

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

DAVID MEYER  
Chief Deputy Director

RODERICK SHANER, M.D.  
Medical Director



BOARD OF SUPERVISORS  
GLORIA MOLINA  
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DEPARTMENT OF MENTAL HEALTH

<http://dmh.co.la.ca.us>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To:  
Fax:

(213) 738-4601  
(213) 386-1297

September 19, 2002

**ADOPTED**  
BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

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

**31**

**OCT 1 2002**

*Violet Varona-Lukens*  
VIOLET VARONA-LUKENS  
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF REQUEST TO SUPERSEDE ONE HUNDRED TWENTY-THREE  
CURRENT MENTAL HEALTH SERVICES AGREEMENTS WITH PROVIDERS FOR  
FISCAL YEARS 2002-2003, 2003-2004 AND 2004-2005**

**AND**

**APPROVAL OF THE REVISED LEGAL ENTITY AGREEMENT AND REVENUE  
INTEGRATED SERVICE AGENCY (ISA) AGREEMENT FORMATS**

**AND**

**APPROVAL OF REQUEST FOR APPROPRIATION ADJUSTMENT FOR  
FISCAL YEAR 2002-2003**

**(ALL SUPERVISORIAL DISTRICTS)  
(4 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. In order to implement a policy to have all DMH Legal Entity Agreements uniform in their terms and conditions, approve the supersession of all DMH Agreements with 123 Legal Entity providers, effective upon Board approval, including The Regents of the University of California (Ties for Adoption Program), as listed in Attachment I for Fiscal Years (FY) 2002-2003, 2003-2004 and 2004-2005. The total Maximum Contract Amount (MCA) for each FY reflects \$463,559,479, \$252,881,139 and \$76,914,488 respectively. The MCA for FYs 2003-2004 and 2004-2005 will change because of anticipated contract renewals and are dependent on other funding that is given to the County by the State and/or Federal government on an annual basis.

2. Approve the revised Legal Entity Agreement (Attachment II), the Revenue Integrated Services Agency (ISA) Agreement (Attachment III) formats and make a corresponding amendment to The Regents of the University of California (Ties For Adoption Program) agreement.
3. Approve the attached Request for Appropriation Adjustment (Attachment IV) in the amount of \$105,076,000 for FY 2002-2003. The increase in appropriation will permit the Department of Mental Health (DMH) to fund Legal Entity providers for mental health services.
4. Effective upon Board approval, delegate authority to the Director of Mental Health to prepare, sign and execute these legal entity agreements (substantially similar to Attachment II) between the County and these contractors after DMH has prepared these agreements in accordance with Attachments I and III and has obtained contractor signatures for each agreement.
5. Delegate authority to the Director of Mental Health to prepare, sign and execute future amendments to these DMH Legal Entity Agreements and to the Affiliation Agreement with The Regents of the University of California (Ties for Adoption Program), provided that: 1) the County's total payments to contractor under each Agreement for each fiscal year shall not exceed a change of twenty percent from the applicable revised Maximum Contract Amount; 2) any 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 or his designee is obtained prior to any such Amendment; and 5) 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 OF RECOMMENDED ACTION:**

There has been an ongoing review of all DMH agreements with Legal Entity providers, and the Chief Administrative Office (CAO) and Auditor-Controller (AC) have recommended that there be uniformity of terms and conditions. DMH and County Counsel concur with this recommendation that the supersession bring in line all existing DMH agreements. In addition, the Maximum Contract Amounts (MCA) will reflect the full year's appropriation with no retroactive issuances of monthly contract advances prior to Board adoption.

**Implementation of Strategic Plan Goals:**

The recommended Board actions are consistent with the County's Goal 3, Organizational Effectiveness, Strategies 1 and 3, and Goal 4, Fiscal Responsibility, Strategies 1 and 3, within the County Strategic Plan. Approved services are provided through the collaborative efforts of government agencies and community-based organizations.

**JUSTIFICATION:**

DMH is implementing a strong recommendation by the Chief Administrative Office and Auditor-Controller to make DMH Legal Entity Agreements uniform. Approval of the supersession of the agreements with Legal Entity providers will insure uniformity of terms and conditions. This action will eliminate confusion in regards to the revised Cash Flow Advance language and, in addition, will insure that agreements are in compliance with the Board's mandated clauses. At present there are several forms of the Legal Entity Agreement in effect, especially regarding Cash Flow Loans.

**FISCAL IMPACT:**

There is no net county cost. The appropriation is entirely for costs of the Federal and State reimbursed Medi-Cal (Medicaid) program services delivered by County contract service providers. The funding will be Federal Financial Participation Funds (FFP), State General Funds (SGF-EPSDT), and Sales Tax Realignment funds.

The Maximum Contract Amounts (MCA) will total \$463,559,479 for FY 2002-2003, \$252,881,139 for FY 2003-2004 and \$76,914,488 for FY 2004-2005. The MCA total for FYs 2003-2004 and 2004-2005 will change because of anticipated contract renewals and are dependent on other funding that is given to the County by the State and/or Federal government on an annual basis.

**FINANCING:**

The recommended action will increase the MCA by \$105.1 million consisting of \$61.0 million in FFP, \$42.2 million in EPSDT-SGF, and \$1.9 million in Sales Tax Realignment funds. The \$105.1 million represents disbursement that will be federally required to be disbursed to the various contracted service providers rendering Medi-Cal eligible services to Medi-Cal beneficiaries.

The County, in complying with various Federal and State statutes, must either disburse the Federal and State funds to the contract service providers or return the funds to the State. The County cannot legally use the funds for any purpose other than reimbursing the rendering Medi-Cal service providers.

The \$105.1 million appropriation is for contractors and will be paid only to the extent that contract services are provided. This amount consists of:

- \$16.8 million in FFP for FY 2002-2003 growth in Medi-Cal program services to non-EPSTD Medi-Cal beneficiaries.
- \$25.3 million (\$13.7 million FFP and \$11.6 million EPSTD-SGF) necessary to increase the MCAs up to the FY 2001-2002 actual service delivery level. This amount had not been included in the Department's FY 2002-2003 proposed budget because of various unresolved issues among the Auditor-Controller, Chief Administrative Office and the Department.
- \$23.9 million (\$12.0 million FFP and \$11.9 million EPSTD-SGF) in estimated services to Medi-Cal beneficiaries with EPSTD status that were associated with FY 2001-2002 mid-year program expansion that the State maybe recognizing in their methodology for establishing their FY 2001-2002 baseline for EPSTD growth in FY 2002-2003.
- \$39.1 million, comprised of \$18.5 million in FFP, \$18.7 million in EPSTD-SGF, and \$1.9 million Sales Tax Realignment funds, is estimated growth in excess of the anticipated State designated FY 2002-2003 baseline for EPSTD growth (EPSTD Growth is defined as the amount of EPSTD services rendered above the newly established EPSTD Growth Baseline. This is currently defined as four times the total EPSTD rendered in the 4<sup>th</sup> Quarter of FY 2001/2002, or \$280.3 million. This definition is subject to change. An increase in the Growth Baseline would decrease the cost to the County, and a decrease to the Baseline would result in a higher County cost.). FY 2002-2003 State Budget implementation action taken by the Governor specifies that the local county must contribute 10% of the non-Federal EPSTD costs in excess of a FY 2002-2003 EPSTD Growth Baseline. This would require \$1.9 million local match participation to be funded with the Sales Tax Realignment funds. As noted above, changes to the State's EPSTD Growth Baseline calculation methodology will increase or decrease the \$1.9 million.

The State's disbursement of the FFP funds does not present any financing issue for the County beyond the Auditor-Controller's twelve (12) month revenue recognition period. However, the State's current disbursement procedures for EPSDT-SGF funds does present a potential financing need for the County. While the Department has made progress with the State in improving the State's EPSDT-SGF cash flow, there does remain some uncertainty in the timing of State's disbursements.

The Department appreciates that since this Letter requests that your Board approve an appropriation adjustment for \$42.2 million in EPSDT-SGF, an analysis and disclosure of the potential impact to the County is appropriate. Attachment V summarizes this information. There are three different fiscal years for which the State's payment process for EPSDT-SGF represents a potential cost to the County.

- FY 2000-2001. The State owes the County \$43.5 million for EPSDT services delivered in FY 2000-2001. Of this, \$28.1 million was accrued for collection in FY 2002-2003. This amount, as well as the balance of \$15.4 million (\$43.5 million minus \$28.1 million) would be paid on or about April 2003 and would result in an over realization of revenue. The over realized \$15.4 million would then be used to finance part of the FY 2002-2003 State deferred EPSDT-SGF revenues.

Worst Case Scenario: If the State fails to pay, the County would need to finance the \$28.1 million.

- FY 2001-2002. The State owes the County \$54.4 million for EPSDT services delivered in FY 2001-2002. This amount was not recognized as revenue during 2001-2002 because the timeliness of collection was uncertain. The Department now believes that the State will pay \$28.8 million. The State has notified the Department that it is processing a payment in October 2002 for \$21.8 million of the \$28.8 million. DMH plans to use these funds to finance \$17.4 million of the FY 2002-2003 State deferred EPSDT-SGF revenues. This amount, plus the \$15.4 expected to be over realized from FY 2000-2001 will fully finance the projected \$32.8 million of FY 2002-2003 State deferred EPSDT-SGF revenues.

Worst Case Scenario: If the State fails to pay, the Department would be unable to use these funds to finance the FY 2002-2003 State deferred EPSDT-SGF revenues, and the County would need to finance \$28.8 million.

- FY 2002-2003. The Department estimates it will deliver \$139.1 million in EPSDT-SGF funded services in FY 2002-2003. Of this, the Department anticipates receiving 75%, or \$104.4 million as FY 2002-2003 State advances. The balance of \$32.8 million (this is net of the \$1.9 projected cost of the State's new 10% share of cost for EPSDT growth) will be deferred. This amount would be financed in FY 2002-2003 by the \$15.4 million and \$17.4 million identified in the prior years' analysis, resulting in no net County cost for FY 2002-2003 for the EPSDT program.

Worst Case Scenario: If the State fails to pay any or all of the \$104.4 million, the Department would not be able to finance the shortfall. To the extent that the \$104.4 million is not received, the County would need to finance the unpaid portion of the \$104.4 million.

Accordingly, for County financing purposes of recognizing revenue within the Auditor-Controller's twelve (12) month revenue recognition period, the Department is planning on receiving 75% or \$104.4 million from the State of the \$139.1 million local government EPSDT share of the estimated \$319.5 million in FY 2002-2003 Medi-Cal services to Medi-Cal beneficiaries with designated EPSDT status. This may leave \$32.8 million in deferred revenues that will not be received until approximately twenty-two (22) months after the close of the fiscal year.

The Department is continuing to work with the State to increase the advance percentage and/or use the current State methodology for paying FFP for EPSDT-SGF payment. The State is seriously considering using the FFP payment methodology for EPSDT-SGF disbursements, which would dramatically improve EPSDT-SGF cash flow.

This may leave a temporary financing need. Should the Department fail to obtain an increased level of State advances or a change in the State payment methodology for FY 2002-2003 EPSDT Medi-Cal services by fiscal year end, your Board's participation by funding the State advance deficiency, if any, will be requested.

A Governor's State Executive Order requires a 10% County match for the federally mandated local match portion of services to Medi-Cal beneficiaries with EPSDT status. Ten (10%) percent of the growth amount of the projected \$39.1 million in EPSDT services in excess of the anticipated State baseline of FY 2001-2002 4<sup>th</sup> quarter EPSDT approvals multiplied by four (4) is \$3.9 million. The local match portion is 49.65% or \$1.9 million. The Department will fund \$1.9 million with available

unexpended Sales Tax Realignment funds presently in the County's Sales Tax Realignment Trust.

Following is the methodology for determination of FY 2002-2003 contractor MCA increase. The FFP and EPSDT amounts were determined by:

1. The higher of May 2002 State Medi-Cal approvals multiplied by 12, or May 2002 year-to-date (YTD) State Medi-Cal amounts plus May 2002 State Medi-Cal amounts divided by 97% (.97); unless the contractor requested the existing contract amount, or the lower of the May 2002 multiplied by 12 or May 2002 YTD plus May 2002.
2. There are fourteen (14) exceptions, which are identified by an asterisk (\*) shown in the first column "note". The MCA for these Contractors was based on the net projected program budget amount.
3. The Regents of the University of California item #114 in Attachment I is a unique Affiliation Agreement, which has a mental health services component (Ties for Adoption Program). Our DMH Finance Specialist has approved \$1,191,266 FFP and \$1,135,014 EPSDT-SGF that will be added to that component (Ties for Adoption Program) through an amendment which adds the revised Cash Flow Advance language and amount.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

The MCAs identified in Attachment I reflect your Board's June 26, 2002 adoption of the DMH's FY 2002-2003 Budget, with the exception of the Regents of University of California and nine other providers whose financial exhibits and MCA have been adjusted pursuant to an agreement between DMH and providers. In addition, the MCA reflects three (3) months allocation of Children's System of Care (CSOC) funds, one time only rollover Substance Abuse and Mental Health Services Administration (SAMHSA) funds, CALWORKs funds augmentation (approved by your Board on August 20, 2002) and the proposed increase of additional FFP and EPSDT-SGF.

The Auditor-Controller and DMH's Fiscal and Program staff have reviewed the proposed actions. All of the Agreements have been approved as to form by County Counsel.

- Attachment I (Mental Health Services Agreements -- Legal Entity) specifies the Contractors, Legal Entity number, Supervisorial District, reimbursement methodology, services provided, Agreement terms and Maximum Contract Amounts per year for each Agreement.
- Attachment II is the DMH Legal Entity Agreement format.
- Attachment III is the Revenue Integrated Services Agency (ISA) Agreement format.
- Attachment IV is the Request for Appropriation Adjustment.
- Attachment V is the Analysis of Funding For Supersession Board Letter.

**CONTRACTING PROCESS:**

All of the Agreements identified in Attachment I have existing contracts with the County, which expire on June 30, 2003, June 30, 2004 or June 30, 2005. Approval of this Board Letter will make all DMH Legal Entity Agreements uniform and will add Board mandated language. As mandated by your Board, the performances of all the contracting agencies are evaluated by DMH on an annual basis to ensure the Contractor's compliance with all contract terms and conditions.

**IMPACT ON CURRENT SERVICES:**

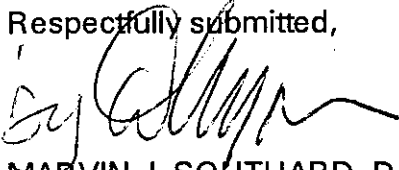
Current services are not affected; this action simply makes all legal entity agreements uniform.



**CONCLUSION:**

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

Respectfully submitted,



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

MJS:RK:BMcT

Attachments (5)

c: Chief Administrative Officer  
County Counsel  
Executive Office, Board of Supervisors  
Auditor-Controller  
Chairperson, Mental Health Commission

Attachment 1 to

Supplement Board letter

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH  
 Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

ATTACHMENT 1

LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
1	1736 Family Crisis Center 2116 Arlington Avenue, Suite 200 Los Angeles, CA 90018 Carol A. Adelfoff Executive Director LEGAL ENTITY (LE) # 00256	4	DMH-00739	104 402 403 404 501	1 YR	\$ 304,805	N/A	N/A
2	AIDS Project Los Angeles, Inc. 3550 Wilshire Blvd., Suite 300 Los Angeles, CA 90010 Craig E. Thompson Executive Director LEGAL ENTITY (LE) # 00269	2	CR DMH-00731	501	1 YR	\$ 126,841	N/A	N/A
3	Alcott Center for Mental Health Services 1433 S. Robertson Blvd. Los Angeles, CA 90035 Penelope Mehra Executive Director LEGAL ENTITY (LE) # 00177	2	NR DMH-00612	402 404 308 104	3 YRS	\$ 1,201,037	\$ 1,190,116	\$ 1,190,116
4	AMADA Enterprises, Inc. 12619 S. Avalon Boulevard Los Angeles, CA 90061 Monica Fenton Administrator LEGAL ENTITY (LE) # 00324	2	DMH-00935	608	2 YRS	***	***	N/A
5	ASC Treatment Group 2457 Endicott Street Los Angeles, CA 90032 Michael Rosberg, Ph.D. Program Director (Co-Owner) LEGAL ENTITY (LE) # 00409	1	NR DMH-00689	915	1 YR	\$ 432,816	N/A	N/A

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH  
 Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

ATTACHMENT I

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LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
6	Asian Rehabilitation Services, Inc. 1701 E. Washington Boulevard Los Angeles, CA 90021 Tom Chung Executive Director LEGAL ENTITY (LE) # 00325	1	DMH-00928	304	2 YRS	\$ 202,492	\$ 196,717	N/A
7	Aspen Health Services Corporation 17100 Pioneer Blvd., Suite 300 Cerritos, CA 90701 Ginny Romig, MBA Executive Director LEGAL ENTITY (LE) # 00519	4	NR DMH-00916	104 309 311, 402 403, 404 406, 1006	2 YRS	\$ 1,908,603	\$ 1,642,251	N/A
8	Associated League of Mexican Americans, Inc. (ALMA) 9140 Whittier Boulevard Pico Rivera, CA 90660 Jean G. Champommier, Ph.D. Executive Director LEGAL ENTITY (LE) # 00173	1	NR DMH-00712	104 402 403 404 501	1 YR	\$ 2,547,857	N/A	N/A
9	Barbour and Floyd Associates 2610 Industry Way #A Lynwood, CA 90262 Jack M. Barbour, M.D. President LEGAL ENTITY (LE) # 00175	2	NR/ISA DMH-00617	901	3 YRS	\$ 1,626,585	\$ 1,626,585	\$ 1,626,585
10	Bienvenidos Children's Center, Inc. 205 E. Palm Altadena, CA 91001 Lorraine Castro President LEGAL ENTITY (LE) # 00860	5	DMH-00715	104 306 402 403 404	1 YR	\$ 1,979,637	N/A	N/A

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH

Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
11	Braswell Enterprises 95 Argonaut, Suite 100 Aliso Viejo, CA 92656-14 Gregory Davis Legal Entity LE#00279	4	IMD DMH-01138	608	2 YRS	***	***	N/A
12	Braswell Rehab. Inst. for Dev. of Grow. & Educ. Svs. Inc. 1977 N. Garey Avenue, #6 Pomona, CA 91767 Ricardo Guajardo Executive Director LEGAL ENTITY (LE) # 00274	1	NR DMH-00728	801 912 913	1 YR	\$ 2,118,345	N/A	N/A
13	Caring for Children and Families With AIDS 5922 Conney Avenue Los Angeles, CA 90034 Jacqueline Gelfand Executive Director LEGAL ENTITY (LE) # 01030	2	DMH-01069	104 311 402 403	2 YRS	\$ 1,237,393	\$ 1,237,393	N/A
14	Cedars-Sinai Medical Center 8730 Alden Drive - Thallans, Rm W104 Los Angeles, CA 90048 Thomas F. Zenty, III Executive Vice President LEGAL ENTITY (LE) # 00178	3	NR/CR DMH-00903	104 402 403 1006	2 YRS	\$ 610,040	\$ 589,703	N/A
15	Center for Healthy Aging 2125 Arizona Street Santa Monica, CA 90404 Don Cohen, Vice President Operations LEGAL ENTITY (LE) # 00211	3	NR DMH-00607	104 308 402 403 404	3 YRS	\$ 452,851	\$ 438,846	\$ 438,846

COUNTY OF LOS ANGELES-DEPARTMENT OF MENTAL HEALTH  
 Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

ATTACHMENT I

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LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
16	Child and Family Center dba Santa Clarita Child & Family Dev. Center P.O. Box 801330 Santa Clarita, CA 91380 Elizabeth Seipel Chief Executive Officer LEGAL ENTITY (LE) # 00210	5	DMH-00737	104 311 402 403 404 406 501,804	1 YR	\$ 4,426,880	N/A	N/A
17	Child and Family Guidance Center 9650 Zelzah Avenue Northridge, CA 91325 Roy Marshall Executive Director LEGAL ENTITY (LE) # 00207	3	DMH-00902	104 309 311,402 403,404 501,804 1001,1006	2 YRS	\$ 15,207,254	\$ 14,663,318	N/A
18	ChildNet Youth and Family Services, Inc. 4223 E. Anaheim Str./P. O. Box 455 Long Beach, CA 90804 Allen Greenberg	4	NR DMH-01144	104 402 403 311 309	3 YRS	\$ 6,804,294	\$ 6,713,865	\$ 6,713,865
19	Legal Entity LE# 00783 Children's Bureau of Southern California 3910 Oakwood Avenue Los Angeles, CA 90004 Alex Morales Executive Director LEGAL ENTITY (LE) # 00668	2	DMH-00722	104,311 401,402 403,404 406,501 1006	1 YR	\$ 6,715,556	N/A	N/A
20	Children's Hospital of Los Angeles 5000 Sunset Blvd., 7th Floor Los Angeles, CA 90027 Thomas C. Armitage Vice President Legal Affairs LEGAL ENTITY (LE) # 00179	3	NR/CR DMH-00745	104 309 402 403 501 1006	1 YR	\$ 5,218,845	N/A	N/A

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH

Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit**	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
21	Children's Institute International 711 South New Hampshire Avenue Los Angeles, CA 90005 Mary Enmons Executive Director LEGAL ENTITY (LE) # 00591	2	NR/CR DMH-00744	104 403 311 402 501 804	1 YR	\$ 7,732,711	N/A	N/A
22	Church Home for Children of the Protestant Epsi. Church 940 Avenue 64 Pasadena, CA 91105 John M. Hitchcock Executive Director LEGAL ENTITY (LE) # 00321	5	NR DMH-00688	104 309 402 403 404 504 802,1006 701	1 YR	\$ 8,193,622	N/A	N/A
23	City of Gardena 1700 W. 162nd Street Gardena, CA 90247 Alma Corners LEGAL ENTITY LE# 00322	2	NR DMH-00618		3 YRS	\$ 97,302	\$ 93,885	\$ 93,885
24	Clontarf Manor 4201 E. 10th Street Long Beach, CA 90804 Patrick Weston President LEGAL ENTITY (LE) # 00327	4	NR DMH-00729	104 308 402 403 404	1 YR	\$ 701,361	N/A	N/A
25	Community Care Center, Inc. 2335 S. Mountain Avenue Duarte, CA 91010 Peter Bennett Administrator LEGAL ENTITY (LE) # 00311	5	DMH-00932	608	1 YR	***	N/A	N/A

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH  
 Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

ATTACHMENT I

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LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
26	Community Counseling Service of Los Angeles, Inc. 1200 Wilshire Boulevard, Suite 208 Los Angeles, CA 90017 Ana Suarez, L.C.S.W. Executive Director LEGAL ENTITY (LE) #00180	1	NR DMH-00694	104 402 403 801 802 911	1 YR	\$ 5,427,929	N/A	N/A
27	Community Family Guidance Center 10929 South Street, Suite 208B Los Angeles, CA 90017 Richard D. Murase, LCSW Executive Director LEGAL ENTITY (LE) # 00181	4	NR/CR DMH-00920	104 402 403 404 406,501 804-1006	2 YRS	\$ 3,260,521	\$ 3,078,067	N/A
28	Counseling4Kids 8133 San Fernando Road, Suite B Sun Valley, CA 91352 Willia Meyjink, Ph.D. Executive Director LEGAL ENTITY (LE) #00694	3	CR 74001	104 402 403	2 YRS	\$ 2,324,300	\$ 2,324,300	N/A
29	Counseling and Research Associates, Inc. 2291 W. 205th Street, Suite 103 Torrance, Ca 90501 Scott Hanada LEGAL ENTITY (LE) #00779	4	NR DMH-01126	309 104 402 403 406	3 YRS	\$ 5,629,994	\$ 5,559,484	\$ 5,559,484
30	LEGAL ENTITY LE# 00779 County of Orange Health Care Agency 405 West 5th Street, Suite 600 Santa Ana, CA 92701 Jayson Benbrook Senior Contract Adm. LEGAL ENTITY (LE) # 00882	All	DMH-00844	309 402 403	1 YR	\$ 465,804	N/A	N/A

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH

ATTACHMENT I

Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit**	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
31	Devereux Foundation dba Devereux California dba Devereux Santa Barbara P.O. Box 6784 Santa Barbara, CA 93160 Timothy W. Welch Executive Director LEGAL ENTITY (LE) # 00472	All	DMH-01051	309 403	2 YRS	\$ 3,405,067	\$ 3,405,067	N/A
32	Didi Hirsch Psychiatric Service 4760 S. Sepulveda Boulevard Culver City, CA 90230 Kita Curry, Ph.D. Executive Director LEGAL ENTITY (LE) # 00183	2	CR/NR ISA DMH-00752	104, 308 402, 403 404 501, 502 801, 802 804, 911	1 YR	\$ 15,719,057	N/A	N/A
33	Dubnoff Center for Child Development and Educational Therapy, Inc. 10526 Dubnoff Way North Hollywood, CA 91606 Sandra Sternig-Babcock, Ph.D. Executive Director LEGAL ENTITY (LE) # 00184	3	DMH-00931	104 309 402 403	2 YRS	\$ 1,617,641	\$ 1,456,154	N/A
34	D'Veal Corporation 855 No. Orange Grove Blvd., Suite 20 Pasadena, CA 91103 John McCall CEO LEGAL ENTITY (LE) # 00778	5	NR/CR 72375	104 402 403 404 501 309	3 YRS	\$ 4,555,652	\$ 4,265,918	\$ 4,265,918
35	EI Centro de Amistad, Inc. 21044 Sherman Way, Suite 101 Canoga Park, CA 91303 Angel Perez, Jr. Executive Director LEGAL ENTITY (LE) # 00185	3	DMH-00727	104 402 403 501	1 YR	\$ 1,397,034	N/A	N/A



LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
36	Eldorado Community Service Centers 4429 West 147th Street Lawndale, CA 90260 Stan Sharma, Ph.D. Executive Director LEGAL ENTITY (LE) # 00695	2	DMH-00717	Service Provision A Fee for Service	1 YR	N/A	N/A	N/A
37	ENKI Health and Research Systems, Inc. 21601 Devonshire Street, Suite 112 Chatsworth, CA 91311 Al Urner, Ph.D. President LEGAL ENTITY (LE) # 00188	5	DMH-00937	104,308,309 310,311,402 403,404,504 802,804,1001 1006,1010	2 YRS	\$ 18,808,841	\$ 15,884,977	N/A
38	Enrichment Through Employment 1840 W. 220th Street, Suite 310 Torrance, CA 90501 Carolyn Comini Director LEGAL ENTITY (LE) # 00690	4	NR DMH-00899	104 402 1008 1009	2 YRS	\$ 106,094	\$ 106,094	N/A
39	Ettie Lee Homes, Inc. 5146 North Maine Avenue Baldwin Park, CA 91706 Clayton L. Downey Executive Director LEGAL ENTITY (LE) # 00847	1	72859	309 403	1 YR	\$ 1,185,209	N/A	N/A
40	Exodus Recovery, Inc. 3828 Delmas Terrace Culver City, CA 90231 Luana Murphy Chief Executive Officer LEGAL ENTITY (LE) #00527	3	NR/CR/ISA DMH-00619	104 402 403 404 802,901 501-1002	1 YR	\$ 1,994,551	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
41	FH & HF Torrance I, LLC c/o Health Quality Management 18757 Burbank Blvd., Suite 130 Tarzana, CA 91356 Michael Schwartz Agent LEGAL ENTITY (LE) # 00993	3	NR DMH-01024	308 609 801	2 YRS	\$ 1,156,734	\$ 1,156,734	N/A
42	Filipino-American Service Group Inc. 135 N. Parkview Street Los Angeles, CA 90026 Susan Maquindang Executive Director LEGAL ENTITY (LE) # 00302	1	DMH-00907	501	2 YRS	\$ 58,881	\$ 58,881	N/A
43	Five Acres - The Boys' and Girls' Aid Society of Los Angeles County 760 W. Mountain View Street Altadena, CA 91001 Robert A. Keitch, L.C.S.W. Executive Director LEGAL ENTITY (LE) # 00647	5	NR DMH-00740	104 402 403 501	1 YR	\$ 7,072,993	N/A	N/A
44	Foothill Family Service 118 S. Oak Knoll Avenue Pasadena, CA 91101 Helen Moran-Wolf Executive Director LEGAL ENTITY (LE) # 00724	5	NR DMH-00741	104 402 403 404 501	1 YR	\$ 4,631,263	N/A	N/A
45	For The Child, Inc. 4001 Long Beach Blvd. Long Beach, CA 90807 Beverly Farcher Executive Director LEGAL ENTITY (LE) # 00300	4	NR/CR DMH-00743	104 402 403 404 501	1 YR	\$ 528,095	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
46	Gateways Hospital and MHC 1891 Effie Street Los Angeles, CA 90026 Mara Pelsman CEO LEGAL ENTITY (LE) # 00190	All	NR/CR DMH-00721	104, 304 402, 403 404, 406 501, 801 902, 1006	1 YR	\$ 8,460,853	N/A	N/A
47	Gay and Lesbian Adolescent Social Services, Inc. 650 North Robertson Blvd. West Hollywood, CA 90069 Michael J. Ferrera Clinical Director LEGAL ENTITY (LE) # 00846	2	72858	104 309 402 403 404	1 YR	\$ 2,078,696	N/A	N/A
48	Golden State Health Centers, Inc. 13347 Ventura Blvd. Sherman Oaks, CA 91423 Martin Weiss Vice President LEGAL ENTITY (LE) # 00187	3	DMH-01135	604 606 607 608	1/2 YR +	***	N/A	N/A
49	The Guidance Center 3711 Long Beach Blvd., Suite 600 Long Beach, CA 90807 David K. Slay, Ph.D. Executive Director LEGAL ENTITY (LE) # 00191	2 & 4	NR/CR DMH-00913	104, 309 311, 402 403, 404 406, 501 804, 1006	2 YRS	\$ 8,773,961	\$ 8,085,673	N/A
50	Hamburger Home 1701 Camino Palmero Los Angeles, CA 90046 Andrew Diamond CEO LEGAL ENTITY (LE) # 00174	3	NR DMH-00894	104 309 402 403 406 804, 1006	2 YRS	\$ 4,984,426	\$ 4,824,339	N/A

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ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
51	Harbor View Adolescent Center 95 Argonaut, Suite 100 Aliso Viejo, CA 92656-14 Gregory Davis Legal Entity LE# 00206	4	NR/IMD DMH-00611	104 306 402 403 605	3 YRS	\$ 2,576,014	\$ 2,554,330	\$ 2,554,330
52	Hathaway Children's Services 11500 Eldridge Avenue, #204 Lake View Terrace, CA 91342 Lyn Munro Director of Community Services LEGAL ENTITY (LE) # 00192	3	NR/CR DMH-00746	104 402,309 403,404 406,501 804,1006	1 YR	\$ 8,616,249	N/A	N/A
53	Health Research Association 1640 Marengo Street, 7th Floor Los Angeles, CA 90033 Elizabeth Pratt President and CEO LEGAL ENTITY (LE) # 00193	1	CR DMH-00735	104 402 403 404 904	1 YR	\$ 282,095	N/A	N/A
54	Health Smart Pacific, Inc. 2776 Pacific Avenue Long Beach, CA 90806 Michael D. Drobot CEO/Executive Director LEGAL ENTITY (LE) #	4	DMH-00705	Service Provision A Fee for Service	1 YR	N/A	N/A	N/A
55	Health View, Inc. dba Harbor View House 921 S. Beacon Street San Pedro, CA 90731 Vernon Gettys Chief Executive Officer LEGAL ENTITY (LE) # 00209	4	NR DMH-00802	308 801	1 YR	\$ 842,011	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
56	Heritage Clinic and The Community Assistance Program 447 N. El Molino Avenue Pasadena, CA 91101 Cynthia Jackson, Ph.D. Executive Director/CEO LEGAL ENTITY (LE) # 00965	5	NR DMH-00914	104 402 403 802	2 YRS	\$ 387,920	\$ 381,579	N/A
57	Hillview Mental Health Center, Inc. 11500 Eldridge Avenue Lakeview Terrace, CA 91342 Eva McCraven, Ph.D. Executive Director LEGAL ENTITY (LE) # 00194	3	NR/CR DMH-00915	104,304,402 403,404,406 501,701,801 908,920 1001,1008 1009	2 YRS	\$ 7,518,187	\$ 5,770,453	N/A
58	Homes for Life Foundation 8929 S. Sepulveda Blvd., Suite 506 Los Angeles, CA 90045 Carol M. Liess Executive Director LEGAL ENTITY (LE) # 00508	4	NR DMH-00897	104 402	2 YRS	\$ 335,448	\$ 332,794	N/A
59	Institute for the Redesign of Learning 1955 Fremont Avenue South Pasadena, CA 91030 Edwin R. Shrader, MFT Director of Clinical Service LEGAL ENTITY (LE) # 00171	5	NR DMH-00904	104 311 402 403 404 1006	2 YRS	\$ 4,475,008	\$ 4,475,008	N/A
60	Intercommunity Child Guidance Center 8106 South Broadway Avenue Whittier, CA 90606 Sandra J. Klein, L.C.S.W. Executive Director LEGAL ENTITY (LE) # 00195	1	NR/CR DMH-00691	104, 311 402, 403 404, 406 501, 802 1006	1 YR	\$ 2,934,248	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
61	Kamilia Community Health Center 1028 N. Lake Avenue, Suite 205 Pasadena, CA 91104 Olbarnidele Dada, Ph.D. Executive Director LEGAL ENTITY (LE) # 00786	5	DMH-00709	Service Provision A Fee for Service	1 YR	N/A	N/A	N/A
62	Kedren Community Health Center 4211 S. Avalon Boulevard Los Angeles, CA 90011 John H. Griffith, Ph.D. President and CEO LEGAL ENTITY (LE) # 00197	2	NR/CR DMH-00667	104,308,309 310,311,402 403,404,501 801,902,920 1005,1006 1010	1 YR	\$ 18,397,995	N/A	N/A
63	Korean Youth and Community Center, Inc. 680 S. Wilton Place Los Angeles, CA 90005 Johnng Ho Song Executive Director LEGAL ENTITY (LE) # 00326	2	CR DMH-00738	104 402 804	1 YR	\$ 218,828	N/A	N/A
64	LAMP, Inc. 527 South Crocker Street Los Angeles, CA 90013 Bob Berman Interim Executive Director LEGAL ENTITY (LE) # 00317	2	CR DMH-00733	501	1 YR	\$ 1,805,933	N/A	N/A
65	Landmark Medical Services, Inc. 2030 North Garey Avenue Pomona, CA 91767 Marshall S. Horsman President and CEO LEGAL ENTITY (LE) # 00313	1	DMH-00933	608	1 YR	***	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
66	Los Angeles Center for Group Therapy 1022 Palm Avenue, Suite 1 West Hollywood, CA 90069 Norma Douglas CEO/Executive Director LEGAL ENTITY (LE) # 00703	3	DMH-00706	Service Provision A Fee for Service	1 YR	N/A	N/A	N/A
67	Los Angeles Center for Therapy and Educ. dba The H.E.L.P. Group 13130 Burbank Boulevard Sherman Oaks, CA. 91401 Barbara Firestone, Ph.D. Executive Director LEGAL ENTITY (LE) # 00198	3	DMH-00723	104 309 311 402 403 404 406,804	1 YR	\$ 5,699,440	N/A	N/A
68	Los Angeles Child Guidance Clinic 3787 S. Vermont Avenue Los Angeles, CA 90007 Elizabeth Pfromm, MPA Executive Director LEGAL ENTITY (LE) # 00199	2	CR DMH-00749	104 309 311 402 403 404,802	1 YR	\$ 8,662,748	N/A	N/A
69	Los Angeles County Office of Education 9300 Imperial Highway Downey, CA 90242-2890 Patricia L. Meyer Director, Business Operations LEGAL ENTITY (LE) # 00881	All	NR DMH-01132	104 402	3YRS	\$ 219,492	\$ 219,492	\$ 219,492
70	Los Angeles Free Clinic 8405 Beverly Boulevard Los Angeles, CA 90048 Joseph W. Dunn, Ph.D., M.B.A. Executive Director LEGAL ENTITY (LE) #	3	73003 DMH-00726	501	1 YR	\$ 23,430	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
71	Los Angeles Gay and Lesbian Community Ctr. 1625 N. Schrader Blvd. Los Angeles, CA 90028 Jerry C. Bare Chief Financial Officer LEGAL ENTITY (LE) # 00304	3	CR DMH-00730	501	1 YR	\$ 201,206	N/A	N/A
72	Los Angeles Orphans Home Society dba Hollygrove 815 N. El Centro Avenue Los Angeles, CA 90038 Gordon A. Freitas LEGAL ENTITY LE#00780	3	NR DMH-01137	104 309 402 403	3 YRS	\$ 3,157,192	\$ 3,157,192	\$ 3,157,192
73	Los Angeles Unified School District 97th Street School (MHC) 450 North Grand Avenue Los Angeles, CA 90012 LEGAL ENTITY (LE) # 00315	1	NR DMH-00938	104 402 403 404 1006	2 YRS	\$ 2,886,900	\$ 2,886,900	N/A
74	Manlyvale 7600 E. Graves Avenue Rosemead, CA 91770 Sister Linda Ann Cahill Executive Director LEGAL ENTITY (LE) # 01034	1	NR DMH-01070	309 403	2 YRS	\$ 2,365,067	\$ 2,365,067	N/A
75	Mckinley Children's Center, Inc. 762 W. Cypress Street San Dimas, CA 91773 Steven C. Young President/CEO LEGAL ENTITY (LE) # 00971	5	DMH-01037	309 403	2 YRS	\$ 2,002,103	\$ 2,002,103	N/A



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						FY 2002-2003	FY 2003-2004	FY 2004-2005
76	Meadowbrook Rehabilitation Center 95 Argonaut, Suite 100 Aliso Viejo, CA 92656 Walter Hekimian Vice President of Operations LEGAL ENTITY (LE) # 00314	2	DMH-00929	608	1 YR	***	N/A	N/A
77	Mental Health Association in L.A. County 1336 Wilshire Blvd., 2nd Floor Los Angeles, CA 90017 Richard Van Horn Executive Director LEGAL ENTITY (LE) # 00200	2	DMH-00930	104 308,402 403,404 501 920 ISA	2 YRS	\$ 9,717,247	\$ 9,229,846	N/A
78	Multiservice Family Center, Inc. 101 N. La Brea Avenue, Suite 301 Inglewood, CA 90301 Evelyn S. Clark, Ed.O. President, CEO LEGAL ENTITY (LE) # 00201	2	DMH-00719	Service Provision A Fee for Service	1 YR	N/A	N/A	N/A
79	Penny Lane Centers dba Penny Lane 15315-17 Rayen Street. North Hills, CA 91343 Rosana LaFianza Director of Clinic Ops. LEGAL ENTITY (LE)# 00201	3	NR/CR DMH-01102	104,311 309 402 403 501 804	3 YRS	\$ 12,830,898	\$ 10,472,920	\$ 10,472,920
80	Ocean Park Community Center 1453 16th Street Santa Monica, CA 90404 John Maceri Executive Director LEGAL ENTITY (LE) # 00305	3	CR DMH-00734	104 402	1 YR	\$ 216,668	N/A	N/A

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ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit**	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
81	Olive Crest Treatment Center, Inc. 2130 E. Fourth Street, Suite 200 Santa Ana, CA 92705 LEGAL ENTITY (LE) # 00518	1	DMH-00725	309 403	1 YR	\$ 427,694	N/A	N/A
82	One in Long Beach, Inc. dba The Gay and Lesbian Community Center of Greater LB 2017 East 4th Street Long Beach, Ca 90814 Pat Crosby, Executive Director LEGAL ENTITY (LE) #00859	4	NR DMH-01100	501	3YRS	\$ 143,641	\$ 143,641	\$ 143,641
83	Optimist Youth Homes 6957 N. Figueroa St./P.O. Box 1076 Los Angeles, CA 90041 Silvio John Orlando LEGAL ENTITY LE# 00781	1	NR DMH-01101	309 104 402 403	3 YRS	\$ 5,449,742	\$ 5,298,141	\$ 5,298,141
84	Pacific Clinics 800 S. Santa Anita Avenue Arcadia, CA 91006 Susan Mandel, Ph.D. President and CEO LEGAL ENTITY (LE) # 00203	5	NR/CR DMH-00895	104,309 311,402 403,404 501,701 802,920,1001 1006,1010	2 YRS	\$ 47,770,637	\$ 43,964,909	N/A
85	Parenting Institute Incorporated 3761 Stocker Avenue, Suite #211 Los Angeles, CA 90008 Marian Thomas Executive Director LEGAL ENTITY (LE) # 00693	2	DMH-00707	Service Provision A Fee for Service	1 YR	N/A	N/A	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
86	Pasadena Children's Training Society dba The Sycamores 210 S. DeLacey Ave., Suite 110 Pasadena, CA 91105 William P. Martone President LEGAL ENTITY (LE) # 00204	5	DMH-00661	104 309 311,402 403,404 406,501 804,1006	1 YR	\$ 11,247,160	N/A	N/A
87	Pediatric & Family Medical Center 1530 South Olive Street Los Angeles, CA 90015 Carl E. Coan CEO LEGAL ENTITY (LE) # 00711	1	DMH-00711	Service Provision A Fee for Service	2 YRS	N/A	N/A	N/A
88	Phoenix Houses of Los Angeles, Inc. 11600 Eldridge Avenue Lake View Terrace, CA 91342 Elizabeth Stanley-Salazar LEGAL ENTITY LE# 00805	3	NR DMH-01133	309 403	3 YRS	\$ 1,006,791	\$ 1,006,791	\$ 1,006,791
89	Portals 679 New Hampshire Avenue, 5th Floor Los Angeles, CA 90005 Jim Balla President and CEO LEGAL ENTITY (LE) # 00205	2	NR/CR DMH-00692	104,304 308,310 402,403 404,501 802,903 904	1 YR	\$ 10,850,712	N/A	N/A
90	PROTOTYPES 5601 W. Slauson Avenue, Suite 200 Culver City, CA 90230 Vivian B. Brown, Ph.D. President and CEO LEGAL ENTITY (LE) # 00838	5	NR/CR DMH-00919	104 308 402 403 404 501	2 YRS	\$ 1,021,944	\$ 945,758	N/A

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
96	Social Model Recovery Systems, Inc. 250 East Rowland Street Covina, CA 91723 Jim O'Connell Chief Executive Office	5	CR DMH-00750	104 308 402 403 404 501 801	1 YR	\$ 1,694,305	N/A	N/A
97	LEGAL ENTITY (LE) # 00212 South Bay Children's Health Center Assoc. 410 S. Camino Real Redondo Beach, CA 90277 Herbert C. Mast Executive Director LEGAL ENTITY (LE) # 00213	4	NR DMH-00898	104 309 402 403 1006	2 YRS	\$ 547,960	\$ 547,960	N/A
98	South Central Health Rehabilitation Program (SCHARP) 2610 Industry Way Lynwood, CA 90262 Jack Barbour, MD and Reta Floyd, MD Co-Directors LEGAL ENTITY (LE) # 00506	2	NR/CR DMH-00905	104,304 308,402 403,404 501,1005 1006,1008 1009	2 YRS	\$ 4,750,455	\$ 4,636,348	N/A
99	Special Service for Groups 605 W. Olympic Blvd., Suite 600 Los Angeles, CA 90015 Herbert Hatanana, D.S.W. Executive Director LEGAL ENTITY (LE) # 00214	1	DMH-00927	104,308,309 402,403,404 405,504,602 801,802 1001,1005 1006,1010	2 YRS	\$ 11,920,577	\$ 10,899,470	N/A
100	Star View Adolescent Center, Inc. (PHF) 45 Arroyo Piedmont, CA 94611 Mary Jane Cross Legal Entity LE # 00543	4	NR/IMD DMH-00609	104 311 402 403 608 801,902	3 YRS	\$ 17,865,163	\$ 17,843,479	\$ 17,843,479

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
91	Research and Treatment Institute, Inc. 937 W. Foothill Blvd., Suite D Claremont, CA 91711 John T. Choi President/COO LEGAL ENTITY (LE) # 00320	5	NR DMH-00704	309 403	1 YR	\$ 1,935,762	N/A	N/A
92	Rosemary Children's Services 36 S. Kinneloa Avenue #200 Pasadena, CA 91107 Greg H. Wessels Executive Director LEGAL ENTITY (LE) # 00848	5	72860	309 403	1 YR	\$ 1,696,015	N/A	N/A
93	San Fernando Valley Community MHC (AMI) 14535 Sherman Circle Van Nuys, CA 91405 Ian Hunter, Ph.D. Executive Director LEGAL ENTITY (LE) # 00208	3	NR/CR/ISA DMH-00906	104,308,309 310,311,402 403,404,406 801,701,801 802,912,913 920,1010	2 YRS	\$ 19,688,272	\$ 17,956,088	N/A
94	San Gabriel Valley Convalescent Hospital 3938 Cogswell Road El Monte, CA 91732 Mitchell A. Kantor President LEGAL ENTITY (LE) # 00308	4	DMH-00934	608	1 YR	***	N/A	N/A
95	SHIELDS For Families Project, Inc. 12714 S. Avalon Blvd., Suite 300 Los Angeles, CA 90061 Kathryn S. Icenhower, Ph.D. Executive Director LEGAL ENTITY (LE) #00558	2	NR/CR DMH-01127	104 311 402,403 404,501 804 1006	3 YRS	\$ 5,201,268	\$ 4,805,662	\$ 4,805,662

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
101	St. Francis Medical Center-Children's Counseling Center 3630 E. Imperial Highway Lynwood, CA 90262 Derrell Tidwell, A.C.S.W	2	NR DMH-01116	104 402 403 404	3 YRS	\$ 915,448	\$ 915,448	\$ 915,448
102	LEGAL ENTITY LE#00784 St. John's Hospital and Health Center 1339 20th Street Santa Monica, CA 90404 Rebecca Refuerzo, L.C.S.W. Executive Director	3	CR DMH-00751	104 311 402 403 501 804	1 YR	\$ 2,278,418	N/A	N/A
103	St. Joseph Center 204 Hampton Avenue Venice, CA 90291 Judy Alexander Assistant Director	3	NR/CR DMH-00608	104 402 404 501 802	3 YRS	\$ 544,692	\$ 538,414	\$ 538,414
104	LEGAL ENTITY (LE) # 00218 Step-Up On Second Street, Inc. 1328 Second Street Santa Monica, CA 90401 Tod Lipka	3	NR/ISA DMH-00622	104 402 501 901 403 404	3 YRS	\$ 1,843,617	\$ 1,583,718	\$ 1,583,718
105	LEGAL ENTITY (LE) #00215 Stirling Academy, Inc. 31824 Village Center Road, Suite #E Westlake Village, CA 91361 Iraj Broomand, Ph.D. Executive Director	3	CR DMH-00736	104 402 403 406 504 1006	1 YR	\$ 1,178,150	N/A	N/A
	LEGAL ENTITY (LE) # 00216							

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						FY 2002-2003	FY 2003-2004	FY 2004-2005
106	Telecare Corporation 1100 Marina Village Parkway #1 Alameda, CA 94501 Marshall Langfeld LE# 00108	4&7	NR/CR ISA DMH-00610	104 402 403 914 404 405 501 602 608 801 901 1010	3 YRS	\$ 6,160,280	\$ 6,160,280	\$ 6,160,280
107	The Children's Center of the Antelope Valley 1055 West Avenue M, Suite 110 Lancaster, CA 93534 Debbie Grant Executive Director LEGAL ENTITY (LE) # New Contract	5	DMH-01074	Ex. 104 Ex. 402 Ex. 403	2 YRS	\$ 461,749	\$ 461,749	N/A
108	Topange-Roscoe Corporation 22115 Roscoe Boulevard Canoga Park, CA 91304 Cary Buchman Director LEGAL ENTITY (LE) # 00630	5	DMH-00695	308	1 YR	\$ 542,377	N/A	N/A
109	Transitional Living Centers for L.A. County Inc. 16119 Prairie Avenue Lawndale, CA 90260 Kenneth Parker, Ph.D. President/CEO LEGAL ENTITY (LE) # 00219	2	DMH-00912	104,304 308,402 403,404 501,701 801,904 912	2 YRS	\$ 1,732,442	\$ 1,699,084	N/A
110	Travelers Aid Society of Los Angeles 1720 N. Gower Street Los Angeles, CA 90028 Paul Hollombe Executive Director LEGAL ENTITY (LE) # 00309	3	DMH-00724	501	1 YR	\$ 100,968	N/A	N/A

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ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
116	VIP Community Mental Health Center (VIP CMHC) 1721 Griffin Avenue Los Angeles, CA 90031 Asitrd Heeger, M.D. Chairperson LEGAL ENTITY (LE) # 01044	1	DMH-01075	104 402 403 404	2 YRS	\$ 2,750,000	\$ 2,750,000	N/A
117	Vista Del Mar Child & Family Services 3200 Motor Avenue Los Angeles, CA 90034 Gerald D. Zaslav President and CEO LEGAL ENTITY (LE) # 00196	2	NR DMH-00742	104 309 311 402 403 804	1 YR	\$ 6,225,704	N/A	N/A
118	Watts Labor Community Action Committee 10950 S. Central Avenue Los Angeles, CA 90059 Timothy Watkins President LEGAL ENTITY (LE) # 00310	2	NR DMH-00901	104 904	2 YRS	\$ 267,418	\$ 260,733	N/A
119	West County Medical Clinic 4429 West 147th Street Lawndale, CA 90260 Stan Sharnia, Ph.D. Executive Director LEGAL ENTITY (LE) # 00698	2	DMH-00718	Services Provision A Fee for Service	1 YR	N/A	N/A	N/A
120	Westside Center for Independent Living 12901 Venice Boulevard Los Angeles, CA 90066 Mary Ann Jones Executive Director LEGAL ENTITY (LE) # 00316	4	CR DMH-00720	504 802	1 YR	\$ 64,520	N/A	N/A



LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit**	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
111	Tri-City Mental Health Center 3201 Temple Avenue, Suite 250 Pomona, CA 91768 Terry Kramer Executive Director LEGAL ENTITY (LE) # 00066	1	NR/CR DMH-00713	ISA 104,308 310,402 403,404 501,802 920,1001	1 YR	\$ 10,596,056	N/A	N/A
112	United American Indian Involvement, Inc. 1125 West Sixth Street, Suite 400 Los Angeles, CA 90017 David L. Rambeau Executive Director LEGAL ENTITY (LE) # 00938	1	NR/CR 73232	402 403 404	1 YR	\$ 763,382	N/A	N/A
113	United Cambodian Community, Inc. 2338 E. Anaheim Street, Ste. 200 Long Beach, CA 90804 Andrew G. Danni Executive Director LEGAL ENTITY (LE)#00220	4	NR DMH-00911	501	1 YR	\$ 122,675	N/A	N/A
114	The Regents of the University of California P.O. Box 951722 Los Angeles, CA 90095-1722 J. Thomas Rosenthal, M.D. Director, Vice Provost LEGAL ENTITY (LE)#00984	CW	DMH-00964	N/A	3 YRS	\$ 2,326,281	\$ 2,326,281	\$ 2,326,281
115	Verdugo Mental Health Center 1540 E. Colorado Street Glendale, CA 91205 Lynn Brandstater Chief Executive Officer LEGAL ENTITY (LE) # 00221	5	CR DMH-00714	104 308 402 403 404 501	1 YR	\$ 5,227,971	N/A	N/A

\*\*\*\*

COUNTY OF LOS ANGELES--DEPARTMENT OF MENTAL HEALTH  
 Contracts Development and Administration Division  
 CONTRACT SUPERSESSION FY 2002-2003

ATTACHMENT I

LEGAL ENTITY (CONTRACTS)

ITEM No.	CONTRACTOR LEGAL ENTITY (LE) #	SUP. DIST. (Sites)	Reimbursement Method Format* & Present Contract #	Type of Service Exhibit **	Agreement Terms	Fiscal Year Maximum Contract Amount		
						FY 2002-2003	FY 2003-2004	FY 2004-2005
121	Work Orientation and Rehabilitation Co., Inc. 1977 N. Garey Avenue, Suite #6 Pomona, CA 91767 Ricardo Guejardo Executive Director LEGAL ENTITY (LE) # 00328	1	NR DMH-00922	104 304 402	2 YRS	\$ 287,420	\$ 268,665	N/A
122	WRAP Family Services 8616 La Tijera Blvd., Suite #2 Los Angeles, CA 90002 Nancy Au Executive Director LEGAL ENTITY (LE) # 00579	4	NR/CR DMH-00910	104 402 403 404 501	2 YRS	\$ 1,872,194	\$ 1,451,314	N/A
123	Youth Intervention Program 1776 E. Century Blvd. Los Angeles, CA 90002 Yakicwey Washington Executive Director LEGAL ENTITY (LE) # 00687	2	NR/CR DMH-00909	103,104 311,402 403,406 501,804 1006	2 YRS	\$ 4,222,569	\$ 3,971,155	N/A
<b>TOTAL:</b>						\$ 463,559,479	\$ 252,861,139	\$ 76,914,488

\* Reimbursement Method Format: CR=Cost Reimbursement NR=Negotiated Rate IMD=Institutions of Mental Disease ISA=Integrated Services Agency  
 \*\* Type to Mental Health Service Exhibits are identified/specified on the attached description sheet  
 \*\*\* MCA shall not exceed the amount DMH budgeted for IMD beds.  
 \*\*\*\* The term of this Agreement with the Regents of the University of California is five (5) years, it terminates June 30, 2006.  
 + July 1, 2002 through December 31, 2002

DMH LEGAL ENTITY AGREEMENT

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CONTRACTOR:

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\_\_\_\_\_

Contract Number

Business Address:

\_\_\_\_\_  
\_\_\_\_\_

Reference Number(s)

Legal Entity Number

Provider Number(s) \_\_\_\_\_

Contractor Headquarters' Supervisorial District \_\_\_\_\_

Mental Health Service Area(s) \_\_\_\_\_ OR Countywide \_\_\_\_\_

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

DISTRIBUTION

(Please type in the applicable name for each)

Deputy Director \_\_\_\_\_

Lead Manager \_\_\_\_\_

K: S \_\_\_\_\_ --or-- U \_\_\_\_\_

LEGAL ENTITY:NRTIT20C.IVA.SuperLE02-03\_No.2

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LEGAL ENTITY: NRTIT20C.IVA.SuperLE02-03\_No.2

DMH LEGAL ENTITY AGREEMENT

1  
2  
3  
4 THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, by and  
5 between the County of Los Angeles (hereafter "County"), and \_\_\_\_\_  
6 \_\_\_\_\_  
7 (hereafter "Contractor") with the following business address at \_\_\_\_\_  
8 \_\_\_\_\_

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

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

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

16 WHEREAS, these services shall be provided by Contractor in accordance with all applicable  
17 Federal, State and local laws, required licenses, ordinances, rules, Regulations, manuals, guidelines, and  
18 directives, which may include, but are not necessarily limited to, the following: Bronzan-McCorquodale  
19 Act, California Welfare and Institutions Code Section 5600 *et seq.*, including, but not limited to,  
20 Sections 5600.2, 5600.3, 5600.4, 5600.9, 5602, 5608, 5651, 5670, 5670.5, 5671, 5671.5, 5672,  
21 5705, 5709, 5710, 5716, 5719, 5721, 5722, 5751.2, and 5900 *et seq.*; Medi-Cal Act, California  
22 Welfare and Institutions Code Section 14000 *et seq.*, including, but not limited to, Section 14132.44;  
23 California Welfare and Institutions Code Section 17601 *et seq.*; California Work Opportunities and  
24 Responsibilities to Kids Act, California Welfare and Institutions Code Section 11200 *et seq.*; California  
25 Government Code Sections 26227 and 53703; Title XIX of the Social Security Act, 42 United States  
26 Code Section 1396 *et seq.*; Title IV of the Social Security Act, Part B of Title XIX of the Public Health  
27 Service Act, 42 United States Code Section 300x *et seq.*; California Penal Code Section 11164 *et seq.*;  
28 Title 9 and Title 22, including, but not limited to, Sections 51516, 70001, 71001, 72001 *et seq.*, and  
29 72443 *et seq.* of the California Code of Regulations; State Department of Mental Health's Cost  
30 Reporting/Data Collection Manual; State Department of Mental Health's Short-Doyle/Medi-Cal Manual  
31 for the Rehabilitation Option and Targeted Case Management; State Department of Mental Health's  
32 Short-Doyle/Medi-Cal Automated Cost Reporting System Users Manual; policies and procedures  
33 developed by County; State's Medicaid Plan; and policies and procedures which have been documented  
34 in the form of Policy Letters issued by State Department of Mental Health; and/or for State Department  
35 of Health Services.

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 1. TERM:

5 A. Initial Period: The Initial Period of this Agreement shall commence on  
6 and shall continue in full force and effect through \_\_\_\_\_.

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

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

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

18 C. Termination:

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

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

22 (a) If County determines that:

- 23 i. Any Federal, State, and/or County funds are not available for  
24 this Agreement or any portion thereof; or
- 25 ii. Contractor has failed to initiate delivery of services within 30  
26 days of the commencement date of this Agreement; or
- 27 iii. Contractor has failed to comply with any of the provisions of  
28 Paragraphs 16 (NONDISCRIMINATION IN SERVICES), 17  
29 (NONDISCRIMINATION IN EMPLOYMENT), 19  
30 (INDEMNIFICATION AND INSURANCE), 20 (WARRANTY  
31 AGAINST CONTINGENT FEES), 21 (CONFLICT OF INTEREST),  
32 26 (DELEGATION AND ASSIGNMENT), 27  
33 (SUBCONTRACTING), 45 (CERTIFICATION OF DRUG-FREE  
34 WORK PLACE), 48 (CHILD SUPPORT COMPLIANCE  
35 PROGRAM), and/or 52 (CONTRACTOR'S EXCLUSION FROM  
36 PARTICIPATION IN A FEDERALLY FUNDED PROGRAM); or

1 (b) In accordance with Paragraphs 32 (TERMINATION FOR INSOLVENCY),  
2 33 (TERMINATION FOR DEFAULT), 34 (TERMINATION FOR IMPROPER  
3 CONSIDERATION), and/or 46 (COUNTY LOBBYISTS).

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

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

8 (a) On or after the date of the written notice of termination, County, in its  
9 sole discretion, may stop all payments to Contractor hereunder until  
10 preliminary settlement based on the Annual Cost Report. Contractor  
11 shall prepare an Annual Cost Report, including a statement of expenses  
12 and revenues, which shall be submitted pursuant to Paragraph 4  
13 (FINANCIAL PROVISIONS), Subparagraph P (Annual Cost Reports),  
14 within seventy-five days of the date of termination. Such preliminary  
15 settlement shall not exceed the Maximum Monthly Payment (see  
16 Paragraph 4 (FINANCIAL PROVISIONS), Subparagraph N (Maximum  
17 Monthly Payment)) multiplied by the actual number of  
18 months or portion thereof during which this Agreement was in effect  
19 during the particular Fiscal Year; and

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

31 (c) If Contractor is in possession of any equipment, furniture, removable  
32 fixtures, materials, or supplies owned by County as provided in  
33 Paragraph 42 (PURCHASES), the same shall be immediately returned to  
34 County.

35 (5) Any termination of this Agreement by County shall be approved by County's

36 Board of Supervisors.



1 D. Suspension of Payments: At the sole discretion of Director, payments to Contractor  
2 under this Agreement shall be suspended if Director determines that Contractor is in default under any of  
3 the provisions of this Agreement or if State fails to make prompt payment as determined by Director on  
4 County's claims to State.

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

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

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

17 Contractor may provide mental health services claimable as Title IV-A Emergency Assistance  
18 services. The Title IV-A Emergency Assistance mental health services which may be claimable are  
19 shown in the Financial Exhibit column(s) which are identified on the Financial Summary.

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

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

26 4. FINANCIAL PROVISIONS:

27 A. General: This Agreement provides for reimbursement as provided in Subsection 1 of  
28 Subparagraph L (Payment) and as shown on the Financial Summary(ies) in the applicable Financial  
29 Exhibit column(s) for Capitated Rate, and/or Cost Reimbursement, and/or IMD, and/or Negotiated Rate.

30 (1) Capitated Rate: A fixed amount, including all revenue, interest and return, per  
31 enrolled individual/member paid monthly to Contractor for providing comprehensive mental health  
32 services/activities as required in that period for the covered individuals/members. All fees paid by or  
33 paid on behalf of an enrolled individual/member receiving services/activities hereunder and all other  
34 revenue, interest and return resulting from services/activities and/or funds hereunder shall be  
35 deducted from the Capitated Rate.

36 (2) Cost Reimbursement: County agrees to reimburse Contractor during the term of

1 this Agreement for the actual and allowable costs, less all fees paid by or on behalf of patients/clients  
2 receiving services/activities hereunder and all other revenue, interest and return resulting from  
3 services/activities and/or funds paid by County to Contractor hereunder but not to exceed the Maximum  
4 Reimbursable Amount per visit as shown on the Financial Summary in the applicable Financial Exhibit  
5 column(s) and the maximum number of allowable visits stipulated in the Fee-For-Service Medi-Cal  
6 Specialty Mental Health Services Provider Manual when Contractor is providing mental health services,  
7 specialty mental health services and/or Title IV-A Emergency Assistance services, and/or Title XIX  
8 Medi-Cal Administrative Activities hereunder in accordance with WIC Sections 5704, 5707, 5709,  
9 5710, 5714, 5716, 5717, 5718, 5719, 5720, 5721, 5723, and 14132.44; CCR Titles 9 and 22;  
10 SDMH Policy Letters; CR/DC Manual; RO/TCM Manual; DMH policies and procedures; and all other  
11 applicable Federal, State, and local laws, ordinances, rules, regulations manuals, guidelines, and  
12 directives.

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

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

20 Notwithstanding any other provision of this Agreement, in the event that Contractor provides  
21 EPSDT services reimbursable under the State's EPSDT mandate claim process, in excess of the  
22 Contractor's Fiscal Year \_\_\_\_\_ base of \$ \_\_\_\_\_, Contractor shall be  
23 paid by County from EPSDT funds upon receipt from the State. In the event that EPSDT funds are not  
24 available to pay EPSDT claims or that State denies any or all of the EPSDT claims submitted by County  
25 on behalf of Contractor, Contractor shall indemnify and hold harmless County for any and all liability for  
26 payment of any or all of the denied EPSDT claims or for the unavailability of EPSDT funds to pay for  
27 EPSDT claims. Contractor shall be solely liable and responsible for all data and information submitted by  
28 Contractor to County in support of all claims for EPSDT funds submitted by County as the fiscal  
29 intermediary.

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

32 (5) Negotiated Rate: County agrees to reimburse Contractor during the term of this  
33 Agreement for providing mental health services, and/or Title IV-A Emergency Assistance services  
34 hereunder in accordance with WIC Sections 5704, 5705, 5707, 5709, 5710, 5714, 5716, 5717,  
35 5718, 5719, 5720, 5721, 5723, and 14132.44; CCR Titles 9 and 22; SDMH Policy Letters; CR/DC  
36 Manual; RO/TCM Manual; DMH policies and procedures; and all other applicable Federal, State, and local

1 laws, ordinances, rules, regulations, manuals, guidelines, and directives. Except for Title XIX Medi-Cal  
2 Administrative Activities, reimbursement shall be at the Negotiated Rate(s), as mutually agreed upon  
3 between County and Contractor and approved by SDMH (for any NR funded in whole or in part by Title  
4 XIX Short-Doyle/Medi-Cal and/or State funds) and as shown on the Financial Summary less all fees paid  
5 by or on behalf of patients/clients receiving services hereunder and all other revenue, interest and return  
6 resulting from services/activities and/or funds paid by County to Contractor hereunder.

7 B. Reimbursement For Initial Period: The Maximum Contract Amount for the Initial Period of  
8 this Agreement as described in Paragraph 1 (TERM) shall not exceed \_\_\_\_\_

9 \_\_\_\_\_  
10 DOLLARS (\$ \_\_\_\_\_) and shall consist of County, State, and/or Federal (excluding Medicare Partial  
11 Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are identified  
12 on the Financial Summary. This Maximum Contract Amount includes Cash Flow Advance which is  
13 repayable through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by  
14 other provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event  
15 shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance  
16 hereunder during the Initial Period.

17 C. Reimbursement If Agreement Is Automatically Renewed:

18 (1) Reimbursement For First Automatic Renewal Period: The Maximum Contract  
19 Amount for the First Automatic Renewal Period of this Agreement as described in Paragraph 1 (TERM)  
20 shall not exceed \_\_\_\_\_

21 \_\_\_\_\_  
22 DOLLARS (\$ \_\_\_\_\_) and shall consist of County, State, and/or Federal (excluding Medicare  
23 Partial Hospitalization services) funds as shown in the applicable Financial Exhibit column(s) which are  
24 identified on the Financial Summary. This Maximum Contract Amount includes the Cash Flow Advance  
25 which is repayable through cash and/or appropriate SFC units and/or actual and allowable costs as  
26 authorized by other provisions of this Agreement. Notwithstanding any other provision of this  
27 Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for  
28 Contractor's performance hereunder during the First Automatic Renewal Period.

29 (2) Reimbursement For Second Automatic Renewal Period: The Maximum Contract  
30 Amount for the Second Automatic Renewal Period of this Agreement as described in Paragraph 1  
31 (TERM) shall not exceed \_\_\_\_\_

32 \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_)  
33 and shall consist of County, State, and/or Federal (excluding Medicare Partial Hospitalization services)  
34 funds as shown in the applicable Financial Exhibit column(s) which are identified on the Financial  
35 Summary. This Maximum Contract Amount includes the Cash Flow Advance which is repayable  
36 through cash and/or appropriate SFC units and/or actual and allowable costs as authorized by other

1 provisions of this Agreement. Notwithstanding any other provision of this Agreement, in no event shall  
2 County pay Contractor more than this Maximum Contract Amount for Contractor's performance  
3 hereunder during the Second Automatic Renewal Period.

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

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

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

21 E. Established Maximum Allowable Rates:

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

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

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

32 F. Shift of Funds:

33 (1) DMH control of funds shall be for each Financial Exhibit column(s) identified on  
34 the Financial Summary within this Agreement and in the amounts shown in that Financial Exhibit  
35 column(s) identified on the Financial Summary. Contractors may utilize realignment funds within a  
36 Financial Exhibit column identified on a Financial Summary based upon client service needs. With

1 Director's prior written approval, Contractor may shift funds, on a dollar-for-dollar basis, from one  
2 Financial Exhibit column identified on the Financial Summary to another identified on the Financial  
3 Summary within this Agreement and within the applicable Fiscal Year.

4 (2) Contractor shall make a written report in the applicable Fiscal Year for Director's  
5 written approval of a shift of funds from one Financial Exhibit column identified on the Financial  
6 Summary to another identified on the Financial Summary. Director shall approve or deny in writing a  
7 request to shift funds after a program review within ten working days of the receipt of Contractor's  
8 written request.

9 (3) Before any shift of funds from one Financial Exhibit column identified on the  
10 Financial Summary to another identified on the Financial Summary under this Subparagraph F may be  
11 requested, Contractor shall determine that the number of clients receiving services, as shown in the MIS  
12 reports, for the Financial Exhibit column identified on the Financial Summary whose amount is to be  
13 augmented, has been significantly greater during the preceding months than the number initially  
14 projected. Such shifting of funds shall be on a dollar-for-dollar basis and as the Maximum Contract  
15 Amount of a particular Financial Exhibit column identified on the Financial Summary is augmented, there  
16 shall be a corresponding reduction in the Maximum Contract Amount of another Financial Exhibit column  
17 identified on the Financial Summary. Under no circumstances can the total Maximum Contract Amount  
18 of this Agreement be increased or decreased without a properly executed amendment.

19 G. Medicare Partial Hospitalization Services:

20 (1) If Contractor provides any services which Director determines qualify as  
21 Medicare Partial Hospitalization services under this Agreement and which are included under any SFCs  
22 shown on the Financial Summary, then Contractor shall be reimbursed by County for such services only  
23 in arrears and only to the extent of the actual Federal Medicare payments made by the Federal  
24 government to County for such Medicare Partial Hospitalization services furnished to eligible Medicare  
25 beneficiaries.

26 Each Fiscal Year of the term of this Agreement, such reimbursement to Contractor shall  
27 be made only with Federal Medicare funds, which are not part of the applicable Maximum Contract  
28 Amount of this Agreement and are not paid by County to Contractor under this Agreement but which  
29 are paid by County to Contractor solely in County's capacity as the fiscal intermediary for such Medicare  
30 Partial Hospitalization services.

31 (2) Notwithstanding any other provision of this Agreement, if Medicare Partial  
32 Hospitalization services are provided hereunder, such services shall comply with and be compensated in  
33 accordance with all applicable Federal reimbursement requirements.

34 (3) If Medicare Partial Hospitalization services are provided under this Agreement,  
35 Contractor authorizes County to serve as the fiscal intermediary for claiming and reimbursement for  
36 Medicare Partial Hospitalization services and to act on Contractor's behalf with the Federal government

1 in regard to claiming reimbursement for Medicare Partial Hospitalization services.

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 Medicare Partial Hospitalization services submitted by  
4 County on Contractor's behalf to the Federal government and for any subsequent Federal approvals or  
5 denials of such claims that may be based on data and information submitted by Contractor.

6 Notwithstanding any other provision of this Agreement, Contractor shall hold County  
7 harmless from any and all such Federal denials and/or any and all Federal audit disallowances for such  
8 Medicare Partial Hospitalization services.

9 (4) Notwithstanding any other provision of this Agreement, Contractor shall be  
10 totally liable and responsible for the accuracy of all data and information on all claims for Medicare  
11 Partial Hospitalization services which Contractor inputs into MIS.

12 (5) Contractor shall comply with all written instructions from County and/or Federal  
13 governments regarding Medicare Partial Hospitalization services claiming and documentation. Contractor  
14 shall certify in writing that all necessary Medicare Partial Hospitalization services documentation exists  
15 at the time any claim for Medicare Partial Hospitalization services is submitted by Contractor to County.

16 Contractor shall maintain an audit file documenting all Medicare Partial Hospitalization  
17 services as instructed by County for a period of seven years from the end of the Fiscal Year in which  
18 such services were provided or until final resolution of any audits, whichever occurs later.

19 (6) On Contractor's behalf, County shall submit a claim for Medicare Partial  
20 Hospitalization services reimbursement only for those services entered by Contractor into MIS which are  
21 identified by Contractor as "Y". The "Y" means that the service provided is to be claimed by County as  
22 Medicare Partial Hospitalization. Contractor shall comply with all written instructions from County  
23 and/or Federal governments regarding Medicare Partial Hospitalization services claiming and  
24 documentation.

25 (7) County may modify the claiming system for Medicare Partial Hospitalization  
26 services at any time in order to comply with changes in Federal laws, rules, regulations, manuals,  
27 guidelines, and directives. When possible, County shall notify Contractor in writing of any such  
28 modification and the reason for the modification thirty days prior to the implementation of the  
29 modification.

30 H. EPSDT Title XIX Medi-Cal Services, Title XIX Short-Doyle/Medi-Cal Services, Title XIX  
31 Medi-Cal Administrative Activities, and Title IV-A Emergency Assistance Services

32 (1) Except as otherwise provided in this Agreement, if Contractor provides EPSDT  
33 Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal  
34 Administrative Activities, and/or Title IV-A Emergency Assistance services, then Contractor shall be  
35 reimbursed by County for the eligible and Federal and State-approved EPSDT Title XIX Medi-Cal SFC  
36 units furnished to eligible Medi-Cal beneficiaries; and/or for the eligible and State-approved Title XIX

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

8 (2) Each Fiscal Year of the term of this Agreement, such reimbursement for Title  
9 XIX Short-Doyle/Medi-Cal SFC units, and/or for Title XIX Medi-Cal Administrative Activities, and/or Title  
10 IV-A Emergency Assistance services shall be made as applicable on the basis of: (1) fifty percent Title  
11 XIX Short-Doyle/Medi-Cal services FFP funds and/or fifty percent Title XIX Medi-Cal Administrative  
12 Activities FFP funds, and/or fifty percent Title IV-A Emergency Assistance services and/or fifty percent  
13 Specialty Mental Health Services FFP funds which are part of the applicable Maximum Contract Amount  
14 of this 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/or Title IV-A Emergency Assistance services and (2) fifty percent match from funds  
17 which are part of the applicable Maximum Contract Amount of this Agreement, and which qualify as  
18 eligible FFP match as shown in the applicable Financial Exhibit column(s) which are identified on the  
19 Financial Summary.

20 (3) Each Fiscal Year of the term of this Agreement, such reimbursement for EPSDT  
21 and Specialty Mental Health Services Title XIX Medi-Cal services shall be one hundred percent of the  
22 program funds which are part of the applicable Maximum Contract Amount of this Agreement and  
23 which are paid by County to Contractor solely in County's capacity as the fiscal intermediary. EPSDT  
24 Title XIX Medi-Cal services shall be paid as applicable on the basis of fifty percent EPSDT Title XIX  
25 services FFP funds and fifty percent State matching general funds for EPSDT and only when such  
26 EPSDT Title XIX services exceed the individual Contractor's EPSDT base line as identified in Paragraph  
27 4 (FINANCIAL PROVISIONS), Subparagraph A(3) (EPSDT). Specialty Mental Health Services should be  
28 paid as applicable on the basis of fifty percent Title XIX services FFP and fifty percent local match  
29 funds.

30 (4) Notwithstanding any other provision of this Agreement, if EPSDT Title XIX  
31 Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal  
32 Administrative Activities and/or Title IV-A Emergency Assistance services are provided hereunder, such  
33 services and administrative activities shall comply with and be compensated in accordance with all  
34 applicable Federal and State reimbursement requirements.

35 (5) If EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal  
36 services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance

1 services are provided under this Agreement, Contractor authorizes County to serve as the fiscal  
2 intermediary for claiming and reimbursement for such EPSDT Title XIX Medi-Cal services, and/or Title  
3 XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A  
4 Emergency Assistance services and to act on Contractor's behalf with SDMH, SDHS and/or SDSS in  
5 regard to claiming reimbursement for EPSDT Title XIX Medi-Cal services, and/or Title XIX  
6 Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A  
7 Emergency Assistance services.

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

17 Notwithstanding any other provision of this Agreement, Contractor shall hold County  
18 harmless from and against any loss to Contractor resulting from any such State denials, unresolved EOB  
19 claims, and/or any Federal and/or State audit disallowances for such Title XIX Short-Doyle/Medi-Cal  
20 services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance  
21 services.

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

25 (7) Notwithstanding any other provision of this Agreement, Contractor shall be  
26 totally liable and responsible for: (1) the accuracy of all data and information on all claims for EPSDT  
27 Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services which Contractor inputs into  
28 MIS, (2) the accuracy of all data and information which Contractor provides to DMH, and (3) ensuring  
29 that all EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title  
30 XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance services are performed  
31 appropriately within Medi-Cal and/or Title IV-A Emergency Assistance guidelines, including, but not  
32 limited to, administration, utilization review, documentation, and staffing.

33 (8) As the State designated Short-Doyle/Medi-Cal fiscal intermediary, County shall  
34 submit a claim to SDMH for EPSDT Title XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal  
35 reimbursement only for those services entered by Contractor into MIS which are identified by Contractor  
36 as "Y". The "Y" means that the service provided is to be claimed by County to Short-Doyle/Medi-Cal.



1 Contractor shall comply with all written instructions from County and/or State regarding EPSDT Title  
2 XIX Medi-Cal, and/or Title XIX Short-Doyle/Medi-Cal claiming and documentation.

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

7 (9) County is the State designated fiscal intermediary for EPSDT Title XIX Medi-Cal  
8 services, and Title XIX Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities,  
9 and for Title IV-A Emergency Assistance services. Contractor shall comply with all written instructions  
10 from County regarding any such Title XIX and Title IV-A claims and documentation. Contractor shall  
11 certify in writing that all necessary Title XIX and Title IV-A documentation exists at the time any such  
12 claims for EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or  
13 Title XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance services are  
14 submitted by Contractor to County.

15 Contractor shall maintain all records, including, but not limited to, all time studies  
16 prepared by Contractor, documenting all EPSDT Title XIX Medi-Cal services, and/or Title XIX Short-  
17 Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A  
18 Emergency Assistance services as instructed by County for a period of seven years from the end of the  
19 quarter in which such services were provided or until final resolution of any audits, whichever occurs  
20 later.

21 (10) County may modify the claiming systems for either EPSDT Title XIX Medi-Cal  
22 services, and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative  
23 Activities, and/or Title IV-A Emergency Assistance services at any time in order to comply with changes  
24 in, or interpretations of, State or Federal laws, rules, regulations, manuals, guidelines, and directives.  
25 When possible, County shall notify Contractor in writing of any such modification and the reason for the  
26 modification thirty days prior to the implementation of the modification.

27 (11) EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation  
28 Report: Prior to fourteen and one-half months after the close of each Fiscal Year, Contractor shall  
29 provide DMH with two copies of an accurate and complete EPSDT Title XIX Medi-Cal and Title XIX  
30 Short-Doyle/Medi-Cal Reconciliation Report at the legal entity level for each of Contractor's  
31 Short-Doyle/Medi-Cal provider numbers which are part of the legal entity, for all EPSDT Title XIX Medi-  
32 Cal, and/or Title XIX Short-Doyle/Medi-Cal SFC units furnished and State-approved during the applicable  
33 Fiscal Year. Each such EPSDT Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation  
34 Report shall be prepared by Contractor in accordance with all SDMH instructions and shall be certified in  
35 writing by Contractor's Chief Executive Officer. If Contractor does not so provide DMH with the EPSDT  
36 Title XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report within such fourteen and

1 one-half months, then Director, in his sole discretion, shall determine which State approved EPSDT  
2 Medi-Cal, and/or Short-Doyle/Medi-Cal data shall be used by County for completion of the EPSDT Title  
3 XIX Medi-Cal and Title XIX Short-Doyle/Medi-Cal Reconciliation Report.

4 (12) EPSDT Title XIX Medi-Cal Services, Title XIX Short-Doyle/Medi-Cal Services,  
5 Title XIX Medi-Cal Administrative Activities, Title IV-A Emergency Assistance Services and Medicare  
6 Partial Hospitalization Services Overpayment Recovery Procedures: Contractor shall repay to County the  
7 amount, if any, paid by County to Contractor for EPSDT Title XIX Medi-Cal services, and Title XIX  
8 Short-Doyle/Medi-Cal services, and Title XIX Medi-Cal Administrative Activities, and Title IV-A  
9 Emergency Assistance and Medicare Partial Hospitalization services which are found by County, State,  
10 and/or Federal governments not to be reimbursable.

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

14 For State audit exceptions, County shall immediately recover any overpayment from  
15 Contractor when the State recovers the overpayment from County.

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

18 Contractor shall pay County according to the method described in Subparagraph U  
19 (Payments Due to County/Method of Payment).

20 I. Funding Sources:

21 (1) County, State, and/or Federal funds shall be limited to and shall not exceed the  
22 respective amounts shown in the Financial Exhibit column(s) which are identified on the Financial  
23 Summary. County funds include the portion of Cash Flow Advance and is repayable through cash,  
24 and/or County SFC units, and/or approved EPSDT Title XIX Medi-Cal units of service, approved Title XIX  
25 Short-Doyle/Medi-Cal SFC units, and/or approved Title XIX Medi-Cal Administrative Activities units of  
26 activities, and/or approved Title IV-A Emergency Assistance services units of service.

27 (2) The reimbursement method of payment for the respective County, State and/or  
28 Federal funding source(s) is shown in the applicable Financial Exhibit column(s) which are identified on  
29 the Financial Summary.

30 (3) The combined CGF and any other funding sources shown in the Financial Exhibit  
31 column(s) identified on the Financial Summary as funds to be disbursed by County shall not total more  
32 than the Maximum Contract Amount for the applicable period of the Agreement term as specified in  
33 Subparagraphs B (Reimbursement For Initial Period) and C (Reimbursement If Agreement Is  
34 Automatically Renewed).

35 (4) County funds include Cash Flow Advance which is repayable through cash  
36 and/or County SFC units, and/or approved EPSDT Title XIX Medi-Cal SFC units, and/or approved Title

1 XIX Short-Doyle/Medi-Cal SFC units, and/or approved Title XIX Medi-Cal Administrative Activities units  
2 of activities, and/or approved Title IV-A Emergency Assistance services units of service.

3 Notwithstanding any other provision of this Agreement, EPSDT Title XIX Medi-Cal, FFP  
4 and Medicare Partial Hospitalization funds shall be paid by County to Contractor solely in County's  
5 capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal services, and/or Title XIX  
6 Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A  
7 Emergency Assistance and/or Medicare Partial Hospitalization services. In no event shall County be liable  
8 or responsible to Contractor for any payment for any disallowed EPSDT Title XIX Medi-Cal services,  
9 and/or Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities,  
10 and/or Title IV-A Emergency Assistance services and/or Medicare Partial Hospitalization services.

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

13 (5) To the extent permitted by Federal law, certain funds, as designated in the  
14 Financial Exhibit column(s) which are identified on the Financial Summary, may be used to match the  
15 FFP component of reimbursement for Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal  
16 Administrative Activities, and/or Title IV-A Emergency Assistance services in order to achieve the  
17 maximum Federal reimbursement possible for mental health services and administrative activities  
18 provided under this Agreement.

19 J. Government Funding Restrictions: This Agreement shall be subject to any restrictions,  
20 limitations, or conditions imposed by State, including, but not limited to, those contained in State's  
21 Budget Act, which may in any way affect the provisions or funding of this Agreement. This Agreement  
22 shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal  
23 government which may in any way affect the provisions or funding of this Agreement.

24 K. Patient/Client Eligibility, UMDAP Fees, Third Party Revenue, and Interest:

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

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

35 (3) If Contractor provides Title XIX Medi-Cal Administrative Activities funded by  
36 Title XIX pursuant to WIC Section 14132.44 as described in Paragraph 3 (DESCRIPTION OF

1 SERVICES), or Title IV-A Emergency Assistance services funded by Title IV-A, then Contractor shall  
2 assure that FFP reimbursement for such Title XIX Medi-Cal Administrative Activities and Title IV-A  
3 Emergency Assistance services shall be utilized by Contractor only for the provision of Title XIX  
4 Medi-Cal Administrative Activities and Title IV-A Emergency Assistance services, respectively.

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

11 (5) Contractor shall not retain any fees paid by any resources for or on behalf of  
12 Medi-Cal beneficiaries and/or Title IV-A Emergency Assistance recipients without having those fees  
13 deducted from the cost of providing the mental health service/units specified in this Agreement.

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

17 (7) Failure of Contractor to report in all its monthly claims and in its Annual Cost  
18 Report all fees paid by patients/clients receiving services hereunder, all fees paid on behalf of  
19 patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal  
20 beneficiaries and/or Title IV-A Emergency Assistance recipients receiving services and/or activities  
21 hereunder, all unanticipated revenue not shown in Contractor's Negotiation Package for this Agreement,  
22 and all interest and return on funds paid by County to Contractor, shall result in: (1) Contractor's  
23 submission of a revised claim statement showing all such nonreported revenue, (2) a report by County  
24 to SDMH of all such nonreported revenue, (3) a report by County to the Federal Health Care Financing  
25 Administration (HCFA) should any such unreported revenue be paid by any resources for or on behalf of  
26 Medi-Cal beneficiaries and/or Title IV-A Emergency Assistance recipients, and/or (4) any appropriate  
27 financial adjustment to Contractor's reimbursement.

28 L. Payment:

29 (1) For each month of the term of this Agreement, Contractor shall submit to  
30 County a claim for each applicable Financial Exhibit column identified on the Financial Summary and  
31 Rate Schedule, in the form and content specified by County. Each monthly claim shall be submitted  
32 within sixty days of Contractor's receipt of County's MIS reports for the last date mental health services  
33 were provided during the particular month, within sixty days of the last date Title XIX Medi-Cal  
34 Administrative Activities were provided during the particular month, and/or within sixty days of the last  
35 date Title IV-A Emergency Assistance services were provided during the particular month.

36 (a) Capitated Rate: Contractor's monthly claim to County shall show all

1 Contractor's enrolled individuals/members covered by the Capitated Rate Program and all other revenue,  
2 interest and return resulting from services/activities and/or funds paid by County to Contractor hereunder  
3 for the particular month.

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

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

18 (d) Negotiated Rate: Contractor's monthly claim to County shall be  
19 separately itemized by each SFC to show the payment calculation for each SFC by multiplying the SFC  
20 units as shown on MIS reports by the applicable NR for such SFC as shown on the Financial Summary,  
21 except that for PATH and SAMHSA services, Contractor's monthly claim shall show Contractor's actual  
22 and allowable costs, less all fees paid by or on behalf of patients/clients receiving services hereunder and  
23 all other revenue, interest and return resulting from services/activities and/or funds paid by County to  
24 Contractor hereunder.

25 (1) DMH shall have the option to deny payment for services when  
26 documentation of clinical work does not meet minimum State and County standards.

27 (2) Final reimbursement to Contractor shall not exceed the listed  
28 rates as shown on the Financial Summary. Provisional reimbursement to contractor shall be at the State  
29 established Title XXII rates for CPT codes. At cost report, provisional reimbursement will be adjusted to  
30 State approved Negotiated Rates not to exceed the rates shown on the Financial Summary and shall be  
31 considered payment in full, subject to third party liability and beneficiary share of cost, for the specialty  
32 mental health services provided to a beneficiary. Reimbursement shall be made only for State approved  
33 Short-Doyle/Medi-Cal claims and to the extent that funds allocated by State for County specifically for  
34 these services are available.

35 (3) For Organizational Providers only. Provisional reimbursement  
36 shall be based on the rates shown on the Provisional Rate Schedule(s) as published and periodically

1 revised as supplements to the Los Angeles County DMH Fee-For-Service Medi-Cal Specialty Mental  
2 Health Services Provider Manual by the DMH, Office of Managed Care and distributed to DMH  
3 Organizational Providers and to the Los Angeles County DMH Contracts Development and  
4 Administration Division.

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

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

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

18 If Contractor has received any Cash Flow Advance pursuant to Subparagraph M (Cash  
19 Flow Advances In Expectation of Services/Activities To Be Rendered), then Director may, in his  
20 discretion, at any time, make adjustments to any of Contractor's monthly claims as necessary to ensure  
21 that Contractor shall not be paid by County a sum in excess of the amount determined by multiplying  
22 the SFC units as shown on MIS reports by the applicable NR for such SFC as shown on the Financial  
23 Summary for NR services and/or Contractor's actual and allowable costs of providing mental health  
24 services and Title XIX Medi-Cal Administrative Activities and/or a sum in excess of the amount  
25 determined by multiplying the Capitated Rate by the applicable enrolled individuals/members for  
26 Capitated Rate Contractors, or the Maximum Contract Amount for such Fiscal Year as shown in  
27 Subparagraphs B (Reimbursement for Initial Period) or C (Reimbursement If Agreement Is Automatically  
28 Renewed), whichever is less, less all revenue, interest and return resulting from services/activities and/or  
29 funds paid by County to Contractor hereunder. Contractor may request in writing, and shall receive if  
30 requested, DMH's computations for determining any adjustment to Contractor's monthly claim.

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

34 (4) All monthly claims shall be based on mental health services actually provided as  
35 shown on MIS reports and/or Title XIX Medi-Cal Administrative Activities actually provided as shown by  
36 State-approved time studies prepared or actual and allowable costs for State approved units of activities

1 reported by Contractor. Contractor certifies that all units of services reported by Contractor into MIS  
2 are true and accurate claims for reimbursement.

3 (5) EPSDT Title XIX Medi-Cal funds, and Title XIX Short-Doyle/Medi-Cal and Title  
4 IV-A Emergency Assistance FFP funds shall be paid by County to Contractor only for State approved  
5 claims for EPSDT Title XIX Medi-Cal and/or Title XIX Short-Doyle/Medi-Cal and/or Title IV-A Emergency  
6 Assistance SFC units provided to eligible Medi-Cal beneficiaries. EPSDT Title XIX Medi-Cal funds, and  
7 Title XIX Short-Doyle/Medi-Cal and Title IV-A Emergency Assistance FFP funds shall be paid by County  
8 to Contractor only in arrears, only for the period of time Contractor is certified as a Title XIX  
9 Short-Doyle/Medi-Cal provider and/or is authorized as Title IV-A Emergency Assistance provider, only to  
10 the extent that eligible FFP matching funds are available under this Agreement, and only after County  
11 has received EPSDT and FFP payment from State.

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

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

26 (8) Federal Medicare Partial Hospitalization services funds shall be paid by County to  
27 Contractor only for Federal-approved claims for Medicare Partial Hospitalization services SFC units  
28 provided to eligible Medicare beneficiaries. Federal Medicare Partial Hospitalization services funds shall  
29 be paid by County to Contractor only in arrears and only after County has received Federal Medicare  
30 Partial Hospitalization payment.

31 (9) 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, Title IV-A Emergency  
33 Assistance services FFP funds and/or Medicare Partial Hospitalization services funds shall be paid by  
34 County to Contractor solely in County's capacity as the fiscal intermediary for EPSDT Title XIX Medi-Cal  
35 services, Title XIX Short-Doyle/Medi-Cal services, Title XIX Medi-Cal Administrative Activities, Title IV-A  
36 Emergency Assistance services, and/or Medicare Partial Hospitalization services. Each Fiscal Year of the

1 term of this Agreement, County shall pay to Contractor EPSDT Title XIX Medi-Cal services, and/or Title  
2 XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A  
3 Emergency Assistance services and/or Medicare Partial Hospitalization services funds only to the extent  
4 required by Federal laws, regulations, manuals, guidelines, and directives.

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

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

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



1 M. Cash Flow Advance In Expectation of Services/Activities To Be Rendered:

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

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

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

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

27 Cash Flow Advance is based upon the following:

28 (1) Each month of each fiscal year not to exceed three (3) consecutive months, or portion  
29 thereof, that this Agreement is in effect, Contractor may request, separately for each month, in writing  
30 from County a monthly County General Fund Cash Flow Advance for any funds which may be part of  
31 the Maximum Contract Amount for such fiscal year as identified on the Financial Summary Page.  
32 Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to exceed  
33 \$\_\_\_\_\_ per month and the total Cash Flow Advance for the three (3) months shall not exceed  
34 \$\_\_\_\_\_. The Cash Flow Advance monthly amount is 1/12<sup>th</sup> of Maximum Contract Amount as  
35 identified on the Financial Summary Page, annualized Maximum Contract Amount if a partial year.

36 (2) A Contractor providing EPSDT Short-Doyle Medi-Cal services as part of this Agreement,

1 may for two (2) additional consecutive months, or portion thereof, that this Agreement is in effect,  
2 request, separately for each month, in writing from County a monthly County General Fund Cash Flow  
3 Advance for any FFP and/or EPSDT-SGF funds designated for clients less than 21 years of age which  
4 may be part of the Maximum Contract Amount for such fiscal year as shown on the Financial Summary  
5 Page. Contractor shall specify in their request the amount of the monthly Cash Flow Advance not to  
6 exceed \$\_\_\_\_\_ per month for each of the two (2) additional consecutive months and the total  
7 Cash Flow Advance for the two (2) additional consecutive months shall not exceed \$\_\_\_\_\_.

8 The Cash Flow Advance monthly amount for each of the two (2) consecutive months is:

9 (1) 1/12<sup>th</sup> of the Maximum Contract Amount for EPSDT-SGF as identified on the Financial Summary  
10 Page, annualized Maximum Contract Amount if a partial year plus;

11 (2) An amount equal to the 1/12<sup>th</sup> of the Maximum Contract Amount for EPSDT-SGF that is the  
12 Cash Flow Advance component for the anticipated FFP financial participation to be provided by the  
13 federal government for services provided to EPSDT Medi-Cal beneficiaries.

14 Upon receipt of a request, Director, in his sole discretion, shall determine whether to approve  
15 the Cash Flow Advance request and, if approved, whether the request is approved in whole or in part.

16 The time schedules and examples for County claims payment, and the 3 and 5 months Cash Flow  
17 Advance disbursement(s) and Contractor repayment of Cash Flow Advance funds to County by means  
18 of a County offset to Contractor claims to County are incorporated herein as Attachment V.

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

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

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

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

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

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

36 The FFP funds for State approved claims for EPSDT Title XIX Medi-Cal SFC units, and/or

1 Title XIX Short-Doyle/Medi-Cal SFC units, and/or Title XIX Medi-Cal Administrative Activities, and/or  
2 Title IV-A Emergency Assistance services claimed by County to State on behalf of the Contractor shall  
3 be paid by County to Contractor only in arrears and only after County has received FFP payment from  
4 State.

5 In order to recover CGF provided to Contractor as Cash Flow Advance pursuant to this  
6 Subparagraph N, or any amounts due to County by Contractor under this Agreement or otherwise,  
7 County shall withhold from any amounts due by County to Contractor under this Agreement or  
8 otherwise: (1) the FFP and/or EPSDT-SGF portions of total State approved Short-Doyle/Medi-Cal  
9 claims Cash Flow Advances that are in excess of a cumulative, for each month actual State approval  
10 data has been received, 1/12 of the Maximum Contract Amount and/or (2) the FFP portion of Title XIX  
11 Short-Doyle/Medi-Cal for State approved claims for Title XIX Short-Doyle/Medi-Cal SFC units and/or (3)  
12 the FFP portion of Title IV-A Emergency Assistance for State approved claims for Title IV-A Emergency  
13 Assistance SFC units and/or (4) the State and FFP portion of EPSDT Title XIX Medi-Cal for State  
14 approved claims for EPSDT Title XIX Medi-Cal SFC units and/or (5) the FFP for Title XIX Medi-Cal  
15 Administrative Activities and/or (6) the County, State and Federal portions of SFC units claimed by  
16 Contractor in MIS for non-Title XIX Medi-Cal and non-Title IV-A Emergency Assistance services.  
17 Contractor may request in writing, and shall receive if requested, DMH's computations for determining  
18 any amounts withheld.

19 O. Withholding of Payment For Nonsubmission of MIS and Other Information: County may  
20 withhold a maximum of ten percent of any monthly claim, if any MIS data, EOB data, RGMS report, or  
21 other information is not submitted by Contractor to County within the time limits of submission of this  
22 Agreement or if any MIS data, EOB data, RGMS report, or other information is incomplete, incorrect, or  
23 is not completed in accordance with the requirements of this Agreement.

24 P. Annual Cost Reports:

25 (1) For each Fiscal Year or portion thereof that this Agreement is in effect,  
26 Contractor shall provide DMH with two copies of an accurate and complete Annual Cost Report, with a  
27 statement of expenses and revenue. The annual cost report will be comprised of a separate set of  
28 forms for the County and State for each Financial Exhibit column identified on the Financial Summary  
29 within each entity. Such reports will be due within seventy-five days following either the end of such  
30 Fiscal Year or the expiration or termination date of this Agreement, whichever occurs earlier. Each such  
31 Annual Cost Report shall be prepared by Contractor in accordance with the requirements set forth in the  
32 Short-Doyle/Medi-Cal Automated Cost Reporting System Users Manual, CR/DC Manual, RO/TCM  
33 Manual, and any other written guidelines which may be provided to Contractor by Director by June 30  
34 of the Fiscal Year for which the Annual Cost Report is to be prepared.

35 (2) If Contractor fails to submit accurate and complete Annual Cost Report(s) by  
36 such due date, and if this Agreement is automatically renewed as provided in Paragraph 1 (TERM), then

1 County shall not make any further payments to Contractor under this Agreement until the accurate and  
2 complete Annual Cost Report(s) is (are) submitted.

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

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

14 Q. Annual Cost Report Adjustment and Settlement: Based on the Annual Cost Report(s)  
15 submitted pursuant to Subparagraph P (Annual Cost Reports), at the end of each Fiscal Year or portion  
16 thereof that this Agreement is in effect, the cost of all mental health services, Title IV-A Emergency  
17 Assistance services, and Title XIX Medi-Cal Administrative Activities rendered hereunder shall be  
18 adjusted as follows:

19 (1) Capitated Rate - to the applicable Capitated Rate per enrolled individual/member  
20 multiplied by the applicable number of enrolled individuals/members assigned to the Contractor multiplied  
21 by the applicable number of months which the enrolled individual/member was assigned to the  
22 Contractor less all revenue, interest and return resulting from services/activities and/or funds paid by  
23 County to Contractor hereunder, including but not limited to, all Medicare, patient/client fees, private  
24 insurance, and any other revenue, interest and return resulting from services/activities and/or funds paid  
25 by County to Contractor as described in Subsection 7 of Subparagraph K (Patient/Client Eligibility,  
26 UMDAP Fees, Third Party Revenue and Interest), not to exceed the applicable Maximum Contract  
27 Amount as shown in Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If  
28 Agreement Is Automatically Renewed), provided that reimbursement for Title XIX Short-Doyle/Medi-Cal  
29 funded services shall be consistent with the amounts authorized by State law and State's Medicaid Plan,  
30 reimbursement for Title IV-A Emergency Assistance services funded services shall be consistent with the  
31 amounts authorized by State law and State's Mental Health Title IV-A Emergency Assistance Plan and  
32 reimbursement for Title XIX Medi-Cal Administrative Activities shall be consistent with the amounts  
33 authorized by State law and State's Title XIX Medi-Cal Administrative Activities Plan not to exceed the  
34 Maximum Contract Amount. Reimbursement for Title XIX Short-Doyle/Medi-Cal services, Title XIX  
35 Medi-Cal Administrative Activities and Title IV-A Emergency Assistance services shall not exceed an  
36 amount for which there is sufficient CGF/State match funds in the applicable Maximum Contract

1 Amount.

2 (2) Cost Reimbursement - to actual and allowable costs, not to exceed the  
3 applicable Maximum Contract Amount as shown in Subparagraph B (Reimbursement For Initial Period) or  
4 C (Reimbursement If Agreement Is Automatically Renewed), provided that reimbursement for  
5 Short-Doyle/Medi-Cal funded services shall be consistent with the amounts authorized by State law and  
6 State's Medicaid Plan, reimbursement for Title IV-A Emergency Assistance services funded services shall  
7 be consistent with the amounts authorized by State law and State's Mental Health Title IV-A Emergency  
8 Assistance Plan and reimbursement for Title XIX Medi-Cal Administrative Activities shall be consistent  
9 with the amounts authorized by State law and State's Title XIX Medi-Cal Administrative Activities Plan  
10 not to exceed the Maximum Contract Amount. Reimbursement for Title XIX Short-Doyle/Medi-Cal  
11 services, and/or Title XIX Medi-Cal Administrative Activities, and/or Title IV-A Emergency Assistance  
12 services shall not exceed an amount for which there is sufficient CGF/State match funds in the  
13 applicable Maximum Contract Amount.

14 (3) IMD - to the lower of the DMH determined final MIS run of reported patient days  
15 or the patient days reported in Contractor's Annual Cost Report, multiplied by the applicable SDHS's  
16 currently approved Skilled Nursing Facility Rate per patient day for Basic Service plus SDHS's currently  
17 approved STP Rate per patient day for STP Services.

18 (4) Negotiated Rate - to the lower of the DMH determined final MIS run of reported  
19 SFC units, or the SFC units reported in Contractor's Annual Cost Report, multiplied by the applicable NR  
20 less all revenue, interest and return resulting from services/activities and/or funds paid by County to  
21 Contractor, including, but not limited to, all Medicare, patient/client fees, private insurance, and any  
22 other revenue, interest and return resulting from services/activities and/or funds paid by County to  
23 Contractor as described in Subsection 7 of Subparagraph K (Patient/Client Eligibility, UMDAP Fees, Third  
24 Party Revenue, and Interest), not to exceed the applicable Maximum Contract Amount as shown in  
25 Subparagraph B (Reimbursement For Initial Period) or C (Reimbursement If Agreement Is Automatically  
26 Renewed), provided that reimbursement for Title XIX Short-Doyle/Medi-Cal funded services shall be  
27 consistent with the amounts authorized by State law and State's Medicaid Plan, reimbursement for Title  
28 IV-A Emergency Assistance services funded services shall be consistent with the amounts authorized by  
29 State law and State's Mental Health Title IV-A Emergency Assistance Plan, and reimbursement for Title  
30 XIX Medi-Cal Administrative Activities shall be consistent with the amounts authorized by State law and  
31 State's Title XIX Medi-Cal Administrative Activities Plan not to exceed the Maximum Contract Amount.  
32 Reimbursement for Title XIX Short-Doyle/Medi-Cal services, and/or Title XIX Medi-Cal Administrative  
33 Activities, and/or Title IV-A Emergency Assistance services shall not exceed an amount for which there  
34 is sufficient CGF/State match funds in the applicable Maximum Contract Amount. In the event that  
35 Contractor adjustments based on any of the above methods indicate an amount due the County,  
36 Contractor shall pay County according to the method described in Subparagraph U (Payments Due to

1 County/Method of Payment).

2 R. Post-Contract Audit Settlement:

3 (1) In the event of a post-contract audit conducted by County, State, and/or Federal  
4 personnel, actual and allowable SFC units for NR services and actual and allowable costs for cost  
5 reimbursement services shall be determined for each Fiscal Year or portion thereof that this Agreement  
6 is in effect. Such audit may include requests to review any fiscal, programmatic, or SFC unit concerns  
7 County, State, and/or Federal auditors may have under this Agreement. CR/DC Manual, RO/TCM  
8 Manual, SDMH's utilization review policies and procedures, State's Medicaid Plan, State's Title XIX  
9 Medi-Cal Administrative Activities Plan, State's Title IV-A Emergency Assistance Plan, and the Federal  
10 Health Care Financing Administration's Health Insurance Manual Volume 15 (HIM 15) shall serve as the  
11 basic reference and authority for the audit determination of actual and allowable SFC units for mental  
12 health services and actual and allowable costs for Title XIX Medi-Cal Administrative Activities and PATH  
13 and SAMHSA services. One of the purposes of the audit determination of actual and allowable SFC  
14 units is to identify and adjust for duplicated claims; SFC units not provided; SFC units not documented;  
15 and utilization review findings, including, but not limited to, unnecessary care and the lack of appropriate  
16 licensed practitioners of the healing arts.

17 (2) For mental health services, if the post-contract audit conducted by County,  
18 State, and/or Federal personnel determines that the amounts paid by County to Contractor for any SFC  
19 units furnished hereunder are more than the amounts allowable pursuant to this Agreement, then the  
20 difference shall be due by Contractor to County.

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

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

32 For Title XIX Medi-Cal Administrative Activities, if the post-contract audit conducted by  
33 County, State, and/or Federal personnel determines that the actual and allowable costs for Title XIX  
34 Medi-Cal Administrative Activities furnished hereunder are less than the amounts reimbursable pursuant  
35 to this Agreement, then the difference shall be paid by County to Contractor, provided that in no event  
36 shall County's Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B

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

3 S. Audit Appeals After Post-Contract Audit Settlement: If Contractor appeals any audit  
4 report, the appeal shall not prevent the post-contract audit settlement pursuant to Subparagraph R  
5 (Post-Contract Audit Settlement).

6 T. County Audit Settlements: If, at any time during the term of this Agreement or at any  
7 time after the expiration or termination of this Agreement, authorized representatives of County conduct  
8 an audit of Contractor regarding the mental health services and/or Title XIX Medi-Cal Administrative  
9 Activities provided hereunder and if such audit finds that County's dollar liability for such services and/or  
10 administrative activities is less than payments made by County to Contractor, then the difference shall  
11 be due by Contractor to County. Contractor shall pay County according to the method described in  
12 Subparagraph U (Payments Due to County/Method of Payment).

13 If such audit finds that County's dollar liability for such services and/or administrative  
14 activities provided hereunder is more than payments made by County to Contractor, then the difference  
15 shall be paid to Contractor by County by cash payment, provided that in no event shall County's  
16 Maximum Contract Amount for the applicable Fiscal Year, as shown in Subparagraph B (Reimbursement  
17 For Initial Period) or C (Reimbursement If Agreement Is Automatically Renewed), be exceeded.

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

29 V. Interest Charges on Delinquent Payments: If Contractor, without good cause as  
30 determined in the sole judgment of Director, fails to pay County any amount due to County under this  
31 Agreement within sixty days after the due date, as determined by Director, then Director, in his sole  
32 discretion and after written notice to Contractor, may assess interest charges at a rate equal to County's  
33 Pool Rate, as determined by County's Auditor-Controller, per day on the delinquent amount due  
34 commencing on the sixty-first day after the due date. Contractor shall have an opportunity to present to  
35 Director information bearing on the issue of whether there is a good cause justification for Contractor's  
36 failure to pay County within sixty days after the due date. The interest charges shall be: (1) paid by

1 Contractor to County by cash payment upon demand and/or (2) at the sole discretion of Director,  
2 deducted from any amounts due by County to Contractor whether under this Agreement or otherwise.

3 W. Financial Solvency: Contractor shall maintain adequate provisions against the risk of  
4 insolvency.

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

16 Y. Use of Certain Non-County Funds: A review of Contractor's expenditures and  
17 commitments to utilize any non-County funds, which are specified in this Agreement for the services  
18 hereunder and which are subject to time limitations as determined by Director, shall be conducted by  
19 County and Contractor midway through each Fiscal Year during the term of this Agreement, midway  
20 through the applicable time limitation period for such non-County funds if such period is less than a  
21 Fiscal Year, and/or at any other time or times during each Fiscal Year as requested by Director. At least  
22 fifteen days prior to each such review, Contractor shall provide Director with a current update of all  
23 Contractor's expenditures and commitments of such non-County funds during such Fiscal Year or other  
24 applicable time period. If Director, in his sole judgment, determines from such review that there will be  
25 any nonexpenditure of such non-County funds, then Director, to the extent authorized by County's  
26 Board of Supervisors, shall reduce the Maximum Contract Amount for the applicable Fiscal Year up to  
27 the amount of such anticipated nonexpenditure, or Director shall recommend to County's Board of  
28 Supervisors a reduction in the Maximum Contract Amount for the applicable Fiscal Year up to the  
29 amount of such anticipated nonexpenditure. If Director determines to reduce, or recommend a reduction  
30 in, the Maximum Contract Amount for such Fiscal Year, then Director shall notify Contractor in writing  
31 and shall provide Contractor with the revised Maximum Contract Amount for such Fiscal Year. Any  
32 reduction in the Maximum Contract Amount for the applicable Fiscal Year shall be effected by an  
33 amendment to this Agreement pursuant to Paragraph 37 (ALTERATION OF TERMS) which shall set  
34 forth the revised Maximum Contract Amount and the revised Financial Exhibit column(s) identified in the  
35 Financial Summary for such Fiscal Year.

36 Notwithstanding any other provision of this Agreement, the revised Maximum Contract Amount



1 and the revised Financial Exhibit column(s) identified in the Financial Summary for such Fiscal Year shall  
2 entirely supersede the then existing Maximum Contract Amount and Financial Exhibit column(s)  
3 identified in the Financial Summary as of the date determined by Director or County's Board of  
4 Supervisors and set forth in the amendment.

5 Z. Contractor Requested Changes:

6 (1) If Contractor desires any change in the terms and conditions of this Agreement,  
7 Contractor shall request such change in writing prior to April 1 of the Fiscal Year for which the change  
8 would be applicable, and all changes shall be made by an amendment pursuant to Agreement Paragraph  
9 37 (ALTERATION OF TERMS).

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

15 AA. Delegated Authority: Notwithstanding any other provision of this Agreement, County's  
16 Department of Mental Health Director may, without further action by County's Board of Supervisors,  
17 prepare and sign amendments to this Agreement during the remaining term of this Agreement, under the  
18 following conditions:

19 (1) County's total payments to Contractor under this Agreement, for each Fiscal  
20 Year of the term of this Agreement, shall not exceed or shall not be reduced by more than the Board  
21 approved percentage of the applicable Maximum Contract Amount; and

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

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

26 (4) Approval of County Counsel and the Chief Administrative Officer is obtained  
27 prior to any such amendment to this Agreement; and

28 (5) County's Department of Mental Health Director shall notify County's Board of  
29 Supervisors and Chief Administrative Officer of all Agreement changes, in writing, within fifteen days  
30 following execution of any such amendment(s).

31 BB. CalWORKs Reimbursement:

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

35 For each month of the term of this Agreement, Contractor shall submit to County a  
36 separate claim for CalWORKs services in the form and content specified by County. Each monthly claim

1 shall be submitted within thirty days of Contractor's receipt of County's MIS CalWORKs Service Reports  
2 for the last date CalWORKs' mental health services were provided during the particular month.

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

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

8 (3) In its sole discretion, Director shall have the option to deny payment for services  
9 when documentation of clinical work does not meet minimum State and County standards as set forth  
10 in the Los Angeles County annotated version of the Rehabilitation Option and Targeted Case  
11 Management Manual.

12 (4) Reimbursement shall only be made for CalWORKs services to the extent that  
13 funds are allocated by DPSS and the State for these services.

14 (5) Services to CalWORKs beneficiaries shall be limited to Contractor's existing  
15 services as provided in this Agreement.

16 CC. CalWORKs Suspension of Payment: At the sole discretion of Director, payments to  
17 Contractor under this Agreement shall be suspended if Director determines that Contractor is in default  
18 under any of the provisions of this Agreement, or if funds are unavailable from the State or DPSS for  
19 payment on CalWORKs claims.

20 DD. AB3632 Services Utilizing SB90 Funds: SB90 funds are part of the Maximum Contract  
21 Amount(s) of this Agreement and shall be paid by County to Contractor solely in County's capacity as  
22 the SB90 claim intermediary between the Contractor and the State. County shall make all instructions  
23 issued by the State for SB90 claiming available to Contractor.

24 Notwithstanding any other provision of this Agreement, in the event that Contractor provides  
25 AB3632 services reimbursable under the State's SB90 mandate claim process, in excess of the  
26 Contractor's Fiscal Year 1997-1998 base of \$\_\_\_\_\_, Contractor shall be paid by County  
27 from SB90 funds upon receipt from the State. In the event that SB90 funds are not available to pay  
28 SB90 claims or that State denies any or all of the SB90 claims submitted by County on behalf of  
29 Contractor, Contractor shall indemnify and hold harmless County for any and all liability for payment of  
30 any or all of the denied SB90 claims or for the unavailability of SB90 funds to pay for SB90 claims.  
31 Contractor shall be solely liable and responsible for all data and information submitted by Contractor to  
32 County in support of all claims for SB90 funds submitted by County as the fiscal intermediary.

33 5. COUNTY'S OBLIGATION FOR CURRENT AND FUTURE FISCAL YEARS:

34 Notwithstanding any other provision of this Agreement, this Agreement shall not be effective and  
35 binding upon the parties unless and until County's Board of Supervisors appropriates funds for purposes  
36 hereof in County's Budget for County's current Fiscal Year. Further, County shall not be obligated for

1 Contractor's performance hereunder or by any provision of this Agreement during any of County's future  
2 Fiscal Years unless and until County's Board of Supervisors appropriates funds for purposes hereof in  
3 County's Budget for each such future Fiscal Year. In the event that funds are not appropriated for this  
4 Agreement, then this Agreement shall terminate as of June 30 of the last Fiscal Year for which funds  
5 were appropriated.

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

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

8 TITLE COUNTY AGREEMENT NUMBER DATE OF EXECUTION  
9 \_\_\_\_\_

10  
11 The parties agree that the provisions of such prior Agreement(s), and all Amendments thereto, shall be  
12 entirely superseded as of \_\_\_\_\_, \_\_\_\_\_, by the provisions of this Agreement.

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

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

19 \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_);

20 and for Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_

21 \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_);

22 and for Fiscal Year \_\_\_\_\_ shall not exceed \_\_\_\_\_

23 \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_).

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

36 **8. STAFF TRAINING AND SUPERVISION:** Contractor shall institute and maintain an in-service  
37 training program of treatment review and case conferences in which all its professional,

1 para-professional, intern, student and clinical volunteer personnel shall participate. Contractor shall  
2 institute and maintain appropriate supervision of all persons providing services under this Agreement  
3 with particular emphasis on the supervision of para-professionals, interns, students, and clinical  
4 volunteers in accordance with Departmental clinical supervision policy. Contractor shall be responsible  
5 for the training of all appropriate staff on CR/DC Manual, RO/TCM Manual, and other State and County  
6 policies and procedures as well as on any other matters that County may reasonably require.

7 9. PROGRAM SUPERVISION, MONITORING AND REVIEW:

8 A. Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder  
9 shall be provided by Contractor under the general supervision of Director. Director shall have the right  
10 to monitor and specify the kind, quality, appropriateness, timeliness, amount of services, and the criteria  
11 for determining the persons to be served. Upon receipt of a DMH Contract Monitoring Report,  
12 Contractor shall respond in writing to the particular DMH Contract Monitor within the time specified in  
13 the Report either acknowledging the reported deficiencies or presenting contrary evidence, and, in  
14 addition, submitting a plan for immediate correction of all deficiencies. In the event of a State audit of  
15 this Agreement, if State auditors disagree with County's written instructions to Contractor in its  
16 performance of this Agreement, and if such disagreement results in a State disallowance of any of  
17 Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as  
18 determined by State.

19 B. To assure compliance with this Agreement and for any other reasonable purpose  
20 relating to performance of this Agreement, and subject to the provisions of state and federal law,  
21 authorized County, State, and/or Federal representatives and designees shall have the right to enter  
22 Contractor's premises (including all other places where duties under this Agreement are being  
23 performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities, programs  
24 and procedures, or to otherwise evaluate the work performed or being performed; review and copy  
25 any records and supporting documentation pertaining to the performance of this Agreement; and elicit  
26 information regarding the performance of this Agreement or any related work. The representatives  
27 and designees of such agencies may examine, audit and copy such records at the site at which they  
28 are located. Contractor shall provide access to facilities and shall cooperate and assist County, State,  
29 and/or Federal representatives and designees in the performance of their duties. Unless otherwise  
30 agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or  
31 Federal representatives and designees within ten (10) state working days for monitoring purposes.

32 10. COUNTY'S QUALITY ASSURANCE PLAN: The County or its agent will evaluate  
33 Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will  
34 include assessing Contractor's compliance with all contract terms and performance standards.  
35 Contractor deficiencies which County determines are severe or continuing and that may place  
36 performance of the Agreement in jeopardy if not corrected will be reported to the Board of Supervisors.

1 The report will include improvement/corrective action measures taken by the County and Contractor. If  
2 improvement does not occur consistent with the corrective action measures, County may terminate this  
3 Agreement or impose other penalties as specified in this Agreement.

4 11. RECORDS AND AUDITS:

5 A. Records:

6 (1) Direct Services and Indirect Services Records: Contractor shall maintain a  
7 record of all direct services and indirect services rendered by all the various professional,  
8 para-professional, intern, student, volunteer and other personnel to fully document all services provided  
9 under this Agreement and in sufficient detail to permit an evaluation and audit of such services. All  
10 such records shall be retained, maintained, and made immediately available for inspection, program  
11 review, and/or audit by authorized representatives and designees of County, State, and/or Federal  
12 governments during the term of this Agreement and during the applicable period of records retention.  
13 Such access shall include regular and special reports from Contractor. In the event any records are  
14 located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs  
15 incurred by County for any inspection, program review, and/or audit at such other location. In addition  
16 to the requirements in this Paragraph 11, Contractor shall comply with any additional patient/client  
17 record requirements described in the Service Exhibit(s) and shall adequately document the delivery of all  
18 services described in the Service Exhibit(s).

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

33 (b) Case Management Support Services and Outreach Services Records  
34 (Indirect Services): Contractor shall maintain accurate and complete program records of all indirect  
35 services (i.e., all services other than direct services) in accordance with all applicable County, State and  
36 Federal requirements. All program records shall be maintained by Contractor at a location in Los Angeles

1 County for a minimum period of seven years following the expiration or termination of this Agreement,  
2 or until County, State and/or Federal audit findings applicable to such services are fully resolved,  
3 whichever is later. During such retention period, all such records shall be immediately available and  
4 open during normal business hours to authorized representatives and designees of County, State, and/or  
5 Federal governments for purposes of inspection and/or audit.

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

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

15 (b) Reports, studies, statistical surveys or other information Contractor used  
16 to identify and allocate indirect costs among Contractor's various modes of service. "Indirect costs"  
17 shall mean those costs as described by the CR/DC Manual and all guidelines, standards, and procedures  
18 which may be provided by County to Contractor.

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

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

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

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

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

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

30 (g) Employment records.

31 (3) The entries in all of the above financial records must be readily traceable to  
32 applicable source documentation (e.g., remittance invoices, vendor invoices, employee timecards signed  
33 by employee and countersigned by supervisor in ink, subsidiary ledgers and journals, appointment logs,  
34 patient ledger cards, etc.). Any apportionment of costs shall be made in accordance with the  
35 requirements of the Short-Doyle/Medi-Cal Automated Cost Reporting System Users Manual, the Federal  
36 Health Care Financing Administration's Health Insurance Manual Volume 15 (HIM 15), CR/DC Manual,

1 and RO/TCM Manual. All such records shall be maintained by Contractor at a location in Los Angeles  
2 County for a minimum period of seven years following the expiration or termination of the Agreement,  
3 or until County, State and/or Federal audit findings are fully resolved, whichever is later. During such  
4 retention period, all such records shall be immediately available and open during County's normal  
5 business hours to authorized representatives and designees of County, State, and/or Federal  
6 governments for purposes of inspection, program review, and/or audit. Such access shall include access  
7 to individuals with knowledge of financial records and Contractor's outside auditors, and regular and  
8 special reports from Contractor. In the event any records are located outside Los Angeles County,  
9 Contractor shall pay County for all travel, per diem, and other costs incurred by County for any  
10 inspection or audit at such other location.

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

16 B. Audits:

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

20 (2) County may, in its sole discretion, perform periodic fiscal and/or program  
21 review(s) of Contractor's records that relate to this Agreement, and if the results of any fiscal and/or  
22 program review requires a corrective plan of action, Contractor shall submit such a plan to DMH no later  
23 than thirty days after receiving the findings of the fiscal and/or program review.

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

31 (4) State Department of Mental Health Access to Records: Contractor agrees that  
32 for a period of seven years or until final audit is completed, which ever occurs later, following the  
33 furnishing of services under this Agreement, Contractor shall maintain and make available to the State  
34 Department of Mental Health, the Secretary of the United States Department of Health and Human  
35 Services or the Controller General of the United States, and any other authorized federal and state  
36 agencies, or to any of their duly authorized representatives, the contracts, books, documents and

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

7 (5) Federal Access to Records: If, and to the extent that, Section 1861(v)(1)(I) of  
8 the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable, Contractor agrees  
9 that for a period of seven years following the furnishing of services under this Agreement, Contractor  
10 shall maintain and make available to the Secretary of the United States Department of Health and  
11 Human Services or the Controller General of the United States, or to any of their duly authorized  
12 representatives, the contracts, books, documents and records of Contractor which are necessary to  
13 verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out  
14 any of the services provided hereunder through any subcontract with a value or cost of TEN  
15 THOUSAND DOLLARS (\$10,000) or more over a twelve month period with a related organization (as  
16 that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for  
17 such access to the subcontract, books, documents and records of the subcontractor as provided in  
18 paragraph 9 and in this paragraph 11.

19 12. REPORTS:

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

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

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

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

32 C. Management Information System (MIS):

33 (1) Contractor shall participate in MIS, including, but not limited to, RGMS, as  
34 required by Director. Contractor shall report to County, all program, patient/client, staff, and other data  
35 and information about Contractor's services, within the specified time periods as required by DMH's  
36 Management Information Systems Procedure Manual and Reports Reference Guide and any other



1 County requirements; in no event, no later than 40 calendar days after the close of each Fiscal Year in  
2 which the services were provided.

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

8 (3) If, after the close of the monthly MIS time-frame, Contractor desires to enter  
9 any data and information documenting units of services for a particular month, then Contractor shall  
10 submit a request in writing setting forth the good cause reasons which prevented Contractor from timely  
11 entering such particular data and information into MIS. Director may, at his sole discretion, approve in  
12 writing Contractor's request to enter the data and information into MIS. Notwithstanding any other  
13 provision of this Agreement, the only units of service which shall be considered legitimate and  
14 reimbursable at Annual Cost Report adjustment and settlement time or otherwise shall be those units of  
15 service as entered by Contractor into MIS.

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

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

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

33 15. REPORTING OF PATIENT/CLIENT ABUSE AND RELATED PERSONNEL

34 REQUIREMENTS:

35 A. Elders and Dependent Adults Abuse: Contractor, and all persons employed or  
36 subcontracted by Contractor, shall comply with WIC Section 15630 *et seq.* and shall report all known or

1 suspected instances of physical abuse of elders and dependent adults under the care of Contractor either  
2 to an appropriate County adult protective services agency or to a local law enforcement agency, as  
3 mandated by WIC Sections 15630, 15631 and 15632. Contractor, and all persons employed or  
4 subcontracted by Contractor, shall make the report on such abuse, and shall submit all required  
5 information, in accordance with WIC Sections 15630, 15633 and 15633.5.

6 B. Minor Children Abuse: Contractor, and all persons employed or subcontracted by  
7 Contractor, shall comply with California Penal Code (hereafter "PC") Section 11164 et seq. and shall  
8 report all known or suspected instances of child abuse to an appropriate child protective agency, as  
9 mandated by California Penal Code 11164, 11165.8 and 11166. Contractor, and all persons employed  
10 or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required  
11 information, in accordance with PC Sections 11166 and 11167.

12 C. Contractor Staff:

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

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

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

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

30 16. NONDISCRIMINATION IN SERVICES:

31 A. Contractor shall not discriminate in the provision of services hereunder because of race,  
32 religion, national origin, ancestry, sex, age, marital status, or physical or mental handicap or medical  
33 conditions, in accordance with requirements of Federal and State law. For the purpose of this Paragraph  
34 16, discrimination in the provision of services may include, but is not limited to, the following: denying  
35 any person any service or benefit or the availability of a facility; providing any service or benefit to any  
36 person which is different, or is provided in a different manner or at a different time, from that provided

1 para-professional, intern, student and clinical volunteer personnel shall participate. Contractor shall  
2 institute and maintain appropriate supervision of all persons providing services under this Agreement  
3 with particular emphasis on the supervision of para-professionals, interns, students, and clinical  
4 volunteers in accordance with Departmental clinical supervision policy. Contractor shall be responsible  
5 for the training of all appropriate staff on CR/DC Manual, RO/TCM Manual, and other State and County  
6 policies and procedures as well as on any other matters that County may reasonably require.

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

8 A. Pursuant to WIC Section 5608 and CCR Title 9, Section 521, all services hereunder  
9 shall be provided by Contractor under the general supervision of Director. Director shall have the right  
10 to monitor and specify the kind, quality, appropriateness, timeliness, amount of services, and the criteria  
11 for determining the persons to be served. Upon receipt of a DMH Contract Monitoring Report,  
12 Contractor shall respond in writing to the particular DMH Contract Monitor within the time specified in  
13 the Report either acknowledging the reported deficiencies or presenting contrary evidence, and, in  
14 addition, submitting a plan for immediate correction of all deficiencies. In the event of a State audit of  
15 this Agreement, if State auditors disagree with County's written instructions to Contractor in its  
16 performance of this Agreement, and if such disagreement results in a State disallowance of any of  
17 Contractor's costs hereunder, then County shall be liable for Contractor's disallowed costs as  
18 determined by State.

19 B. To assure compliance with this Agreement and for any other reasonable purpose  
20 relating to performance of this Agreement, and subject to the provisions of state and federal law,  
21 authorized County, State, and/or Federal representatives and designees shall have the right to enter  
22 Contractor's premises (including all other places where duties under this Agreement are being  
23 performed), with or without notice, to: inspect, monitor and/or audit Contractor's facilities, programs  
24 and procedures, or to otherwise evaluate the work performed or being performed; review and copy  
25 any records and supporting documentation pertaining to the performance of this Agreement; and elicit  
26 information regarding the performance of this Agreement or any related work. The representatives  
27 and designees of such agencies may examine, audit and copy such records at the site at which they  
28 are located. Contractor shall provide access to facilities and shall cooperate and assist County, State,  
29 and/or Federal representatives and designees in the performance of their duties. Unless otherwise  
30 agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or  
31 Federal representatives and designees within ten (10) state working days for monitoring purposes.

32 **10. COUNTY'S QUALITY ASSURANCE PLAN:** The County or its agent will evaluate  
33 Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will  
34 include assessing Contractor's compliance with all contract terms and performance standards.  
35 Contractor deficiencies which County determines are severe or continuing and that may place  
36 performance of the Agreement in jeopardy if not corrected will be reported to the Board of Supervisors.

1 The report will include improvement/corrective action measures taken by the County and Contractor. If  
2 improvement does not occur consistent with the corrective action measures, County may terminate this  
3 Agreement or impose other penalties as specified in this Agreement.

4 11. RECORDS AND AUDITS:

5 A. Records:

6 (1) Direct Services and Indirect Services Records: Contractor shall maintain a  
7 record of all direct services and indirect services rendered by all the various professional,  
8 para-professional, intern, student, volunteer and other personnel to fully document all services provided  
9 under this Agreement and in sufficient detail to permit an evaluation and audit of such services. All  
10 such records shall be retained, maintained, and made immediately available for inspection, program  
11 review, and/or audit by authorized representatives and designees of County, State, and/or Federal  
12 governments during the term of this Agreement and during the applicable period of records retention.  
13 Such access shall include regular and special reports from Contractor. In the event any records are  
14 located outside Los Angeles County, Contractor shall pay County for all travel, per diem, and other costs  
15 incurred by County for any inspection, program review, and/or audit at such other location. In addition  
16 to the requirements in this Paragraph 11, Contractor shall comply with any additional patient/client  
17 record requirements described in the Service Exhibit(s) and shall adequately document the delivery of all  
18 services described in the Service Exhibit(s).

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

33 (b) Case Management Support Services and Outreach Services Records  
34 (Indirect Services): Contractor shall maintain accurate and complete program records of all indirect  
35 services (i.e., all services other than direct services) in accordance with all applicable County, State and  
36 Federal requirements. All program records shall be maintained by Contractor at a location in Los Angeles

1 County for a minimum period of seven years following the expiration or termination of this Agreement,  
2 or until County, State and/or Federal audit findings applicable to such services are fully resolved,  
3 whichever is later. During such retention period, all such records shall be immediately available and  
4 open during normal business hours to authorized representatives and designees of County, State, and/or  
5 Federal governments for purposes of inspection and/or audit.

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

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

15 (b) Reports, studies, statistical surveys or other information Contractor used  
16 to identify and allocate indirect costs among Contractor's various modes of service. "Indirect costs"  
17 shall mean those costs as described by the CR/DC Manual and all guidelines, standards, and procedures  
18 which may be provided by County to Contractor.

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

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

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

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

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

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

30 (g) Employment records.

31 (3) The entries in all of the above financial records must be readily traceable to  
32 applicable source documentation (e.g., remittance invoices, vendor invoices, employee timecards signed  
33 by employee and countersigned by supervisor in ink, subsidiary ledgers and journals, appointment logs,  
34 patient ledger cards, etc.). Any apportionment of costs shall be made in accordance with the  
35 requirements of the Short-Doyle/Medi-Cal Automated Cost Reporting System Users Manual, the Federal  
36 Health Care Financing Administration's Health Insurance Manual Volume 15 (HIM 15), CR/DC Manual,

1 and RO/TCM Manual. All such records shall be maintained by Contractor at a location in Los Angeles  
2 County for a minimum period of seven years following the expiration or termination of the Agreement,  
3 or until County, State and/or Federal audit findings are fully resolved, whichever is later. During such  
4 retention period, all such records shall be immediately available and open during County's normal  
5 business hours to authorized representatives and designees of County, State, and/or Federal  
6 governments for purposes of inspection, program review, and/or audit. Such access shall include access  
7 to individuals with knowledge of financial records and Contractor's outside auditors, and regular and  
8 special reports from Contractor. In the event any records are located outside Los Angeles County,  
9 Contractor shall pay County for all travel, per diem, and other costs incurred by County for any  
10 inspection or audit at such other location.

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

16 B. Audits:

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

20 (2) County may, in its sole discretion, perform periodic fiscal and/or program  
21 review(s) of Contractor's records that relate to this Agreement, and if the results of any fiscal and/or  
22 program review requires a corrective plan of action, Contractor shall submit such a plan to DMH no later  
23 than thirty days after receiving the findings of the fiscal and/or program review.

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

31 (4) State Department of Mental Health Access to Records: Contractor agrees that  
32 for a period of seven years or until final audit is completed, which ever occurs later, following the  
33 furnishing of services under this Agreement, Contractor shall maintain and make available to the State  
34 Department of Mental Health, the Secretary of the United States Department of Health and Human  
35 Services or the Controller General of the United States, and any other authorized federal and state  
36 agencies, or to any of their duly authorized representatives, the contracts, books, documents and

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

7 (5) Federal Access to Records: If, and to the extent that, Section 1861(v)(1)(I) of  
8 the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable, Contractor agrees  
9 that for a period of seven years following the furnishing of services under this Agreement, Contractor  
10 shall maintain and make available to the Secretary of the United States Department of Health and  
11 Human Services or the Controller General of the United States, or to any of their duly authorized  
12 representatives, the contracts, books, documents and records of Contractor which are necessary to  
13 verify the nature and extent of the cost of services hereunder. Furthermore, if Contractor carries out  
14 any of the services provided hereunder through any subcontract with a value or cost of TEN  
15 THOUSAND DOLLARS (\$10,000) or more over a twelve month period with a related organization (as  
16 that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for  
17 such access to the subcontract, books, documents and records of the subcontractor as provided in  
18 paragraph 9 and in this paragraph 11.

19 **12. REPORTS:**

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

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

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

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

32 C. Management Information System (MIS):

33 (1) Contractor shall participate in MIS, including, but not limited to, RGMS, as  
34 required by Director. Contractor shall report to County, all program, patient/client, staff, and other data  
35 and information about Contractor's services, within the specified time periods as required by DMH's  
36 Management Information Systems Procedure Manual and Reports Reference Guide and any other

1 County requirements; in no event, no later than 40 calendar days after the close of each Fiscal Year in  
2 which the services were provided.

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

8 (3) If, after the close of the monthly MIS time-frame, Contractor desires to enter  
9 any data and information documenting units of services for a particular month, then Contractor shall  
10 submit a request in writing setting forth the good cause reasons which prevented Contractor from timely  
11 entering such particular data and information into MIS. Director may, at his sole discretion, approve in  
12 writing Contractor's request to enter the data and information into MIS. Notwithstanding any other  
13 provision of this Agreement, the only units of service which shall be considered legitimate and  
14 reimbursable at Annual Cost Report adjustment and settlement time or otherwise shall be those units of  
15 service as entered by Contractor into MIS.

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

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

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

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

35 A. Elders and Dependent Adults Abuse: Contractor, and all persons employed or  
36 subcontracted by Contractor, shall comply with WIC Section 15630 *et seq.* and shall report all known or



1 suspected instances of physical abuse of elders and dependent adults under the care of Contractor either  
2 to an appropriate County adult protective services agency or to a local law enforcement agency, as  
3 mandated by WIC Sections 15630, 15631 and 15632. Contractor, and all persons employed or  
4 subcontracted by Contractor, shall make the report on such abuse, and shall submit all required  
5 information, in accordance with WIC Sections 15630, 15633 and 15633.5.

6 B. Minor Children Abuse: Contractor, and all persons employed or subcontracted by  
7 Contractor, shall comply with California Penal Code (hereafter "PC") Section 11164 et seq. and shall  
8 report all known or suspected instances of child abuse to an appropriate child protective agency, as  
9 mandated by California Penal Code 11164, 11165.8 and 11166. Contractor, and all persons employed  
10 or subcontracted by Contractor, shall make the report on such abuse, and shall submit all required  
11 information, in accordance with PC Sections 11166 and 11167.

12 C. Contractor Staff:

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

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

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

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

30 16. NONDISCRIMINATION IN SERVICES:

31 A. Contractor shall not discriminate in the provision of services hereunder because of race,  
32 religion, national origin, ancestry, sex, age, marital status, or physical or mental handicap or medical  
33 conditions, in accordance with requirements of Federal and State law. For the purpose of this Paragraph  
34 16, discrimination in the provision of services may include, but is not limited to, the following: denying  
35 any person any service or benefit or the availability of a facility; providing any service or benefit to any  
36 person which is different, or is provided in a different manner or at a different time, from that provided

1 to others; subjecting any person to segregation or separate treatment in any matter related to the receipt  
2 of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed  
3 by others receiving any service or benefit; and treating any person differently from others in determining  
4 admission, enrollment quota, eligibility, membership, or any other requirement or condition which  
5 persons must meet in order to be provided any service or benefit. Contractor shall take affirmative  
6 action to ensure that intended beneficiaries of this Agreement are provided services without regard to  
7 ability to pay or source of payment, race, religion, national origin, ancestry, sex, age, marital status, or  
8 physical or mental handicap, or medical conditions.

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

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

25 **17. NONDISCRIMINATION IN EMPLOYMENT:**

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

32 B. Contractor shall take affirmative action to ensure that qualified applicants are employed,  
33 and that employees are treated during employment without regard to race, color, religion, national origin,  
34 ancestry, sex, age, marital status, condition of physical disability (including HIV and AIDS) or mental  
35 disability, medical condition (cancer), denial of family care leave, or political affiliation. Such action shall  
36 include, but is not limited to, the following: employment, upgrading, demotion, transfer, recruitment or

1 recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection  
2 for training, including apprenticeship. Contractor shall not discriminate against or harass, nor shall it  
3 permit harassment of, its employees during employment based upon race, color, religion, national origin,  
4 ancestry, sex, age, marital status, condition of physical disability (including HIV and AIDS) or mental  
5 disability, medical condition (cancer), denial of family care leave, or political affiliation in compliance with  
6 all applicable Federal and State anti-discrimination laws and regulations. Contractor shall insure that the  
7 evaluation and treatment of its employees and applicants for employment are free from such  
8 discrimination and harassment, and will comply with the provisions of the Fair Employment and Housing  
9 Act (Government Code section 12990 et seq.) and the applicable regulations promulgated thereunder  
10 (California Code of Regulations, Title 2, Section 7285.0 et seq.).

11 C. Contractor shall deal with its subcontractors, bidders, or vendors without regard to or  
12 because of race, color, religion, national origin, ancestry, sex, age, marital status, condition of physical  
13 disability (including HIV and AIDS) or mental disability, medical condition (cancer), denial of family care  
14 leave, or political affiliation. Further, Contractor shall give written notice of its obligations under this  
15 Paragraph 17 to labor organizations with which it has a collective bargaining or other agreement.

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

19 E. If County finds that any of the above provisions has been violated, the same shall  
20 constitute a material breach of this Agreement upon which County may immediately terminate or  
21 suspend this Agreement. While County reserves the right to determine independently that the  
22 anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the  
23 California Fair Employment Practices Commission or the Federal Equal Employment Opportunity  
24 Commission that Contractor has violated State or Federal anti-discrimination laws or regulations shall  
25 constitute a finding by County that Contractor has violated the anti-discrimination provisions of this  
26 Agreement.

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

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

1 19. INDEMNIFICATION AND INSURANCE:

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

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

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

17 (a) Specifically identify this Agreement.

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

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

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

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

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

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

34 3) Failure to Maintain Coverage: Failure by Contractor to maintain the required  
35 insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material  
36 breach of the contract upon which County may immediately terminate or suspend this Agreement.

1 County, at its sole option, may obtain damages from Contractor resulting from said breach.  
2 Alternatively, County may purchase such required insurance coverage, and without further notice to  
3 Contractor, County may deduct from sums due to Contractor any premium costs advanced by County  
4 for such insurance.

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

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

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

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

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

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

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

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

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

28 C. Insurance Coverage Requirements:

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

31	General Aggregate:	Two Million Dollars (\$2,000,000)
32	Products/Completed Operations Aggregate:	One Million Dollars (\$1,000,000)
33	Personal and Advertising Injury:	One Million Dollars (\$1,000,000)
34	Each Occurrence:	One Million Dollars (\$1,000,000)

35 2) Automobile Liability: Insurance (written on ISO policy form CA 00 01 or its  
36 equivalent) with a limit of liability of not less than One Million Dollars (\$1,000,000) for each accident.

1 Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage  
2 for "any auto".

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

10	Each Accident:	One Million Dollars	(\$1,000,000)
11	Disease - policy limit:	One Million Dollars	(\$1,000,000)
12	Disease - each employee:	One Million Dollars	(\$1,000,000)

13 4) Professional Liability: Insurance covering liability arising from any error,  
14 omission, negligent or wrongful act of the Contractor, its officers or employees with limits of not less  
15 than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) aggregate.  
16 The coverage also shall provide an extended two-year reporting period commencing upon termination or  
17 cancellation of this Agreement.

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

25 21. CONFLICT OF INTEREST:

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

33 B. Contractor shall comply with all conflict of interest laws, ordinances and regulations  
34 now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it  
35 is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes  
36 aware of any facts which might reasonably be expected to create a conflict of interest, it shall

1 immediately make full written disclosure of such facts to County. Full written disclosure shall include,  
2 without limitation, identification of all persons implicated and complete description of all relevant  
3 circumstances.

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

11 23. INDEPENDENT STATUS OF CONTRACTOR:

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

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

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

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

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

1 reemployment list during the term of this Agreement.

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

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

14 27. SUBCONTRACTING:

15 A. No performance of this Agreement, or any portion thereof, shall be subcontracted by  
16 Contractor without the prior written consent of County as provided in this Paragraph 27. Any  
17 attempt by Contractor to subcontract any performance, obligation, or responsibility under this  
18 Agreement, without the prior written consent of County, shall be null and void and shall constitute a  
19 material breach of this Agreement. Notwithstanding any other provision of this Agreement, in the  
20 event of any such breach by Contractor, this Agreement may be terminated forthwith by County.  
21 Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any  
22 person or entity shall acquire any rights as a third party beneficiary of this Agreement.

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

26 (1) The reasons for the particular subcontract.

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

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

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

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

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

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



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

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

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

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

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

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

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

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

36 H. In the event that County consents to any subcontracting, each and all of the provisions

1 of this Agreement and any amendment thereto shall extend to, be binding upon, and inure to the benefit  
2 of, the successors or administrators of the respective parties.

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

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

10 K. Contractor shall deliver to the Chief of DMH's Contracts Development and  
11 Administration Division a fully executed copy of each subcontract entered into by Contractor pursuant to  
12 this Paragraph 27, on or immediately after the effective date of the subcontract but in no event later  
13 than the date any services are performed under the subcontract.

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

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

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

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

32 29. COMPLIANCE WITH APPLICABLE LAW:

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

1 reference.

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

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

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

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

14 A. Contractor shall obtain and maintain in effect during the term of this Agreement, all  
15 licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification  
16 as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are provided hereunder), as  
17 required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and  
18 directives, which are applicable to Contractor's facility(ies) and services under this Agreement.  
19 Contractor shall further ensure that all of its officers, employees, and agents, who perform services  
20 hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits,  
21 registrations, accreditations, and certificates which are applicable to their performance hereunder. A  
22 copy of each such license, permit, registration, accreditation, and certificate (including, but not limited  
23 to, certification as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are  
24 provided hereunder) as required by all applicable Federal, State, and local laws, ordinances, rules,  
25 regulations, manuals, guidelines and directives shall be provided, in duplicate, to DMH's Contracts  
26 Development and Administration Division.

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

30 32. TERMINATION FOR INSOLVENCY:

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

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

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

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

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

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

7 **33.    TERMINATION FOR DEFAULT:**

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

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

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

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

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

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

32           Contractor shall immediately report any attempt by a County officer or employee to solicit such  
33 improper consideration. The report shall be made either to the County manager charged with the  
34 supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-  
35 0914 or (800) 544-6861.

36           Among other items, such improper consideration may take the form of cash, discounts, service,

1 the provision of travel or entertainment, or tangible gifts.

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

5 36. CAPTIONS AND PARAGRAPH HEADINGS: Captions and paragraph headings used in this  
6 Agreement are for convenience only and are not a part of this Agreement and shall not be used in  
7 construing this Agreement.

8 37. ALTERATION OF TERMS: No addition to, or alteration of, the terms of the body of this  
9 Agreement, or the Financial Exhibit column(s) which are identified on the Financial Summary or Service  
10 Exhibit(s) hereto, whether by written or oral understanding of the parties, their officers, employees or  
11 agents, shall be valid and effective unless made in the form of a written amendment to this Agreement  
12 which is formally approved and executed by the parties in the same manner as this Agreement.

13 38. ENTIRE AGREEMENT: The body of this Agreement; all attachments; Financial Summary(ies)  
14 which identify the Financial Exhibit column(s) \_\_\_\_\_  
15 Service Delivery Site Exhibit, and Service Exhibit(s) \_\_\_\_\_

16 \_\_\_\_\_, attached hereto and  
17 incorporated herein by reference; and Contractor's Negotiation Package for this Agreement, as approved  
18 in writing by Director, including any addenda thereto as approved in writing by Director, which are  
19 hereby incorporated herein by reference but not attached; shall constitute the complete and exclusive  
20 statement of understanding between the parties which supersedes all previous agreements, written or  
21 oral, and all other communications between the parties relating to the subject matter of this Agreement.

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

- 27 A. Financial Summary(ies) which identify the Financial Exhibit column(s)
- 28 B. Service Delivery Site Exhibit
- 29 C. Service Exhibit(s)
- 30 D. Contractor's Negotiation Package.

31 39. WAIVER: No waiver by County of any breach of any provision of this Agreement shall  
32 constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or  
33 from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The  
34 rights and remedies set forth in this Paragraph 39 shall not be exclusive and are in addition to any other  
35 rights and remedies provided by law or under this Agreement.

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

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

16 42. PURCHASES:

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

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

32 C. Inventory Records, Controls and Reports: Contractor shall maintain accurate and  
33 complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies,  
34 purchased or obtained using any County funds. Within ninety days following the execution of this  
35 Agreement, Contractor shall provide Director with an accurate and complete inventory report of all  
36 furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds.

1 The inventory report shall be prepared by Contractor on a form or forms designated by Director, certified  
2 and signed by an authorized officer of Contractor, and one copy thereof shall be delivered to County  
3 within thirty days of any change in the inventory. Within five days after the expiration or termination of  
4 the Agreement, Contractor shall submit to County six copies of the same inventory report updated to  
5 the expiration or termination date of the Agreement, certified and signed by an authorized officer of  
6 Contractor, based on a physical count of all items of furniture, fixtures, equipment, materials, and  
7 supplies, as of such expiration or termination date.

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

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

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

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

1 requirements.

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

10 46. COUNTY LOBBYISTS: Contractor and each County lobbyist or County lobbying firm as defined  
11 in Los Angeles County Code Section 2.160.010, retained by Contractor, shall fully comply with  
12 County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of  
13 Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with  
14 County's Lobbyist Ordinance shall constitute a material breach of this Agreement upon which County  
15 may immediately terminate or suspend this Agreement.

16 47. MAINTENANCE STANDARDS FOR SERVICE DELIVERY SITES: Contractor shall assure that all  
17 locations where services are provided under this Agreement are operated at all times in accordance with  
18 all County community standards with regard to property maintenance and repair, graffiti abatement,  
19 refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances,  
20 and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies)  
21 shall include a review of compliance with this Paragraph 47.

22 48. CHILD SUPPORT COMPLIANCE PROGRAM:

23 A. Contractor's Acknowledgement of County's Commitment to Child Support Enforcement:  
24 The Contractor acknowledges that the County places a high priority on the enforcement of child support  
25 laws and the apprehensive of child support evaders. The Contractor understands that it is the County's  
26 policy to encourage all County Contractors to voluntarily post the County's "LA's Most Wanted:  
27 Delinquent Parent's" poster in a prominent position at the Contractor's place of business. The County's  
28 Child Support Services Department will supply the Contractor with the poster to be used.

29 B. Contractor's Warranty of Adherence to County's Child Support Compliance Program:

30 (1) The Contractor acknowledges that the County has established a goal of  
31 ensuring that all individuals who benefit financially from the County through Purchase Order or  
32 Agreement are in compliance with their court-ordered child, family and spousal support obligations in  
33 order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

34 (2) As required by the County's Child Support Compliance Program (County Code  
35 Chapter 2.200) and without limiting the Contractor's duty under this Agreement to comply with all  
36 applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the



1 term of this Agreement maintain compliance with employment and wage reporting requirements as  
2 required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment  
3 Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding  
4 Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or  
5 Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section  
6 5246(b).

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

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

14 **51. CONTRACTOR RESPONSIBILITY AND DEBARMENT:** The following requirements set forth in  
15 the Ordinance are effective for this Agreement, except to the extent applicable State and/or Federal  
16 laws are inconsistent with the terms of the Ordinance.

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

20 B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the  
21 County Code, if the County acquires information concerning the performance of the Contractor on  
22 this or other Agreements which indicates that the Contractor is not responsible, the County may, in  
23 addition to other remedies provided in the Agreement, debar the Contractor from bidding on County  
24 contracts for a specified period of time not to exceed 3 years, and terminate any or all existing  
25 contracts the Contractor may have with the County.

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

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

1 E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed  
2 debarment is presented. The Contractor and/or the Contractor's representative shall be given an  
3 opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall  
4 prepare a proposed decision, which shall contain a recommendation regarding whether the contractor  
5 should be debarred, and, if so, the appropriate length of time of the debarment. If the Contractor  
6 fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, the  
7 Contractor may be deemed to have waived all rights of appeal.

8 F. A record of the hearing, the proposed decision and any other recommendation of the  
9 Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors  
10 shall have the right to modify, deny or adopt the proposed decision and recommendation of the  
11 Hearing Board.

12 G. These terms shall also apply to subcontractors/subconsultants of County Contractors.

13 52. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM:  
14 Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from  
15 providing services under any health care program funded by the Federal government, directly or  
16 indirectly, in whole or in part, and that Contractor will notify Director within thirty (30) calendar days  
17 in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion  
18 from participation in a Federally funded health care program; and (2) any exclusionary action taken by  
19 any agency of the Federal government against Contractor or one or more staff members barring it or  
20 the staff members from participation in a Federally funded health care program, whether such bar is  
21 direct or indirect, or whether such bar is in whole or in part.

22 Contractor shall indemnify and hold County harmless against any and all loss or damage  
23 County may suffer arising from any Federal exclusion of Contractor or its staff members from such  
24 participation in a Federally funded health care program.

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

27 53. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT: The parties acknowledge  
28 the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing  
29 regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment  
30 services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the  
31 confidentiality, privacy, and security of patients' medical information, and must take certain steps to  
32 preserve the confidentiality of this information, both internally and externally, including the training of  
33 staff and the establishment of proper procedures for the release of such information, including the use  
34 of appropriate consents and authorizations specified under HIPAA.

35 The parties acknowledge their separate and independent obligations with respect to HIPAA,  
36 and that such obligations relate to *transactions and code sets, privacy, and security*. Contractor

1 understands and agrees that it is separately and independently responsible for compliance with HIPAA  
2 in all these areas and that County has not undertaken any responsibility for compliance on  
3 Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal  
4 advice or other representations with respect to Contractor's obligations under HIPAA, but will  
5 independently seek its own counsel and take the necessary measures to comply with the law and its  
6 implementing regulations.

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

12 54. COMPLIANCE WITH JURY SERVICE PROGRAM:

13 A Jury Service Program: This Agreement is subject to the provisions of the County's  
14 ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections  
15 2.203.010 through 2.203.090 of the Los Angeles County Code.

16 B Written Employee Jury Service Policy:

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

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

1 attached to the Agreement.

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

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

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

21  
22 To Contractor: \_\_\_\_\_  
23 \_\_\_\_\_  
24 \_\_\_\_\_

25 Attention: \_\_\_\_\_  
26 \_\_\_\_\_

27  
28 To County: Department of Mental Health \_\_\_\_\_  
29 Contracts Development and Administration Division \_\_\_\_\_  
30 550 South Vermont Ave., 5th Floor \_\_\_\_\_  
31 Los Angeles, CA 90020 \_\_\_\_\_

32 Attention: Chief of Contracts \_\_\_\_\_

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its Chairman and the seal of said Board to be hereto affixed and attested to by the Executive Officer thereof, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

ATTEST:

COUNTY OF LOS ANGELES

VIOLET VARONA-LUKENS, Executive Officer-Board of Supervisors of the County of Los Angeles

By \_\_\_\_\_  
Chairman, Board of Supervisors

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_  
Principal Deputy County Counsel

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO CONTRACT ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Chief, Contracts Development and Administration Division

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

APPROVED AS TO FORM:

COUNTY OF LOS ANGELES.

LLOYD W. PELLMAN  
County Counsel

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

By \_\_\_\_\_  
Principal Deputy County Counsel

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Chief, Contracts Development and  
Administration Division

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

COUNTY OF LOS ANGELES

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

\_\_\_\_\_  
CONTRACTOR

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL

LLOYD W. PELLMAN  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Chief, Contracts Development  
And Administration Division

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. "Capitated Rate" means a fixed amount, including all revenue, interest and return, per enrolled individual/member paid monthly to Contractor for providing comprehensive mental health services/activities under this Agreement as required in that period for the covered individual/member. All fees paid by or paid on behalf of an enrolled individual/member and all other revenue, interest and return resulting from the same service shall be deducted from the Capitated Rate. In no event shall the County's obligation exceed the CGF allocation as shown in the applicable Negotiated Rate - ISA/Partners (Capitated Rate) Financial Exhibit column(s) which are identified on the Financial Summary;
- E. "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;
- F. "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;
- G. "CPT" means Physicians' Current Procedural Terminology as referenced in the American Medical Association standard edition publication;
- H. "CR/DC Manual" means SDMH's Cost Reporting/Data Collection Manual;
- I. "Day(s)" means calendar day(s) unless otherwise specified;
- J. "DCFS" means County Department of Children and Family Services;
- K. "Director" means County's Director of Mental Health or his authorized designee;
- L. "DMH" means County's Department of Mental Health;
- M. "DPSS" means County's Department of Public Social Services;

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## DEFINITIONS CONTINUED

- N. "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;
- O. "EPSDT" means the Early and Periodic Screening, Diagnosis and Treatment program which is a requirement of the Medicaid program to provide comprehensive health care. EPSDT funds consist of fifty percent Title XIX FFP funds, and fifty percent State funds. Such State funds are specifically designated for this program;
- P. "Established Maximum Allowable Rate" means the Short-Doyle/Medi-Cal maximum reimbursement for a specific SFC unit as established by SDMH;
- Q. "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., and/or Title IV-A Emergency Assistance services as authorized by Title IV of the Social Security Act; 42 United States Code Section 601 et seq.;
- R. "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, and/or Title IV-A Emergency Assistance services, and/or Medicare Partial Hospitalization services;
- S. "Fiscal Year" means County's Fiscal Year which commences July 1 and ends the following June 30;
- T. "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;
- U. "Legal Entity" means the legal organization structure under California law;
- V. "MHRC" means Mental Health Rehabilitation Centers certified by the State Department of Mental Health;
- W. "MIS" means DMH's Management Information System which includes RGMS as one subsystem;

## DEFINITIONS CONTINUED

- X. "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;
- Y. "PATH" means Federal Projects for Assistance in Transition from Homelessness grant funds;
- Z. PLCP means Primary Linkage and Coordination Programs which are responsible for the linkage and coordination of specialty mental health professional services provided by members of the Local Mental Health Plan (LMHP) Provider Network to Medi-Cal beneficiaries including Medi-Cal Prepaid Health Plan members;
- AA. "RO/TCM Manual" means SDMH's Short-Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management;
- BB. "RGMS" means DMH's Revenue Generation Management System which is included as a subsystem in MIS;
- CC. "SAMHSA" means Federal Substance Abuse and Mental Health Services Administration block grant funds;
- DD. "SDHS" means State Department of Health Services;
- EE. "SDMH" means State Department of Mental Health;
- FF. "SDSS" means State Department of Social Services;
- GG. "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, and/or Title IV-A Emergency Assistance services;
- HH. "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;

## DEFINITIONS CONTINUED

- II. "State" means the State of California;
- JJ. "Title IV" means Title IV of the Social Security Act, 42 United States Code Section 601et seq.;
- KK. "Title XIX" means Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- LL. "UMDAP" means SDMH's Uniform Method of Determining Ability to Pay;
- MM. "WIC" means the California Welfare and Institutions Code;
- NN. Not Applicable;
- OO. Not Applicable;
- PP. Not Applicable;
- QQ. Not Applicable;
- RR. Not Applicable;
- SS. "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;
- TT. "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
- UU. "Gross Program Budget" is the sum total of the Net Program Budget and all "Third Party Revenues" shown in the Financial Summary.
- VV. "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.

RBLs LegalEntityFile.LEdefinitions02-03.doc (SuperLE02-03\_No.2)

Contractor Name :

DMH Legal Entity Agreement (Financial Summary Page)

ATTACHMENT II

Legal Entity No :

Fiscal Year:

Period :

Page 1 of 2

Categories	Provider Number (\$)	Reimbursement Method	Financial Exhibits (FE):	Eligible for FFP Match	Sources of Funding Totals
<b>A. Allocations:</b>					
1. Realignment				Yes	\$ -
2. Other				Yes	\$ -
3. Other				Yes	\$ -
4. Other				Yes	\$ -
5. Other				Yes	\$ -
<b>B. Pass Through:</b>					
1. FFP					\$ -
2. EP-SDT-SGF					\$ -
3. SB90				Yes	\$ -
4. Other					\$ -
<b>C. Third Party:</b>					
1. Medicare					\$ -
2. Patient Fees					\$ -
3. Insurance					\$ -
4. Other					\$ -

Maximum Contract Amount/Net Program Budget (A+B):

\$

Gross Program Budget (A+B+C):

\$

For PARTNERS/ISA only:

Footnotes Section:

Legal Entity No.:

MENTAL HEALTH SERVICES	Mode of Service	SFC RANGE	Rates	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for	FE for
<b>A. 24 HOUR SERVICES</b>												
Hospital Inpatient	05	10 - 18										
Hospital Administrative Day	05	19										
Psychiatric Health Facility (PHF)	05	20 - 29										
SNF Intensive	05	30 - 34										
IMD/STP Basic (No Patch)	Beds 1-59	05	35									
	Beds 60 & over	05	35									
Patch for IMD	05	36 - 39										
Mentally Ill Offenders	Indigent	05	36 - 39									
	Regular	05	36 - 39									
IMD - Like	05	36 - 39										
IMD (W/Patch) Sub-Acute (60 days)	05	38										
Adult Crisis Residential	05	40 - 49										
Residential Other	05	60 - 64										
Adult Residential	05	65 - 79										
Semi - Supervised Living	05	80 - 84										
Independent Living	05	85 - 89										
MIH Rehab Centers	05	90 - 94										
<b>B. DAY SERVICES</b>												
Vocational Services	10	30 - 39										
Socialization	10	40 - 49										
SNF Augmentation	10	60 - 69										
Day Treatment Intensive: Half Day	10	81-84										
Day Treatment Intensive: Full Day	10	85-89										
Day Rehabilitative : Half Day	10	91-94										
Day Rehabilitative : Full Day	10	95-99										
<b>C. OUTPATIENT SERVICES</b>												
Case Management, Brokerage	15	01 - 09										
Mental Health Services	15	10 - 19										
Therapeutic Behavioral Services (TBS)	15	30-59										
Medication Support	15	58										
Crisis Intervention	15	60 - 69										
		70 - 79										
<b>D. OUTREACH SERVICES</b>												
Mental Health Promotion	45	10 - 19										
Community Client Services	45	20 - 29										
<b>E. SUPPORT SERVICES</b>												
Life Support/Board & Care	60	40 - 49										
Case Management Support	60	60 - 69										
Flexible Funding (Cost Reimbursement)	60	64										
Identify the applicable FE column(s)												
<b>F. HEALTHY FAMILIES</b>												
Alcohol/Drug Abuse Counseling and Ed. Svcs.												\$ 30.00

Abbreviations: SFC - Service Function Code; FE - Financial Exhibit



DMH LEGAL ENTITY AGREEMENT ATTACHMENT IV

**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>Case Management Services</u>	<u>101</u>
9	<u>Case Management Services (Forensic)</u>	<u>102</u>
10	<u>Case Management Services (Children &amp; Youth)</u>	<u>103</u>
11	<u>Case Management/Brokerage Services (Rehab. Option)</u>	<u>104</u>
12	<u>Short-Term Crisis Residential Services (Forensic)</u>	<u>201</u>
13	<u>Crisis Stabilization Services (Rehab. Option)</u>	<u>202</u>
14	<u>Day Care Habilitative Services</u>	<u>301</u>
15	<u>Day Care Intensive Services</u>	<u>302</u>
16	<u>Day Care Intensive and Habilitative Services</u>	<u>303</u>
17	<u>Vocational Services</u>	<u>304</u>
18	<u>Day Care Intensive Services (Children &amp; Youth)</u>	<u>306</u>
19	<u>Day Care Habilitative Services (Children &amp; Youth)</u>	<u>307</u>
20	<u>Day Treatment Rehabilitation Services (Adult) (Rehab. Option)</u>	<u>308</u>
21	<u>Day Treatment Rehabilitation Services (Children/Adolescents) (Rehab. Option)</u>	<u>309</u>
22	<u>Day Treatment Intensive Services (Adult) (Rehab. Option)</u>	<u>310</u>
23	<u>Day Treatment Intensive Services (Children/Adolescents) (Rehab. Option)</u>	<u>311</u>
24	<u>Outpatient Services</u>	<u>401</u>
25	<u>Mental Health Services (Rehab. Option)</u>	<u>402</u>
26	<u>Medication Support Services (Rehab. Option)</u>	<u>403</u>
27	<u>Crisis Intervention Services (Rehab. Option)</u>	<u>404</u>
28	<u>Mental Health Service Treatment Patch (La Casa)</u>	<u>405</u>

DMH LEGAL ENTITY AGREEMENT ATTACHMENT IV

1		
2	<u>Therapeutic Behavioral Services</u>	<u>406</u>
3	<u>Outreach Services</u>	<u>501</u>
4	<u>Outreach Services (Suicide prevention Services)</u>	<u>502</u>
5	<u>Intensive Skilled Nursing Facility Services</u>	<u>601</u>
6	<u>Mental Health Rehabilitation Centers (La Casa Mental Health Rehabilitation Center)</u>	<u>602</u>
7	<u>Intensive Skilled Nursing Facility Services (La Paz)</u>	<u>603</u>
8	<u>Intensive Skilled Nursing Facility Services Forensic Treatment</u>	<u>604</u>
9	<u>Skilled Nursing Facilities (Psychiatric Services)</u>	<u>605</u>
10	<u>Intensive Skilled Nursing Facility Services (Sixty Days)</u>	<u>606</u>
11	<u>Intensive Skilled Nursing Facility Services (Long Term)</u>	<u>607</u>
12	<u>Skilled Nursing Facility – Special Treatment Program Services</u>	
13	<u>(SNF-STP/Psychiatric Services)</u>	<u>608</u>
14	<u>Intensive Skilled Nursing Facility Services – Enhanced Treatment Program (ETP)</u>	<u>609</u>
15	<u>Socialization Services</u>	<u>701</u>
16	<u>Life Support Service</u>	<u>801</u>
17	<u>Case Management Support Services</u>	<u>802</u>
18	<u>Case Management Support Services (Forensic)</u>	<u>803</u>
19	<u>Case Management Support Services (Children &amp; Youth)</u>	<u>804</u>
20	<u>Life Support Services (Forensic)</u>	<u>805</u>
21	<u>Independent Living Services</u>	<u>901</u>
22	<u>Local Hospital Services</u>	<u>902</u>
23	<u>Long-Term Services</u>	<u>903</u>
24	<u>Semi-Supervised Living Services</u>	<u>904</u>
25	<u>Short-Term Crisis Residential Services (0-14 Days)</u>	<u>905</u>
26	<u>Short-Term Crisis Residential Services (14-30 Days)</u>	<u>906</u>



**DMH LEGAL ENTITY AGREEMENT ATTACHMENT IV**

1	<u>Transitional Residential Off-Site Services</u>	<u>907</u>	<u>    </u>
2	<u>Transitional On-Site Services</u>	<u>908</u>	<u>    </u>
3	<u>Transitional Residential On-Site Services (Forensic)</u>	<u>909</u>	<u>    </u>
4	<u>Transitional Residential On-Site Services (Alcohol and Drug Abusing</u>		
5	<u>Mentally Ill Program (ADAMI))</u>	<u>910</u>	<u>    </u>
6	<u>Crisis Residential Treatment Services (Adult) (Rehab. Option)</u>	<u>911</u>	<u>    </u>
7	<u>Adult Residential Treatment Services (Transitional)</u>	<u>912</u>	<u>    </u>
8	<u>Adult Residential Treatment Services (Long Term)</u>	<u>913</u>	<u>    </u>
9	<u>Non-Hospital Acute Inpatient Services (La Casa PHF)</u>	<u>914</u>	<u>    </u>
10	<u>Comprehensive Adult Residential Treatment Services (Bio-Psycho- Social Services)</u>	<u>915</u>	<u>    </u>
11	<u>Comprehensive Integrated Mental Health Services (ISA Adults)</u>	<u>920</u>	<u>    </u>
12	<u>Psychiatric Inpatient Hospital Services</u>	<u>930</u>	<u>    </u>
13	<u>Primary Linkage and Coordinating Program</u>	<u>1001</u>	<u>    </u>
14	<u>AB 34 Housing and Personal/Incidental Services</u>	<u>1002</u>	<u>    </u>
15	<u>Service Provisions (Organizational Provider Only)</u>	<u>1003</u>	<u>    </u>
16	<u>Service Provisions (Out-of-County Provider Only)</u>	<u>1004</u>	<u>    </u>
17	<u>Consumer Run/Employment Program</u>	<u>1005</u>	<u>    </u>
18	<u>Alcohol and Drug Abuse Counseling and Education Services</u>	<u>1006</u>	<u>    </u>
19	<u>General Mental Health Services Exhibit (In Out-Of-State Residential Facilities)</u>	<u>1007</u>	<u>    </u>
20	<u>AB 2034 State Demonstration Program (Housing Expenses)</u>	<u>1008</u>	<u>    </u>
21	<u>AB 2034 State Demonstration Program (Personal and Incidental Expenses)</u>	<u>1009</u>	<u>    </u>
22	<u>Client Supportive Services (Includes Attachment A (Reimbursement Procedures)</u>		
23	<u>and Attachment B (Monthly Claim for Cost Reimbursement)</u>	<u>1010</u>	<u>    </u>

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.

**ATTACHMENT V**  
**DMH Legal Entity Agreement**

**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.

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 <sup>th</sup> 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 <sup>th</sup> 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 <sup>th</sup> 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 <sup>th</sup> 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.

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

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	12,000	56,000	58,000	50,000
Pass through approvals				45,000	48,000	41,000	52,000	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

CONTRACTOR:

\_\_\_\_\_

\_\_\_\_\_

Business Address:

\_\_\_\_\_

\_\_\_\_\_

Supervisory District(s) \_\_\_\_\_

Contract Number

Provide Number(s)

Legal Entity Number

MENTAL HEALTH SERVICES AGREEMENT  
REVENUE - ISA

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PO: A\_ C\_ F\_ H\_ M

MENTAL HEALTH SERVICES AGREEMENT  
REVENUE - ISA

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2002, by and between the County of Los Angeles (hereafter "County") and \_\_\_\_\_ (hereafter "Contractor")

Business Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WHEREAS, County, through its Department of Mental Health, provides comprehensive mental health services to residents of Los Angeles County who qualify therefor; and

WHEREAS, Contractor and County have entered into a written agreement, dated \_\_\_\_\_, entitled "Mental Health Services Agreement - Legal Entity" and further identified as County Agreement No. \_\_\_\_\_, including all amendments thereto (hereafter collectively "Mental Health Services Agreement - Legal Entity") which provides that Contractor shall furnish comprehensive integrated mental health services similar to the services provided by a pilot integrated service agency (hereafter "ISA") to ISA members under the written agreement between an ISA and the State pursuant to California Welfare and Institutions Code Section 5808 et seq.; and

WHEREAS, the County Mental Health Services Agreement - Legal Entity



Agreement further provides that Contractor shall furnish such comprehensive integrated mental health services only to certain mentally ill patients/clients who are assigned to Contractor by County's Director of Mental Health and who are residents of Los Angeles County (hereafter "ISA Clients"); and

WHEREAS, in order for Contractor to fulfill its obligations to Contractor's ISA Clients under the County Mental Health Service Agreement - Legal Entity Agreement, Contractor desires to purchase from County a variety of mental health services under this Agreement for Contractor's ISA Clients; and

WHEREAS, it is the intent of this Agreement that the services provided by County to Contractor's ISA Clients shall be performed in a collaborative manner with Contractor's case management staff, and to the extent possible, both parties agree to work cooperatively within the limits of resources and legal and program requirements to mutually develop treatment plans, discharge plans, and follow-up, for Contractor's ISA Clients; and

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

- A. "CR/DC Manual" means SDMH's Cost Reporting, Data Collection Manual and all amendments thereto;
- B. "Day(s)" means calendar day(s) unless otherwise specified;
- C. "Director" means County's Director of Mental Health or his authorized designee;
- D. "DMH" means County's Department of Mental Health;

- E. "Fiscal Year" means County's Fiscal Year which commences July 1 and ends the following June 30;
- F. "MIS" means DMH's Management Information System;
- G. "RGMS" means DMH's Revenue Generation Management System which is included as a subsystem of MIS;
- H. "RO/TCM Manual" means SDMH's Short-Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management;
- I. "SDMH" means State's Department of Mental Health;
- J. "State" means the State of California; and

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

NOW, THEREFORE, Contractor and County agree as follows:

1. TERM:

A. The term of this Agreement shall commence on \_\_\_\_\_ and shall continue in full force and effect until the termination date of the Mental Health Services Agreement - Legal Entity. This Agreement may be terminated without cause at any time by either party by giving at least thirty days prior written notice to the other party.

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

performance hereunder. Director shall designate a DMH employee from DMH's Service Areas 1 through 8 to function as liaison with Contractor regarding County's performance hereunder.

3. SERVICES AND REIMBURSEMENT:

A. County will provide mental health services, as generally described in this Subparagraph A and in CR/DC Manual and RO/TCM Manual, at the following rates to Contractor's ISA Clients. Contractor shall be billed by County at the specified rates. County shall provide local hospital services and crisis intervention services to Contractor's ISA Clients without any written or other pre-authorization by Contractor, provided that local hospital services shall require Contractor's written or telephone authorization, within twenty-four hours from admission and/or MIS identification that the particular patient/client is an ISA Client of Contractor, in order for County to continue provision of local hospital services beyond such twenty-four hours. All other mental health services shall require Contractor's prior written authorization, except that County may obtain Contractor's pre-authorization by telephone in emergency situations. For purposes of Contractor's reimbursement to County for services provided by County to ISA Clients of Contractor, Director shall determine the number of patient/client days and patient/client contacts (including increments thereof) provided, as described in this Subparagraph A.

- (1) Local Hospital Services (24-Hour Services) - Short-term acute psychiatric services which are provided in an acute psychiatric hospital or a distinct acute psychiatric part of a

general hospital which is approved by SDMH to provide psychiatric services.

Rate: \$ 750.23 per patient/client day

- (2) Medication Support (Medication Support Services) - Services may be either face-to-face or by telephone with the patient/client or significant support persons and may be provided anywhere in the community. This service shall include prescribing, administering, dispensing and monitoring of psychiatric medications necessary to alleviate the symptoms of mental illness, which are provided by a staff person within the scope of practice of his/her profession.

Rate: \$4.07 per minute

- (3) Crisis Intervention (Crisis Intervention Services) - Immediate therapeutic response which must include face-to-face contact with a patient/client exhibiting acute psychiatric symptoms in order to alleviate problems which, if untreated, present an imminent threat to the patient/client or others.

Rate: \$3.28 per minute

- (4) Mental Health Services - Service designed to analyze the cause or nature of the patient's/client's mental, emotional, or behavioral disorder. Relevant cultural issues and history

may be included where appropriate. Assessment may include diagnosis and the use of testing procedures.

Rate: \$2.16 per minute

- (5) Case Management/Brokerage (Case Management/Brokerage Services) - Patient/client specific services which will assist patients/clients of the mental health services delivery system in gaining access to needed medical, social, educational, pre-vocational, vocational, rehabilitative, or other needed community services for eligible individuals.

Rate: \$1.68 per minute.

- (6) Day Treatment Intensive (Day Treatment Intensive Services) - Services shall be provided between three hours and twenty-four hours each day. Services in half-day programs shall be available between three hours and four hours each day. Services in full-day programs shall be provided between four hours and twenty-four hours each day. These services provide an organized and structured multi-disciplinary treatment program as an alternative to hospitalization to avoid placement in a more restrictive setting or maintain the patient/client in a community setting. Services are provided for patients/clients who

need active psychiatric treatment for acute mental, emotional, or behavioral disorders and who may, after receiving these services, be referred to a less intensive level of treatment or be able to maintain the ability to live independently, semi-independently, or in a supervised residential facility.

Rate: 170.50 per full day

\$119.36 per half day

(7) Day Rehabilitation (Day Rehabilitation Services)

Services shall be provided between three hours and twenty-four hours each day. Services in half-day programs shall be provided between three hours and four hours each day. Services in full-day programs shall be provided between four hours and twenty-four hours each day. These services provide an organized and structured treatment program to maintain or restore personal independence and functioning consistent with requirements for learning and development. These services are designed to provide evaluation, rehabilitation and therapy to maintain or restore personal independence at the best possible functional level for patients/clients with chronic psychiatric impairments who may live

independently, semi-independently, or in a supervised residential facility which does not provide these services.

Rate:            \$110.54 per full day

\$ 70.83 per half day

B. County shall provide Contractor access to its facilities to the extent necessary for Contractor to authorize mental health services under this Agreement.

C. Upon Contractor's written authorization, County may, in its sole discretion, bill Short-Doyle/Medi-Cal and/or Medicare for mental health services rendered by County to Contractor's ISA Clients who are Short-Doyle/Medi-Cal and/or Medicare beneficiaries. County's administrative fee to Contractor for performing such billing service shall be THREE DOLLARS (\$3.00) per line based on the number of RGMS per line billings. Such administrative fee shall be in addition to County's reimbursement for mental health services as described in this Paragraph 3. Any Short-Doyle/Medi-Cal and/or Medicare revenue received by County for mental health services billed by County to Contractor hereunder shall be deducted from the amount owed by Contractor to County hereunder and shall be shown as a deduction on County's subsequent billing to Contractor.

4. BILLING: County shall bill Contractor monthly for services provided under this Agreement. County's billing for mental health services shall include only those services reported in MIS. County's final billing for mental health services shall be based upon services reported in the thirteenth run of MIS.

5. PAYMENT: Contractor shall reimburse County for services provided under this

Agreement within thirty days from the date on County's billing. County's reimbursement rates for mental health services, as described in Subparagraph A of Paragraph 3 (SERVICES AND REIMBURSEMENT), provided to Contractor's ISA Clients shall be as described in such Subparagraph A. County's administrative fee to Contractor for billing Short-Doyle/Medi-Cal and/or Medicare for mental health services shall be as described in Subparagraph C of Paragraph 3 (SERVICES AND REIMBURSEMENT).

All County invoices hereunder shall be submitted to Contractor at the following address:

\_\_\_\_\_

All Contractor payments hereunder shall be submitted to County at the following address:

Los Angeles County DMH Lockbox  
P. O. Box 4780  
Los Angeles, CA 90051-2780

6. INDEMNIFICATION: Contractor shall indemnify, defend and hold harmless County and County Special Districts, and their elected and appointed officers, employees, and agents, from and against any and all liability or expense, including defense costs and legal fees, arising from or connected with claims for damages or workers' compensation benefits resulting from Contractor's operations or its services, including, without limitation, bodily injury, death, personal injury, or property damage, including physical damage or loss of Contractor's property or property in the care, custody, or control of Contractor.



7. COUNTY AUDIT SETTLEMENTS:

A. If, at any time during the term of this Agreement or at any time after the expiration or termination of this Agreement, authorized representatives of County conduct an audit regarding the services provided by County hereunder and if such audit finds that Contractor's dollar liability for such services is more than payments made by Contractor to County, then, the difference shall be: (1) paid by Contractor to County by cash payment upon demand and/or (2) at the sole discretion of Director, after consultation with Contractor, deducted from any amounts due by County to Contractor, whether under this Agreement or otherwise. If such audit finds that Contractor's dollar liability for services provided hereunder is less than payments made by Contractor to County, then the difference shall be repaid to Contractor by County by cash payment.

B. Failure on the part of Contractor to comply with any of the terms of this Paragraph 7 shall constitute a material breach of this Agreement upon which County may terminate or suspend this Agreement.

8. RECORDS: County shall maintain a record of all services provided by all the various professional, para-professional, intern, student, volunteer and other personnel in sufficient detail to permit an evaluation and audit of services provided under this Agreement. All such County records shall be made available during County's normal business hours to authorized representatives of Contractor during the term of this Agreement for purposes of inspection, program review, and/or audit, except for any records and information which County determines are confidential pursuant to

Federal, State, and County laws, ordinances, rules, regulations, guidelines, and directives, relating to confidentiality.

9. INDEPENDENT STATUS OF CONTRACTOR:

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

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

C. Contractor understands and agrees that all personnel provided by or on behalf of Contractor pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all workers' compensation benefits to such personnel.

10. GOVERNING LAW, JURISDICTION AND VENUE: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State

of California for all purposes regarding this Agreement and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles, California.

11. COMPLIANCE WITH APPLICABLE LAW: Contractor and County shall comply with all Federal, State, and local laws, ordinances, rules, regulations, guidelines, and directives applicable to their performance hereunder. Further, all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

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

13. TERMINATION FOR INSOLVENCY:

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

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

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

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

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

benefit of creditors.

B. The rights and remedies of County provided in this Paragraph 13 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

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

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

16. ALTERATION OF TERMS: No addition to, or alteration of, the terms of the body of this Agreement, whether by written or oral understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner of this Agreement.

17. ENTIRE AGREEMENT: The body of this Agreement; and the County Mental Health Service Agreement, which is hereby incorporated herein by reference but not attached; shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Agreement. In the event of any conflict or inconsistency in the definition or

interpretation of any word, responsibility, or schedule, or the contents or description of any service or other work, or otherwise, between the body of this Agreement and the other referenced documents, or between such other documents, such conflict or inconsistency shall be resolved by giving precedence first to the body of this Agreement and then to the County Mental Health Services Agreement – Legal Entity.

18. WAIVER: No waiver by County or Contractor of any breach of any provision of this Agreement shall constitute a waiver of any other breach of such provision. Failure of County or Contractor to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph 18 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

19. CONTRACTOR'S OFFICE: Contractor shall notify in writing DMH's Contracts Development & Administration Division, and any other County office(s) as identified in Paragraph 21 (NOTICES), of any change in its business address, as shown on page 1 of this Agreement, at least thirty days prior to the effective date thereof.

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

21. NOTICES: All notices or demands required or permitted to be given under this Agreement shall be in writing and shall be hand delivered with signed receipt or

mailed by first class, registered or certified mail, postage pre-paid, addressed to the parties at the following addresses and to the attention of the persons named. Director shall have the authority to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and persons to be notified may be changed by either party by giving ten days prior written notice thereof to the other party.

To Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

To County : Department of Mental Health  
Contracts Development &  
Administration Division  
Vermont Avenue, 5th Floor  
Los Angeles, CA 90020

Attention: Richard Kushi

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

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
MARVIN J. SOUTHARD  
Director of Mental Health

\_\_\_\_\_  
CONTRACTOR

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

APPROVED AS TO FORM  
BY THE OFFICE OF THE COUNTY COUNSEL

LLOYD W. PELLMAN  
County Counsel

APPROVED AS TO CONTRACT  
ADMINISTRATION:

DEPARTMENT OF MENTAL HEALTH

By \_\_\_\_\_  
Chief, Contracts Development and  
Administration Division

96-02 (ISA):REVENISA.18 (5/03/00)  
REVENISA.18. revision 1 5/03/00

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPTS. 435  
NO.

DEPARTMENT OF MENTAL HEALTH

19

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

4 - Votes

Sources:

Uses:


Department of Mental Health  
FFP Medi-Cal  
A01-MH-20500-9025  
\$60,952,000

Department of Mental Health  
Services & Supplies  
A01-MH-20500-2000  
\$105,076,000

Department of Mental Health  
Other State Aid - Health (EPSDT)  
A01-MH-20500-8771  
\$42,182,000

Department of Mental Health  
State Realignment Sales Tax  
A01-MH-20500-8899  
\$1,942,000

This appropriation adjustment is requested to increase Services & Supplies appropriation. The increase in appropriation will permit the Department of Mental Health to fund Legal Entity providers for mental health services. No increase of net County cost.

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

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR —

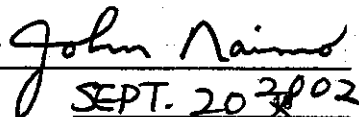
ACTION

APPROVED AS REQUESTED

AS REVISED

RECOMMENDATION

Sept 25, 2002   
CHIEF ADMINISTRATIVE OFFICER

BY   
SEPT. 20 2002

APPROVED (AS REVISED):  
BOARD OF SUPERVISORS

19

BY \_\_\_\_\_  
DEPUTY COUNTY CLERK

AUDITOR-CONTROLLER  
NO. 28



# Analysis of Funding for Supersession Board Letter ATTACHMENT V

<u>Estimated</u> EPSDT Earned	<u>Payments</u> Anticipated in FY	<u>Financial Impact</u>
Not Yet Collected	02/03	Premise

<b>FY 2000-01</b>	43,491,734	28,134,310	43,491,734
	Current Premise: County will achieve it's FY 02/03 A/R collection goals, and will overrealize an additional \$15,357,424 to finance a portion of the \$32,800,000 FY 2002-2003 State deferred EPSDT-SGF revenues. Worst-Case: State deferred EPSDT-SGF revenues. Scenario: State fails to finance \$28,134,310, and the Department will not overrealize the balance (\$15,357,424) which was not accrued. to pay any EPSDT-SGF in FY 02/03.		

<b>FY 2001-02</b>	54,383,173	-	54,383,173
	Current Premise: The Department will collect \$28,803,871 in overrealized funds, and will be able to use this amount to finance a portion of the \$32,800,000 FY 2002-2003 State deferred EPSDT-SGF revenues. Worst-Case: State pays all of the \$28,803,871. Scenario: State fails to pay any EPSDT-SGF in FY 02/03.		

<b>FY 2002-03</b>	139,100,000	-	32,800,000
	Current Premise: The Department will collect the full 75% of the amount the State is currently committed to advance for EPSDT-SGF funds in the year of service. Worst-Case: State pays all of the \$104,400,000. Scenario: State fails to pay any of the 75% advance amount for FY 02/03, County would need to finance up to \$104,400,000. * (Deferred until FY 04/05) SGF in FY 02/03.		

"Estimated EPSDT Earned Not Yet Collected" is the amount of ESPDT-SGF estimated to be earned during that FY which has not yet been collected.

"A/R Balance" is based on accruals.

"Deferred Rev" is based on 01/02 deferred and 25% of 02/03 est.

"02/03 Payments" are amounts anticipated from the State in 02/03, including 75% of the total estimated FY 02/03.

"Premise" describes a potential scenario involving the State's payments for FY 02/03.

"Financial Impact" describes the cost to the County for each scenario.

- FY 2002-2003 deferred amount is net of the projected \$1.9 million County share of cost for services above the new EPSDT Growth Baseline.