal, State and
30 County laws, ordinances, rules, regulations, manuals, guidelines and directives, County shall retain all
31 proprietary interest, except the use during the term of this Agreement, in all furniture, fixtures,
32 equipment, materials, and supplies, purchased or obtained by Contractor using any County funds. Upon
33 the expiration or termination of this Agreement, the discontinuance of the business of Contractor, the
34 failure of Contractor to comply with any of the provisions of this Agreement, the bankruptcy of
35 Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy
36 any judgment against it within 30 days of filing, County shall have the right to take immediate

1 possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any
2 claim for reimbursement whatsoever on the part of Contractor. County, in conjunction with Contractor,
3 shall attach identifying labels on all such property indicating the proprietary interest of County.

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

16 D. Protection of Property in Contractor's Custody: Contractor shall maintain vigilance and
17 take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies,
18 purchased or obtained using any County funds, against any damage or loss by fire, burglary, theft,
19 disappearance, vandalism or misuse. In the event of any burglary, theft, disappearance, or vandalism of
20 any item of furniture, fixtures, equipment, materials, and supplies, Contractor shall immediately notify
21 the police and make a written report thereof, including a report of the results of any investigation which
22 may be made. In the event of any damage or loss of any item of furniture, fixtures, equipment,
23 materials, and supplies, from any cause, Contractor shall immediately send Director a detailed, written
24 report. Contractor shall contact DMH's Administrative Services Division for instructions for disposition
25 of any such property which is worn out or unusable.

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

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

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

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

19 47. COUNTY LOBBYISTS: Contractor and each County lobbyist or County lobbying firm as defined
20 in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with
21 County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of
22 Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with
23 County's Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County
24 may immediately terminate or suspend this Agreement.

25 48. MAINTENANCE STANDARDS FOR SERVICE DELIVERY SITES: Contractor shall assure that all
26 locations where services are provided under this Agreement are operated at all times in accordance with
27 all County community standards with regard to property maintenance and repair, graffiti abatement,
28 refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances,
29 and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies)
30 shall include a review of compliance with this Paragraph 48.

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

35 50. USE OF RECYCLED-CONTENT PAPER PRODUCTS: Consistent with the Board of Supervisors'
36 policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to

1 use recycled-content paper to the maximum extent possible on the Project .

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

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

9 B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the
10 County Code, if the County acquires information concerning the performance of the Contractor on
11 this or other Agreements which indicates that the Contractor is not responsible, the County may, in
12 addition to other remedies provided in the Agreement, debar the Contractor from bidding or proposing
13 on, or being awarded, and/or performing work on County Agreements for a specified period of time
14 not to exceed 3 years, and terminate any or all existing Agreements the Contractor may have with
15 the County.

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

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

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

35 F. After consideration of any objections, or if no objections are submitted, a record of
36 the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board

1 shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to
2 modify, deny or adopt the proposed decision and recommendation of the Hearing Board.

3 G. These terms shall also apply to subcontractors of County Contractors.

4 52. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM:

5 Contractor hereby warrants that neither it nor any of its staff members is restricted or
6 excluded from providing services under any health care program funded by the Federal government,
7 directly or indirectly, in whole or in part, and that Contractor will notify Director within 30 calendar
8 days in writing of: (1) any event that would require Contractor or a staff member's mandatory
9 exclusion from participation in a Federally funded health care program; and (2) any exclusionary
10 action taken by any agency of the Federal government against Contractor or one or more staff
11 members barring it or the staff members from participation in a Federally funded health care program,
12 whether such bar is direct or indirect, or whether such bar is in whole or in part.

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

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

19 Permissive exclusions may be based on: (1) conviction of a misdemeanor related to fraud or
20 financial misconduct involving a government program; (2) obstructing an investigation; (3) failing to
21 provide access to documents or premises as required by federal health care program officials; (4)
22 conviction of a misdemeanor related to controlled substances; (5) failing to disclose information about
23 the entity itself, its subcontractors or its significant business transactions; (6) loss of a state license to
24 practice a health care profession; (7) default on a student loan given in connection with education in a
25 health profession; (8) charging excessive amounts to a Federally funded health care program or
26 furnishing services of poor quality or which are substantially in excess of the needs of the patients; (9)
27 paying a kickback or submitting a false or fraudulent claim. Persons controlling or managing excluded
28 entities who knew of the conduct leading to the exclusion can themselves be excluded, and entities
29 which are owned and controlled by excluded individuals can also be excluded.

30 Contractor shall indemnify and hold County harmless against any and all loss or damage County
31 may suffer arising from any Federal exclusion of Contractor or its staff members from such participation
32 in a Federally funded health care program. Contractor shall provide the certification set forth in
33 Attachment VI as part of its obligation under this Paragraph 52.

34 Failure by Contractor to meet the requirements of this Paragraph 52 shall constitute a material
35 breach of Agreement upon which County may immediately terminate or suspend this Agreement.
36

1 53. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT:

2 A. The parties acknowledge the existence of the Health Insurance Portability and
3 Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and
4 agrees that it is a "Covered Entity" under HIPAA and, as such, has obligations with respect to the
5 confidentiality, privacy, and security of patients' medical information, and must take certain steps to
6 preserve the confidentiality of this information, both internally and externally, including the training of
7 staff and the establishment of proper procedures for the release of such information, including the use
8 of appropriate consents and authorizations specified under HIPAA.

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

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

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

24 (1) County desires to clarify IS terminology under this Agreement as it relates to
25 HIPAA, and, accordingly, has set forth in Attachment VIII (Crosswalk Fact Sheet) a "crosswalk" of
26 technical terms, definitions and language to be used with this Agreement.

27 (2) County desires to clarify other HIPAA-related changes set forth in the DMH
28 Provider Manual and which are incorporated herein by reference as though fully set forth.

29 (a) County has added to the DMH Provider Manual a Guide to Procedure
30 Codes, which includes a "crosswalk" of DMH activity codes to Current Procedural Terminology (CPT)
31 and Health Care Procedure Coding System (HCPCS) codes.

32 (b) County has added to the DMH Provider Manual an Electronic Data
33 Interchange/Direct Data Entry (EDI/DDE) Selection and General Requirements Agreement, which
34 includes the method in which Contractor or its Subcontractor(s) elects to submit HIPAA-compliant
35 transactions and requirements for these transactions.

36 (c) County has added to the DMH Provider Manual a Trading Partner

1 Agent Authorization Agreement which includes the Contractor's authorization to its Subcontractor(s)
2 to submit HIPAA-compliant transactions on behalf of Contractor.

3 E. Contractor understands that County operates an informational website
4 www.dmh.co.la.ca.us related to the services under this Agreement and the parties' HIPAA
5 obligations, and agrees to undertake reasonable efforts to utilize said website to obtain updates, other
6 information, and forms to assist Contractor in its performance.

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

12 G. Contractor further understands and agrees that the terms and conditions of the current
13 Trading Partner Agreement (TPA) set forth in the DMH Provider Manual shall apply to this Agreement
14 and that said Terms and Conditions are incorporated by reference as though fully set forth herein.

15 54. COMPLIANCE WITH JURY SERVICE PROGRAM:

16 A Jury Service Program: This Agreement is subject to the provisions of the County's
17 ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections
18 2.203.010 through 2.203.090 of the Los Angeles County Code.

19 B Written Employee Jury Service Policy:

20 (1) Unless Contractor has demonstrated to the County's satisfaction either that
21 Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of
22 the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section
23 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides
24 that its Employees shall receive from the Contractor, on an annual basis, no less than five days of
25 regular pay for actual jury service. The policy may provide that Employees deposit any fees received
26 for such jury service with the Contractor or that the Contractor deduct from the Employee's regular
27 pay the fees received for jury service.

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

1 Contractor uses any subcontractor to perform services for the County under the Agreement, the
2 subcontractor shall also be subject to the provisions of this Section. The provisions of this Section shall
3 be inserted into any such subcontract Agreement and a copy of the Jury Service Program shall be
4 attached to the Agreement.

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

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

18 55. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW: The
19 Contractor shall notify and provide to its employees, and shall require each subcontractor to notify
20 and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its
21 implementation in Los Angeles County, and where and how to safely surrender a baby.
22 The fact sheet is set forth in Attachment VII of this Agreement and is also available on the Internet at
23 www.babysafela.org for printing purposes.

24 56. CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY
25 SURRENDERED BABY LAW: The Contractor acknowledges that the County places a high priority on
26 the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the
27 County's policy to encourage all County Contractors to voluntarily post the County's "Safely
28 Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The
29 Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in
30 the subcontractor's place of business. The County's Department of Children and Family Services will
31 supply the Contractor with the poster to be used.

32 57. COMPLIANCE WITH THE COUNTY'S LIVING WAGE PROGRAM:

33 *(LANGUAGE APPLIES ONLY TO PROP A LIVING WAGE CONTRACTS)*

34 A. Living Wage Program: This Contract is subject to the provisions of the County's
35 ordinance entitled Living Wage Program as codified in Sections 2.201.010 through 2.201.100 of the
36 Los Angeles County Code, a copy of which is attached as *Exhibit K* and incorporated by reference

1 into and made a part of this Contract.

2 B. Payment of Living Wage Rates:

3 (1) Unless the Contractor has demonstrated to the County's satisfaction either
4 that the Contractor is not an "Employer" as defined under the Program (Section 2.201.020 of the
5 County Code) or that the Contractor qualifies for an exception to the Living Wage Program (Section
6 2.201.090 of the County Code), the Contractor shall pay its Employees no less than the applicable
7 hourly living wage rate, as set forth immediately below, for the Employees' services provided to the
8 County under the Contract:

9 i. Not less than \$9.46 per hour if, in addition to the per-hour wage, the
10 Contractor contributes less than \$1.14 per hour towards the provision of bona fide health care
11 benefits for its Employees and any dependents; or

12 ii. Not less than \$8.32 per hour if, in addition to the per-hour wage, the
13 Contractor contributes at least \$1.14 per hour towards the provision of bona fide health care benefits
14 for its Employees and any dependents. The Contractor will be deemed to have contributed \$1.14 per
15 hour towards the provision of bona fide health care benefits if the benefits are provided through the
16 County Department of Health Services Community Health Plan. If, at any time during the Contract,
17 the Contractor contributes less than \$1.14 per hour towards the provision of bona fide health care
18 benefits, the Contractor shall be required to pay its Employees the higher hourly living wage rate.

19 (2) For purposes of this Sub-paragraph, "Contractor" includes any subcontractor
20 engaged by the Contractor to perform services for the County under the Contract. If the Contractor
21 uses any subcontractor to perform services for the County under the Contract, the subcontractor
22 shall be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be
23 inserted into any such subcontract Contract and a copy of the Living Wage Program shall be attached
24 to the Contract. "Employee" means any individual who is an employee of the Contractor under the
25 laws of California, and who is providing full-time services to the Contractor, some or all of which are
26 provided to the County under the Contract. "Full-time" means a minimum of 40 hours worked per
27 week, or a lesser number of hours, if the lesser number is a recognized industry standard and is
28 approved as such by the County; however, fewer than 35 hours worked per week will not, in any
29 event, be considered full-time.

30 (3) If the Contractor is required to pay a living wage when the Contract
31 commences, the Contractor shall continue to pay a living wage for the entire term of the Contract,
32 including any option period.

33 (4) If the Contractor is not required to pay a living wage when the Contract
34 commences, the Contractor shall have a continuing obligation to review the applicability of its
35 "exemption status" from the living wage requirement. The Contractor shall immediately notify the
36 County if the Contractor at any time either comes within the Living Wage Program's definition of

1 "Employer" or if the Contractor no longer qualifies for an exception to the Living Wage Program. In
2 either event, the Contractor shall immediately be required to commence paying the living wage and
3 shall be obligated to pay the living wage for the remaining term of the Contract, including any option
4 period. The County may also require, at any time during the Contract and at its sole discretion, that
5 the Contractor demonstrate to the County's satisfaction that the Contractor either continues to
6 remain outside of the Living Wage Program's definition of "Employer" and/or that the Contractor
7 continues to qualify for an exception to the Living Wage Program. Unless the Contractor satisfies
8 this requirement within the time frame permitted by the County, the Contractor shall immediately be
9 required to pay the living wage for the remaining term of the Contract, including any option period.

10 C. Contractor's Submittal of Certified Monitoring Reports: The Contractor shall submit
11 to the County certified monitoring reports at a frequency instructed by the County. The certified
12 monitoring reports shall list all of the Contractor's Employees during the reporting period. The
13 certified monitoring reports shall also verify the number of hours worked, the hourly wage rate paid,
14 and the amount paid by the Contractor for health benefits, if any, for each of its Employees. The
15 certified monitoring reports shall also state the name and identification number of the Contractor's
16 current health care benefits plan, and the Contractor's portion of the premiums paid as well as the
17 portion paid by each Employee. All certified monitoring reports shall be submitted on forms provided
18 by the County (*Exhibit L and Exhibit M*), or other form approved by the County which contains the
19 above information. The County reserves the right to request any additional information it may deem
20 necessary. If the County requests additional information, the Contractor shall promptly provide such
21 information. The Contractor, through one of its officers, shall certify under penalty of perjury that the
22 information contained in each certified monitoring report is true and accurate.

23 D. Contractor's Ongoing Obligation to Report Labor Law/Payroll Violations and Claims:
24 During the term of the Contract, if the Contractor becomes aware of any labor law/payroll violation or
25 any complaint, investigation or proceeding ("claim") concerning any alleged labor law/payroll violation
26 (including but not limited to any violation or claim pertaining to wages, hours and working conditions
27 such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of
28 minors, or unlawful employment discrimination), the Contractor shall immediately inform the County
29 of any pertinent facts known by the Contractor regarding same. This disclosure obligation is not
30 limited to any labor law/payroll violation or claim arising out of the Contractor's contract with the
31 County, but instead applies to any labor law/payroll violation or claim arising out of any of the
32 Contractor's operations in California.

33 E. County Auditing of Contractor Records: Upon a minimum of twenty-four (24) hours'
34 written notice, the County may audit, at the Contractor's place of business, any of the Contractor's
35 records pertaining to the Contract, including all documents and information relating to the certified
36 monitoring reports. The Contractor is required to maintain all such records in California until the

1 expiration of four years from the date of final payment under the Contract. Authorized agents of the
2 County shall have access to all such records during normal business hours for the entire period that
3 records are to be maintained.

4 F. Notifications to Employees: The Contractor shall place County-provided living wage
5 posters at each of the Contractor's places of business and locations where Contractor's Employees
6 are working. The Contractor shall also distribute County-provided notices to each of its Employees at
7 least once per year. The Contractor shall translate into Spanish and any other language spoken by a
8 significant number of Employees the posters and handouts.

9 G. Enforcement and Remedies: If the Contractor fails to comply with the requirements
10 of this Sub-paragraph, the County shall have the rights and remedies described in this Sub-paragraph
11 in addition to any rights and remedies provided by law or equity.

12 (1) Remedies For Submission of Late or Incomplete Certified Monitoring Reports:

13 If the Contractor submits a certified monitoring report to the County after the date it is due or if the
14 report submitted does not contain all of the required information or is inaccurate or is not properly
15 certified, any such deficiency shall constitute a breach of the Contract. In the event of any such
16 breach, the County may, in its sole discretion, exercise any or all of the following rights/remedies:

17 (a) Withholding of Payment: If the Contractor fails to submit accurate,
18 complete, timely and properly certified monitoring reports, the County may withhold from payment to
19 the Contractor up to the full amount of any invoice that would otherwise be due, until Contractor has
20 satisfied the concerns of the County, which may include required submittal of revised certified
21 monitoring reports or additional supporting documentation.

22 (b) Liquidated Damages: It is mutually understood and agreed that the
23 Contractor's failure to submit an accurate, complete, timely and properly certified monitoring report
24 will result in damages being sustained by the County. It is also understood and agreed that the
25 nature and amount of the damages will be extremely difficult and impractical to fix; that the
26 liquidated damages set forth herein are the nearest and most exact measure of damages for such
27 breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or
28 forfeiture for the Contractor's breach. Therefore, in the event that a certified monitoring report is
29 deficient, including but not limited to being late, inaccurate, incomplete or uncertified, it is agreed that
30 the County may, in its sole discretion, assess against the Contractor liquidated damages in the
31 amount of \$100 per monitoring report for each day until the County has been provided with a
32 properly prepared, complete and certified monitoring report. The County may deduct any assessed
33 liquidated damages from any payments otherwise due the Contractor.

34 (c) Termination: The Contractor's continued failure to submit accurate,
35 complete, timely and properly certified monitoring reports may constitute a material breach of the
36 Contract. In the event of such material breach, the County may, in its sole discretion, terminate

1 the Contract.

2 (2) Remedies for Payment of Less Than the Required Living Wage: If the
3 Contractor fails to pay any Employee at least the applicable hourly living wage rate, such deficiency
4 shall constitute a breach of the Contract. In the event of any such breach, the County may, in its
5 sole discretion, exercise any or all of the following rights/remedies:

6 (a) Withholding Payment: If the Contractor fails to pay one or more of its
7 Employees at least the applicable hourly living wage rate, the County may withhold from any
8 payment otherwise due the Contractor the aggregate difference between the living wage amounts the
9 Contractor was required to pay its Employees for a given pay period and the amount actually paid to
10 the employees for that pay period. The County may withhold said amount until the Contractor has
11 satisfied the County that any underpayment has been cured, which may include required submittal of
12 revised certified monitoring reports or additional supporting documentation.

13 (b) Liquidated Damages: It is mutually understood and agreed that the
14 Contractor's failure to pay any of its Employees at least the applicable hourly living wage rate will
15 result in damages being sustained by the County. It is also understood and agreed that the nature
16 and amount of the damages will be extremely difficult and impractical to fix; that the liquidated
17 damages set forth herein are the nearest and most exact measure of damages for such breach that
18 can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture
19 for the Contractor's breach. Therefore, it is agreed that the County may, in its sole discretion, assess
20 against the Contractor liquidated damages of \$50 per Employee per day for each and every instance
21 of an underpayment to an Employee. The County may deduct any assessed liquidated damages from
22 any payments otherwise due the Contractor.

23 (c) Termination: The Contractor's continued failure to pay any of its
24 Employees the applicable hourly living wage rate may constitute a material breach of the Contract. In
25 the event of such material breach, the County may, in its sole discretion, terminate the Contract.

26 (3) Debarment: In the event the Contractor breaches a requirement of this Sub-
27 paragraph, the County may, in its sole discretion, bar the Contractor from the award of future County
28 contracts for a period of time consistent with the seriousness of the breach, not to exceed three
29 years.

30 H. Use of Full-Time Employees: The Contractor shall assign and use full-time Employees
31 of the Contractor to provide services under the Contract unless the Contractor can demonstrate to
32 the satisfaction of the County that it is necessary to use non-full-time Employees based on staffing
33 efficiency or County requirements for the work to be performed under the Contract. It is understood
34 and agreed that the Contractor shall not, under any circumstance, use non-full-time Employees for
35 services provided under the Contract unless and until the County has provided written authorization
36 for the use of same. The Contractor submitted with its proposal a full-time Employee staffing plan.

1 If the Contractor changes its full-time Employee staffing plan, the Contractor shall immediately
2 provide a copy of the new staffing plan to the County.

3 I. Contractor Retaliation Prohibited: The Contractor and/or its Employees shall not take
4 any adverse action which would result in the loss of any benefit of employment, any contract benefit,
5 or any statutory benefit for any Employee, person or entity who has reported a violation of the Living
6 Wage Program to the County or to any other public or private agency, entity or person. A violation of
7 the provisions of this Sub-paragraph may constitute a material breach of the Contract. In the event
8 of such material breach, the County may, in its sole discretion, terminate the Contract.

9 J. Contractor Standards: During the term of the Contract, the Contractor shall maintain
10 business stability, integrity in employee relations and the financial ability to pay a living wage to its
11 employees. If requested to do so by the County, the Contractor shall demonstrate to the satisfaction
12 of the County that the Contractor is complying with this requirement.

13 K. Employee Retention Rights:

14 *(Note: This Sub-paragraph applies only if the contract involves the provision of*
15 *services that were previously provided by a Contractor under a predecessor Proposition A contract or*
16 *a predecessor cafeteria services contract, which predecessor contract was terminated by the County*
17 *prior to its expiration.)*

18 (1) Contractor shall offer employment to all retention employees who are qualified
19 for such jobs. A "retention employee" is an individual:

20 (a) Who is not an exempt employee under the minimum wage and
21 maximum hour exemptions defined in the federal Fair Labor Standards Act; and

22 (b) Who has been employed by a Contractor under a predecessor
23 Proposition A contract or a predecessor cafeteria services contract with the County for at least six
24 months prior to the date of this new Contract, which predecessor contract was terminated by the
25 County prior to its expiration; and

26 (c) Who is or will be terminated from his or her employment as a result of
27 the County entering into this new contract.

28 (2) Contractor is not required to hire a retention employee who:

29 (a) Has been convicted of a crime related to the job or his or her
30 performance; or

31 (b) Fails to meet any other County requirement for employees of a
32 Contractor.

33 (3) Contractor shall not terminate a retention employee for the first 90 days of
34 employment under the contract, except for cause. Thereafter, Contractor may retain a retention
35 employee on the same terms and conditions as Contractor's other employees.

36 L. Neutrality in Labor Relations: The Contractor shall not use any consideration received

1 under the Contract to hinder, or to further, organization of, or collective bargaining activities by or on
2 behalf of the Contractor's employees, except that this restriction shall not apply to any expenditure
3 made in the course of good faith collective bargaining, or to any expenditure pursuant to obligations
4 incurred under a bona fide collective bargaining Contract, or which would otherwise be permitted
5 under the provisions of the National Labor Relations Act.

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

12 For the County, please use the following contact information:

13 County of Los Angeles - Department of Mental Health
14 Contracts Development and Administration Division
15 550 South Vermont Ave., 5th Floor
16 Los Angeles, CA 90020
17 Attention: Chief of Contracts

18
19 For the Contractor, please use the following contact information:

20 Emotional Health Association dba SHARE the Self-Help And Recovery Exchange
21 5521 Grosvenor Boulevard
22 Los Angeles, CA 90066
23 Attention: Ruth Hollman, Executive Director

24 /
25 /
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35 /
36 /

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

COUNTY OF LOS ANGELES

By _____
MARVIN J. SOUTHARD, D.S.W.
Director of Mental Health

Emotional Health Association dba SHARE the
Self-Help And Recovery Exchange
CONTRACTOR

By _____
Name Ruth Hollman
Title Executive Director
(AFFIX CORPORATE SEAL HERE)

29 APPROVED AS TO FORM
30 OFFICE OF THE COUNTY COUNSEL

33 APPROVED AS TO CONTRACT
34 ADMINISTRATION:
35
36 DEPARTMENT OF MENTAL HEALTH

39 By _____
40 Chief, Contracts Development
41 and Administration Division

46 RB LegalEntityFile:NRTIT20C.IVA.LE04-05

DMH LEGAL ENTITY AGREEMENT
ATTACHMENT I

DEFINITIONS

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

- A. "CCR" means the California Code of Regulations;
- B. "CGF" means County General Funds;
- 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. "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;
- F. "CPT" means Physicians' Current Procedural Terminology as referenced in the American Medical Association standard edition publication;
- G. "CR/DC Manual" means SDMH's Cost Reporting/Data Collection Manual;
- H. "Day(s)" means calendar day(s) unless otherwise specified;
- I. "DCFS" means County Department of Children and Family Services;
- J. "Director" means County's Director of Mental Health or his authorized designee;
- K. "DMH" means County's Department of Mental Health;
- L. "DPSS" means County's Department of Public Social Services;
- M. "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;
- N. "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;
- O. "Established Maximum Allowable Rate" means the Short-Doyle/Medi-Cal maximum reimbursement for a specific SFC unit as established by SDMH;

DEFINITIONS CONTINUED

- P. "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.
- Q. "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;
- R. "Fiscal Year" means County's Fiscal Year which commences July 1 and ends the following June 30;
- S. "Gross Program Budget" is the sum total of the Net Program Budget and all "Third Party Revenues" shown in the Financial Summary.
- T. "GROW" means General Relief Opportunities for Work;
- U. "Healthy Families" ("HF") means the federally subsidized health insurance program administered by the State of California for the provision of comprehensive health services (including medical, dental and vision care) to children ages birth through 19th birthday from low income families.
- V. "Healthy Families Procedures Manual" ("HF Procedures Manual") means DMH's Healthy Families Procedures Manual for providers. The HF Procedure Manual contains the formal requirements, policies and procedures governing Healthy Families and is incorporated into this Agreement by reference. Contractor hereby acknowledges receipt of the HF Procedures Manual upon execution of this Agreement.
- W. "IMD" means Institutions for Mental Disease. 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;
- X. "IS" means DMH's Integrated System;
- Y. "Legal Entity" means the legal organization structure under California law;
- Z. "Maximum Contract Amount" is the sum total of all "Allocations" and "Pass Through" amounts shown in the Financial Summary. Unless otherwise provided in this Agreement, or separately agreed to in writing between the parties, it is the intent of the parties that the Maximum Contract Amount shall be equal to the Net Program Budget;

DEFINITIONS CONTINUED

- AA. "Member" or Title XXI Healthy Families Program Member ("HFPM") means an enrollee in any Healthy Families Health Plan through Healthy Families.
- BB. "MHRC" means Mental Health Rehabilitation Centers certified by the State Department of Mental Health;
- CC. "MRMIB" means the State of California Managed Risk Medical Insurance Board, the administrator of Healthy Families for the State of California.
- DD. "Negotiated Rate" or "NR" means the total amount of reimbursement, including all revenue, interest and return, which is allowable for delivery of a SFC unit as defined by Director and which is shown on the Financial Summary. An NR is the gross rate of reimbursement which is generally determined by dividing Contractor's gross program cost of delivering a particular SFC by the number of such SFC units to be delivered. All fees paid by or on behalf of patients/clients and all other revenue, interest and return resulting from the same service shall be deducted from the cost of providing the mental health services covered by the Negotiated Rate. A portion of the State-approved NR, which in some cases may be higher than the contracted NR, may be retained by County as County's share of reimbursement from SDMH;
- EE. "Net Program Budget" is equal to the Maximum Contract Amount which is the sum total of all "Allocations" and "Pass Through" amounts shown in the Financial Summary. Unless otherwise provided in this Agreement, or separately agreed to in writing between the parties, it is the intent of the parties that the Net Program Budget shall be equal to the Maximum Contract Amount; and
- FF. "PATH" means Projects for Assistance in Transition from Homelessness Federal grant funds;
- GG. "PHF" means a Psychiatric Health Facility. 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. This care shall include, but not be limited to, 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.

DEFINITIONS CONTINUED

- HH. "RO/TCM Manual" means SDMH's Short-Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management;
- II. "RGMS" means DMH's Revenue Generation Management System which is included as a subsystem in MIS;
- JJ. "SAMHSA" means Substance Abuse and Mental Health Services Administration Federal block grant funds;
- KK. "SDHS" means State Department of Health Services;
- LL. "SDMH" means State Department of Mental Health;
- MM. "SDSS" means State Department of Social Services;
- NN. "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;
- OO. "SNF-STP" mean Skilled Nursing Facility licensed by the State Department of Health Services, with an added Special Treatment Program certified by the State Department of Mental Health;
- PP. "State" means the State of California;
- QQ. "Title IV" means Title IV of the Social Security Act, 42 United States Code Section 601et seq.;
- RR. "Title XIX" means Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- SS. "Title XXI" means Title XXI of the Social Security Act, 42 United States Code Section 1396 et seq.
- TT. "UMDAP" means SDMH's Uniform Method of Determining Ability to Pay;
- UU. "WIC" means the California Welfare and Institutions Code;

Contractor Name: Emotional Health Association dba SHARE
 Legal Entity Number: TBA
 Agreement Period: Upon Board approval through June 30, 2007
 Fiscal Year: 2004-2005

Categories		Maximum Funding Source Totals	
A. Allocations:			CR or NR
County General Fund (CGF)	1. EPSDT Baseline CGF Match		
	2. SB 90 (AB 3632) Baseline CGF Match		
	3. EPSDT Growth CGF Match		
	4. Healthy Families CGF Match		
	5. Non EPSDT - FFP CGF Match		
	6. STOP CGF Match		
	<u>Sub-Total Categorical CGF</u>		
	7. Other CGF	\$ 173,606	
TOTAL CGF (1 through 7)		\$ 173,606	CR
CalWORKs		\$ 33,333	CR
TOTAL ALLOCATIONS (A)		\$ 206,939	
B. Pass Through:			
FFP:	1. Healthy Families FFP	\$ -	
	2. Non EPSDT - FFP		
	a. Medi-Cal Administrative Activities (MAA) FFP	\$ -	
	3. EPSDT - FFP		
TOTAL FFP		\$ -	
EPSDT - State General Fund (SGF)			
SB 90/IDEA (AB 3632)		\$ -	
TOTAL PASS THROUGH (B)		\$ -	
Maximum Contract Amount/Net Program Budget (A+B):		\$ 206,939	
C. Third Party:			
Medicare		\$ -	
Patient Fees		\$ -	
Insurance		\$ -	
Other		\$ -	
TOTAL THIRD PARTY (C)		\$ -	
Gross Program Budget (A+B+C):		\$ 206,939	

Footnotes Section:

CGF- \$158,606, Consumer \$15,000 and CalWORKs \$33,333

Tractor Name: Emotional Health Association dba SHARE
 al Entity Number: TBA
 Agreement Period: Upon Board approval through June 30, 2007
 Fiscal Year: 2004-2005

DMH Legal Entity Agreement
 Attachment II Page 2 of 2
 The Rate Summary

MENTAL HEALTH SERVICES	Mode of Service	Service Function Code (SFC) Range	Provisional Rates Negotiated NR	Provisional Rates Cost Reimb CR	Provider Numbers
24 HOUR SERVICES					
Hospital Inpatient	05	10 - 18			
Hospital Administrative Day	05	19			
Psychiatric Health Facility (PHF)	05	20 - 29			
Intensive	05	30 - 34			
IMD/STP Basic (No Patch)	Beds 1-59	05	35		
	Beds 60 & over	05	35		
Room for IMD	05	36 - 39			
Mentally Ill Offenders	Indigent	05	36 - 39		
	Regular	05	36 - 39		
Like	05	36 - 39			
(W/Patch) Sub-Acute (60 days)	05	38			
Intensive Crisis Residential	05	40 - 49			
Residential Other	05	60 - 64			
Intensive Residential	05	65 - 79			
Residential - Supervised Living	05	80 - 84			
Independent Living	05	85 - 89			
Rehab Centers	05	90 - 94			
DAY SERVICES					
Outpatient Services	10	30 - 39			
Individualization	10	40 - 49			
Intensive Augmentation	10	60 - 69			
Treatment Intensive: Half Day	10	81-84			
Treatment Intensive: Full Day	10	85-89			
Rehabilitative : Half Day	10	91-94			
Rehabilitative : Full Day	10	95-99			
OUTPATIENT SERVICES					
Targeted Case Management Services (TCMS), formerly Case Management Brokerage	15	01 - 09			
Hospital Health Services	15	10 - 19 /30-59			
Therapeutic Behavioral Services (TBS)	15	58			
Relaxation Support	15	60 - 69			
Crisis Intervention	15	70 - 79			
OUTREACH SERVICES					
Hospital Health Promotion	45	10 - 19		\$45.00	TBA
Community Client Services	45	20 - 29		\$45.00	TBA
SUPPORT SERVICES					
Support/Board & Care	60	40 - 49			
Case Management Support	60	60 - 69			
Flexible Funding (Cost Reimbursement)	60	64			
GENERAL ADMINISTRATION					
	55	01-35			

Contractor Name: Emotional Health Association dba SHARE
 Legal Entity Number: TBA
 Agreement Period: Upon Board approval through June 30, 2007
 Fiscal Year: 2005-2006

DMH Legal Entity Agreement
 Attachment II Page 1 of 2
 The Financial Summary

Categories		Maximum Funding Source Totals	
A. Allocations:			CR or NR
County General Fund (CGF)	1. EPSDT Baseline CGF Match		
	2. SB 90 (AB 3632) Baseline CGF Match		
	3. EPSDT Growth CGF Match		
	4. Healthy Families CGF Match		
	5. Non EPSDT - FFP CGF Match		
	6. STOP CGF Match	\$ -	
	Sub-Total Categorical CGF	\$ -	
	7. Other CGF	\$ 322,560	
	TOTAL CGF (1 through 7)	\$ 322,560	CR
	CalWORKs		\$ 100,000
			CR
			CR
			CR
TOTAL ALLOCATIONS (A)		\$ 422,560	
B. Pass Through:			
FFP:	1. Healthy Families FFP	\$ -	
	2. Non EPSDT - FFP		
	a. Medi-Cal Administrative Activities (MAA) FFP	\$ -	
	3. EPSDT - FFP		
	TOTAL FFP	\$ -	
EPSDT - State General Fund (SGF)			
SB 90/IDEA (AB 3632)		\$ -	
	TOTAL PASS THROUGH (B)	\$ -	
Maximum Contract Amount/Net Program Budget (A+B):		\$ 422,560	
C. Third Party:			
Medicare		\$ -	
Patient Fees		\$ -	
Insurance		\$ -	
Other		\$ -	
	TOTAL THIRD PARTY (C)	\$ -	
Gross Program Budget (A+B+C):		\$ 422,560	

Footnotes Section:

CGF- \$277,000, Consumer \$45,560 and CalWORKs \$100,000

Tractor Name: Emotional Health Association dba SHARE
 Entity Number: TBA
 Agreement Period: Upon Board approval through June 30, 2007
 Fiscal Year: 2005-2006

DMH Legal Entity Agreement
 Attachment II Page 2 of 2
 The Rate Summary

MENTAL HEALTH SERVICES	Mode of Service	Service Function Code (SFC) Range	Provisional Rates Negotiated NR	Provisional Rates Cost Reimb CR	Provider Numbers
24 HOUR SERVICES					
Hospital Inpatient	05	10 - 18			
Hospital Administrative Day	05	19			
Psychiatric Health Facility (PHF)	05	20 - 29			
Intensive	05	30 - 34			
IMD/STP Basic (No Patch)	Beds 1-59	05 35			
	Beds 60 & over	05 35			
1 for IMD	05	36 - 39			
Mentally Ill Offenders	Indigent	05 36 - 39			
	Regular	05 36 - 39			
- Like	05	36 - 39			
(W/Patch) Sub-Acute (60 days)	05	38			
Crisis Residential	05	40 - 49			
Residential Other	05	60 - 64			
Residential	05	65 - 79			
- Supervised Living	05	80 - 84			
Independent Living	05	85 - 89			
Rehab Centers	05	90 - 94			
30 DAY SERVICES					
Outpatient Services	10	30 - 39			
Stabilization	10	40 - 49			
Augmentation	10	60 - 69			
Treatment Intensive: Half Day	10	81-84			
Treatment Intensive: Full Day	10	85-89			
Rehabilitative : Half Day	10	91-94			
Rehabilitative : Full Day	10	95-99			
30 DAY SERVICES					
Managed Case Management Services (TCMS), formerly Management Brokerage	15	01 - 09			
Maternal Health Services	15	10 - 19 /30-59			
Therapeutic Behavioral Services (TBS)	15	58			
Case Management Support	15	60 - 69			
Case Intervention	15	70 - 79			
45 DAY SERVICES					
Maternal Health Promotion	45	10 - 19		\$45.00	TBA
Community Client Services	45	20 - 29		\$45.00	TBA
60 DAY SERVICES					
Support/Board & Care	60	40 - 49			
Management Support	60	60 - 69			
State Funding (Cost Reimbursement)	60	64			
Other Administrative Activities (CR)					
	55	01-35			

Contractor Name: Emotional Health Association dba SHARE
 Legal Entity Number: TBA
 Agreement Period: Upon Board approval through June 30, 2007
 Fiscal Year: 2006-2007

DMH Legal Entity Agreement
 Attachment II Page 1 of 2
 The Financial Summary
 Amendment Number 4

Categories		Maximum Funding Source Totals	
A. Allocations:			CR or NR
County General Fund (CGF)	1. EPSDT Baseline CGF Match		
	2. SB 90 (AB 3632) Baseline CGF Match	\$ -	
	3. EPSDT Growth CGF Match		
	4. Healthy Families CGF Match	\$ -	
	5. Non EPSDT - FFP CGF Match		
	6. STOP CGF Match	\$ -	
	Sub-Total Categorical CGF	\$ -	
	7. Other CGF	\$ 45,000	
	TOTAL CGF (1 through 7)	\$ 45,000	CR
CalWORKs		\$ 100,000	CR
	TOTAL ALLOCATIONS (A)	\$ 145,000	
B. Pass Through:			
FFP:	1. Healthy Families FFP	\$ -	
	2. Non EPSDT - FFP		
	a. Medi-Cal Administrative Activities (MAA) FFP	\$ -	
	3. EPSDT - FFP		
	TOTAL FFP	\$ -	
EPSDT - State General Fund (SGF)			
SB 90/IDEA (AB 3632)		\$ -	
	TOTAL PASS THROUGH (B)	\$ -	
Maximum Contract Amount/Net Program Budget (A+B):		\$ 145,000	
C. Third Party:			
Medicare		\$ -	
Patient Fees		\$ -	
Insurance		\$ -	
Other		\$ -	
	TOTAL THIRD PARTY (C)	\$ -	
Gross Program Budget (A+B+C):		\$ 145,000	

Footnotes Section:

CGF- \$277,000, Consumer \$45,560 and CalWORKs \$100,000

actor Name: Emotional Health Association dba SHARE

Entity Number: TBA

ment Period: Upon Board approval through June 30, 2007

Year: 2006-2007

DMH Legal Entity Agreement

Attachment II Page 2 of 2

The Rate Summary

MENTAL HEALTH SERVICES		Mode of Service	Service Function Code (SFC) Range	Provisional Rates Negotiated NR	Provisional Rates Cost Reimb CR	Provider Numbers
24 HOUR SERVICES						
al Inpatient		05	10 - 18			
al Administrative Day		05	19			
iatric Health Facility (PHF)		05	20 - 29			
ntensive		05	30 -34			
IMD/STP Basic (No Patch)	Beds 1-59	05	35			
	Beds 60 & over	05	35			
for IMD		05	36 - 39			
Mentally Ill Offenders	Indigent	05	36 - 39			
	Regular	05	36 - 39			
Like		05	36 - 39			
V/Patch) Sub-Acute (60 days)		05	38			
Crisis Residential		05	40 - 49			
artial Other		05	60 - 64			
Residential		05	65 - 79			
- Supervised Living		05	80 - 84			
ndent Living		05	85 - 89			
shab Centers		05	90 - 94			
DAY SERVICES						
onal Services		10	30 - 39			
ization		10	40 - 49			
ugmentation		10	60 - 69			
reatment Intensive: Half Day		10	81-84			
reatment Intensive: Full Day		10	85-89			
ehabilitative : Half Day		10	91-94			
ehabilitative : Full Day		10	95-99			
OUTPATIENT SERVICES						
led Case Management Services (TCMS), formerly Management Brokerage		15	01 - 09			
I Health Services		15	10 - 19 /30-59			
apeutic Behavioral Services (TBS)		15	58			
ation Support		15	60 - 69			
Intervention		15	70 - 79			
PREVENTIVE SERVICES						
il Health Promotion		45	10 - 19		\$45.00	TBA
unity Client Services		45	20 - 29		\$45.00	TBA
PROFESSIONAL SERVICES						
upport/Board & Care		60	40 - 49			
Management Support		60	60 - 69			
le Funding (Cost Reimbursement)		60	64			
Other Administrative Activities						
		55	01-35			

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>
8	<u>Targeted Case Management Services (Rehab. Option)</u>	<u>104-A</u>
9	<u>Short-Term Crisis Residential Services (Forensic)</u>	<u>201</u>
10	<u>Crisis Stabilization Services (Rehab. Option)</u>	<u>202-A</u>
11	<u>Vocational Services</u>	<u>304-A</u>
12	<u>Day Rehabilitation Services (Adult) (Rehab. Option)</u>	<u>308-A</u>
13	<u>Day Rehabilitation Services (Children/Adolescents) (Rehab. Option)</u>	<u>309-A</u>
14	<u>Day Treatment Intensive Services (Adult) (Rehab. Option)</u>	<u>310-A</u>
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16	<u>Mental Health Services (Rehab. Option)</u>	<u>402</u>
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18	<u>Crisis Intervention Services (Rehab. Option)</u>	<u>404-A</u>
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**DMH LEGAL ENTITY AGREEMENT
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**SECTION 1
THREE (3) MONTH CASH FLOW ADVANCE SCHEDULE**

<u>Month of Service</u>		<u>Disbursement</u>	<u>Recovery of the CFA Payment</u>
Month 1	July	Cash Flow Advance (CFA) of 1/12th of the Maximum Contract Amount (MCA).	
Month 2	August	Cash Flow Advance (CFA) of 1/12th of the Maximum Contract Amount (MCA).	
Month 3	September	Cash Flow Advance (CFA) of 1/12th of the Maximum Contract Amount (MCA).	
Month 4	October	Contractor's State and County approved July claims minus the amount the July CFA exceeded the contractor's County and State approved July claims minus any remaining approved claims amounts that are in excess of 1/12th of the MCA.	The amount the July CFA exceeded the contractor's County and State approved July claims (July CFA minus July actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 5	November	Contractor's State and County approved August claims minus the amount the August CFA exceeded the contractor's County and State approved August claims minus any remaining approved claims amounts that are in excess of 1/12th of the MCA.	The amount the August CFA exceeded the contractor's County and State approved August claims (August CFA minus August actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 6	December	Contractor's State and County approved September claims minus the amount the September CFA exceeded the contractor's County and State approved September claims minus any remaining approved claims amounts that are in excess of 1/12th of the MCA.	The amount the September CFA exceeded the contractor's County and State approved September claims (September CFA minus September actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 7	January	Contractor's State and County approved October claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA. Recovery of any units of service deficiency.

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

**SECTION 1
THREE (3) MONTH CASH FLOW ADVANCE SCHEDULE**

Month 8 February	Contractor's State and County approved November claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA and recovery of any units of service deficiency.
Month 9 March	Contractor's State and County approved December claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA and recovery of any units of service deficiency.
Month 10 April	Contractor's State and County approved January claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA and recovery of any units of service deficiency.
Month 11 May	Contractor's State and County approved February claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA and recovery of any units of service deficiency.
Month 12 June	Contractor's State and County approved March claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA and recovery of any units of service deficiency.
Month 13 July	Contractor's State and County approved April claims minus any CFA unpaid balance.	Recovery of the CFA unpaid balance and any units of service deficiency.
Month 14 August	Contractor's State and County approved May claims minus any CFA unpaid balance.	Recovery of the CFA unpaid balance and any units of service deficiency.
Month 15 September	Contractor's State and County approved June claims minus any CFA unpaid balance.	Recovery of the CFA unpaid balance and any units of service deficiency.

**DMH LEGAL ENTITY AGREEMENT
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**SECTION 2
FIVE (5) MONTH CASH FLOW ADVANCE SCHEDULE**

<u>Month of Service</u>		<u>Disbursement</u>	<u>Recovery of the CFA Payment</u>
Month 1	July	Cash Flow Advance (CFA) of 1/12th of the Maximum Contract Amount (MCA).	
Month 2	August	Cash Flow Advance (CFA) of 1/12th of the Maximum Contract Amount (MCA).	
Month 3	September	Cash Flow Advance (CFA) of 1/12th of the Maximum Contract Amount (MCA).	
Month 4	October	Contractor's State and County approved July claims plus a CFA in the amount of 1/12 th of the MCA for EPSDT-SGF multiplied by 2 minus any approved claims amounts that are in excess of 1/12th of the MCA. The total payments shall not exceed 1/12 th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA.
Month 5	November	Contractor's State and County approved August claims plus a CFA in the amount of 1/12 th of the MCA for EPSDT-SGF multiplied by 2 any approved claims amounts that are in excess of 1/12th of the MCA. The total payments shall not exceed 1/12 th of the MCA.	Any approved claims amounts that are in excess of 1/12th of the MCA.
Month 6	December	Contractor's State and County approved September claims minus the amount the July CFA exceeded the contractor's County and State approved July claims (July CFA minus July actual claims) minus any approved claims amounts that are in excess of 1/12th of the MCA.	The amount the July CFA exceeded the contractor's County and State approved July claims (July CFA minus July actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 7	January	Contractor's State and County approved October claims minus the amount the August CFA exceeded the contractor's County and State approved August claims (August CFA minus August actual claims) minus any approved claims amounts that are in excess of 1/12th of the MCA.	The amount the August CFA exceeded the contractor's County and State approved August claims (August CFA minus August actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.

**DMH LEGAL ENTITY AGREEMENT
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**SECTION 2
FIVE (5) MONTH CASH FLOW ADVANCE SCHEDULE**

Month 8 February	Contractor's State and County approved November claims minus the amount the September CFA exceeded the contractor's County and State approved September claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	The amount the September CFA exceeded the contractor's County and State approved September claims (September CFA minus September actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 9 March	Contractor's State and County approved December claims minus the amount the October CFA exceeded the contractor's County and State approved October claims (October CFA minus October actual claims) minus any approved claims amounts that are in excess of 1/12th of the MCA.	The amount the October CFA exceeded the contractor's County and State approved October claims (October CFA minus October actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 10 April	Contractor's State and County approved January claims minus the amount the November CFA exceeded the contractor's County and State approved November claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	The amount the November CFA exceeded the contractor's County and State approved November claims (November CFA minus November actual claims) plus any remaining approved claims amounts that are in excess of 1/12th of the MCA.
Month 11 May	Contractor's State and County approved February claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Recovery of any CFA unpaid balance and any units of service deficiency.
Month 12 June	Contractor's State and County approved March claims minus any approved claims amounts that are in excess of 1/12th of the MCA.	Recovery of any CFA unpaid balance and any units of service deficiency.
Month 13 July	Contractor's State (FFP & EPSDT-SGF) and County approved April claims minus any CFA unpaid balance.	Recovery of any CFA unpaid balance and any units of service deficiency.
Month 14 August	Contractor's State (FFP & EPSDT-SGF) and County approved May claims minus any CFA unpaid balance.	Recovery of any CFA unpaid balance and any units of service deficiency.
Month 15 September	Contractor's State (FFP & EPSDT-SGF) and County approved June claims minus any CFA unpaid balance.	Recovery of any CFA unpaid balance and any units of service deficiency.

SECTION 3

CASH FLOW ADVANCE AND CLAIMS PAYMENT EXAMPLES

DMH LEGAL ENTITY AGREEMENT
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MCA = \$1,200,000; 1/12th of MCA = \$100,000

Disbursements - 3 Months

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb.	March
1) CFA	100,000	100,000	100,000						
MIS - allocations				60,000	55,000	52,000	51,000	52,000	51,000
Pass through approvals				40,000	45,000	48,000	49,000	48,000	49,000
Total Disbursement	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) CFA	100,000	100,000	100,000						
MIS - allocations				45,000	50,000	52,000	52,000	50,000	51,000
Pass through approvals				40,000	43,000	46,000	46,000	45,000	49,000
(less July CFA-July Act, etc.)*				(15,000)	(7,000)	(2,000)			
Total Disbursement	100,000	100,000	100,000	70,000	86,000	96,000	98,000	95,000	100,000
3) CFA	100,000	100,000	100,000						
MIS - allocations				55,000	58,000	60,000	64,000	68,000	70,000
Pass through approvals				50,000	52,000	55,000	61,000	65,000	68,000
less excess of 1/12th MCA **				(5,000)	(10,000)	(15,000)	(25,000)	(33,000)	(38,000)
Total Disbursement	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

Disbursements - 5 Months

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb.	March
1) CFA	100,000	100,000	100,000						
MIS - allocations				60,000	55,000	52,000	55,000	56,000	55,000
Pass through approvals				40,000	45,000	48,000	45,000	44,000	45,000
Total Disbursement	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
2) CFA	100,000	100,000	100,000						
MIS - allocations				20,000	12,000	52,000	56,000	58,000	50,000
Pass through approvals				45,000	48,000	41,000	41,000	47,000	48,000
(less Oct., CFA)				35,000	40,000	(20,000)	(12,000)	(7,000)	
Total Disbursement	100,000	100,000	100,000	100,000	100,000	73,000	96,000	98,000	98,000
3) CFA	100,000	100,000	100,000						
MIS - allocations				10,000	52,000	60,000	65,000	68,000	75,000
Pass through approvals				48,000	48,000	48,000	62,000	65,000	72,000
less excess of 1/12th MCA**				42,000	48,000	(10,000)	(27,000)	(33,000)	(47,000)
Total Disbursement	100,000	100,000	100,000	100,000	100,000	98,000	100,000	100,000	100,000

* e.g. July CFA = \$100,000; July actuals = \$85,000; therefore, difference is \$15,000

** Once CFA is fully repaid, any claims are remitted to contractor

Disbursements - 3 Months

	April	May	June	July	Aug	Sept
	Jan MIS & approvals	Feb. MIS & approvals	Mar. MIS & approvals			
1) CFA						
MIS - allocations	53,000	51,000	52,000			
Pass through approvals	47,000	49,000	48,000			
Total Disbursement	100,000	100,000	100,000			
				April, May, June MIS & approvals used to payback July, Aug, Sept. CFA		
2) CFA						
MIS - allocations	50,000	51,000	50,000			
Pass through approvals (less July CFA-July Act, etc.)*	48,000	49,000	49,000			
Total Disbursement	98,000	100,000	99,000			
				May be holdback in April, May, and/or June due to low service level		
3) CFA						
MIS - allocations	75,000	78,000	81,000			
Pass through approvals less excess of 1/12th MCA **	72,000	76,000	78,000			
Total Disbursement	100,000	88,000	100,000			
				April, May, June MIS & approvals used to payback July, Aug, Sept. CFA		
				Once CFA has been fully repaid, April - June MIS & approvals will be paid up to MCA		

Disbursements - 5 Months

	April	May	June	July	Aug	Sept
	Jan MIS & approvals	Feb. MIS & approvals	Mar. MIS & approvals			
1) CFA						
MIS - allocations	57,000	55,000	56,000			
Pass through approvals	43,000	45,000	42,000			
Total Disbursement	100,000	100,000	100,000			
				April, May, June MIS & approvals used to payback July, Aug, Sept. CFA		
2) CFA						
MIS - allocations	49,000	51,000	51,000			
Pass through approvals (less Oct... CFA)	48,000	48,000	49,000			
Total Disbursement	97,000	98,000	97,000			
				May be holdback in April, May, and/or June due to low service level		
3) CFA						
MIS - allocations	81,000	84,000	89,000			
Pass through approvals less excess of 1/12th MCA **	78,000	81,000	82,000			
Total Disbursement	100,000	100,000	102,000			
				April, May, June MIS & approvals used to payback July, Aug, Sept. CFA		
				Once CFA has been fully repaid, April - June MIS & approvals will be paid up to MCA		

ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

In accordance with the DMH Legal Entity Agreement's Paragraph 52 (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 Emotional Health Association dba SHARE the Self-Help And Recovery Exchange, (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 _____
Please print name

Signature of authorized official _____ Date _____

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VII**

SAFELY SURRENDERED BABY LAW FACT SHEET

(IN ENGLISH AND SPANISH)

No shame.

No blame.

No names.

Newborns can be safely given up
at any Los Angeles County
hospital emergency room or fire station.



In Los Angeles County

1-877-BABY SAFE

1-877-222-9728

www.loabysafeinitiative.org



State of California

Health and Human Services Agency

Department of Social Services



Los Angeles County Board of Supervisors

Countywide Supervisor's Office

Countywide Supervisor's Office

Countywide Supervisor's Office

Countywide Supervisor's Office

The Initiative is also supported by the State and UNICEF of Los Angeles.

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

La Ley de Entrega de Bebés Sin Peligro de California permite a los padres entregar a su recién nacido confidencialmente. Siempre que el bebé no haya sufrido abuso ni negligencia, padres pueden entregar a su recién nacido sin temor a ser arrestados o procesados.

¿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 del nacimiento. El bebé debe ser entregado a un empleado de una sala de emergencias o de un 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 recibirá un brazaletes igual.

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

Los padres que cambien de opinión pueden empezar 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?

En la mayoría de los casos, los padres son los que llevan al bebé. La ley permite que otras personas lleven al bebé si tienen la custodia legal del menor.

¿Los padres deben llamar antes de llevar al bebé?

No. El padre/madre puede llevar a su bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, mientras que entregue a su bebé a un empleado del hospital o de un cuartel de bomberos.

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

No. Sin embargo, el personal del hospital le pedirá que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para los cuidados que recibirá el bebé. Es recomendado llenar este cuestionario, pero no es obligatorio hacerlo.

¿Qué ocurrirá con el bebé?

El bebé será examinado y, de ser necesario, recibirá tratamiento médico. Luego el bebé se entregará a un hogar preadoptivo.

¿Qué pasará con el padre/madre?

Una vez que los padres hayan entregado a su bebé en forma segura, serán libres de irse.

¿Por qué California hace esto?

La finalidad de la Ley de Entrega de Bebés Sin Peligro es proteger a los bebés del abandono por parte de sus padres y de la posibilidad de que mueran o sufran daños. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Es posible que los padres que cometieron estos actos hayan estado atravesando dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus recién nacidos porque tenían miedo y no tenían adonde recurrir para obtener ayuda. El abandono de un recién nacido lo pone en una situación de peligro extremo. Además es ilegal. Muy a menudo el abandono provoca la muerte del bebé. Ahora, gracias a la Ley de Entrega de Bebés Sin Peligro, esta tragedia ya no debe suceder nunca más en California.

Historia de un bebé

A las 8:30 a.m. del jueves 25 de julio de 2002, se entregó un bebé recién nacido saludable en el St. Bernardine Medical Center en San Bernardino, en virtud de las disposiciones de la Ley de Entrega de Bebés Sin Peligro. Como lo establece la ley, la madre del bebé no se tuvo que identificar. Cuando el bebé llegó a la sala de emergencias, un pediatra lo revisó y determinó que el bebé estaba saludable y no tenía problemas. El bebé fue ubicado con una buena familia, mientras se iniciaban los trámites de adopción.

**Cada recién nacido merece una
oportunidad de tener una vida saludable.
Si alguien que usted conoce está pensando
en abandonar a un recién nacido, infórmele
qué otras opciones tiene.**

Es mejor que las mujeres busquen ayuda para recibir atención médica y asesoramiento adecuado durante el embarazo. Pero al mismo tiempo, queremos asegurarles a los padres que optan por no quedarse con su bebé que no irán a la cárcel si dejan a sus bebés en buenas manos en cualquier sala de emergencia de un hospital o en un cuartel de bomberos del Condado de Los Angeles.

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents to give up their baby confidentially. As long as the baby has not been abused or neglected, parents may give up their newborn 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 give up a baby within three days of birth. The baby must be handed to an employee at a Los Angeles County emergency room or fire station. As long as the child shows no signs 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, workers 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.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their newborns 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?

In most cases, a parent will bring in the baby. The law allows other people to bring in the baby if they have legal custody.

Does the parent have to call before bringing in the baby?

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

Does a parent have to tell anything to the people taking the baby?

No. However, hospital personnel will ask the parent to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the child. Although encouraged, filling out the questionnaire is not required.

What happens to the baby?

The baby will be examined and given medical treatment, if needed. Then the baby will be placed in a pre-adoptive home.

What happens to the parent?

Once the parent(s) has safely turned over the baby, they are free to go.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned by their parents and potentially being hurt or killed. You may have heard tragic stories of babies left in dumpsters or public bathrooms. The parents who committed these acts 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 nowhere to turn for help, they abandoned their infants. Abandoning a baby puts the child in extreme danger. It is also illegal. Too often, it results in the baby's death. Because of the Safely Surrendered Baby Law, this tragedy doesn't ever have to happen in California again.

A baby's story

At 8:30 a.m. on Thursday, July 25, 2002, a healthy newborn baby was brought to St. Bernardine Medical Center in San Bernardino under the provisions of the California Safely Surrendered Baby Law. As the law states, the baby's mother did not have to identify herself. When the baby was brought to the emergency room, he was examined by a pediatrician, who determined that the baby was healthy and doing fine. He was placed with a loving family while the adoption process was started.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a newborn, let her know there are other options.

It is best that women seek help to receive proper medical care and counseling while they are pregnant. But at the same time, we want to assure parents who choose not to keep their baby that they will not go to jail if they deliver their babies to safe hands in any Los Angeles County hospital ER or fire station.

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VIII**

CROSSWALK FACT SHEET

Current Language	New Language
<ul style="list-style-type: none"> ○ Health Care Financing Administration (HCFA) 	<ul style="list-style-type: none"> ○ Centers for Medicare and Medicaid Services (CMS)
<ul style="list-style-type: none"> ○ Explanation of Balance (EOB) 	<ul style="list-style-type: none"> ○ Remittance Advice (RA)
<ul style="list-style-type: none"> ○ Mode of Service and Service Function Code (SFC) ○ Activity Code 	<ul style="list-style-type: none"> ○ No parallel in IS, carried only in MIS ○ HIPAA Compliant Procedure codes from the following HCPCS: CPT Codes: <u>Current Procedural Terminology</u> published by the American Medical Association is a list of codes representing procedures or services. HCPCS Codes (Level II): <u>HCFA and other Common Procedure Coding System (HCPCS)</u> Codes are used and approved by the Centers for Medicare and Medicaid to describe and accurately report procedures and services. UB92: Refers to coding standards designated by HIPAA.
<ul style="list-style-type: none"> ○ DSM IV 	<ul style="list-style-type: none"> ○ IS converts DSM IV to ICD-9 for claiming: ICD-9 Codes: (<u>International Classification of Diseases</u>), 9th Revision Codes, issued and authorized by the Centers for Medicare and Medicaid, to describe and accurately report health related procedures and Diagnoses.
<ul style="list-style-type: none"> ○ Staff Code and Discipline Code 	<ul style="list-style-type: none"> ○ Rendering Provider and Taxonomy
<ul style="list-style-type: none"> ○ MHMIS or Mental Health Management Information System AND MIS Management Information System 	<ul style="list-style-type: none"> ○ IS or Integrated System
<ul style="list-style-type: none"> ○ References to entering data into the MIS 	<ul style="list-style-type: none"> ○ Entering data into the IS
<ul style="list-style-type: none"> ○ RGMS 	<ul style="list-style-type: none"> ○ IS

County of Los Angeles – Community Business Enterprise Program (CBE)

Request for Local SBE Preference Program Consideration and CBE Firm/Organization Information Form

INSTRUCTIONS: All proposers/bidders responding to this solicitation must complete and return this form for proper consideration of the proposal/bid.

I. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM:

FIRM NAME: Emotional Health Association DBA SHARE!

I AM NOT A Local SBE certified by the County of Los Angeles Office of Affirmative Action Compliance as of the date of this proposal/bids submission.

As an eligible Local SBE, I request this proposal/bid be considered for the Local SBE Preference.

My County (WebVen) Vendor Number : _____

II. FIRM/ORGANIZATION INFORMATION: The information requested below is for statistical purposes only. On final analysis and consideration of award, contractor/vendor will be selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.

Business Structure: Sole Proprietorship Partnership Corporation Non-Profit Franchise
 Other (Please Specify) _____

Total Number of Employees (including owners): _____

Race/Ethnic Composition of Firm. Please distribute the above total number of individuals into the following categories:

Race/Ethnic Composition	Owners/Partners/Associate Partners		Managers		Staff	
	Male	Female	Male	Female	Male	Female
Black/African American						1
Hispanic/Latino					1	
Asian or Pacific Islander						
American Indian						1
Filipino						
White				2	3	2

III. PERCENTAGE OF OWNERSHIP IN FIRM: Please indicate by percentage (%) how ownership of the firm is distributed.

	Black/African American	Hispanic/Latino	Asian or Pacific Islander	American Indian	Filipino	White
Men	%	%	%	%	%	%
Women	%	%	%	%	%	%

IV. CERTIFICATION AS MINORITY, WOMEN, DISADVANTAGED, AND DISABLED VETERAN BUSINESS ENTERPRISES: If your firm is currently certified as a minority, women, disadvantaged or disabled veteran owned business enterprise by a public agency, complete the following and attach a copy of your proof of certification. (Use back of form, if necessary.)

Agency Name	Minority	Women	Dis-advantaged	Disabled Veteran	Expiration Date

V. DECLARATION: I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE.

Print Authorized Name <u>Ruth Hollman</u>	Authorized Signature <u>Ruth Hollman</u>	Title <u>Executive Direct</u>	Date <u>11-09-04</u>
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