

COUNTY OF LOS ANGELES

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

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director



BOARD OF SUPERVISORS

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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

Reply To: (213) 738-4601
Fax: (213) 386-1297

June 9, 2009

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, CA 90012

44

JUNE 9, 2009

Sachia A. Hamai
SACHIA HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL TO SUPERSEDE 63 LEGAL ENTITY AGREEMENTS
FOR FISCAL YEARS 2009-10 AND 2010-11
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to supersede 63 Legal Entity Agreements to incorporate revised and new standard contract provisions effective July 1, 2009, and update the Maximum Contract Amounts as approved under delegated authority.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Mental Health, or his designee, to prepare, sign, and execute 63 Department of Mental Health (DMH) Legal Entity (LE) Agreements, in the estimated Maximum Contract Amounts (MCAs) as listed in Attachment I and in a form substantially similar to the agreement format in Attachment II, provided that the Director of Mental Health, or his designee, may adjust the final MCAs to reflect: 1) changes resulting from the Final Budget adopted by your Board; 2) changes resulting from further State or federal actions; and/or 3) modifications required to accommodate the change in the Financial Summary from individual funding sources to gross program dollars. The superseding of these LE Agreements will ensure the uniform implementation of revised and new provisions required in all LE Agreements. The term of the 63 LE Agreements will be effective July 1, 2009 through June 30, 2010, with 26 LE Agreements having a provision for one subsequent one-year renewal period.

"To Enrich Lives Through Effective And Caring Service"

2. Delegate authority to the Director of Mental Health, or his designee, to prepare, sign, and execute future amendments to these LE Agreements, provided that: 1) the County's total payments to a Contractor under each LE Agreement do not exceed a 20 percent increase from the applicable Board-approved annual MCA and the Institutions for Mental Diseases per diem rate increase do not exceed the rates per the State directive; 2) any such increase is used to provide additional services or to reflect program and/or policy changes; 3) your Board has appropriated sufficient funds for all changes; 4) approval by County Counsel and the Chief Executive Officer (CEO), or designees, is obtained prior to any such amendment; 5) County and Contractor may, by written amendments, reduce programs or services and revise the applicable MCA, provided that any amendments which reduce programs or services will be consistent with the principles agreed to in DMH's stakeholders' process; and 6) the Director of Mental Health notifies the Board of Supervisors of agreement changes in writing within 30 days after execution of each amendment.
3. Approve superseding revisions to the last Board-approved MCA for these 63 LE Agreements, some of which may have increased or decreased under delegated authority since their last Board-approved MCA.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The new superseded LE Agreements will reflect changes to the financial provisions of the contract to facilitate State requirements for DMH to make its Certified Public Expenditure (CPE) attestation when claims are submitted, thus allowing DMH to draw down federal funds in a more timely manner. These changes include:

- A revision in payment procedures to pay Medi-Cal claims based on submitted units of service instead of State adjudicated claims; payments for claims that are ultimately denied by the State will be deducted from future payments until and unless the Contractor resubmits those claims as Medi-Cal claims (e.g., when the claim was rejected because of an error) or resubmits the claims to the appropriate program authorized in the contract (e.g, non Medi-Cal services);
- A revision to the Shift of County General Funds language will allow Contractor to shift up to 15 percent of County General Funds with prior DMH approval and through an administrative amendment;
- Changes the Financial Summary to eliminate the individual funding sources and to provide gross program dollars for the various funded programs;

- The Cash Flow Advance (CFA) recovery period will be extended up to 9 months following the close of the fiscal year. The previous language required CFA recovery by the end of the third month following the close of the fiscal year; and
- The Rate Setting process and the Rate Page will now be part of DMH's "Provisional Rate Setting" policy instead of the LE Agreement.

These changes will allow DMH to return to a single certification on Medi-Cal claims that includes both the statement of eligibility/necessity and the statement that the County has incurred the CPE, thereby eliminating the current two-step process that has been in effect since the Centers for Medicaid and Medicare Services informed the State in February 2008 that the previous certification was insufficient. It will also eliminate impediments to DMH making its CPE attestation that have been created as a result of the contractor's ability to shift funds without prior approval and as a result of unknown changes in beneficiary status at the time of service.

DMH is requesting Board authority to modify the MCA prior to finalizing the LE Agreements to allow for adjustments that may be required as a result of changes from the Proposed Budget due to the adoption of the Final Budget; changes that may be necessary as a result of further State or federal actions; and modifications to accommodate the revision in the Financial Summary from individual funding sources to gross programmatic dollars. Upon execution of the LE Agreements, DMH will report the final MCA for each LE Agreement to the Board.

The superseded LE Agreements include all revised and new provisions, and the clinical and administrative staff of DMH will continue to monitor Contractor compliance with all terms of the LE Agreements and with all applicable federal, State, and County policies and procedures. There has been an ongoing review of all DMH agreements with contractors. The CEO and Auditor-Controller's offices have previously recommended that there be uniformity of terms and conditions within agreements. Additionally, since their last Board-approved MCA, these LE Agreements may have received increases or decreases in funding under delegated authority.

Implementation of Strategic Plan Goals

The recommended actions are consistent with County Strategic Plan Goal 4, Health and Mental Health.

FISCAL IMPACT/FINANCING

The FY 2009-10 annual MCA for each LE Agreement, as shown in Attachment I, is estimated based on the amounts contained in the Proposed Budget and funded from the following sources:

1) State Revenues (including Mental Health Services Act):	\$111,064,272
2) Federal Revenues:	155,194,940
3) Intrafund Transfers:	10,938,129
4) NCC/Sales Tax Realignment:	<u>19,053,577</u>
Total	<u>\$296,250,918</u>

The final FY 2009-10 MCAs may be adjusted prior to execution of the LE Agreements by the Director, or his designee, based on budgetary factors including the Final Budget adopted by your Board, and further State or federal budgetary actions, as well as modifications that may be required to accommodate the changes in the Financial Summary. The Department will report to your Board the final MCAs upon adoption of the Final Budget.

Funding for FY 2010-11, as shown in Attachment I, is subject to appropriation of funding by the Board in the budget process for that fiscal year. There is no increase in net County cost (NCC).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

These LE Agreements with mental health services contractors provide a broad range of mental health services to severely and persistently mentally ill adults, and to seriously emotionally disturbed children, adolescents, and their families, pursuant to the California Welfare and Institutions Code, Division 5, Part 2, Chapter 1, Section 5602. These mental health services include, but are not limited to, diagnosis, evaluation, treatment, day care, respite care, living arrangements, community skill training, information, referrals, consultation, and community services.

The attached DMH LE Agreement format has been approved as to form by County Counsel. The CEO has reviewed the proposed actions. The Agreement format includes a new provision on Force Majeure and revised mandated provisions on Consideration of Greater Avenues for Independence (GAIN) or General Relief Opportunities for Work (GROW) Participants for Employment and Indemnification and Insurance.

Clinical and administrative staff of DMH will continue to administer and monitor contractors' adherence to the LE Agreements, evaluate programs to ensure that quality services are being provided to clients, and ensure that LE Agreement provisions and Departmental policies are followed. As mandated by your Board, each Contractor's performance is evaluated by DMH on an annual basis to ensure compliance with all contract terms and performance standards.

Attachment I lists the 63 LE contractors, the Supervisorial Districts, the Agreement terms, and estimated MCA per fiscal year for each Agreement. Superseding these LE Agreements will ensure that contractors are in compliance with all revised and new provisions required in County contracts. Superseding these LE Agreements will not change the existing contract term.

Attachment II is the revised DMH LE Agreement format.

Attachment III details the Los Angeles County Community Business Enterprise (LAC/CBE) Program and Firm/Organization Information form – Contract listing with Minority/Women-Owned Firms.

CONTRACTING PROCESS

All of the 63 LE Agreements have existing agreements with DMH approved by your Board on December 2, 2008. The term of 37 LE Agreements will be effective July 1, 2009 through June 30, 2010. The term of 26 LE Agreements will be effective July 1, 2009 through June 30, 2010, with a provision for one subsequent one-year renewal period.

IMPACT ON CURRENT SERVICES

There is no impact on current services. By superseding these LE Agreements, each existing Contractor will be legally obligated to comply with all revised and new provisions to the LE Agreement and continue to provide essential and accessible mental health services to clients throughout Los Angeles County.

The Honorable Board of Supervisors
June 9, 2009
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CONCLUSION

DMH requests one copy of the adopted Board actions. It is requested that the Executive Officer of the Board notify DMH's Contracts Development and Administration Division at (213) 738-4684 when this document is available.

Respectfully submitted,

Robin Kay for

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

MJS:KW:RK

Attachments (3)

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

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
Contracts Development and Administration Division

ATTACHMENT I

CONTRACT SUPERSESSIONS FOR FYs 2009-10 AND 2010-11
LEGAL ENTITY MENTAL HEALTH SERVICES AGREEMENTS

Item No.	CONTRACTOR Legal Entity (LE) No.	Sup. Dist. (HQ)	Agreement Term	ESTIMATED MAXIMUM CONTRACT AMOUNT (MCA)	
				FY 2009-10	FY 2010-11
1	Alcott Center for Mental Health Services (*) 1433 South Robertson Boulevard Los Angeles, CA 90035 LEGAL ENTITY (LE) # 00177	2	2 Years	\$1,645,500	\$1,645,500
2	Asian American Drug Abuse Program, Inc. (*) 2900 Crenshaw Boulevard Los Angeles, CA 90016 LEGAL ENTITY (LE) # 01167	2	2 Years	\$333,000	\$333,000
3	Barbour and Floyd Medical Associates (*) 2610 Industry Way, Suite A Lynwood, CA 90262 LEGAL ENTITY (LE) # 00175	2	2 Years	\$1,997,600	\$1,997,600
4	Behavioral Health Services, Inc. (*) 15519 Crenshaw Boulevard Gardena, CA 90249 LEGAL ENTITY (LE) # 01150	2	2 Years	\$816,000	\$816,000
5	California Hispanic Commission, Inc. (*) 2101 Capitol Avenue Sacramento, CA 95816 LEGAL ENTITY (LE) # 01149	N/A	2 Years	\$2,707,100	\$2,707,100
6	Catholic Healthcare West dba California Hospital Medical Center 1401 S. Grand Avenue Los Angeles, CA 90015 LEGAL ENTITY (LE) # 01285	1	1 Year	\$932,600	N/A
7	Cedars-Sinai Medical Center 8730 Gracie Allen Dr., Plaza Level West Wing Los Angeles, CA 90048 LEGAL ENTITY (LE) # 00178	3	1 Year	\$1,392,700	N/A
8	Child and Family Guidance Center 9650 Zelzah Avenue Northridge, CA 91325-2003 LEGAL ENTITY (LE) # 00207	3	1 Year	\$20,822,000	N/A
9	ChildNet Youth and Family Services, Inc. (*) 5150 Pacific Coast Highway, Suite 365* Long Beach, CA 90804 LEGAL ENTITY (LE) # 00783	4	2 Years	\$8,875,748	\$8,875,748
10	The Children's Center of the Antelope Valley 45111 Fern Avenue Lancaster, CA 93534 LEGAL ENTITY (LE) # 01066	5	1 Year	\$1,238,200	N/A
11	City of Gardena (*) 1700 West 162nd Street Gardena, CA 90247 LEGAL ENTITY (LE) # 00322	2	2 Years	\$74,400	\$74,400
12	Community Family Guidance Center 10929 South Street, Suite 208B Cerritos, CA 90703 LEGAL ENTITY (LE) # 00181	4	1 Year	\$4,860,900	N/A
13	Counseling and Research Associates, Inc. (*) dba Masada Homes 108 West Victoria Street Gardena, CA 90248 LEGAL ENTITY (LE) # 00779	2	2 Years	\$9,067,280	\$9,067,280
14	Counseling4Kids 601 S. Glenoaks Boulevard, Suite 200 Burbank, CA 91502 LEGAL ENTITY (LE) # 00694	5	1 Year	\$4,966,300	N/A
15	David & Margaret Home, Inc. 1350 Third Street La Verne, CA 91750 LEGAL ENTITY (LE) # 01227	5	1 Year	\$1,655,500	N/A
16	Dubnoff Center for Child Development and Educational Therapy 10526 Dubnoff Way North Hollywood, CA 91606 LEGAL ENTITY (LE) # 00184	3	1 Year	\$2,476,000	N/A
17	D'Veal Corporation (*) dba D'Veal Family and Youth Services 855 North Orange Grove Boulevard, Suite 207 Pasadena, CA 91103 LEGAL ENTITY (LE) # 00778	5	2 Years	\$6,172,056	\$6,172,056
18	El Centro del Pueblo, Inc. 1157 Lemoine Street Los Angeles, CA 90026 LEGAL ENTITY (LE) # 01250	1	1 Year	\$600,000	N/A

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Contracts Development and Administration Division

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				FY 2009-10	FY 2010-11
19	Emotional Health Association dba SHARE! The Self Help and Recovery Exchange 5521 Grosvenor Boulevard Los Angeles, CA 90066 LEGAL ENTITY (LE) # 01311	2	1 Year	\$811,600	N/A
20	Exceptional Children's Foundation 8740 Washington Blvd Culver City, CA 90232 LEGAL ENTITY (LE) # 01567	2	1 Year	\$811,000	N/A
21	FamiliesFirst, Inc. (*) 251 Llewellyn Avenue Campbell, CA 95008-1940 LEGAL ENTITY (LE) # 00120	N/A	2 Years	\$5,142,200	\$5,142,200
22	Filipino-American Service Group, Inc. 135 N. Parkview Street Los Angeles, CA 90026 LEGAL ENTITY (LE) # 00302	1	1 Year	\$46,600	N/A
23	The Guidance Center 4335 Atlantic Boulevard Long Beach, CA 90807 LEGAL ENTITY (LE) # 00191	4	1 Year	\$10,345,400	N/A
24	Hamburger Home dba Aviva Family and Children's Services dba Aviva Center 7120 Franklin Avenue Hollywood, CA 90046 LEGAL ENTITY (LE) # 00174	3	1 Year	\$7,177,776	N/A
25	Heritage Clinic and The Community Assistance Program For Seniors 447 N. El Molino Avenue Pasadena, CA 91101 LEGAL ENTITY (LE) # 00965	5	1 Year	\$2,263,100	N/A
26	Hillview Mental Health Center, Inc. 12450 Van Nuys Boulevard, Suite 200 Pacoima, CA 91331-1352 LEGAL ENTITY (LE) # 00194	3	1 Year	\$9,535,600	N/A
27	The Institute for the Redesign of Learning dba Almansor Center 205 Pasadena Avenue South Pasadena, CA 91030 LEGAL ENTITY (LE) # 00171	5	1 Year	\$9,088,600	N/A
28	Jewish Family Service of Los Angeles (*) 6505 Wilshire Blvd., Suite 500 Los Angeles, CA 90048 LEGAL ENTITY (LE) # 01521	3	2 Years	\$1,051,300	\$1,051,300
29	JWCH Institute, Inc. 1910 W. Sunset Boulevard, Suite 650 Los Angeles, CA 90026-3290 LEGAL ENTITY (LE) # 01563	1	1 Year	\$266,700	N/A
30	LeRoy Haynes Center for Children and Family Services, Inc. 233 West Baseline Road La Verne, CA 91750 LEGAL ENTITY (LE) # 00697	5	1 Year	\$2,453,800	N/A
31	Los Angeles Unified School District 333 S. Beaudry Avenue, 29th Floor Los Angeles, CA 90017 LEGAL ENTITY (LE) # 00315	1	1 Year	\$2,801,300	N/A
32	Maryvale 7600 E. Graves Avenue Rosemead, CA 91770 LEGAL ENTITY (LE) # 01034	1	1 Year	\$2,366,000	N/A
33	McKinley Children's Center, Inc. 762 W. Cypress Street San Dimas, CA 91773-3599 LEGAL ENTITY (LE) # 00971	5	1 Year	\$3,000,100	N/A
34	Mental Health America of Los Angeles 100 West Broadway, Suite 5010 Long Beach, CA 90802 LEGAL ENTITY (LE) # 00200	4	1 Year	\$14,667,560	N/A
35	New Directions, Inc. (*) 11303 Wilshire Boulevard, V.A. Bldg. 116 Los Angeles, CA 90073 LEGAL ENTITY (LE) # 01142	3	2 Years	\$141,600	\$141,600

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Contracts Development and Administration Division

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Item No.	CONTRACTOR Legal Entity (LE) No.	Sup. Dist. (HQ)	Agreement Term	ESTIMATED MAXIMUM CONTRACT AMOUNT (MCA)	
				FY 2009-10	FY 2010-11
36	One In Long Beach, Inc. (*) 2017 East 4th Street Long Beach, CA 90814-1011 LEGAL ENTITY (LE) # 00859	4	2 Years	\$128,000	\$128,000
37	Optimist Boys' Home and Ranch, Inc. (*) 6957 North Figueroa Street, P.O. Box 41-1076 Los Angeles, CA 90041 LEGAL ENTITY (LE) # 00781	1	2 Years	\$5,331,300	\$5,331,300
38	Pacific Asian Counseling Services 8616 La Tijera Boulevard, Suite 200 Los Angeles, CA 90045 LEGAL ENTITY (LE) # 00579	2	1 Year	\$2,315,200	N/A
39	Pasadena Unified School District 325 South Oak Knoll Avenue* Pasadena, CA 91101 LEGAL ENTITY (LE) # 01228	5	1 Year	\$2,354,600	N/A
40	Pediatric & Family Medical Center dba Eisner Pediatric & Family Medical Center 1500 South Olive Street Los Angeles, CA 90015 LEGAL ENTITY (LE) # 00711	1	1 Year	\$640,600	N/A
41	Penny Lane Centers (*) 15317 Rayen Street* North Hills, CA 91343 LEGAL ENTITY (LE) # 00201	3	2 Years	\$15,355,384	\$15,355,384
42	Phoenix Houses of Los Angeles, Inc. (*) 11600 Eldridge Avenue Lake View Terrace, CA 91342 LEGAL ENTITY (LE) # 00805	3	2 Years	\$1,869,600	\$1,869,600
43	PROTOTYPES, Centers for Innovation in Health, Mental Health and Social Services 5601 W. Slauson Avenue, Suite 200 Culver City, CA 90230 LEGAL ENTITY (LE) # 00838	2	1 Year	\$6,376,000	N/A
44	Providence Community Services, LLC (formerly Aspen Community Services) 4281 Katella Avenue, Suite 201 Los Alamitos, CA 90720 LEGAL ENTITY (LE) # 00801	N/A	1 Year	\$5,752,000	N/A
45	San Fernando Valley Community Mental Health Center, Inc. 6931 Van Nuys Boulevard, 3rd Floor Van Nuys, CA 91405 LEGAL ENTITY (LE) # 00208	3	1 Year	\$28,076,000	N/A
46	SHIELDS for Families (*) 11601 South Western Avenue Los Angeles, CA 90047 LEGAL ENTITY (LE) # 00558	2	2 Years	\$7,624,164	\$7,624,164
47	South Bay Children's Health Center Association, Inc. 410 S. Camino Real Redondo Beach, CA 90277 LEGAL ENTITY (LE) # 00213	4	1 Year	\$779,000	N/A
48	South Central Health and Rehabilitation Program (also known as SCHARP) 2610 Industry Way, Suite A Lynwood, CA 90262 LEGAL ENTITY (LE) # 00506	2	1 Year	\$6,580,900	N/A
49	SPIRITT Family Services, Inc. (*) 13135 Barton Road Whittier, CA 90605 LEGAL ENTITY (LE) # 01160	1	2 Years	\$531,200	\$531,200
50	St. Francis Medical Center (*) 3630 East Imperial Highway Lynwood, CA 90262-2636 LEGAL ENTITY (LE) # 01366	2	2 Years	\$2,038,800	\$2,038,800
51	St. Joseph Center (*) 204 Hampton Drive Venice, CA 90291 LEGAL ENTITY (LE) # 00218	3	2 Years	\$793,264	\$793,264
52	Star View Adolescent Center, Inc. (*) 1501 Hughes Way, Suite 150 Long Beach, CA 90810 LEGAL ENTITY (LE) # 00543	4	2 Years	\$29,273,642	\$29,273,642

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				FY 2009-10	FY 2010-11
53	Step Up on Second St. Inc. (*) 1328 Second Street Santa Monica, CA 90401 LEGAL ENTITY (LE) # 00215	3	2 Years	\$3,020,500	\$3,020,500
54	SunBridge Braswell Enterprises, Inc. (*) dba Olive Vista A Center for Problems of Living, Laurel Park, & Sierra Vista (formerly Braswell Enterprises) 2335 South Towne Street Pomona, CA 91766 LEGAL ENTITY (LE) # 00279	1	2 Years	+	+
55	SunBridge Harbor View Rehabilitation Center, Inc. (*) dba Harbor View Adolescent Center 490 West 14th Street Long Beach, CA 90813 LEGAL ENTITY (LE) # 00206	4	2 Years	\$5,384,300	\$5,384,300
56	Tarzana Treatment Center, Inc. (*) 18646 Oxnard Street Tarzana, CA 91356 LEGAL ENTITY (LE) # 01156	3	2 Years	\$2,568,244	\$2,568,244
57	Telecare Corporation (*) 1080 Marina Village Parkway, Suite 100 Alameda, CA 94501-1078 LEGAL ENTITY (LE) # 00108	N/A	2 Years	\$10,216,300	\$10,216,300
58	Tessie Cleveland Community Services Corporation 8019 South Compton Avenue Los Angeles, CA 90001 LEGAL ENTITY (LE) # 01379	2	1 Year	\$6,238,400	N/A
59	Transitional Living Centers for L.A. County, Inc. 16119 Prairie Avenue Lawndale, CA 90260 LEGAL ENTITY (LE) # 00219	2	1 Year	\$1,649,900	N/A
60	The Village Family Services 6736 Laurel Canyon Boulevard, Suite 200 North Hollywood, CA 91606 LEGAL ENTITY (LE) # 01224	3	1 Year	\$2,216,700	N/A
61	VIP Community Mental Health Center, Inc. (also known as VIP CMHC) 1721 Griffin Avenue Los Angeles, CA 90031 LEGAL ENTITY (LE) # 01044	1	1 Year	\$5,880,100	N/A
62	Watts Labor Community Action Committee - WLCAC 10950 S. Central Avenue Los Angeles, CA 90059 LEGAL ENTITY (LE) # 00310	2	1 Year	\$252,100	N/A
63	WISE & Healthy Aging 1527 4th Street, 2nd Floor Santa Monica, CA 90401 LEGAL ENTITY (LE) # 01559	3	1 Year	\$401,600	N/A
TOTAL:				\$296,250,918	\$122,158,482

* Correspondence will be sent to mailing address/(P. O. Box).

+ Institutions for Mental Disease (IMD) contracts do not have a Maximum Contract Amount, as services are purchased on an as-needed basis and are limited to DMH's appropriation budgeted for IMD beds.

(*) Two year term is applicable if renewed

L71 MMLE Agreements Supersession Listing FYs 2009-10 and 2010-11

DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

CONTRACTOR:

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____

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ATTACHMENTS

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1 DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENT

2
3
4 THIS AGREEMENT is made and entered into this ____ day of _____,
5 by and between the County of Los Angeles (hereafter "County"), and _____

6
7 _____(hereafter "Contractor") with the following business address at _____

8
9
10 WHEREAS, County desires to provide to those persons in Los Angeles County
11 who qualify therefor certain mental health services contemplated and authorized by the
12 Bronzan-McCorquodale Act, California Welfare and Institutions Code (WIC) Section 5600
13 et seq.; and

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

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

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

23 WHEREAS, these services shall be provided by Contractor in accordance with all
24 applicable Federal, State and local laws, required licenses, ordinances, rules, Regulations,
25 manuals, guidelines, and directives, which may include, but are not necessarily limited to,
26 the following: Bronzan-McCorquodale Act, California Welfare and Institutions Code
27 Section 5600 et seq., including, but not limited to, Sections 5600.2, 5600.3, 5600.4,
28 5600.9, 5602, 5608, 5651, 5670, 5670.5, 5671, 5671.5, 5672, 5705, 5709, 5710, 5716,
29 5719, 5721, 5722, 5751.2, and 5900 et seq.; Medi-Cal Act, California Welfare and
30 Institutions Code Section 14000 et seq., including, but not limited to, Section 14132.44;

1 California Welfare and Institutions Code Section 15600 et seq., including Section 15630;
2 California Welfare and Institutions Code Section 17601 et seq.; California Work
3 Opportunities and Responsibilities to Kids Act, California Welfare and Institutions Code
4 Section 11200 et seq.; California Government Code Sections 26227 and 53703; Title XIX
5 of the Social Security Act, 42 United States Code Section 1396 et seq.; Part B of Title XIX
6 of the Public Health Service Act, 42 United States Code Section 300x et seq.; Title XXI of
7 the Social Security Act; California Penal Code (PC) Section 11164 et seq.; Title 9 and Title
8 22, including, but not limited to, Sections 51516, 70001, 71001, 72001 et seq., and 72443
9 et seq. of the California Code of Regulations; 45 Code of Federal Regulations Parts 160
10 and 164 and California Welfare and Institutions Code Section 5328 et seq.; State
11 Department of Mental Health's (SDMH) Cost Reporting/Data Collection Manual (CR/DC);
12 Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health
13 Services under the Rehabilitation Option and Targeted Case Management Services; State
14 Department of Mental Health's Cost and Financial Reporting System Instruction Manual;
15 Federal Office of Management and Budget Circular A-122 (Cost principles for non-profit
16 organizations); Federal Office of Management and Budget Circular A-133 (Audits of
17 States, local governments, and non-profit organizations); Auditor-Controller Contract
18 Accounting and Administration Handbook; policies and procedures developed by County;
19 State's Medicaid Plan; and policies and procedures which have been documented in the
20 form of Policy Letters issued by State Department of Mental Health; and/or for State
21 Department of Health Services; and

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

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

25 **PREAMBLE**

26 For over a decade, the County has collaborated with its community partners to
27 enhance the capacity of the health and human services system to improve the lives of
28 children and families. These efforts require, as a fundamental expectation, that the
29 County's contracting partners share the County and community's commitment to provide
30 health and human services that support achievement of the County's vision, goals, values,

1 and adopted outcomes. Key to these efforts is the integration of service delivery systems
2 and the adoption of the Customer Service and Satisfaction Standards.

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

- 7
- | | |
|-------------------|-------------------------|
| ➤ Responsiveness | ➤ Integrity |
| ➤ Professionalism | ➤ Commitment |
| ➤ Accountability | ➤ A Can-Do Attitude |
| ➤ Compassion | ➤ Respect for Diversity |
- 8

9 These shared values are encompassed in the County Mission to enrich lives
10 through effective and caring service and the County Strategic Plan's eight goals:
11 1) Service Excellence; 2) Workforce Excellence; 3) Organizational Effectiveness; 4) Fiscal
12 Responsibility; 5) Children and Families' Well-Being; 6) Community Services; 7) Health
13 and Mental Health; and 8) Public Safety. Improving the well-being of children and families
14 requires coordination, collaboration, and integration of services across functional and
15 jurisdictional boundaries, by and between County departments/agencies, and community
16 and contracting partners.

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

- 20
- Good Health;
 - 21 • Economic Well-Being;
 - 22 • Safety and Survival;
 - 23 • Emotional and Social Well-Being; and
 - 24 • Education and Workforce Readiness.

25 Recognizing no single strategy - in isolation - can achieve the County's outcomes of
26 well-being for children and families, consensus has emerged among County and
27 community leaders that making substantial improvements in integrating the County's
28 health and human services system is necessary to significantly move toward achieving
29 these outcomes. The County has also established the following values and goals for

1 guiding this effort to integrate the health and human services delivery system:

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

1 toward service integration and a seamless service delivery system.

- 2 ✓ The County human service system embraces a commitment to the disciplined
3 pursuit of results accountability across systems. Specifically, any strategy
4 designed to improve the County human services system for children and
5 families should ultimately be judged by whether it helps achieve the County's
6 five outcomes for children and families: good health, economic well-being,
7 safety and survival, emotional and social well-being, and education and
8 workforce readiness.

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

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

22 Personal Service Delivery

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

- 25 • Introduce themselves by name
26 • Listen carefully and patiently to customers
27 • Be responsive to cultural and linguistic needs
28 • Explain procedures clearly
29 • Build on the strengths of families and communities

30 Service Access

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

- 32 • Provide services as promptly as possible

- Provide clear directions and service information
- Outreach to the community and promote available services
- Involve families in service plan development
- Follow-up to ensure appropriate delivery of services

Service Environment

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

- Ensure a safe environment
- Ensure a professional atmosphere
- Display vision, mission, and values statements
- Provide a clean and comfortable waiting area
- Ensure privacy
- Post complaint and appeals procedures

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

1. TERM:

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

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

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

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

1 2. TERMINATION WITHOUT CAUSE: This Agreement may be terminated by either
2 party at any time without cause by giving at least 30 calendar days prior written notice to
3 the other party.

4 3. IMMEDIATE TERMINATION BY COUNTY:

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

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

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

18 (3) In accordance with Paragraphs 35 (TERMINATION FOR
19 INSOLVENCY), 36 (TERMINATION FOR DEFAULT), 37 (TERMINATION FOR
20 IMPROPER CONSIDERATION), and/or 49 (COUNTY LOBBYISTS).

21 B. In the event that this Agreement is terminated, then:

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

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

1 immediate patient/client transfer or referral is indicated, Contractor may make an
2 immediate transfer or referral. If Contractor terminates this Agreement, all costs related to
3 all such transfers or referrals as well as all costs related to all continuing services shall not
4 be a charge to this Agreement nor reimbursable in any way under this Agreement; and

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

8 (4) Any termination of this Agreement by County shall be approved by
9 County's Board of Supervisors.

10 C. Six Months Notification of Agreement Expiration: Contractor shall notify
11 County when this Agreement is within six (6) months of expiration. Contractor shall send
12 such notice to those persons and addresses which are set forth in Paragraph 63
13 (NOTICES).

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

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

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

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

28 Contractor shall be responsible for delivering services to new clients to the extent
29 that funding is provided by County. Where Contractor determines that services to new
30 clients can no longer be delivered, Contractor shall provide 30 calendar days prior notice

1 to County. Contractor shall also thereafter make referrals of new clients to County or other
2 appropriate agencies.

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

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

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

16 If, during Contractor's provision of services under this Agreement, there is any need
17 for substantial deviation from the services as described in Contractor's Negotiation
18 Package for this Agreement, as approved in writing by Director, then Contractor shall
19 submit a written request to Director for written approval before any such substantial
20 deviation may occur. A 30% variance of actual services from those projected and shown
21 by Contractor in the Negotiation Package will be considered a substantial deviation in
22 service delivery.

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

27 7. PRIOR AGREEMENT(S) SUPERSEDED:

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

<u>TITLE</u>	<u>COUNTY AGREEMENT NUMBER</u>	<u>DATE OF EXECUTION</u>

1
2 The parties agree that the provisions of such prior Agreement(s), and all Amendments
3 thereto, shall be entirely superseded as of _____, _____, by the provisions of
4 this Agreement.

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

9 C. Notwithstanding any other provision of this Agreement or the Agreement(s)
10 described in Subparagraph 7.A, the total reimbursement by County to Contractor under all
11 these Agreements for Fiscal Year _____ shall not exceed _____
12 _____
13 DOLLARS (\$_____); and for Fiscal Year _____ shall not exceed _____
14 _____
15 DOLLARS (\$_____); and for Fiscal Year _____ shall not exceed _____
16 _____
17 DOLLARS (\$_____).

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

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

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

30 A. Staff providing services under this Agreement shall be qualified and shall
31 possess all appropriate licenses in accordance with WIC Section 5603 and all other

1 applicable requirements of the California Business and Professions Code, WIC, CCR,
2 CR/DC Manual, Los Angeles County DMH Organizational Provider's Manual for Specialty
3 Mental Health Services under the Rehabilitation Option and Targeted Case Management
4 Services, SDMH Policy Letters, and shall only function within the scope of practice as
5 dictated by licensing boards/bodies.

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

9 C. During the term of this Agreement, Contractor shall, twice per year, provide
10 the County with reports identifying all persons providing services under this Agreement.
11 Such report shall be in the manner and format determined by the County and shall
12 include, but not be limited to, the name, title, professional degree and license of the
13 persons providing services or performing work under this Agreement.

14 D. Notwithstanding the above, at all times during the term of this Agreement,
15 Contractor shall have available and shall provide upon request to authorized
16 representatives of County, a list of all persons by name, title, professional degree, and
17 experience, who are providing any services under this Agreement.

18 9. STAFF TRAINING AND SUPERVISION: Contractor shall institute and maintain an
19 in-service training program of treatment review and case conferences in which all its
20 professional, para-professional, intern, student and clinical volunteer personnel shall
21 participate. Contractor shall institute and maintain appropriate supervision of all persons
22 providing services under this Agreement with particular emphasis on the supervision of
23 para-professionals, interns, students, and clinical volunteers in accordance with
24 Departmental clinical supervision policy. Contractor shall be responsible for the provision
25 of mandatory training for all staff at the time of initial employment and on an ongoing basis
26 as required by Federal and State law, including but not limited to HIPAA and Sexual
27 Harassment, and for the training of all appropriate staff on the Los Angeles County DMH
28 Organizational Provider's Manual for Specialty Mental Health Services under the
29 Rehabilitation Option and Targeted Case Management Services, CR/DC Manual (as
30 applicable), and other State and County policies and procedures as well as on any other

1 matters that County may reasonably require.

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

5 10. PROGRAM SUPERVISION, MONITORING AND REVIEW:

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

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

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

22 D. To assure compliance with this Agreement and for any other reasonable
23 purpose relating to performance of this Agreement, and subject to the provisions of
24 State and Federal law, authorized County, State, and/or Federal representatives and
25 designees shall have the right to enter Contractor's premises (including all other places
26 where duties under this Agreement are being performed), with or without notice, to:
27 inspect, monitor and/or audit Contractor's facilities, programs and procedures, or to
28 otherwise evaluate the work performed or being performed; review and copy any records
29 and supporting documentation pertaining to the performance of this Agreement; and
30 elicit information regarding the performance of this Agreement or any related work. The

representatives and designees of such agencies may examine, audit and copy such records at the site at which they are located. Contractor shall provide access to facilities and shall cooperate and assist County, State, and/or Federal representatives and designees in the performance of their duties. Unless otherwise agreed upon in writing, Contractor must provide specified data upon request by County, State, and/or Federal representatives and designees within ten (10) business days.

11. PERFORMANCE STANDARDS AND OUTCOME MEASURES: The Contractor shall comply with all applicable Federal, State, and County policies and procedures relating to performance standards and outcome measures, including but not limited to those performance standards and outcome measures required by specific Federal or State rules for entities receiving their funding, those identified in Attachment X and performance standards and/or outcome measures provided in the applicable MHSA service exhibits.

Performance standards and/or outcome measures will be used as part of the determination of the effectiveness of the services delivered by Contractor.

12. COUNTY'S QUALITY ASSURANCE PLAN: The County or its agent will evaluate Contractor's performance under this Agreement not less often than annually. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place Contractor's performance of the Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or invoke other remedies, including imposing financial deductions, as specified in this Agreement.

13. RECORDS AND AUDITS:

A. Records:

(1) Direct Services and Indirect Services Records: Contractor shall maintain a record of all direct services and indirect services rendered by all professional, para-professional, intern, student, volunteer and other personnel under this Agreement in

1 sufficient detail to permit an evaluation and audit of such services. All such records shall
2 be retained, maintained, and made immediately available for inspection, review, and/or
3 audit by authorized representatives and designees of County, State, and/or Federal
4 governments during the term of this Agreement and during the applicable period of
5 records retention. In the event any records are located outside Los Angeles County,
6 Contractor shall pay County for all travel, per diem, and other costs incurred by County for
7 any inspection, review, and/or audit at such other location. In addition to the general
8 requirements in this Paragraph 13, Contractor shall comply with any additional
9 patient/client record requirements described in the Service Exhibit(s) and shall adequately
10 document the delivery of all services described in the Service Exhibit(s).

11 (a) Patient/Client Records (Direct Services): Contractor shall
12 maintain treatment and other records for each individual patient/client of all direct services
13 (e.g., 24-hour services, day services, targeted case management, mental health services,
14 medication support, and crisis intervention) in accordance with all applicable County, State
15 and Federal requirements. Treatment and other records shall include, but not be limited
16 to, patient/client identification number, patient/client face sheet, all data elements required
17 by the County's claims processing information system, consent for treatment form, initial
18 evaluation form, treatment plan, progress notes and discharge summary. All patient/client
19 records shall be maintained by Contractor at a location in Los Angeles County for a
20 minimum period that is at least equivalent to the later of any of the following:

- 21 1) Seven (7) years following discharge of the patient/client
22 or termination of services;
- 23 2) For un-emancipated minors, one (1) year after such
24 minor has reached the age of 18 years and in any case not less than seven (7) years;
- 25 3) Three years after completion of all County, State
26 and/or Federal audits; or
- 27 4) Three (3) years after the conclusion of any audit appeal
28 and/or when audit findings are fully resolved.

29 During such retention period, all such records shall be immediately available and open
30 during County's normal business hours to authorized representatives and designees of

1 County, State, and/or Federal governments for purposes of inspection, review, and/or
2 audit. Nothing in this paragraph shall limit Contractor's obligation to retain records for the
3 period described by law.

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

10 1) Seven (7) years following the expiration or earlier
11 termination of this agreement;

12 2) Three (3) years after completion of all County, State
13 and/or Federal audits; or

14 3) Three (3) years after the conclusion of any audit appeal
15 and/or when audit findings are fully resolved.

16 During such retention period, all such records shall be immediately available during normal
17 business hours to authorized representatives and designees of County, State, and/or
18 Federal governments for purposes of inspection and/or audit.

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

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

29 (b) Reports, studies, statistical surveys or other information
30 Contractor used to identify and allocate indirect costs. "Indirect costs" shall mean those

1 costs as described by the guidelines, standards, and procedures which may be provided
2 by County in writing to Contractor, the Centers for Medicare and Medicaid Provider
3 Reimbursement Manual, and the Federal Office of Management and Budget Circular A-
4 122 (Cost principles for non-profit organizations).

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

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

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

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

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

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

17 (g) Employment records.

18 (3) The entries in all of the above financial records must be readily
19 traceable to applicable source documentation (e.g., remittance invoices, vendor invoices,
20 employee timecards signed by employee and countersigned by supervisor in ink,
21 subsidiary ledgers and journals, appointment logs, patient ledger cards, etc.). Any
22 apportionment of costs shall be made in accordance with the requirements of the State
23 Department of Mental Health Cost and Financial Reporting System (CFRS) Instruction
24 Manual, the Federal Centers for Medicare and Medicaid Provider Reimbursement Manual
25 Parts 1 and 2 (Publications #15-1 and #15-2), and Los Angeles County DMH
26 Organizational Provider's Manual for Specialty Mental Health Services under the
27 Rehabilitation Option and Targeted Case Management Services. All such records shall be
28 maintained by Contractor at a location in Los Angeles County for a minimum period that is
29 at least equivalent to the later of any of the following:

30 1) Seven (7) years following the expiration or earlier

1 termination of this agreement;

2 2) Three years after completion of all County, State
3 and/or Federal audits; or

4 3) Three (3) years after the conclusion of any audit appeal
5 and/or when audit findings are fully resolved.

6 During such retention period, all such records shall be immediately available and open
7 during County's normal business hours to authorized representatives and designees of
8 County, State, and/or Federal governments for purposes of inspection, review, and/or
9 audit. Such access shall include access to individuals with knowledge of financial records
10 and Contractor's outside auditors, and regular and special reports from Contractor. In the
11 event any records are located outside Los Angeles County, Contractor shall pay County
12 for all travel, per diem, and other costs incurred by County for any inspection or audit at
13 such other location.

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

20 B. Audits:

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

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

1 calendar days to submit its corrective plan of action.

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

10 (4) State Department of Mental Health Access to Records: Contractor
11 agrees that for a period of seven (7) years or until final audit is completed, which ever
12 occurs later, following the furnishing of services under this Agreement, Contractor shall
13 maintain and make available to the State Department of Mental Health, the Secretary of
14 the United States Department of Health and Human Services or the Controller General of
15 the United States, and any other authorized Federal and State agencies, or to any of their
16 duly authorized representatives, the contracts, books, documents and records of
17 Contractor which are necessary to verify the nature and extent of the cost of services
18 hereunder. Furthermore, if Contractor carries out any of the services provided hereunder
19 through any subcontract with a value or cost of TEN THOUSAND DOLLARS (\$10,000) or
20 more over a 12-month period with a related organization (as that term is defined under
21 Federal law), Contractor agrees that each such subcontract shall provide for such access
22 to the subcontract, books, documents and records of the subcontractor as provided in
23 Paragraph 10 and in this Paragraph 13.

24 (5) Federal Access to Records: Grant-funded programs require audits
25 and compliance with Federal guidelines pursuant to Circular A-133 issued by the Federal
26 Office of Management and Budgets (OMB), If, and to the extent that, Section 1861(v)(1)(I)
27 of the Social Security Act (42 United States Code Section 1395x(v)(1)(I)) is applicable,
28 Contractor agrees that for a period of seven (7) years following the furnishing of services
29 under this Agreement, Contractor shall maintain and make available to the Secretary of
30 the United States Department of Health and Human Services or the Controller General of

1 the United States, or to any of their duly authorized representatives, the contracts, books,
2 documents and records of Contractor which are necessary to verify the nature and extent
3 of the cost of services hereunder. Furthermore, if Contractor carries out any of the
4 services provided hereunder through any subcontract with a value or cost of TEN
5 THOUSAND DOLLARS (\$10,000) or more over a 12-month period with a related
6 organization (as that term is defined under Federal law), Contractor agrees that each such
7 subcontract shall provide for such access to the subcontract, books, documents and
8 records of the subcontractor as provided in Paragraph 10 and in this Paragraph 13.

9 14. REPORTS:

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

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

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

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

24 C. County Claims Processing Information System:

25 (1) Contractor shall submit all required data to the County's Claims
26 Processing Information System, as required by Director. Contractor shall report to County
27 all program, patient/client, staff, and other data and information about Contractor's
28 services, within the specified time periods as required by DMH Chief Information Office's
29 Training Manuals, IS Bulletins, and Reports Reference Guide and any other County
30 requirements but in no event, later than 40 calendar days after the close of each fiscal

1 year in which the services were provided.

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

5 (3) Notwithstanding any other provision of this Agreement, the only units
6 of service which shall be considered legitimate and reimbursable at Annual Cost Report
7 adjustment and settlement time or otherwise shall be those units of service as submitted
8 by Contractor into the County's claims processing information system.

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

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

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

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

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

11 B. Minor Children Abuse: Contractor and all persons employed or
12 subcontracted by Contractor, shall comply with California Penal Code Section 11164 et
13 seq. and shall report all known or suspected instances of child abuse to an appropriate
14 child protective agency, as mandated by California Penal Code Sections 11164, 11165.8
15 and 11166. Contractor and all persons employed or subcontracted by Contractor, shall
16 make the report on such abuse, and shall submit all required information, in accordance
17 with California Penal Code Sections 11166 and 11167.

18 C. Contractor Staff:

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

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

28 (3) For the safety and welfare of elders, dependent adults, and minor
29 children, Contractor shall, to the maximum extent permitted by law, ascertain arrest and
30 conviction records for all current and prospective employees and shall not employ or

1 continue to employ any person convicted of any crime involving any harm to elders,
2 dependent adults, or minor children.

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

7 18. NONDISCRIMINATION IN SERVICES:

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

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

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

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

16 19. NONDISCRIMINATION IN EMPLOYMENT:

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

29 B. Contractor shall take affirmative steps to ensure that qualified applicants are
30 employed, and that employees are treated during employment without regard to race,

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

18 C. Contractor shall deal with its subcontractors, bidders, or vendors without
19 regard to or because of race, color, religion, national origin, ancestry, gender, age, marital
20 status, sexual orientation, condition of physical disability (including HIV and AIDS) or
21 mental disability, medical condition (e.g., cancer), denial of family care leave, or political
22 affiliation. Further, Contractor shall give written notice of its obligations under this
23 Paragraph 19 to labor organizations with which it has a collective bargaining or other
24 agreement.

25 D. Contractor shall allow County representatives access to its employment
26 records during regular business hours to verify compliance with the provisions of this
27 Paragraph 19 when so requested by Director.

28 E. If County finds that any of the above provisions has been violated, the same
29 shall constitute a material breach of this Agreement upon which County may immediately
30 terminate or suspend this Agreement. While County reserves the right to determine

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

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

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

17 21. INDEMNIFICATION AND INSURANCE:

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

24 B. General Provisions for all Insurance Coverage: Without limiting Contractor's
25 indemnification of County, and in the performance of this Agreement and until all of its
26 obligations pursuant to this Agreement have been met, Contractor shall provide and
27 maintain at its own expense insurance coverage satisfying the requirements specified in
28 Subparagraphs B. and C. of this Paragraph 21. These minimum insurance coverage
29 terms, types and limits (the "Required Insurance") also are in addition to and separate
30 from any other contractual obligation imposed upon Contractor pursuant to this

1 Agreement. The County in no way warrants that the Required Insurance is sufficient to
2 protect the Contractor for liabilities which may arise from or relate to this Agreement.

3 1) Evidence of Coverage and Notice to County

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

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

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

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

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

28 **Los Angeles County - Department of Mental Health**
29 **Contracts Development and Administration Division**
30 **550 S. Vermont Ave., 5th Floor**
31 **Los Angeles, CA 90020**

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

8 2) Additional Insured Status and Scope of Coverage

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

20 3) Cancellation of Insurance

21 Except in the case of cancellation for non-payment of premium,
22 Contractor's insurance policies shall provide, and Certificates shall specify, that County
23 shall receive not less than thirty (30) days advance written notice by mail of any
24 cancellation of the Required Insurance. Ten (10) days prior notice may be given to County
25 in event of cancellation for non-payment of premium.

26 4) Failure to Maintain Insurance

27 Contractor's failure to maintain or to provide acceptable evidence
28 that it maintains the Required Insurance shall constitute a material breach of the
29 Agreement, upon which County immediately may withhold payments due to Contractor,

1 and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain
2 damages from Contractor resulting from said breach.

3 5) Insurer Financial Ratings

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

6 6) Contractor's Insurance Shall Be Primary

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

11 7) Waivers of Subrogation

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

17 8) Subcontractor Insurance Coverage Requirements

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

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

26 Contractor's policies shall not obligate the County to pay any portion
27 of any Contractor deductible or SIR. The County retains the right to require Contractor
28 to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide
29 a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all

1 related claims investigation, administration and defense expenses. Such bond shall be
2 executed by a corporate surety licensed to transact business in the State of California.

3 10) Claims Made Coverage

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

8 11) Application of Excess Liability Coverage

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

12 12) Separation of Insureds

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

16 13) Alternative Risk Financing Programs

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

22 14) County Review and Approval of Insurance Requirements

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

26 C. Insurance Coverage

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

30 General Aggregate: \$2 million

1 Products/Completed Operations Aggregate: \$1 million

2 Personal and Advertising Injury: \$1 million

3 Each Occurrence: \$1 million

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

10 3) Workers Compensation and Employers' Liability insurance or
11 qualified self-insurance satisfying statutory requirements, which includes Employers'
12 Liability coverage with limits of not less than \$1 million per accident. If Contractor will
13 provide leased employees, or, is an employee leasing or temporary staffing firm or a
14 professional employer organization (PEO), coverage also shall include an Alternate
15 Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00
16 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall
17 be modified to provide that County will receive not less than thirty (30) days advance
18 written notice of cancellation of this coverage provision. If applicable to Contractor's
19 operations, coverage also shall be arranged to satisfy the requirements of any federal
20 workers or workmen's compensation law or any federal occupational disease law.

21 4) Unique Insurance Coverage

22 (a) Sexual Misconduct Liability

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

28 (b) Professional Liability/Errors and Omissions

29 Insurance covering Contractor's liability arising from or related
30 to this Contract, with limits of not less than \$1 million per claim and \$3 million aggregate.

1 Further, Contractor understands and agrees it shall maintain such coverage for a period of
2 not less than three (3) years following this Agreement's expiration, termination or
3 cancellation.

4 (c) Property Coverage

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

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

20 23. CONFLICT OF INTEREST:

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

29 B. Contractor shall comply with all conflict of interest laws, ordinances and
30 regulations now in effect or enacted during the term of this Agreement. Contractor

warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County. Full written disclosure shall include, without limitation, identification of all persons implicated and complete description of all relevant circumstances.

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

25. INDEPENDENT STATUS OF CONTRACTOR:

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

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

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

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

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

14 27. CONSIDERATION OF GREATER AVENUES FOR INDEPENDENCE (GAIN) OR
15 GENERAL RELIEF OPPORTUNITIES FOR WORK (GROW) PARTICIPANTS FOR
16 EMPLOYMENT: Should contractor require additional or replacement personnel after the
17 effective date of this agreement, contractor shall give consideration for any such
18 employment openings to participants in the County's Department of Public Social Services'
19 Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for
20 Work (GROW) Program who meet contractor's minimum qualifications for the open
21 position. If contractor decides to pursue consideration of GAIN/GROW participants for
22 hiring, Contractor shall provide information regarding job openings and job requirements to
23 Department of Public Social Services' GAIN/GROW staff at
24 GAINGROW@dpss.lacounty.gov. County will refer GAIN/GROW participants, by job
25 category, to contractor.

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

28 28. DELEGATION AND ASSIGNMENT BY CONTRACTOR:

29 A. Contractor shall not assign its rights or delegate its duties under this
30 Agreement, or both, whether in whole or in part, without the prior written consent of

1 County, in its discretion, and any attempted assignment or delegation without such
2 consent shall be null and void. For purposes of this paragraph, County consent shall
3 require a written amendment to this Agreement, which is formally approved and executed
4 by the parties. Any payments by County to any approved delegate or assignee on any
5 claim under this Agreement shall be deductible, at County's sole discretion, against the
6 claims which Contractor may have against County.

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

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

23 29. SUBCONTRACTING:

24 A. No performance of this Agreement, or any portion thereof, shall be
25 subcontracted by Contractor without the prior written consent of County as provided in this
26 Paragraph 29. Any attempt by Contractor to subcontract any performance, obligation, or
27 responsibility under this Agreement, without the prior written consent of County, shall be
28 null and void and shall constitute a material breach of this Agreement. Notwithstanding
29 any other provision of this Agreement, in the event of any such breach by Contractor, this
30 Agreement may be terminated forthwith by County. Notwithstanding any other provision of

1 this Agreement, the parties do not in any way intend that any person or entity shall acquire
2 any rights as a third party beneficiary of this Agreement.

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

7 (1) The reasons for the particular subcontract.

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

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

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

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

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

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

22 "The contracting parties shall be subject to the examination and audit of the
23 State Auditor, pursuant to the California Government Code, Section
24 8546.7, for a period of seven (7) years from the end of the Fiscal Year in
25 which such services were provided or until final resolution of any audits,
26 whichever occurs later."

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

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

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

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

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

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

28 G. In the event that County consents to any subcontracting, such consent shall
29 be subject to County's right to terminate, in whole or in part, any subcontract at any time
30 upon written notice to Contractor when such action is deemed by County to be in its best

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

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

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

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

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

22 L. In the event that County consents to any subcontracting, Contractor shall
23 obtain and maintain on file an executed Subcontractor Employee Acknowledgment of
24 Employer, in the form as contained in Contractor's Negotiation Package for the
25 Agreement, for each of the subcontractor's employees performing services under the
26 subcontract. Such Acknowledgments shall be obtained and maintained on file and made
27 available upon request on or immediately after the commencement date of the particular
28 subcontract but in no event later than the date such employee first performs any services
29 under the subcontract.

30 M. County shall have no liability or responsibility whatsoever for any payment or

1 other compensation for any subcontractor or its officers, employees, and agents.

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

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

13 31. COMPLIANCE WITH APPLICABLE LAW:

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

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

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

27 D. Duty to Notify: Contractor agrees to notify County of any and all legal
28 complaints, citations, enforcement proceedings, administrative proceedings, judgments or
29 litigation, known to Contractor, whether civil or criminal initiated against Contractor, its
30 officers, employees, or agents which are likely to have a material effect on the

1 organization's stewardship, financial position and/or ability to perform and deliver services
2 under this contract.

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

6 33. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND
7 CERTIFICATES:

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

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

26 34. CHILD SUPPORT COMPLIANCE PROGRAM:

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

1 economic burden otherwise imposed upon County and its taxpayers.

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

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

21 35. TERMINATION FOR INSOLVENCY:

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

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

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

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

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

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

7 36. TERMINATION FOR DEFAULT:

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

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

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

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

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

27 37. TERMINATION FOR IMPROPER CONSIDERATION: County may, by written
28 notice to Contractor, immediately terminate the right of Contractor to proceed under this
29 Agreement if it is found that consideration, in any form, was offered or given by Contractor,
30 either directly or through an intermediary, to any County officer, employee or agent with

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

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

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

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

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

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

24 41. ENTIRE AGREEMENT: The body of this Agreement, all attachments, Financial
25 Exhibit A (Financial Provisions), Financial Summary(ies), Fiscal Years

26 _____ Service Delivery Site Exhibit, and Service Exhibit(s) _____
27 _____, attached hereto and incorporated herein by
28 reference, and Contractor's Negotiation Package for this Agreement, as approved in
29 writing by Director, including any addenda thereto as approved in writing by Director, which
30 are hereby incorporated herein by reference but not attached, shall constitute the

1 complete and exclusive statement of understanding between the parties which
2 supersedes all previous agreements, written or oral, and all other communications
3 between the parties relating to the subject matter of this Agreement. In the event of any
4 conflict or inconsistency in the definition or interpretation of any word, responsibility, or
5 schedule, or the contents or description of any service or other work, or otherwise,
6 between the body of this Agreement and the other referenced documents, or between
7 such other documents, such conflict or inconsistency shall be resolved by giving
8 precedence first to the body of this Agreement and its definitions and then to such other
9 documents according to the following priority:

- 10 A. Financial Exhibit A (Financial Provisions)
- 11 B. Financial Summary(ies)
- 12 C. Service Delivery Site Exhibit
- 13 D. Service Exhibit(s)
- 14 E. Contractor's Negotiation Package.

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

21 43. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully
22 complies with all Federal statutes and regulations regarding employment of aliens and
23 others and that all its employees performing services hereunder meet the citizenship or
24 alien status requirements set forth in Federal statutes and regulations. Contractor shall
25 obtain, from all covered employees performing services hereunder, all verification and
26 other documentation of employment eligibility status required by Federal statutes and
27 regulations as they currently exist and as they may be hereafter amended. Contractor
28 shall retain all such documentation for the period prescribed by law. Contractor shall
29 indemnify, defend, and hold harmless County, its officers and employees from and against
30 any employer sanctions and any other liability which may be assessed against Contractor

1 or County in connection with any alleged violation of any Federal statutes or regulations
2 pertaining to the eligibility for employment of persons performing services under this
3 Agreement.

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

9 45. PURCHASES:

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

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

28 C. Inventory Records, Controls and Reports: Contractor shall maintain
29 accurate and complete inventory records and controls for all furniture, fixtures, equipment,
30 materials, and supplies, purchased or obtained using any County funds. Within 90

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

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

23 E. Disposition of Property in Contractor's Custody: Upon the termination of the
24 funding of any program covered by this Agreement, or upon the expiration or termination
25 of this Agreement, or at any other time that County may request, Contractor shall:
26 (1) provide access to and render all necessary assistance for physical removal by County
27 or its authorized representatives of any or all furniture, fixtures, equipment, materials, and
28 supplies, purchased or obtained using any County funds, in the same condition as such
29 property was received by Contractor, reasonable wear and tear excepted, or (2) at
30 Director's option, deliver any or all items of such property to a location designated by

1 Director. Any disposition, settlement or adjustment connected with such property shall be
2 in accordance with all applicable Federal, State and County laws, ordinances, rules,
3 regulations, manuals, guidelines and directives.

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

9 47. RESTRICTIONS ON LOBBYING: If any Federal funds are to be used to pay for
10 any of Contractor's services under this Agreement, Contractor shall fully comply with all
11 certification and disclosure requirements prescribed by Section 319 of Public Law 101-121
12 (31 United States Code Section 1352) and any implementing regulations, and shall ensure
13 that each of its subcontractors receiving funds under this Agreement also fully complies
14 with all such certification and disclosure requirements.

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

24 49. COUNTY LOBBYISTS: Contractor and each County lobbyist or County lobbying
25 firm as defined in Los Angeles County Code Section 2.160.010, retained by Contractor,
26 shall fully comply with County's Lobbyist Ordinance, Los Angeles County Code Chapter
27 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm
28 retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a
29 material breach of this Agreement upon which County may immediately terminate or
30 suspend this Agreement.

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

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

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

17 53. CONTRACTOR RESPONSIBILITY AND DEBARMENT: The following
18 requirements set forth in the County's Non-Responsibility and Debarment Ordinance (Title
19 2, Chapter 2.202 of the County Code) are effective for this Agreement, except to the
20 extent applicable State and/or Federal laws are inconsistent with the terms of the
21 Ordinance.

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

26 B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of
27 the County Code, if the County acquires information concerning the performance of the
28 Contractor on this or other Agreements which indicates that the Contractor is not
29 responsible, the County may, in addition to other remedies provided in the Agreement,
30 debar the Contractor from bidding or proposing on, or being awarded, and/or performing

1 work on County Agreements for a specified period of time, which generally will not exceed
2 five years but may exceed five years or be permanent if warranted by the circumstances,
3 and terminate any or all existing Agreements the Contractor may have with the County.

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

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

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

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

30 G If a Contractor has been debarred for a period longer than five (5) years, that

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

9 H. The Contractor Hearing Board will consider a request for review of a
10 debarment determination only where (1) the Contractor has been debarred for a period
11 longer than five (5) years; (2) the debarment has been in effect for at least five (5) years;
12 and (3) the request is in writing, states one or more of the grounds for reduction of the
13 debarment period or termination of the debarment, and includes supporting
14 documentation. Upon receiving an appropriate request, the Contractor Hearing Board will
15 provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board
16 shall conduct a hearing where evidence on the proposed reduction of debarment period or
17 termination of debarment is presented. This hearing shall be conducted and the request
18 for review decided by the Contractor Hearing Board pursuant to the same procedures as
19 for a debarment hearing.

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

26 I. These terms shall also apply to subcontractors of County Contractors.

27 54. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY
28 FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff
29 members is restricted or excluded from providing services under any health care program
30 funded by the Federal government, directly or indirectly, in whole or in part, and that

1 Contractor will notify Director within 30 calendar days in writing of: (1) any event that would
2 require Contractor or a staff member's mandatory exclusion from participation in a
3 Federally funded health care program; and (2) any exclusionary action taken by any
4 agency of the Federal government against Contractor or one or more staff members
5 barring it or the staff members from participation in a Federally funded health care
6 program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

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

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

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

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

1 Paragraph 54.

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

5 55. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT:

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

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

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

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

1 (1) County desires to clarify County's information system terminology
2 under this Agreement as it relates to HIPAA, and, accordingly, has set forth in Attachment
3 VIII (Crosswalk Fact Sheet) a "crosswalk" of technical terms, definitions and language to
4 be used with this Agreement.

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

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

12 (b) County has added to the DMH Provider Manual an Electronic
13 Data Interchange Fact Sheet which includes information about the applicable HIPAA
14 transactions that can be processed in the County's claims processing information system.
15 Effective January 2009 Electronic Data Interchange (EDI) will be the only acceptable
16 method by which Contractor or its Subcontractor(s) may submit HIPAA-compliant
17 transactions.

18 (c) County has added to the DMH Provider Manual a Trading
19 Partner Agent Authorization Agreement which includes the Contractor's authorization to its
20 Subcontractor(s) to submit HIPAA-compliant transactions on behalf of Contractor.

21 E. Contractor understands that County operates an informational website
22 <http://dmh.lacounty.info/hipaa/index.html> related to the services under this Agreement
23 and the parties' HIPAA obligations, and agrees to undertake reasonable efforts to utilize
24 said website to obtain updates, other information, and forms to assist Contractor in its
25 performance.

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

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

5 56. COMPLIANCE WITH JURY SERVICE PROGRAM:

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

9 B. Written Employee Jury Service Policy:

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

19 (2) For purposes of this Section, "Contractor" means a person,
20 partnership, corporation or other entity which has an Agreement with the County or a
21 subcontract with a County Contractor and has received or will receive an aggregate sum of
22 \$50,000 or more in any 12-month period under one or more County Agreements or
23 subcontracts. "Employee" means any California resident who is a full-time employee of
24 Contractor. "Full-time" means 40 hours or more worked per week or a lesser number of
25 hours if: 1) the lesser number is a recognized industry standard as determined by the
26 County, or 2) Contractor has a long-standing practice that defines the lesser number of
27 hours as full-time. Full-time employees providing short-term, temporary services of 90
28 days or less within a 12-month period are not considered full-time for purposes of the Jury
29 Service Program. If Contractor uses any subcontractor to perform services for the County
30 under the Agreement, the subcontractor shall also be subject to the provisions of this

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

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

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

18 57. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY
19 LAW: The Contractor shall notify and provide to its employees, and shall require each
20 subcontractor to notify and provide to its employees, a fact sheet regarding the Safely
21 Surrendered Baby Law, its implementation in Los Angeles County, and where and how to
22 safely surrender a baby.

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

25 58. CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO
26 THE SAFELY SURRENDERED BABY LAW: The Contractor acknowledges that the
27 County places a high priority on the implementation of the Safely Surrendered Baby Law.
28 The Contractor understands that it is the County's policy to encourage all County
29 Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a
30 prominent position at the Contractor's place of business. The Contractor will also

1 encourage its subcontractors, if any, to post this poster in a prominent position in the
2 subcontractor's place of business. The County's Department of Children and Family
3 Services will supply the Contractor with the poster to be used.

4 59. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY
5 AND VOLUNTARY EXCLUSION – LOWER TIER COVERED TRANSACTIONS (45
6 C.F.R. PART 76): The Contractor hereby acknowledges that the County is prohibited from

7 contracting with and making sub-awards to parties that are suspended, debarred,
8 ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded
9 from securing federally funded contracts. By executing this Agreement, Contractor
10 certifies that neither it nor any of its owners, officers, partners, directors or other principals
11 is currently suspended, debarred, ineligible, or excluded from securing federally funded
12 contracts. Further, by executing this Agreement, Contractor certifies that, to its knowledge,
13 none of its subcontractors, at any tier, or any owner, officer, partner, director or other
14 principal of any subcontractor is currently suspended, debarred, ineligible, or excluded
15 from securing federally funded contracts. Contractor shall immediately notify County in
16 writing, during the term of this Agreement, should it or any of its subcontractors or any
17 principals of either be suspended, debarred, ineligible, or excluded from securing federally
18 funded contracts. Failure of Contractor to comply with this provision shall constitute a
19 material breach of this Agreement upon which the County may immediately terminate or
20 suspend this Agreement.

21 60. CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE:

22 The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates
23 entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004"
24 (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring
25 Contractors to complete the certification in Attachment IX, the County seeks to ensure that
26 all County contractors which receive or raise charitable contributions comply with California
27 law in order to protect the County and its taxpayers. A Contractor which receives or raises
28 charitable contributions without complying with its obligations under California law commits
29 a material breach subjecting it to either contract termination or debarment proceedings or
30 both. (County Code Chapter 2.202)

1 61. LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM: This
2 Contract is subject to all provisions of the County's ordinance entitled Local Business
3 Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County
4 Code. Specifically, Contractor shall pay particular attention to the following provisions in
5 Chapter 2.204:

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

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

13 If Contractor has obtained certification as a Local Small Business Enterprise by
14 reason of having furnished incorrect supporting information or by reason of having
15 withheld information, and which knew, or should have known, the information furnished
16 was incorrect or the information withheld was relevant to its request for certification, and
17 which by reason of such certification has been awarded this contract to which it would not
18 otherwise have been entitled, shall:

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

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

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

25 The above penalties shall also apply to any Contractor that has previously obtained proper
26 certification, however, as a result of a change in their status would no longer be eligible for
27 certification, and fails to notify the State and the Office of Affirmative Action Compliance of
28 this information prior to responding to a solicitation or accepting a contract award.

29 62. FORCE MAJEURE:

30 A. Neither party shall be liable for such party's failure to perform its obligations

1 under and in accordance with this Contract, if such failure arises out of fires, floods,
2 epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than
3 a lockout by such party or any of such party's subcontractors), freight embargoes, or other
4 similar events to those described above, but in every such case the failure to perform must
5 be totally beyond the control and without any fault or negligence of such party (such
6 events are referred to in this sub-paragraph as "force majeure events").

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

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

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

For the County, please use the following contact information:

County of Los Angeles - Department of Mental Health

Contracts Development and Administration Division

550 South Vermont Ave., 5th Floor

Los Angeles, CA 90020

Attention: Chief of Contracts

For the Contractor, please use the following contact information:

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

6
7 ATTEST:

COUNTY OF LOS ANGELES

8 SACHI HAMAI, Executive
9 Officer-Board of Supervisors
10 of the County of Los Angeles

11 By _____
12 Chairman, Board of Supervisors

13 By _____
14 Deputy

15
16
17
18 APPROVED AS TO FORM:
19 OFFICE OF THE COUNTY COUNSEL

20 _____
CONTRACTOR

21
22
23 By _____
24 Deputy County Counsel

25 By _____

26 Name _____

27 Title _____
28 (AFFIX CORPORATE SEAL HERE)

29
30 APPROVED AS TO CONTRACT
31 ADMINISTRATION:
32
33 DEPARTMENT OF MENTAL HEALTH

34
35
36
37 By _____
38 Chief, Contracts Development
39 and Administration Division

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

5
6
7
8 APPROVED AS TO FORM:
9 OFFICE OF THE COUNTY COUNSEL

COUNTY OF LOS ANGELES

10
11
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13
14 By _____
15 Deputy County Counsel

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

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21 _____
22 CONTRACTOR

23 By _____

24
25 Name _____

26
27 Title _____
28 (AFFIX CORPORATE SEAL HERE)

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32 APPROVED AS TO CONTRACT
33 ADMINISTRATION:

34
35 DEPARTMENT OF MENTAL HEALTH

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37
38 By _____
39 Chief, Contracts Development
40 and Administration Division

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42
43 LEGAL ENTITY AGREEMENT FY09-10:05-14-09

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

5
6
7
8 COUNTY OF LOS ANGELES
9

10 By _____
11 MARVIN J. SOUTHARD, D.S.W.
12 Director of Mental Health
13
14

15
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17 _____
18 CONTRACTOR
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20 By _____

21 Name _____

22 Title _____
23 (AFFIX CORPORATE SEAL HERE)
24
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27

28
29 APPROVED AS TO FORM:
30 OFFICE OF THE COUNTY COUNSEL
31

32
33 APPROVED AS TO CONTRACT
34 ADMINISTRATION:
35

36 DEPARTMENT OF MENTAL HEALTH
37
38

39 By _____
40 Chief, Contracts Development
41 and Administration Division
42
43

44 LEGAL ENTITY AGREEMENT FY09-10:05-14-09

DEFINITIONS

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

- A. "CCR" means the California Code of Regulations;
- B. "CGF" means County General Funds;
- C. "CalWORKs" means California Work Opportunities and Responsibilities to Kids Act, which under California Welfare and Institutions Code Section 11200 et seq. provides for mental health supportive services to eligible welfare recipients. CalWORKs funding consists of both Federal and State funds;
- D. "Cash Flow Advance" means County General Funds (CGF) furnished by County to Contractor for cash flow purposes in expectation of Contractor repayment pending Contractor's rendering and billing of eligible services/activities;
- E. "Cost Reimbursement" or "CR" means the arrangement for the provision of mental health services based on the reasonable actual and allowable costs of services provided under this Agreement, less all fees paid by or on behalf of patients/clients and all other revenue, interest and return resulting from the same services;
- F. "County's Claims Processing Information System" means the current system employed by the Department of Mental Health to submit and process claims.
- 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;
- 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;

DEFINITIONS CONTINUED

- 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. 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.;
- 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;
- S. "Fiscal Year" means County's Fiscal Year which commences July 1 and ends the following June 30;
- T. "Gross Program Budget" is the sum total of the Net Program Budget and all "Third Party Revenues" shown in the Financial Summary;
- U. "GROW" means General Relief Opportunities for Work;
- V. "Healthy Families" ("HF") means the federally subsidized health insurance program administered by the State of California for the provision of comprehensive health services (including medical, dental and vision care) to children ages birth through 19th birthday from low income families;
- W. "Healthy Families Procedures Manual" ("HF Procedures Manual") means DMH's Healthy Families Procedures Manual for providers. The HF Procedure Manual contains the formal requirements, policies and procedures governing Healthy Families and is incorporated into this Agreement by reference. Contractor hereby acknowledges receipt of the HF Procedures Manual upon execution of this Agreement;
- X. "IMD" means Institutions for Mental Disease. Hospitals, nursing facilities or other institutions of more than 16 beds that are primarily engaged in providing

DEFINITIONS CONTINUED

- diagnosis, treatment or care of persons with mental disease, including medical attention, nursing care and related services;
- Y. "Legal Entity" means the legal organization structure under California law;
- Z. "Master Agreement List" means a list of contractors who have submitted a Statement of Qualifications (SOQ) in response to County's Request for Statement of Qualifications (RFSQ), and have met the minimum qualifications listed in the RFSQ, and who have an executed Master Agreement;
- AA. "Maximum Contract Amount" is the sum total of all "Allocations" shown in the Financial Summary; except that the "Maximum Contract Amount" shall not include "Third Party Revenue" shown in the Financial Summary;
- BB. "Mental Health Services Act" ("MHSA"), adopted by the California electorate on November 2, 2004 creates a new permanent revenue source, administered by the State Department of Mental Health (SDMH), for the transformation and expanded delivery of mental health services provided by State and County agencies and requires the development of integrated plans for prevention, innovation, and system of care services;
- CC. "Member" or Title XXI Healthy Families Program Member ("HFPM") means an enrollee in any Healthy Families Health Plan through Healthy Families;
- DD. "MHRC" means Mental Health Rehabilitation Centers certified by the State Department of Mental Health;
- EE. "MRMIB" means the State of California Managed Risk Medical Insurance Board, the administrator of Healthy Families for the State of California;
- FF. "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

DEFINITIONS CONTINUED

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;

- GG. "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;
- HH. "Organizational Provider's Manual" is the Los Angeles County DMH Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services;
- II. "PATH" means Projects for Assistance in Transition from Homelessness Federal grant funds;
- JJ. "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;
- KK. "Request for Services" ("RFS") is a second solicitation process to Contractors on a pre-qualified Master Agreement that requests specific and detailed services as defined in a Statement of Work at a time when such services are needed;
- LL. "Request for Statement of Qualifications" ("RFSQ") means a solicitation based on establishing a pool of qualified vendors/contractors to provide services through a Master Agreement;
- MM. "SAMHSA" means Substance Abuse and Mental Health Services Administration Federal block grant funds;

DEFINITIONS CONTINUED

- NN. "SDHS" means State Department of Health Services;
- OO. "SDMH" means State Department of Mental Health;
- PP. "SDSS" means State Department of Social Services;
- QQ. "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;
- RR. "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;
- SS. "State" means the State of California;
- TT. "Statement of Qualifications" ("SOQ") means a contractor's response to an RFSQ;
- UU. "Statement of Work" ("SOW") means a written description of services desired by County for a specific Work Order;
- VV. "Title IV" means Title IV of the Social Security Act, 42 United States Code Section 601et seq.;
- WW. "Title XIX" means Title XIX of the Social Security Act, 42 United States Code Section 1396 et seq.;
- XX. "Title XXI" means Title XXI of the Social Security Act, 42 United States Code Section 1396 et seq.;
- YY. "UMDAP" means SDMH's Uniform Method of Determining Ability to Pay; and
- ZZ. "WIC" means the California Welfare and Institutions Code.

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT II**

**FINANCIAL EXHIBIT A
(FINANCIAL PROVISIONS)**

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1 FINANCIAL EXHIBIT A
2 (FINANCIAL PROVISIONS)
3

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1 FINANCIAL EXHIBIT A
2 FINANCIAL PROVISIONS
3

4 **A. GENERAL**

5 (1) The County shall pay Contractor in arrears for eligible services provided
6 under this Department of Mental Health (DMH Legal Entity Agreement) and in accordance with
7 the terms of this Financial Exhibit A (FINANCIAL PROVISIONS) (Attachment II to the DMH
8 Legal Entity Agreement) up to the amounts identified for each Funded Program as shown in the
9 Financial Summary (Attachment III to the DMH Legal Entity Agreement) and as otherwise may
10 be limited under this DMH Legal Entity Agreement and the attachments thereto, including but not
11 limited to this Financial Exhibit A and the Financial Summary, collectively known as "the
12 Agreement".

13 (a) For the purposes of the Agreement, a "Funded Program" is a set of
14 services paid through a particular funding source identified as a line on the Financial Summary.

15 (b) For the purposes of the Agreement, the "Program Amount" is the
16 amount shown in each column in the Financial Summary that identifies the beneficiary status of
17 the client (e.g., Medi-Cal/Healthy Families or Non-Medi-Cal/Indigent) for each Funded Program.

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

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

26 (3) In order to reduce County costs, the Contractor shall comply with all
27 applicable provisions of the Welfare and Institutions Code (WIC) and/or California Code of
28 Regulations related to reimbursement by non-County and non-State sources, including, but not
29 limited to, collecting reimbursement for services from clients (which shall be the same as
30 patient fees established pursuant to WIC Section 5710) and from private or public third-party

1 payers. In addition, Contractor shall ensure that, to the extent a recipient of services under
2 this Agreement is eligible for coverage under Medicaid or Medicare or any other federal or
3 State funded program (an eligible beneficiary), services provided to eligible beneficiaries are
4 properly identified and claimed to the Funded Program responsible for such services to said
5 eligible beneficiaries.

6 (a) Contractor shall be responsible for delivering services to the extent
7 that funding is provided by County. To the extent that Contractor does not have funds
8 allocated in this Agreement for a Funded Program that pays for services to a particular eligible
9 beneficiary, Contractor shall, at the first opportunity, refer said eligible beneficiary to another
10 Contractor or County facility, within the same geographic area to the extent feasible, that has
11 available funds allocated for that Funded Program.

12 (b) To the extent that the County determines Contractor has
13 improperly claimed services to a particular Program Amount, County may disallow payment of
14 said services and require Contractor to resubmit said services for payment from the correct
15 Program Amount, or may make corrective accounting transactions to transfer the payment of
16 the services to the appropriate Program Amount.

17 (4) The State Schedule of Maximum Allowances (SMA) in effect during the
18 Initial Period, the First Automatic Renewal Period, or the Second Automatic Renewal Period, or
19 any part thereof, shall be applicable to this Agreement as of the date adopted by the State.

20 **B. LIMITATIONS ON MAXIMUM REIMBURSEMENT**

21 (1) The total maximum reimbursement that will be paid by County to Contractor
22 under this Agreement shall be, in no event, more than the Maximum Contract Amount for the
23 Initial Period, First Automatic Renewal Period and the Second Automatic Renewal Period
24 respectively of this Agreement.

25 (a) In addition to the general limitation of Paragraph B (1) of this
26 Financial Exhibit A, in no event shall the maximum reimbursement that will be paid by County to
27 Contractor under this Agreement for any Program Amount be more than the amount identified
28 for each Program Amount for each Funded Program, as identified on the Financial Summary
29 (Attachment III) for the Initial Period, First Automatic Renewal Period and the Second Automatic
30 Renewal Period respectively of this Agreement. Said amounts shall be referred to as the
31 "Maximum Program Amount."

1 (2) Contractor shall immediately provide written notice to the County when,
2 based on the Contractor's own internal records, it has billed for services/activities under this
3 Agreement in an amount equal to 75 percent (75%) of the total Maximum Contract Amount or 75
4 percent (75%) of the Maximum Program Amount(s) during the Initial Period, First Automatic
5 Renewal Period or the Second Automatic Renewal Period of this Agreement.

6 (a) Contractor shall send such notice to those persons and addresses
7 which are set forth in the DMH Legal Entity Agreement, Paragraph 63 (NOTICES).

8 (b) Failure of Contractor to comply with this Paragraph B (2) will be
9 considered a breach of this Agreement.

10 (3) Except as otherwise provided in this Agreement, the total Maximum
11 Contract Amount and/or the Maximum Program Amount(s) for any of the periods specified in this
12 Financial Exhibit A (FINANCIAL PROVISIONS), Paragraphs C (Reimbursement for Initial
13 Period) and D (Reimbursement if Agreement is Automatically Renewed) may not be increased
14 or decreased without a properly executed amendment to this Agreement. The Parties
15 acknowledge that the actual number of individuals seeking care from Contractor who have
16 coverage under a particular Funded Program may differ from the estimate number upon which
17 the Maximum Program Amounts were based and that it may be appropriate to increase
18 Contractor's responsibility to provide services to some eligible individuals while decreasing its
19 responsibilities to provide services to other types of eligible individuals. Any such modification in
20 Contractor's responsibilities, along with commensurate changes in the appropriate Funded
21 Programs and Maximum Program Amounts, may be accomplished through a formal amendment
22 completed in advance of the provision of services, except as provided in Subparagraph (4) of
23 this Paragraph B (Limitations on Maximum Reimbursement).

24 (4) Notwithstanding the requirement in Subparagraph (3) above that changes
25 in Contractor's responsibilities or Funded Programs or Maximum Program Amounts must be
26 accomplished through formal amendment and the requirements of Paragraph V (Contractor
27 Requested Changes), Contractor may request, and County shall grant, a reallocation of up to
28 fifteen percent (15%) of the aggregate County General Funds (CGF) included in the Financial
29 Summary between Funded Programs or Maximum Program Amounts, and a commensurate
30 change in Contractor's responsibilities, so long as the following conditions are met:

1 (a) Contractor's request is made in writing, and indicates the existing
2 Funded Programs or Maximum Program Amounts which will be affected, and the new Funded
3 Programs and Maximum Program Amounts to which the reallocation is to be made.

4 (b) The reallocation may only be made to the extent that all of the
5 following conditions are satisfied:

6 i. The reallocation will not cause Contractor to exceed its
7 Maximum Contract Amount;

8 ii. The reallocation will not increase County General Funds
9 required under this Agreement;

10 iii. The reallocation does not result in the Contractor allocating
11 funds to a Funded Program for which no dollars are originally allocated in the Agreement;

12 iv. Categorical funds (e.g. CalWORKs) are only used for the
13 purpose for which they have been designated, and the reallocation is consistent with local,
14 State and federal law; and

15 v. County General Funds are reallocated only within or
16 between Funded Programs in which County General Funds are utilized to provide services
17 (i.e., Juvenile Justice Program (STOP); Inpatient/Residential Services; Other Mental Health
18 Services for Clients under the age of 21; Other Mental Health Services for clients 21 of age or
19 older; and certain Unique Programs).

20 (c) The reallocation shall only be effective for services provided on or
21 after the effective date of an administrative amendment memorializing the revisions to the
22 Funded Programs and Maximum Program Amounts. Such administrative amendment may be
23 executed by Director under delegated authority from the Board of Supervisors without prior
24 approval of County Counsel or the Chief Executive Office. By making the written request,
25 Contractor consents to such administrative amendment, and Contractor's signature is not
26 required to make the amendment effective.

27 (5) The Maximum Contract Amount for each period of this Agreement includes
28 Cash Flow Advance which is an advance of funds to be repaid by Contractor through direct
29 payment of cash and/or through the provision of appropriate services/activities under this
30 Agreement for the applicable period.

1 **C. REIMBURSEMENT FOR INITIAL PERIOD**

2 (1) The Maximum Contract Amount for the Initial Period of this Agreement as
3 described in Paragraph 1 (TERM) of the Legal Entity Agreement shall not exceed _____
4 _____
5 _____ DOLLARS (\$) _____) and shall consist of Funded
6 Programs as shown on the Financial Summary.

7 **D. REIMBURSEMENT IF AGREEMENT IS AUTOMATICALLY RENEWED**

8 (1) Reimbursement For First Automatic Renewal Period: The Maximum
9 Contract Amount for the First Automatic Renewal Period of this Agreement as described in
10 Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____
11 _____
12 _____ DOLLARS (\$) _____) and shall
13 consist of Funded Programs as shown on the Financial Summary.

14 (2) Reimbursement For Second Automatic Renewal Period: The Maximum
15 Contract Amount for the Second Automatic Renewal Period of this Agreement as described in
16 Paragraph 1 (TERM) of the DMH Legal Entity Agreement shall not exceed _____
17 _____
18 _____ DOLLARS (\$) _____) and shall consist of
19 Funded Programs as shown on the Financial Summary.

20 **E. REIMBURSEMENT BASIS**

21 (1) Reimbursement Rates for Mental Health Services: For mental health
22 services claimed and billed through the County's claims processing information system, and
23 except as further limited elsewhere in this Agreement, Contractor may elect to request
24 provisional rates based on either 1) a Cost Reimbursement Methodology or 2) a Negotiated
25 Rate Methodology. Contractor is prohibited from requesting or utilizing both Cost
26 Reimbursement and Negotiated Rates under this Agreement, except as may be provided under
27 Paragraph E (6) of this Financial Exhibit A.

28 (a) Contractor shall calculate its requested rates in accordance with the
29 terms and limitations set forth in County Department of Mental Health Policy "Provisional Rate
30 Setting."

1 (b) Requested rates for services provided under this Agreement shall be
2 uniform and will apply to all similar services regardless of Funded Program.

3 (c) Notwithstanding any other provision of this Agreement, in no event
4 may Contractor request a rate that exceeds the State's Schedule of Maximum Allowances or
5 request a rate that exceeds Contractor's published charge(s) to the general public except if the
6 Contractor is a Nominal Charge Provider.

7 (d) All rates are subject to prior review and approval of the County
8 consistent with the Department of Mental Health Policy "Provisional Rate Setting."

9 (e) Negotiated rates are subject to prior review and approval by the State
10 pursuant to the Department of Mental Health Policy "Provisional Rate Setting." County shall,
11 within 20 business days of receiving State approval of a requested negotiated rate(s), notify
12 Contractor of such approval and update the County's claims processing information system's
13 rate table with the approved rate(s).

14 (2) Reimbursement Rates for Institutions for Mental Diseases: Pursuant to
15 Section 5902(e) of the Welfare and Institutions Code (WIC), Institutions for Mental Diseases
16 (IMD), which are licensed as level two nursing facilities (SNF) by the State Department of Health
17 Care Services (SDHCS), are reimbursed for basic services at the rate(s) established by SDHCS
18 for Medi-Cal services provided by level B nursing facilities, in addition to the Medi-Cal rate
19 established by SDHCS for a Special Treatment Plan (STP). Accordingly, the IMD
20 reimbursement rate will consist of a basic SNF rate and a STP rate, or a Mental Health
21 Rehabilitation Center (MHRC) rate established by the County for specialized programming
22 and/or provision of more intensive mental health services provided to clients at County's request.

23 (3) Reimbursement for Medi-Cal Administrative Activities (MAA):
24 Reimbursement for MAA shall be based on the direct and indirect costs of actual time spent in
25 performing MAA services.

26 (4) Reimbursement Rates for Organizational Providers for Medi-Cal Specialty
27 Mental Health Services: Reimbursement shall be based upon rate(s) shown in the Provisional
28 Rate Schedule(s) as published and periodically revised as supplements to the Los Angeles
29 County DMH Medi-Cal Specialty Mental Health Services Provider Manual.

30 (5) Reimbursement of Other Costs and Direct Charges: Certain Funded
31 Programs may provide for and allow Contractor to submit requests for reimbursement to the

County for specific expenses that cannot be claimed through the County's claims processing information system. These expenses shall be referred to as a "Direct Charge." Such reimbursement shall be based on actual costs plus an administrative fee, expressed as a percentage of actual costs, which shall be reviewed and approved in advance by the County.

(6) Unique Funded Program: To the extent that Contractor's Agreement includes a Funded Program which has billing and payment requirements that are not consistent with the provisions of this Paragraph E (Reimbursement Basis) of Financial Exhibit A, the special billing and payment requirements shall be set forth in an addendum to this Financial Exhibit A and signed by Contractor and Director.

F. BILLING PROCEDURES

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

(2) Claims Certification and Program Integrity

a) Contractor hereby certifies that all units of service entered by Contractor into the County's claims processing information system and/or the Medi-Cal Administrative Activities (MAA) data base system and/or claims for actual costs submitted as Direct Charges to County for any Funded Program covered by this Agreement are true and accurate to the best of Contractor's knowledge.

(b) Contractor shall annually provide the additional certification set forth in the "Contractor Claims Certification for Title XIX Short-Doyle/Medi-Cal and Title XXI Healthy Families Reimbursements" (Exhibit A-1 to this Attachment II) related to the Contractor's compliance with specific State and Federal statutory and regulatory requirements which are conditions for the reimbursement of Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities and/or Title XXI Healthy Families claims.

(3) **Mental Health Services**: Claims for all mental health services, including services funded by Title XIX Short-Doyle/Medi-Cal and Title XXI Health Families, shall be entered into the County's claims processing information system within 30 calendar days of the end of the month in which services are delivered, except as otherwise provided in this Paragraph

1 F.

2 (a) The County shall extend the period of time specified above as
3 appropriate, where the delay in the submission of the claims is reasonably justified.

4 (b) The County may, in the exercise of its sole reasonable discretion,
5 extend the time to submit an initial or original claim to within four (4) months after the end of the
6 month in which the services were rendered, to the extent doing so would not preclude
7 reimbursement from a funding source.

8 (c) The County may, using reasonable discretion, extend the time to
9 submit claims for services under Title XIX Short-Doyle/Medi-Cal or under Title XXI Health
10 Families to within ten (10) months after the end of the month in which the services were
11 rendered where good cause for the delayed submission would be recognized under California
12 Code of Regulations, Title 22 Section 51008.5.

13 (d) Contractor shall, as soon as practicable, notify County of any delay
14 in meeting the timeframe for submitting claims specified in this Paragraph F (3) in the event
15 Contractor is not able to make timely data entry into the County's claims processing information
16 system due to no fault on the part of Contractor. Such Contractor notification should be
17 immediate upon Contractor's recognition of the delay and must include a specific description of
18 the problem that the Contractor is having with the County's claims processing information
19 system. Notification shall be pursuant to the DMH Legal Entity Agreement, Paragraph 63
20 (NOTICES), and such notification shall also be made by Contractor to the DMH Chief
21 Information Office Bureau's Help Desk.

22 (e) The County will notify Contractor in writing as soon as practicable of
23 any County issue(s) which will prevent the entry by Contractor of claiming information into the
24 County's claims processing information system, and County will waive the requirement of this
25 Paragraph F (3) in the event of any such County issue(s). Once County has notified Contractor
26 that its issues are resolved, Contractor shall enter billing information into the County's claims
27 processing information system within 30 calendar days of County's notice unless otherwise
28 agreed to by County and Contractor.

29 i. To the extent that issues identified pursuant to this Paragraph
30 F 3 (e) requires that Contractor modify its procedures for entering claims into the County's claims
31 processing information system, Contractor shall consult with County regarding a reasonable time

1 required to implement such modifications and, upon approval by County, the 30 calendar days
2 required by this Paragraph F (3) (e) shall be extended by the amount of time required to
3 implement such modifications.

4 (f) County may modify the County's claims processing information
5 system at any time in order to comply with changes in, or interpretations of, State or Federal
6 laws, rules, regulations, manuals, guidelines, and directives. County shall notify Contractor in
7 writing of any such modification and the reason, if known, for the modification and the planned
8 implementation date of the modification. To the extent that such modifications create a delay in
9 Contractor submitting claims into the County's claims processing information system for a period
10 of time, the timelines under this Paragraph F shall be extended by the number of calendar days
11 that Contractor was unable to submit claims into the County's claims processing information
12 system.

13 (g) In the event the State or federal government denies any or all claims
14 submitted by County on behalf of Contractor, County will not be responsible for any payment
15 obligation and, accordingly, Contractor shall not seek payment from County and shall indemnify
16 and hold harmless County from any and all liabilities for payment of any or all of those specified
17 denied claims, except for any claims which are denied due to the fault of the County. Any
18 controversy or dispute arising from such State or federal denied claims shall be handled by
19 Contractor in accordance with the applicable State and/or federal administrative appeal process.

20 (4) Institutions for Mental Diseases: If Contractor is an Institution for Mental
21 Diseases, Contractor shall, no later than the 15th of each month, submit an invoice to the County
22 for patient days approved in writing by the County for the previous month. Said invoice shall be
23 in a form as specified by the County, and will include an itemized accounting of all charges for
24 each patient day. Invoices shall be submitted to the persons and at the address identified in
25 Paragraph X (Payment and Invoice Notifications) of this Financial Exhibit A.

26 (5) Medi-Cal Administrative Activities (MAA): To the extent that MAA is
27 identified as a Unique Funded Program in the Financial Summary, Contractor shall submit
28 claims for reimbursement for MAA by entering the eligible MAA services provided and the actual
29 time incurred rendering the MAA services into the County's MAA data base system within 30
30 days of rendering the MAA services.

1 (a) County may modify the County's MAA data base system, at any time
2 in order to comply with changes in, or interpretations of, State or Federal laws, rules, regulations,
3 manuals, guidelines, and directives. County shall notify Contractor in writing prior to
4 implementing any such modification and the reason, if known, for the modification and the
5 planned implementation date of the modification.

6 (6) Direct Charges: Contractor shall submit invoices for Direct Charges within
7 30 calendar days of the end of the month in which the eligible expense was incurred. Such
8 invoice shall be in the form and include the content specified by County for each Funded
9 Program. Invoices shall be submitted to the persons and at the address identified in Paragraph
10 X (Payment and Invoice Notifications) of this Financial Exhibit A.

11 **G. COUNTY PAYMENT FOR SERVICES RENDERED**

12 (1) General: County agrees to reimburse Contractor for services rendered
13 under Funded Programs during the term of this Agreement based on the provisional rates
14 agreed to by the County for the Initial Period, First Automatic Renewal Period and Second
15 Automatic Renewal Period, respectively, subject to all of the rules, regulations and policies
16 established by the County, State and/or Federal governments regarding payment and
17 reimbursement of services, and in accordance with the terms of this Agreement.

18 (2) County Payments: After Director's review and approval of the billing or
19 invoice, County shall provisionally pay Contractor in accordance with the following:

20 (a) County shall make good faith efforts to make payments for services
21 billed through the County's claims processing information system as soon as possible after
22 submission and approval, subject to the limitations and conditions specified in this Agreement,
23 but no later than eight (8) weeks after submission and approval. County shall make available a
24 schedule of anticipated payment dates for claims submitted by Contractor into the County's
25 claims processing information system prior to July 1 of each year.

26 (b) Payments for services or Direct Charges billed through invoices shall
27 be paid no more than 30 days after receipt of a complete and accurate invoice, subject to the
28 limitations and conditions specified in this Agreement.

29 (c) Payments for MAA will be made on a quarterly basis and will be
30 based upon actual State approval and State payment to the County of MAA claims. Only
31 Contractors who have been approved by the State to participate in and to claim reimbursement

for MAA and who have MAA authorized as a Unique Funded Program in their Contract are permitted to claim MAA.

H. BILLING AND PAYMENT LIMITATIONS

(1) Provisional Payments: County payments to Contractor for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future County, State and/or Federal adjustments. County adjustments to provisional payments to Contractor may be based upon County's claims processing information system data, Medi-Cal Administrative Activities (MAA) data base information, State adjudication of Medi-Cal and Healthy Families claims files, contractual limitations of this Agreement, annual cost report, application of various County, State and/or Federal reimbursement limitations, application of any County, State and/or Federal policies, procedures and regulations, and/or County, State or Federal audits, all of which take precedence over monthly claim reimbursements. County and Contractor acknowledge that the references in this paragraph represent examples only and are not intended, nor shall be construed, to represent all of the circumstances or conditions that may result in adjustments to provisional payments.

(2) Limitations on Payments to Organizational Providers: In addition all other limitations provided in this Paragraph H (Billing and Payment Limitations), reimbursement to Organizational Providers also shall be limited by the maximum number of allowable visits stipulated in the Organizational Provider's Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case Management Services

(3) Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Paragraph H (Billing and Payment Limitations), reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. Contractor shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.

(4) Adjustment of Claims Based on Other Data and Information: The County shall have the right to adjust claims based upon data and information that may include, but is not limited to, County's claims processing information system reports, remittance advices, State adjudication of Medi-Cal claims, 835 data, and Contractor's annual Cost Report, all of which shall supersede and take precedence over claims.

1 (5) Adjustment of Claims for Agreement Compliance: Director, in his sole
2 discretion and at any time and without prior written notice to Contractor, may take any necessary
3 actions required to ensure that Contractor shall not be paid a sum in excess of the amount due
4 to the Contractor under the terms and conditions of this Agreement. Such actions may include,
5 but are not limited to, reimbursing claims submitted through the claims processing information
6 system at an amount less than that amount that would be calculated using Contractor's
7 requested rates, denying claims for payment; holding claims for Medi-Cal services from being
8 forwarded for adjudication by the State; and/or withholding payment of certain claims.

9 (a) Concurrent with any such action, Director shall provide Contractor
10 with written notice of the County's decision to take such action(s), including the reason(s) for the
11 action. Thereafter, Contractor may, within 15 calendar days, request reconsideration of the
12 County's decision. Contractor may request in writing, and shall receive if requested, County's
13 computations for making a determination that such action was necessary, including any
14 amount(s) held, denied or reduced.

15 (b) Upon receiving a request for reconsideration from Contractor,
16 County shall, within 15 calendar days, schedule a meeting with Contractor to consider
17 Contractor's request to reconsider its action. At said meeting, Contractor may present to the
18 County information or documentation relevant to the circumstances that led the County to take
19 such actions and may propose alternative actions.

20 (c) Within 15 calendar days of said meeting, County shall, in writing,
21 notify Contractor, of its final decision. The decision of the Director will be final.

22 (6) County Withhold of Payment for Contractor Lapse in Providing Service
23 Data: If Contractor fails to submit service data as required by County, then the County may, in
24 its discretion, withhold all or a portion of its payment until County is in receipt of complete and
25 correct service data and such service data has been reviewed and approved by Director.

26 (a) Prior to withholding payment, Director shall provide Contractor with
27 at least 30 calendar days written notice of the County's decision to withhold payment, including
28 the reason(s) for intended action and the identification of the incomplete or incorrect service
29 data. Thereafter, Contractor may, within 15 calendar days, request reconsideration of the
30 County's decision.

1 (b) Upon receiving a request for reconsideration from Contractor,
2 County shall, within 15 calendar days, schedule a meeting with Contractor to consider
3 Contractor's request to reconsider its action. At said meeting, Contractor may present to the
4 County information or documentation relevant to the circumstances that led the County to take
5 such actions and may propose a date for submitting the complete and correct data.

6 (c) Within 15 calendar days of said meeting, County shall, in writing,
7 notify Contractor, of its final decision. The decision of the Director will be final.

8 (d) Upon receipt from the Contractor of revised service data, Director
9 shall review such revised service data within 60 calendar days of receipt. Upon determination
10 that such submitted service data is complete and correct, County shall release withheld
11 payments within 30 days of such determination.

12 (7) County Denial of Payments for Lack of Documentation: Director may deny
13 payment for services when documentation of clinical work does not meet minimum State and
14 County written standards.

15 (a) Prior to denying payment, Director shall provide Contractor with at
16 least 30 calendar days' written notice of the County's decision to deny payment, including the
17 reason(s) for the intended actions. Thereafter, Contractor may, within 15 calendar days, request
18 reconsideration of the County's decision.

19 (b) Upon receiving a request for reconsideration from Contractor,
20 County shall, within 15 calendar days, schedule a meeting with Contractor to consider
21 Contractor's request to reconsider its action. At said meeting, Contractor may present to the
22 County information or documentation relevant to the circumstances that led the County to take
23 such actions and may propose alternative actions.

24 (c) Within 15 calendar days of said meeting, County shall, in writing,
25 notify Contractor of its final decision. The decision of the Director will be final.

26 (8) County Suspension of Payment for Default: Director may suspend
27 payments to Contractor, for good cause, if the Director determines that Contractor is in default
28 under any of the provisions of this Agreement.

29 (a) Except in cases of alleged fraud or similar intentional wrongdoing or
30 a reasonable good faith determination of impending insolvency, Director shall provide Contractor
31 with at least 30 calendar days' notice of such suspension, including a statement of the reason(s)

1 for such suspension. Thereafter, Contractor may, within 15 calendar days, request
2 reconsideration of Director's decision to suspend payment. Suspension of payment to
3 Contractor shall not take effect pending the results of such reconsideration process.

4 (b) Upon receiving a request for reconsideration from Contractor,
5 County shall, within 15 calendar days, schedule a meeting with Contractor to consider
6 Contractor's request to reconsider its action. At said meeting, Contractor may present to the
7 County information or documentation relevant to the circumstances that led the County to take
8 such actions and may propose alternative actions.

9 (c) Within 15 calendar days of said meeting, County shall, in writing,
10 notify Contractor of its final decision. The decision of the Director will be final.

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

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

22 **I. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY**
23 **RESTRICTIONS**

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

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

30 (3) In the event that the County's Board of Supervisors adopts, in any fiscal
31 year, a County Budget which provides for reductions in County contracts, the County reserves

1 the right to unilaterally reduce its payment obligation under this Agreement to implement such
2 Board reductions for that fiscal year and any subsequent fiscal year during the term of this
3 Agreement, and the services to be provided by the Contractor under this Agreement shall also
4 be reduced correspondingly. The County's notice to the Contractor regarding said reduction in
5 payment obligation shall be provided within thirty (30) calendar days of the Board's approval of
6 such action. Except as set forth above in this Paragraph I (3) and Paragraph J (5), the
7 Contractor shall continue to provide all of the services set forth in this Agreement.

8 (4) Notwithstanding any other provision of this Agreement, County shall not be
9 obligated for Contractor's performance hereunder or by any provision of this Agreement during
10 this or any of County's future fiscal years unless and until County's Board of Supervisors
11 appropriates funds for this Agreement in County's Budget for each such fiscal year. In the event
12 funds are not appropriated for this Agreement, then this Agreement shall terminate as of June
13 30 of the last fiscal year for which funds were appropriated. County shall notify Contractor of any
14 such non-appropriation of funds at the earliest possible date.

15 **J. CONTRACTOR PROHIBITED FROM REDIRECTION OF CONTRACTED FUNDS**

16 (1) Funds under this Agreement are provided for the delivery of mental health
17 services to eligible beneficiaries under each of the Funded Programs identified in the Financial
18 Summary (Attachment III). Each Funded Program has been established in accordance with the
19 requirements and restrictions imposed by each respective County, State and/or Federal payer
20 source contributing to the Funded Program.

21 (2) Contractor may not redirect funds from one Funded Program to another
22 Funded Program, nor redirect funds from one Program Amount to another Program Amount
23 within a Funded Program, except through a duly executed amendment to this Agreement or as
24 provided in Paragraph B (4) of the Financial Exhibit A with regard to shift of funds.

25 (3) Contractor may not charge services delivered to an eligible beneficiary
26 under one Funded Program to another Funded Program unless the recipient is also an eligible
27 beneficiary under the second Funded Program. When a recipient of services is an eligible
28 beneficiary under more than one Funded Program, Contractor shall charge the services to the
29 Funded Program under which the County shall receive maximum reimbursement from non-
30 County sources, provided that Contractor has available funds under the appropriate Funded
31 Program.

1 (4) Contractor also shall not charge services delivered to an eligible beneficiary
2 for Medi-Cal/Healthy Families to the Non-Medi-Cal/Indigent Program Amount except in such
3 cases where a client's eligibility for benefits is being established or determined. Upon confirming
4 that said client is approved for Medi-Cal/Healthy Families benefits, or in such case that the
5 County may determine that a service paid originally through the Non-Medi-Cal/Indigent Program
6 Amount was to a client eligible for Medi-Cal/Healthy Families, Contractor shall void the original
7 claim(s) for services provided on or after the effective date that Medi-Cal/Healthy Family services
8 became eligible for reimbursement and resubmit said claims for Medi-Cal/Healthy Families
9 under the correct Funded Program.

10 (5) Contractor shall be responsible for delivering services to clients to the
11 extent that funding is provided by the County. Where Contractor determines that services to
12 clients can no longer be delivered, Contractor shall provide 30 days prior written notice to
13 County. Contractor shall thereafter refer clients to County or to another appropriate Contractor.

14 (a) Contractor shall not be required to provide the notice required under
15 this Paragraph J (5) if the County reduces funding to the Contractor under Paragraph I
16 (Limitation of Payments Based on Funding and Budgetary Restrictions) whether such reductions
17 occur at the beginning or during a fiscal year. In addition, if County reduces or eliminates
18 funding for a specific Funded Program, or portion thereof, Contractor shall not be responsible for
19 continuing services for those clients served by the Funded Program, or portion thereof.

20 **K. COUNTY'S RIGHT TO RE-ALLOCATE UNDERUTILIZED FUNDS**

21 (1) County and Contractor may by written amendment reduce programs or
22 services and revise the applicable Maximum Contract Amount. The Director shall provide 15
23 business days prior written notice of such funding changes to Contractor, including any changes
24 in the amount of services to be received by County, to Contractor, DMH Contracts Development
25 and Administration Division, and to County's Chief Executive Officer. Any such change in any
26 applicable Maximum Contract Amount shall be effected by an administrative amendment to this
27 Agreement by Director; and

28 (2) Notwithstanding Paragraph K (1), if the County in its sole discretion
29 determines from a review of Contractor's service and billing records that a significant portion of
30 the funds provided for services under this Agreement will be underutilized in any period of the
31 Agreement term, then the Director shall provide 15 business days prior written notification to

1 Contractor of County's intent to reallocate underutilized funds by the moving of such funds into
2 another program budget category for the same period on the Financial Summary (Attachment III)
3 within this Agreement, and/or reallocate such funds into another DMH Legal Entity Agreement
4 with another contract provider that readily provides for the efficient use of such funds before the
5 expiration of the same period in this Agreement. This written notification is to include an
6 explanation of how the County reached the conclusion that Contractor is underutilizing funds;
7 copies of relevant data, such as but not limited to County information system reports that County
8 used in making this decision; the nature and amount of funding changes to Contractor; and any
9 changes in the amount of services to be received by County.

10 In the event Contractor believes that an adjustment authorized under this
11 provision is unjustified, Contractor may, within the 15 business day notice period, so notify the
12 Director in writing, and request a meeting with County to review County's documentation that
13 Contractor will be underutilizing a significant portion of its Maximum Contract Amount. Any such
14 meeting shall be held within 30 calendar days of the initial written notification. If Contractor fails
15 to meet with County in this period of time, Contractor is deemed to have waived its opportunity to
16 meet with County and accepts County recommended changes to its Maximum Contract Amount.

17 If, thereafter, it is still determined that a significant portion of the Maximum
18 Contract Amount will be underutilized the County shall reallocate such funds, as provided above.
19 Director shall provide final prior written notice of such funding changes to Contractor, including
20 any changes in the amount of services to be received by County, to Contractor, DMH Contracts
21 Development and Administration Division, and to County's Chief Executive Office and the
22 determination of the Director will be final. Any such change in any applicable Maximum Contract
23 Amount shall be effected by an administrative amendment to this Agreement by Director.
24 Changes that are based on one-time circumstances will be applicable to the current contract
25 year only and shall not result in reductions (or increases) of Maximum Contract Amounts in
26 subsequent years, while changes that are based on clearly documented ongoing historical
27 trends may result in ongoing reductions (or increases) of Maximum Contract Amounts in
28 subsequent years.

29 The determination by the Director shall be effective upon the receipt of such
30 final prior written notice by Contractor and the changes to funding and services shall be
31 incorporated into this Agreement as of the date of receipt. Contractor understands and agrees

1 that its Maximum Contract Amount may be reduced as a result of the adjustments authorized by
2 this provision, and further acknowledges that County has relied upon this flexibility in establishing
3 the Maximum Contract Amount for this Agreement. By executing this Agreement, Contractor
4 specifically consents to the prospective adjustments set forth in this provision.

5 **L. LIMITATION ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF**
6 **SERVICES UNDER TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES, MEDI-CAL**
7 **ADMINISTRATIVE ACTIVITIES AND/OR TITLE XXI HEALTHY FAMILIES**

8 (1) If, under this Agreement, Contractor has Funded Programs that include
9 Title XIX Short-Doyle/Medi-Cal services, Medi-Cal Administrative Activities, and/or Title XXI
10 Healthy Families services, Contractor shall certify annually, no later than July 10 of each year, in
11 writing that all necessary documentation will exist at the time any claims for Title XIX Short-
12 Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy
13 Families are submitted by Contractor to County.

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

16 (2) Contractor acknowledges and agrees that the County, in undertaking the
17 processing of claims and payment for services rendered under this Agreement for these
18 Funded Programs, does so as the Mental Health Plan for the State and federal governments.

19 (3) Contractor shall submit to County all Title XIX Short-Doyle/Medi-Cal and/or
20 Medi-Cal Administrative Activities, and/or Title XXI Healthy Families claims or other State
21 required claims data within the time frame(s) prescribed by this Agreement to allow the County
22 to meet the timeframes prescribed by the State and Federal governments. County shall have no
23 liability for Contractor's failure to comply with the time frames established under this Agreement
24 and/or State and Federal time frames, except to the extent that such failure was through no fault
25 of Contractor.

26 (4) County, as the Mental Health Plan, shall submit to the State in a timely
27 manner claims for Title XIX Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative
28 Activities, and/or Title XXI Healthy Families services only for those services/activities identified
29 and entered into the County's claims processing information system and/or into the Medi-Cal
30 Administrative Activities data base system, as appropriate, which are compliant with State and

1 federal requirements. County shall make available to Contractor any subsequent State
2 approvals or denials of such claims within 30 days of receipt thereof.

3 (5) Contractor acknowledges and agrees that County's final payment for
4 services and activities claimed by Contractor for Title XIX Short-Doyle/Medi-Cal services and/or
5 Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services is contingent upon
6 reimbursement from the State and federal governments and that County's provisional payment
7 for said services does not render County in any way responsible for payment of, or liable for,
8 Contractor's claims for payment for these services.

9 (6) Contractor's ability to retain payment for such services and/or activities is
10 entirely dependent upon Contractor's compliance with all laws and regulations related to
11 same.

12 (7) Notwithstanding any other provision of this Agreement, Contractor shall
13 hold County harmless from and against any loss to Contractor resulting from the denial or
14 disallowance of claims for or any audit disallowances related to said services by the County,
15 State or federal governments, or other applicable payer source, unless the denial or
16 disallowance was due to the fault of the County.

17 (8) Contractor shall repay to County the amount paid by County to Contractor
18 for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI
19 Healthy Families services/activities which are subsequently denied or disallowed by the County,
20 State, and/or Federal governments. In no event shall County be liable or responsible to
21 Contractor for any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal
22 Administrative Activities, and/or Title XXI Healthy Families services/activities that are
23 subsequently denied or disallowed by County, State, and/or Federal governments unless the
24 denial or disallowance was due to the fault of the County.

25 (9) Notwithstanding any other provision of this Agreement, Contractor agrees
26 that the County may offset future payments to the Contractor and/or demand repayment from
27 Contractor when amounts are owed to the County pursuant to Subparagraphs (7) and (8) above.
28 Such demand for repayment and Contractor's repayment shall be in accordance with Paragraph
29 S (Method of Payments for Amounts Due to County) of this Agreement.

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

1 (11) Nothing in this Paragraph L shall be construed to limit Contractor's rights to
2 appeal State and Federal settlement and/or audit findings in accordance with the applicable
3 State and Federal regulations.

4 **M. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES,**
5 **AND INTEREST**

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

8 (a) The determination and collection of patient/client fees for services
9 hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with
10 the State Department of Mental Health guidelines and Welfare and Institutions Code Sections
11 5709 and 5710.

12 (b) The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicare,
13 private insurance, or other third party revenue, and the collection, reporting and deduction of all
14 patient/client and other revenue for patients/clients receiving services hereunder. Contractor
15 shall pursue and report collection of all patient/client and other revenue.

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

19 (3) Contractor may retain unanticipated revenue, which is not shown in
20 Contractor's Negotiation Package for this Agreement, for a maximum period of one Fiscal Year,
21 provided that the unanticipated revenue is utilized for the delivery of mental health
22 services/activities specified in this Agreement. Contractor shall report the expenditures for the
23 mental health services/activities funded by this unanticipated revenue in the Annual Cost Report
24 submitted by Contractor to County.

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

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

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

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

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

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

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

(1) The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) which is an advance of funds to be repaid by Contractor through direct payment of cash and/or through the provision of appropriate services/activities under this Agreement during the applicable period.

(2) For each month of each period of this Agreement, County will reimburse Contractor based upon Contractor's submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes. However, for each month of the first three (3) or five (5) months, of the Initial Term, the First Automatic Renewal Period, or the Second Automatic Renewal Period, Contractor may request in writing from County a monthly County General Fund Cash Flow Advance as herein described.

(3) Cash Flow Advance shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.

(4) Cash Flow Advance is intended to provide cash flow to Contractor pending Contractor's rendering and billing of eligible services/activities, as identified in DMH Legal Entity Agreement Paragraph 3 (DESCRIPTION OF SERVICES/ACTIVITIES), and County payment thereof. Contractor may request each monthly Cash Flow Advance only for

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

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

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

8 (a) In order to be eligible to receive a CFA, the letter requesting a CFA
9 must be received by County on or before the 15th of that month (i.e., for the month of July 2009,
10 the request must be received by July 15, 2009).

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

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

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

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

23 i. If a CFA is not approved, Director will notify Contractor within
24 10 business days of the decision, including the reason(s) for non-approval. Thereafter,
25 Contractor may, within 15 calendar days, request reconsideration of the decision.

26 (7) Reduction of Cash Flow Advance Amount by Actual Adjudicated Claims:
27 The Cash Flow Advance amount available to Contractor for any particular month will be reduced
28 by County payments of claims received from Contractor. The County's claims payment process
29 is initiated immediately upon County receipt from Contractor of a reimbursement claim.

30 (8) Business Rules for the Determination of the Maximum Amount of the
31 Cash Flow Advance Request:

1 (a) For each of the first three months of each period that this
2 Agreement is in effect, Contractor may request in writing from County a monthly County General
3 Fund CFA for any funds which may be part of the Maximum Contract Amount for such period as
4 identified in the Financial Summary. Contractor shall specify in its request the amount of the
5 monthly CFA it is requesting, not to exceed \$_____per month. The total CFA for the three
6 (3) months shall not exceed \$_____. In no event shall the monthly CFA requested
7 by Contractor exceed 1/12th of Maximum Contract Amount as identified on the Financial
8 Summary, or 1/12th of the annualized Maximum Contract Amount if period includes only a partial
9 fiscal year.

10 (b) In addition to the amounts in Paragraph N (8) (a) above, if Contractor
11 provides EPSDT Short-Doyle/Medi-Cal services as part of this Agreement, Contractor may
12 request in writing from County a monthly County General Fund CFA for any EPSDT Title XIX
13 Medi-Cal funds that may be part of the Maximum Contract Amount for such fiscal year for two
14 additional months. Contractor shall specify in its request the amount of the monthly CFA it is
15 requesting, not to exceed \$_____per month for each of the two (2) additional
16 consecutive months. The total CFA for the two (2) additional consecutive months shall not
17 exceed \$_____.

18 (9) Recovery of Cash Flow Advances: If Contractor has received any CFA
19 pursuant to this Paragraph N (Cash Flow Advance In Expectation of Services/Activities To Be
20 Rendered), then recovery from Contractor's monthly claims shall be made through cash
21 payment made by Contractor to County and/or County offsets to County payment(s) of
22 Contractor's approved claim(s) as follows:

23 (a) Generally, when Contractor rendering services at a level that would
24 indicate it will utilize all or a substantial portion of its Maximum Contract Amount, County initiates
25 recovery of the CFA balance, if any, for a particular Fiscal Year in July following the close of
26 such Fiscal Year or at such time as payments to Contractor, including the CFA, reach the
27 Maximum Contract Amount. Such recovery is initiated through the Contractor's rendering and
28 submitting of appropriate services and activities into the County's claims processing information
29 system and/or the submission of invoices for direct charges. The determination to begin
30 recovery of CFA balance in July of the following fiscal year, or at such time as payments to
31 Contractor, including the CFA, reach the Maximum Contract Amount, is based on the

1 presumption that when a contractor is meeting its contractual levels, then the Contractor will
2 have rendered sufficient services/activities and entered such services/activities into the County's
3 claims processing information system by September 30 following the end of the fiscal year.
4 September 30 is the date by which all or a substantial portion of the Contractor's prior Fiscal
5 Year's claims should have been received from Contractor and processed by County.

6 (b) If at any time during the Fiscal Year, County determines that
7 Contractor does not appear to be rendering services at a level that would utilize all or a
8 substantial portion of its Maximum Contract Amount, County may initiate recovery of the CFA as
9 specified in Section (a) above prior to July 1. If County intends to initiate recovery of the CFA
10 prior to July 1, County will give Contractor 30 calendar days prior written notice, including the
11 reason(s) for the intended actions, to ensure Contractor renders and submits sufficient
12 services/activities to have repaid all, or a substantial portion of the CFA, by September 30
13 following the Fiscal Year close. Contractor may, within 15 calendar days of the receipt of
14 County's written notice, request reconsideration of the County's decision.

15 (c) Should a Contractor have any remaining CFA balance for a
16 particular Fiscal Year on September 30 following the close of such Fiscal Year, Contractor
17 repayment of the remaining CFA balance shall be conducted as specified in this Financial
18 Exhibit A (FINANCIAL PROVISIONS), Paragraph S (Method of Payments for Amounts Due to
19 County) unless otherwise agreed to by County. County will recover all CFA balances, if any, for
20 a particular Fiscal Year no later than March 31 following the close of such Fiscal Year.

21 (10) When Contractor's Cash Flow Advance balance is zero in any fiscal year of
22 the Term of this Agreement, any County and/or State and/or Federal government(s) approved
23 Contractor reimbursement claims for eligible services/activities will be disbursed in accordance
24 with the terms and conditions of this Agreement.

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

27 (12) CFA for IMD, PHF and Mental Health Rehabilitation Center Contractors
28 Only: The amount of a Cash Flow Advance payment shall be based on the average daily
29 census for the last two available months of the preceding fiscal year.

30 /

31 /

1 **O. ANNUAL COST REPORTS**

2 (1) For each Fiscal Year or portion thereof that this Agreement is in effect,
3 Contractor shall provide County with two copies of an accurate and complete annual cost report,
4 with a statement of expenses and revenue, by the due date specified in Paragraph O (4) of this
5 Financial Exhibit A.

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

10 (3) The Annual Cost Report will be comprised of a separate set of forms for the
11 County and State based on the Financial Summary applicable to the Fiscal Year.

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

16 (a) Failure by Contractor to submit an Annual Cost Report within 30
17 calendar days after the due date specified in this Paragraph O (Annual Cost Reports),
18 Subparagraph (4) above, shall constitute a breach of this Agreement.

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

22 A) In such instance that Contractor does not submit an
23 annual cost report(s) by such 30 calendar days after the applicable due date specified in
24 Paragraph O (Annual Cost Reports), Subparagraph (4), then all amounts covered by the
25 outstanding annual cost report(s) and paid by County to Contractor for the Fiscal Year for which
26 the annual cost report(s) is (are) outstanding shall be due by Contractor to County. Contractor
27 shall pay County according to the method described in this Financial Exhibit A (FINANCIAL
28 PROVISIONS), Paragraph S (Method of Payments for Amounts Due to County). Such payments
29 shall be submitted to the persons and at the address identified in Paragraph X (Payment and
30 Invoice Notifications) of this Financial Exhibit A. (B) If this Agreement is automatically
31 renewed as provided in DMH Legal Entity Agreement Paragraph 1 (TERM), then County may

1 opt to suspend payments to Contractor under this Agreement until the Annual Cost Report(s) is
2 (are) submitted. County shall give Contractor at least 15 business days written notice of its
3 intention to suspend payments hereunder, including the reason(s) for its intended action.
4 Thereafter, Contractor shall have 15 business days either to correct the deficiency, or to request
5 reconsideration of the decision to suspend payments. Payments to Contractor shall not be
6 suspended during said 15 business days provided to correct the deficiency or, if reconsideration
7 is requested, pending the results of the reconsideration process.

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

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

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

20 iii. Upon written request from the County, Contractor shall, within
21 30 days, submit to the County payment for said damages. Said Payment shall be submitted to
22 the persons and at the address identified in Paragraph X (Payment and Invoice Notifications) of
23 this Financial Exhibit A.

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

29 (5) Each Annual Cost Report shall be prepared by Contractor in accordance
30 with the Centers for Medicare and Medicaid Services' Publications #15-1 and #15-2; "The
31 Provider Reimbursement Manual Parts 1 and 2;" the State's Cost Reporting/Data Collections

1 (CR/DC) Manual; and for organizational providers in the Mental Health Specialty Services Mental
2 Health Plan' service provider network, the "Los Angeles County DMH Organizational Provider's
3 Manual for Specialty Mental Health Services under the Rehabilitation Option and Targeted Case
4 Management;" and any other written guidelines that shall be provided to Contractor at the Cost
5 Report training, to be conducted by County on or before June 30 of the Fiscal Year for which the
6 Annual Cost Report is to be prepared.

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

9 (b) Failure by the Contractor to attend the Cost Report Training shall be
10 considered a breach of this Agreement that will result in damages being sustained by the
11 County. County and Contractor agree that it will be impracticable or extremely difficult to fix the
12 extent of actual damages resulting from the failure of the Contractor to attend the Cost Report
13 Training. The County and Contractor hereby agree that a reasonable estimate of said damages
14 is \$100 per occurrence. Therefore, County may, in its sole discretion, assess liquidated
15 damages in the amount of \$100 for Contractor's non-attendance at the Cost Report Training.
16 Said Payment shall be submitted to the persons and at the address identified in Paragraph X
17 (Payment and Invoice Notifications) of this Financial Exhibit A.

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

21 (a) If Contractor fails to correct inaccuracies in annual cost report within
22 thirty (30) calendar days after receipt of written notification from the Director and said
23 inaccuracies result in the loss of reimbursement to the County for claimable amounts that were
24 paid to Contractor, Contractor must return back to the County the amount of lost reimbursement
25 that the County could have claimed if the inaccuracy was corrected by Contractor.

26 i. Upon written notice from the County, Contractor shall have
27 thirty (30) calendar days to make payment to the County in the amount specified by the County.
28 Said payment shall be submitted to the persons and at the address identified in Paragraph X
29 (Payment and Invoice Notifications) of this Financial Exhibit A.

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

1 **P. OTHER REQUIREMENTS FOR CONTRACTORS PROVIDING TITLE XIX**
2 **SHORT-DOYLE/MEDI-CAL SERVICES, MEDI-CAL ADMINISTRATIVE ACTIVITIES AND/OR**
3 **TITLE XXI HEALTHY FAMILIES SERVICES**

4 (1) Contractor shall maintain records documenting all Title XIX
5 Short-Doyle/Medi-Cal services and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy
6 Families services for a period of seven (7) years from the end of the Fiscal Year in which such
7 services were provided or until three years after final resolution of any audits or appeals,
8 whichever occurs later.

9 (2) Contractor shall complete and certify, in accordance with State and County
10 instructions, and provide DMH with two (2) copies of an accurate and complete Title XIX
11 Short-Doyle/Medi-Cal Reconciliation Report at the legal entity level by the due date set by the
12 State for the applicable fiscal year. The due date is approximately 16 months after the close of
13 the fiscal year.

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

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

23 **Q. PRE-AUDIT FINAL COST REPORT SETTLEMENT**

24 (1) Based on the Annual Cost Report(s) submitted pursuant to this Financial
25 Exhibit A (FINANCIAL PROVISIONS) Paragraph O (Annual Cost Reports), at the end of each
26 Fiscal Year or portion thereof that this Agreement is in effect, the State and County will perform a
27 pre-audit final cost report settlement.

28 (2) Such settlement will be subject to the terms and conditions of this
29 Agreement and any other applicable State and/or federal statutes, regulations, policies,
30 procedures and/or other requirements pertaining to cost reporting and settlements for Title XIX

1 Short-Doyle/Medi-Cal and Medi-Cal Administrative Activities, and Title XXI Healthy Families, and
2 other applicable federal and/or State programs.

3 (a) Contractors who select the Negotiated Rate Methodology for
4 reimbursement are subject to a partial recovery of Federal Financial Participation (FFP) and
5 State General Fund local match for EPSDT Medi-Cal services if actual costs are less than the
6 reimbursement under negotiated rates. Additionally, negotiated rate reimbursements are subject
7 to a partial recovery by County for County General Fund local match used to draw down the
8 FFP, if any, recovered by the State. This partial recovery is a retrospective cost settlement
9 which shares equally with the Federal, State and County governments the portion of the
10 negotiated rate reimbursement that exceeds actual cost in the aggregate by legal entity.

11 (3) County shall issue its pre-audit cost report settlement findings no later than
12 120 calendar days after the receipt by County from the State of the State's Final Cost Report
13 Settlement package for a particular fiscal year.

14 (a) As part of its pre-audit cost report settlement findings, County shall
15 identify any amounts due to Contractor by the County or due from the Contractor to the County.

16 (b) Upon issuance of the County's pre-audit cost report settlement
17 findings, Contractor may, within 30 calendar days, submit a written request to the County for
18 review of the pre-audit cost report settlement findings.

19 i. Upon receipt by County of the Contractor's written request,
20 the County shall, within 30 calendar days, meet with the Contractor to review the pre-audit cost
21 report settlement and to consider any documentation or information presented by the Contractor.
22 Contractor may waive such meeting and elect to proceed based on written submission at its
23 sole discretion.

24 ii. Within 30 calendar days of the meeting specified in (i) above,
25 or if no meeting is requested, within 30 calendar days of the issuance of the County's pre-audit
26 cost report settlement findings, County shall issue a final pre-audit cost report settlement finding
27 to the Contractor including confirming or adjusting any amounts due to Contractor by the County
28 or due from Contractor to the County.

29 (4) In the event that the pre-audit cost report settlement finding indicates that
30 the Contractor is due payment from the County, County shall make payment to Contractor within
31 30 calendar days following the expiration of the date to request a review as specified in

1 Subparagraph (3) (b) above or issuance of the final pre-audit cost report settlement finding as
2 specified in Subparagraph (3) (b) ii. above, whichever is later.

3 (5) In the event that the pre-audit cost report settlement finding indicates that
4 the Contractor owes payments to the County, Contractor shall make payment to the County in
5 accordance with the terms of Paragraph S (Method of Payments for Amounts Due to County) of
6 this Financial Exhibit A (Financial Provisions). Said payment shall be submitted to the persons
7 and at the address identified in Paragraph X (Payment and Invoice Notifications) of this Financial
8 Exhibit A.

9 (6) Regardless of any other provision of this Paragraph Q, reimbursement to
10 Contractor shall not exceed the Maximum Contract Amount and shall not exceed the Maximum
11 Program Amount for each Funded Program, as identified on the Financial Summary (Attachment
12 III).

13 **R. AUDITS, AUDIT APPEALS AND POST-AUDIT SHORT-DOYLE/MEDI-CAL**
14 **FINAL SETTLEMENT**

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

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

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

26 (a) If the auditing party stays its collection of any amounts due or
27 payable because of the audit findings, County will also stay its settlement of the same amounts
28 due or payable until the responsible auditing party initiates its settlement action with County.

29 (b) County shall follow all applicable Federal laws, regulations manuals,
30 guidelines and directives in recovering from Contractor any federal over-payment.

1 (c) County shall issue an invoice to Contractor for any amount due
2 County no later than ninety (90) calendar days after the State issues its settlement letter to the
3 County. Contractor shall make payment to the County in accordance with the terms of
4 Paragraph S (Method of Payments for Amounts Due to County) of this Financial Exhibit A
5 (Financial Provisions). Said payment shall be submitted to the persons and at the address
6 identified in Paragraph X (Payment and Invoice Notifications) of this Financial Exhibit A.

7 (4) Contractor may appeal any such audit findings in accordance with the audit
8 appeal process established by the party performing the audit.

9 (a) For Federal audit exceptions, Federal audit appeal processes shall
10 be followed.

11 (b) Contractor may appeal the State audit findings in conformance with
12 provisions of Sections 51016 et seq. of Title 22 of the California Code of Regulations. Such
13 appeals must be filed through County. County shall notify Contractor of State appeal deadlines
14 after County's receipt from State of the audit report.

15 (c) If at any time the Appeal process results in a revision to the audit
16 findings, and the State recalculates the final settlement of the Short-Doyle/Medi-Cal cost report
17 for a particular year and settles with County, County will perform a post-audit Short-Doyle/Medi-
18 Cal re-computed final settlement after the State's issues its revised settlement with the County,
19 based on such recomputed final settlement.

20 i. If the re-computed final settlement results in amounts due to
21 Contractor by the County, County shall make such payments to Contractor within 30 calendar
22 days of issuing the revised settlement amount to the Contractor.

23 ii. If the re-computed final settlement results in amounts due
24 from Contractor to the County, Contractor shall make payment to the County in accordance with
25 the terms of Paragraph S (Method of Payments for Amounts Due to County) of this Financial
26 Exhibit A (Financial Provisions). Said payment shall be submitted to the persons and at the
27 address identified in Paragraph X (Payment and Invoice Notifications) of this Financial Exhibit A.

28 (5) Notwithstanding any other provisions of this Agreement, if Contractor
29 appeals any audit report, the appeal shall not prevent the County from recovering from
30 Contractor any amount owed by Contractor that the State has recovered from County.

(6) Should the auditing party be the County, Contractor will have thirty (30) calendar days from the date of the audit report within which to file an appeal with County. The letter providing the Contractor with notice of the audit findings shall indicate the persons and address to which the appeal should be directed. County shall consider all information and argument provided by Contractor with its appeal, and will issue its decision on the appeal after such consideration. Such decision is final. County will issue an invoice for any amount due County fifteen calendar days (15) after County has notified Contractor of the County's audit appeal findings. Contractor shall make payment to the County in accordance with the terms of Section S (Payment of Amounts Due to County) of this Financial Exhibit A (Financial Provisions). Said payment shall be submitted to the persons and at the address identified in Paragraph X (Payment and Invoice Notifications) of this Financial Exhibit A.

S. METHOD OF PAYMENTS FOR AMOUNTS DUE TO COUNTY

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

(a) paid in one cash payment by Contractor to County;

(b) deducted from future claims over a period not to exceed three months;

(c) deducted from any amounts due from County to Contractor whether under this Agreement or otherwise;

(d) paid by cash payment(s) by Contractor to County over a period not to exceed three months; or

(e) a combination of any or all of the above.

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

T. INTEREST CHARGES ON DELINQUENT PAYMENTS

(1) If Contractor, without good cause as determined in the sole judgment of Director, fails to pay County any amount due to County under this Agreement within 60 calendar

1 days after the due date, then Director, after written notice to Contractor, may assess interest
2 charges on such late payment.

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

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

9 (3) The interest charges shall be: (1) paid by Contractor to County by cash
10 payment upon demand and/or (2) at the sole discretion of Director, deducted from any amounts
11 due to Contractor by County whether under this Agreement or otherwise.

12 **U. FINANCIAL SOLVENCY**

13 (1) Contractor shall maintain adequate provisions against the risk of insolvency
14 at all times.

15 (2) Contractor shall maintain adequate provisions to meet the solvency/working
16 capital criteria specified in the DMH's financial responsibility requirements policy.

17 **V. CONTRACTOR REQUESTED CHANGES**

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

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

24 (2) If Contractor requests an increase or decrease in the Maximum Contract
25 Amount, or in the Maximum Program Amount, Contractor shall provide all reports, data, and
26 other information requested by the County, within 15 calendar days of County's request.

27 (a) Contractor's request for consideration of an increase in the Maximum
28 Contract Amount, or in the Maximum Program Amount, must be made and approved prior to
29 Contractor rendering services that exceed the Maximum Contract Amount or the Maximum
30 Program Amount. To the extent that County agrees to increase the Maximum Contract Amount,
31 or a Maximum Program Amount, such approval shall be in the form of an executed amendment

1 to this Agreement. Director will make best efforts to expedite the amendments provided under
2 this Subparagraph (2) (a).

3 (b) Requests received after the Contractor has rendered services in
4 excess of the Maximum Contract Amount, or the Maximum Program Amount, will only be
5 considered on a prospective basis for payment of services rendered after the effective date of
6 any executed amendment. The County shall not be responsible for payment, nor otherwise be
7 liable for, services/activities that Contractor provided in excess of the Maximum Contract Amount
8 or the Maximum Program Amount during any part of the Initial Period, First Automatic Renewal
9 Period or Second Automatic Renewal Period, respectively.

10 **W. DELEGATED AUTHORITY**

11 (1) Notwithstanding any other provision of this Agreement, the Director may,
12 without further action by County's Board of Supervisors, prepare and sign amendments to this
13 Agreement under the following conditions.

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

17 (b) Any such Maximum Contract Amount amendment increase or
18 amendment change shall only be used for additional services or to reflect program and/or policy
19 changes that affect this Agreement; and

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

22 (d) Approval of County Counsel and the Chief Executive Officer or their
23 designees is obtained prior to any such amendment to this Agreement.

24 (e) Director shall notify County's Board of Supervisors of all Agreement
25 changes in writing within 30 calendar days following execution of any such amendment(s).

26 **X. PAYMENT AND INVOICE NOTIFICATIONS**

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

29 County of Los Angeles Department of Mental Health

30 Financial Services Bureau – Accounting Division

31 550 S. Vermont Avenue, 8th Floor

1 Los Angeles, CA 90020

2 Attn: Provider Reimbursement

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

5 County of Los Angeles Department of Mental Health

6 Financial Services Bureau – Accounting Division

7 550 S. Vermont Avenue, 8th Floor

8 Los Angeles, CA 90020

9 Attn: Accounts Receivable

10 Y. **AUTHORITY TO ACT FOR DMH**

11 (1) The Director may designate one or more persons within DMH for the
12 purposes of acting on his/her behalf for the purposes of implementing the provisions of this
13 Agreement. Therefore, the term “Director” in all cases shall mean “Director or his designee.”

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COUNTY OF LOS ANGELES DEPARTMENT OF MENTAL HEALTH CONTRACTOR CLAIMS
CERTIFICATION FOR TITLE XIX SHORT-DOYLE MEDI-CAL and TITLE XXI HEALTHY FAMILIES
REIMBURSEMENTS

Legal Entity: _____

Legal Entity Number: _____

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

I HEREBY CERTIFY under penalty of perjury that I am the official responsible for the administration of the mental health services in and for said claimant; that the amounts for which reimbursement will be claimed for Medi-Cal and Healthy Families services to be rendered during the above indicated fiscal year and to be claimed to the County of Los Angeles Department of Mental Health will be in accordance the terms and conditions of the Legal Entity Agreement; and that to the best of my knowledge and belief each claim will be in all respects true, correct, and in accordance with State and Federal law and regulation. I agree and shall certify under penalty of perjury that all claims for services to be provided to county mental health clients will be provided to the clients by this Legal Entity. The services will be provided in accordance with the client's written treatment plan. This Legal Entity also certifies that all information submitted to the County Department of Mental Health will be accurate and complete. I and this Legal Entity understand that payment of these claims will be from County, State and Federal funds, and any falsification or concealment of a material fact may be prosecuted under Federal and/or State laws. The Legal Entity agrees to keep for a minimum period of as specified in its Legal Entity Agreement with County a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. The Legal Entity agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the County of Los Angeles Department of Mental Health, California Department of Health Services; the Medi-Cal Fraud Unit; California Department of Mental Health; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human Services, or their duly authorized representatives. Amounts, if any, to be claimed during the above stated period for the Healthy Families program will only be for children between the ages of one (1) year old to their nineteenth (19th) birthday who will be assessed or will be treated for a serious emotional disturbance (SED). The Legal Entity also agrees that services will be offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.

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

Date: _____ Signature: _____

Executed at _____, California

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

Date: _____ Signature: _____

Executed at _____, California

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

Los Angeles County – Department of Mental Health
Attn: Compliance Program Office
550 S. Vermont Ave.
Los Angeles, CA 90020

Financial Summary Exercise Worksheet

Contractor Name:
 Legal Entity Number:
 Agreement Period:
 Fiscal Year:

DMH Legal Entity Agreement
 Attachment III
 The Financial Summary -
 Amendment Number

	Funded Program	Max. Program Amount — Non-Medi-Cal/ Indigent	Max. Program Amount — Medi-Cal/ Healthy Families	Combined Max. Program Amount
1	Family Preservation Program			\$ -
2	Child Abuse Prevention Intervention and Treatment (AB2994)			\$ -
3	Special Education Pupil (SEP)			\$ -
4	Specialized Foster Care			\$ -
5	Children's Comprehensive SOC Prog (SAMHSA, CFDA #93.958)			\$ -
6	Child MH Initiative-Project ABC (SAMHSA, CFDA #93.104)			\$ -
7	Juvenile Justice Program (STOP)			\$ -
8	Juvenile Justice Program (JJCPA)			\$ -
9	Co-occurring Disorder			\$ -
10	Path McKinney, CFDA #93.150			\$ -
11	Homeless Services (NCC)			
12	Family Functional Therapy Program			
13	CalWORKs			\$ -
14	Homeless - Family Project			\$ -
15	GROW			\$ -
16	Inpatient/Residential Services			
17	Other Mental Health Services for clients under the age of 21 years	A	B	A + B + C
18	Other Mental Health Services for clients 21 years of age or older		C	
MHSA:				
19	Full Service Partnership (FSP) - Child			\$ -
20	FSP - TAY			\$ -
21	FSP - Adult			\$ -
22	FSP - Older Adult			\$ -
23	Field Capable Clinical Services (FCCS)			\$ -
24	Probation Camps			\$ -
25	Urgent Care Centers/Crisis Resolution Services			\$ -
26	Wellness/Client-Run Centers			\$ -
27	Institutions for Mental Disease (IMD) Step Down			\$ -
28	Enriched Residential Services			
29	Jail Transition and Linkage Services			\$ -
30	POE (Outreach & Engagement)			\$ -
31	PEI Early Start			
Unique/Other:				
32				\$ -
33	Maximum Contract Amount			\$ -

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

SERVICE EXHIBITS

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

	<u>DESCRIPTION</u>	<u>CODES</u>
8	<u>Targeted Case Management Services (Rehab. Option)</u>	<u>104-A</u>
9	<u>Short-Term Crisis Residential Services (Forensic)</u>	<u>201</u>
10	<u>Crisis Stabilization Services (Rehab. Option)</u>	<u>202-A</u>
11	<u>Vocational Services</u>	<u>304-A</u>
12	<u>Day Rehabilitation Services (Adult) (Rehab. Option)</u>	<u>308-B</u>
13	<u>Day Rehabilitation Services (Children/Adolescents) (Rehab. Option)</u>	<u>309-B</u>
14	<u>Day Treatment Intensive Services (Adult) (Rehab. Option)</u>	<u>310-B</u>
15	<u>Day Treatment Intensive Services (Children/Adolescents) (Rehab. Option)</u>	<u>311-B</u>
16	<u>Mental Health Services (Rehab. Option)</u>	<u>402</u>
17	<u>Medication Support Services (Rehab. Option)</u>	<u>403</u>
18	<u>Crisis Intervention Services (Rehab. Option)</u>	<u>404-A</u>
19	<u>Mental Health Service Treatment Patch (La Casa)</u>	<u>405</u>
20	<u>Therapeutic Behavioral Services</u>	<u>406-A</u>
21	<u>Outreach Services</u>	<u>501-A</u>
22	<u>Outreach Services (Suicide Prevention Services)</u>	<u>502-A</u>
23	<u>Intensive Skilled Nursing Facility Services</u>	<u>601</u>
24	<u>Mental Health Rehabilitation Centers (La Casa Mental Health Rehabilitation Center)</u>	<u>602</u>
25	<u>Intensive Skilled Nursing Facility Services (La Paz)</u>	<u>603</u>
26	<u>Intensive Skilled Nursing Facility Services Forensic Treatment</u>	<u>604</u>
27	<u>Skilled Nursing Facilities (Psychiatric Services)</u>	<u>605</u>
28	<u>Skilled Nursing Facility – Special Treatment Program Services</u>	
29	<u>(SNF-STP/Psychiatric Services)</u>	<u>608</u>
30	<u>Intensive Skilled Nursing Facility Services – Enhanced Treatment Program (ETP)</u>	<u>609</u>
31	<u>Socialization Services</u>	<u>701-A</u>
32	<u>Life Support Services</u>	<u>801</u>
33	<u>Case Management Support Services</u>	<u>802-A</u>
34	<u>Case Management Support Services (Forensic)</u>	<u>803-A</u>
35	<u>Case Management Support Services (Children & Youth)</u>	<u>804-A</u>
36	<u>Life Support Services (Forensic)</u>	<u>805</u>
37	<u>Independent Living Services</u>	<u>901</u>

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

1	<u>Local Hospital Services</u>	902	
2	<u>Semi-Supervised Living Services</u>	904	
3	<u>Adult Residential Treatment Services (Transitional)</u>	912	
4	<u>Adult Residential Treatment Services (Long Term)</u>	913	
5	<u>Non-Hospital Acute Inpatient Services (La Casa PHF)</u>	914	
6	<u>Comprehensive Adult Residential Treatment Services (Bio-Psycho-Social Services)</u>	915	
7	<u>Assertive Community Treatment Program (ACT)</u>	921	
8	<u>Psychiatric Inpatient Hospital Services</u>	930	
9	<u>Primary Linkage and Coordination Program</u>	1001	
10	<u>Service Provisions (Organizational Provider Only)</u>	1003	
11	<u>Consumer Run/Employment Program</u>	1005	
12	<u>Client Supportive Services (<i>Includes Attachment A Reimbursement Procedures</i></u>		
13	<u><i>and Attachment B Monthly Claim for Cost Reimbursement)</i></u>	1010-A	
14	<u>Mental Health 24-Hour Services Interim Placement Funding for Basic Care Services</u>	1011	
15	<u>Mental Health 24-Hour Services Children Under Age 18 Basic Services</u>	1012	
16	<u>Supportive Services – Residential Programs (<i>Includes Attachment A</i></u>		
17	<u><i>Reimbursement Procedures and Attachment B- Monthly Claim for</i></u>		
18	<u><i>Cost Reimbursement)</i></u>	1013	
19	<u>Client Supportive Services-Mental Health Services Act Programs (<i>Includes</i></u>		
20	<u><i>Attachment A - Reimbursement Procedures and Attachment B - Monthly</i></u>		
21	<u><i>Claim for Cost Reimbursement)</i></u>	1014-A	
22	<u>Full Service Partnership (FSP)</u>	1015	
23	<u>Supportive Services – Intensive Residential Program (<i>Includes Attachment A-</i></u>		
24	<u><i>Reimbursement Procedures and Attachment B - (Monthly Claim for</i></u>		
25	<u><i>Cost Reimbursement)</i></u>	1016	
26	<u>One-Time Expenses Associated with Starting a new MHSA Program (<i>Includes</i></u>		
27	<u><i>Attachment A-Reimbursement Procedures and Attachment B – Monthly</i></u>		
28	<u><i>Claim for Cost Reimbursement)</i></u>	1017	
29	<u>Client Supportive Services (New Directions) (<i>Includes Attachment A</i></u>		
30	<u><i>Reimbursement Procedures and Attachment B Monthly Claim for Cost</i></u>		
31	<u><i>Reimbursement)</i></u>	1018	
32	<u>Family Support Services</u>	1019	
33	<u>Service Extender Stipend Program Mental Health Services Act Programs</u>		
34	<u><i>(Includes Attachment A Reimbursement Procedures and Attachment B</i></u>		
35	<u><i>Monthly Claim for Cost Reimbursement)</i></u>	1020	

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT V**

1	<u>Client Supportive Services Field Capable Clinical Services (FCCS) for Older</u>		
2	<u>Adults Mental Health Services Act Programs <i>(Includes Attachment A</i></u>		
3	<u><i>Reimbursement Procedures and Attachment B Monthly Claim for Cost</i></u>		
4	<u><i>Reimbursement)</i></u>	1021	_____
5	<u>Intensive In-Home Mental Health Services</u>	1022	_____
6	<u>One-Time Expenses Associated with Starting a new Mental Health Services Act</u>		
7	<u>Program for Probation Camp Services <i>(Includes Attachment A Reimbursement</i></u>		
8	<u><i>Procedures and Attachment B Monthly Claim Cost Reimbursement)</i></u>	1023	_____
9	<u>One-Time Expenses Associated with Starting a new MHSA Program for</u>		
10	<u>Transitional Living Centers for L.A. County, Inc. <i>(Includes Attachment A</i></u>		
11	<u><i>-Reimbursement Procedures and Attachment B Monthly Claim Cost</i></u>		
12	<u><i>Reimbursement)</i></u>	1024	_____
13	<u>Intensive Treatment Foster Care</u>	1025	_____
14	<u>One-Time Expenses Associated with Program Development for Intensive</u>		
15	<u>In-Home Evidence Based Practices <i>(Includes Attachment A Reimbursement</i></u>		
16	<u><i>Procedures and Attachment B Monthly Claim Cost Reimbursement)</i></u>	1026	_____
17	<u>Outreach and Engagement Services (MHSA Only)</u>	1027	_____
18	<u>Enriched Residential Services (Alternative Crisis) (Adults)</u>	1028	_____
19	<u>IMD Step-Down Programs (Adults)</u>	1029	_____
20	<u>Urgent Care Centers (Alternative Crisis) (Adults)</u>	1030	_____
21	<u>Client Supportive Services Homeless CalWORKs Families Project <i>(Includes</i></u>		
22	<u><i>Attachment A Reimbursement Procedures and Attachment B Monthly</i></u>		
23	<u><i>Claim for Cost Reimbursement)</i></u>	1031	_____
24	<u>Star View-PHF-Supplemental Financial Support</u>	1032	_____
25	<u>Star View-CTF-Supplemental Financial Support</u>	1033	_____
26	<u>One-Time Expenses Associated with Program/Program Development for Intensive</u>		
27	<u>In-Home Evidence Based Practices Non-MHSA <i>(Includes Attachment</i></u>		
28	<u><i>A Reimbursement Procedures and Attachment B Monthly Claim Cost</i></u>		
29	<u><i>Reimbursement)</i></u>	1034	_____
30			

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VI**

ATTESTATION REGARDING FEDERALLY FUNDED PROGRAMS

In accordance with the DMH Legal Entity Agreement's Paragraph 53 (CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM):

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

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

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

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

Name of authorized official (Official Name) _____
Please print name

Signature of authorized official _____ Date _____

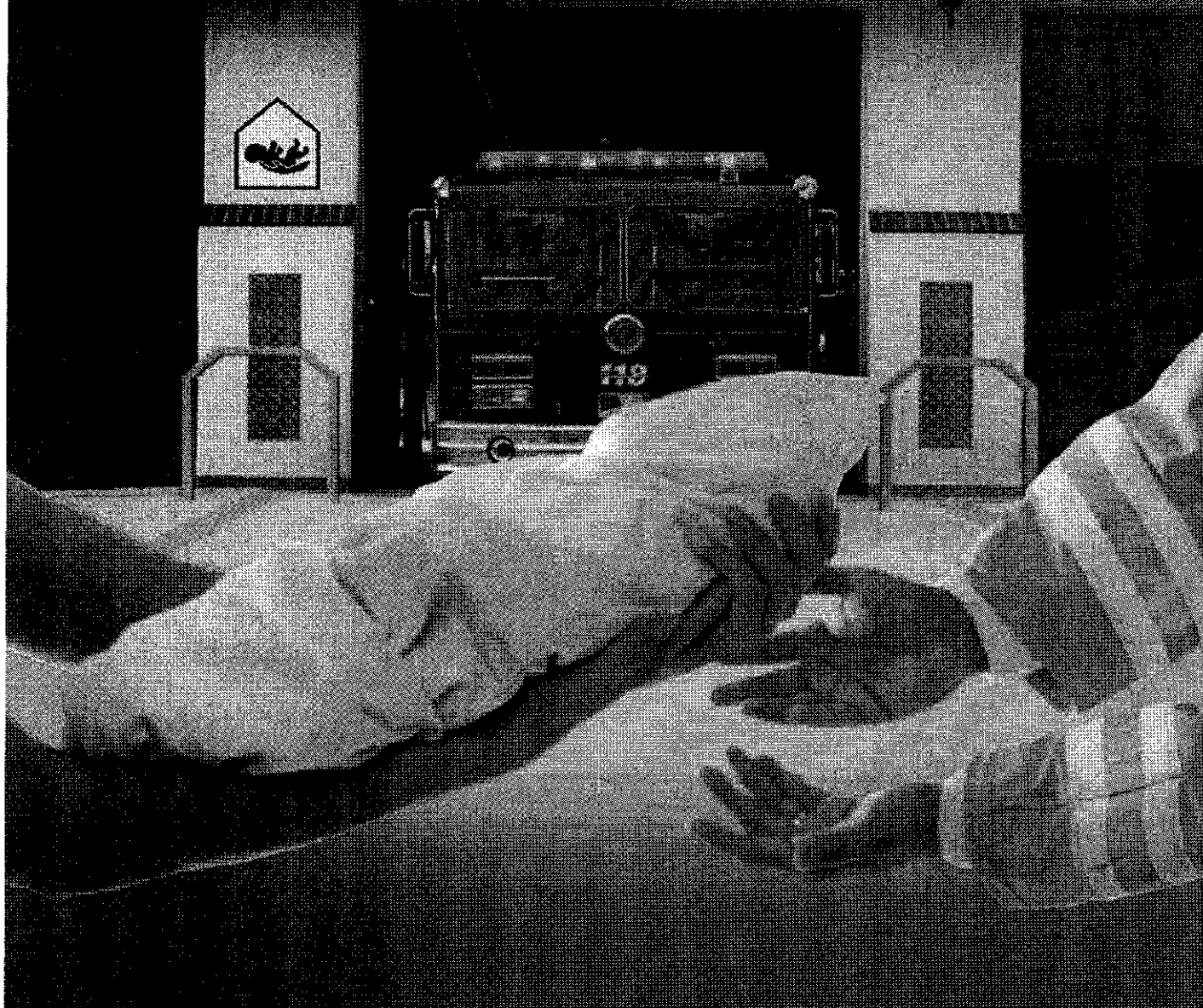
**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VII**

SAFELY SURRENDERED BABY LAW

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

www.babysafela.org

Safely Surrendered



No shame. No blame. No names.

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

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

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

www.babysafela.org

How does it work?

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

What if a parent wants the baby back?

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

Can only a parent bring in the baby?

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

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

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

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

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

What happens to the baby?

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

What happens to the parent or surrendering adult?

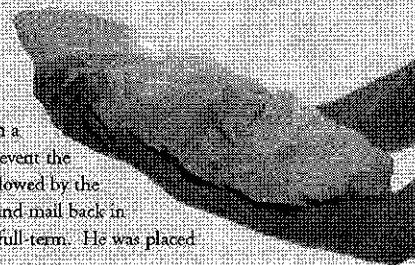
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

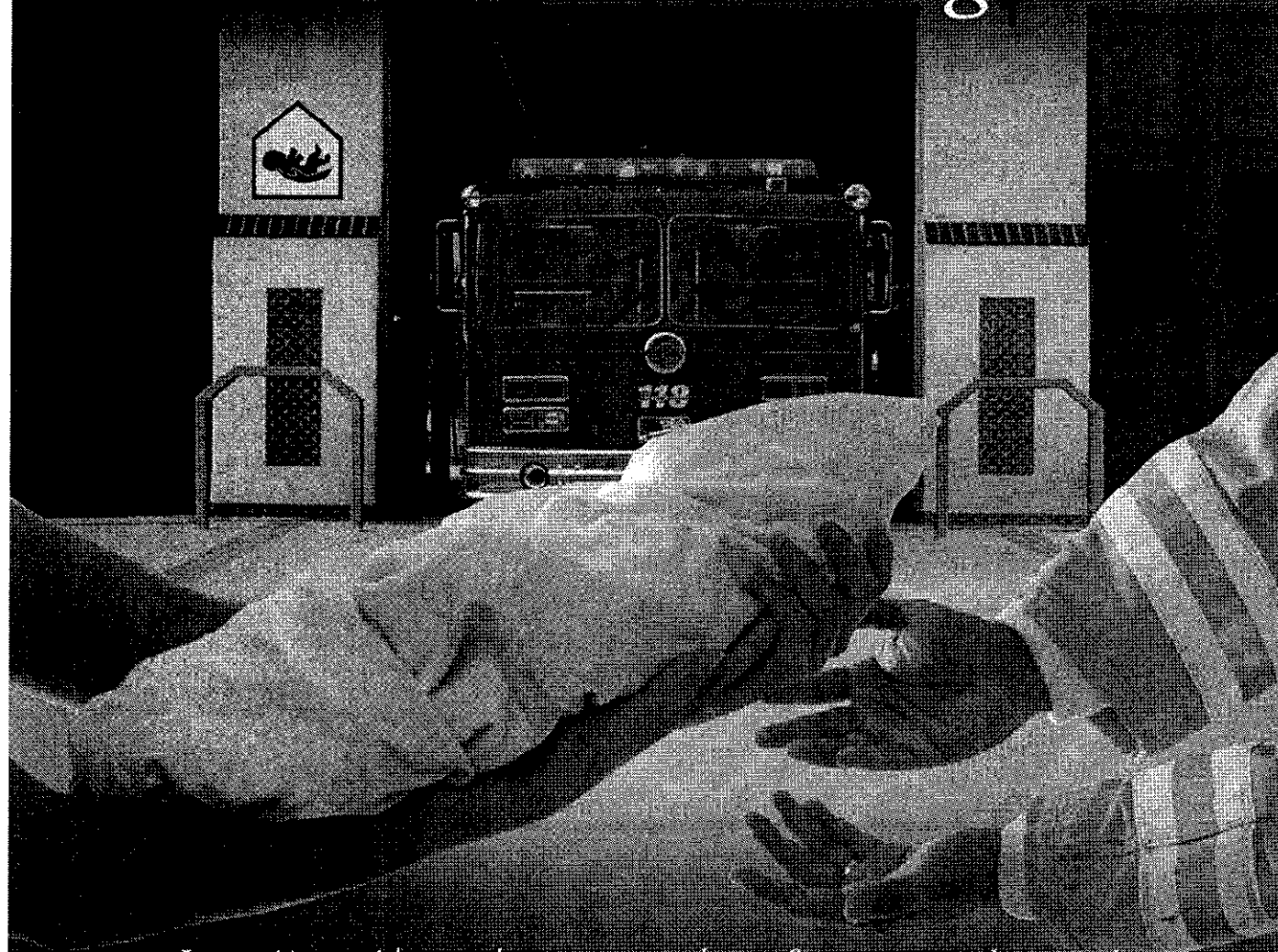
The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their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

A baby's story

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



Ley de Entrega de Bebés *Sin Peligro*



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

Sin pena. Sin culpa. Sin nombres.

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

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

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

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

¿Cómo funciona?

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

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

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

¿Sólo los padres podrán llevar al recién nacido?

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

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

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

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

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

¿Qué pasará con el bebé?

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

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

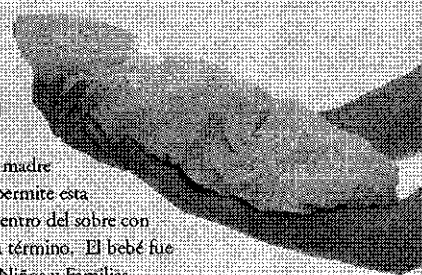
Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?

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

Historia de un bebé

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



**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT VIII**

CROSSWALK FACT SHEET

Current Language	New Language
○ Health Care Financing Administration (HCFA)	○ Centers for Medicare and Medicaid Services (CMS)
○ Explanation of Balance (EOB)	○ Remittance Advice (RA)
○ Mode of Service and Service Function Code (SFC) ○ Activity Code	○ CPT Codes: <u>Current Procedural Terminology</u> published by the American Medical Association is a list of codes representing procedures or services. ○ HCPCS Codes (Level II): <u>HCFA and other Common Procedure Coding System (HCPCS) Codes</u> are used and approved by the Centers for Medicare and Medicaid to describe and accurately report procedures and services. A crosswalk of HCPCS and CPT Codes to SFC's is available in legacy files. UB92: Refers to coding standards designated by HIPAA.
○ DSM IV	○ ICD-9 Codes: (<u>International Classification of Diseases</u>), 9th Revision Codes, issued and authorized by the Centers for Medicare and Medicaid, to describe and accurately report health related procedures and Diagnoses.
○ Clinical Staff and Discipline Code	○ Rendering Provider and Taxonomy
○ MHMIS or Mental Health Management Information System AND MIS Management Information System	○ IS or Integrated System
○ References to entering data into the MIS	○ Entering data into the IS
○ RGMS	○ IS

**DMH LEGAL ENTITY AGREEMENT
ATTACHMENT IX**

CHARITABLE CONTRIBUTIONS CERTIFICATION

Legal Entity Name

Company Name

Legal Entity Address, City, State Zip

Address

Internal Revenue Service Employer Identification Number

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

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

Check the Certification below that is applicable to your company.

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

OR

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

Signature

Date

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

Please print

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

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

Pursuant to Paragraph 10 **PERFORMANCE STANDARDS AND OUTCOME MEASURES** Contractor shall be subject to the following standards and outcomes that have been checked in the last column titled "Required Outcome" and which will be used by County as part of the determination of the effectiveness of services delivered by Contractor.

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

Performance Outcomes Project:				
2	Access to Services	Client received continuity of care by being seen within 7 calendar days of discharge from an acute psychiatric hospital.	County DMH's claims processing information system data repository.	✓
3		90% or more of responding clients were able to receive services at convenient times and location.	MHSIP, YSS and YSS - F survey instruments.	✓
4		Client received continuity of care by being seen within 30 calendar days time of discharge from mental health residential treatment program/institutional setting.	County DMH's claims processing information system data repository.	✓
5	Client Satisfaction	80% or more of responding clients report that they had someone to talk to when they were troubled.	MHSIP, YSS and YSS-F survey instruments.	✓
6		80% or more of responding clients reported that staff were sensitive to the client's cultural/ethnic background.	MHSIP, YSS and YSS-F survey instruments.	✓
7	Clinical Effectiveness	70% or more of responding child/youth get along better with family members.	YSS and YSS-F survey instruments.	✓
8		70% or more of responding child/youth in a crisis, have the support they need from family or friends.	YSS and YSS-F survey instruments.	
9		75% or more of responding child/youth are doing better in school and/or work.	YSS and YSS-F survey instruments.	✓
10		65% or more of responding Transitional Age Youth are doing better in school and/or work.	MHSIP, YSS, YSS-F	✓
11		15% or more of responding adult clients are doing better in school and/or work.	MHSIP, YSS and YSS-F survey instruments.	✓
12		20% or more of responding adult clients report they deal more effectively with daily problems and/or report that their symptoms are not bothering them as much.	MHSIP, YSS and YSS-F survey instruments.	✓

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

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

Mental Health Services Act (MHSA) - Full Service Partnership (FSP) Children, Transition Age Youth (TAY), Adult and Older Adult Programs (State mandated, California Code of Regulations (CCR), Title 9, Chapter 14, § 3530 et.al.):				
	Performance Based Criteria	Performance Targets	Method of Data Collection	Required Outcome (check)
13				
14	Agency provides significant amount of field-based services.	At least 65% of direct services provided in the field.	Integrated System (IS) report on services provided in the field.	
15	Agency accepts referrals from DMH within 72 hours.	100% of agency responses are within the required 72 hours. 100% of agency responses to hospitals, emergency rooms, and urgent care centers within 24 hours. Exceptions to be negotiated between provider and DMH.	Centralized tracking.	
16	Agency staff responds to crisis calls regarding enrolled clients 24/7.	Agency staff responds to 100% of its crisis calls 24/7.	ACCESS and PMRT data.	
17	Agency has required 15:1 client to staff ratio to serve clients.	15:1 client to staff ratio (excludes administrative staff).	Proposal package and staff rosters/records.	
18	Agency provides services to clients with co-occurring substance abuse disorders.	60% of clients with co-occurring substance abuse disorders served.	IS report on clients that have substance abuse diagnosis.	
19	Agency provides clients, parents and caregivers with self-help, peer support, and caregiver support groups. Parents are provided with or are involved with peer advocate on team.	100% of clients referred to self-help, peer support, and/or caregiver support groups. 25% of clients/their caregivers are actively involved with self-help, peer support and/or caregiver support groups.	Sample review of records, lists of referrals.	
20	Agency has paid staff who are consumers and/or parent advocates.	At a minimum, 10% of staff are consumers and/or parents.	Proposal package and staff rosters/records.	
21	At the time of admission, the agency serves uninsured and underinsured clients.	Children and TAY: 15% of the enrolled clients were uninsured at the time of admission. 10% of the enrolled clients were underinsured at the time of admission. 75% of the enrolled clients were insured at the time of admission. Adult: 33% of the enrolled clients were uninsured at the time of admission. 33% of the enrolled clients were underinsured at the time of admission. 34% of the enrolled clients were insured at the time of admission. Older Adult: 20% of the enrolled clients were uninsured at the time of admission. 10% of the enrolled clients were underinsured at the time of admission (Medicare Only). 70% of the enrolled clients were insured at the time of admission.	IS reports.	

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

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

Mental Health Services Act (MHSA) - Community Support Services (CSS), Housing Trust Program:				
	Performance Based Criteria	Performance Targets	Method of Data Collection	Required Outcome (check)
22	Resident Council.	Establish and maintain a Residents Council that meets on a regular basis, at a minimum of once per month.	Records of Residents Council's meetings.	
23				
24	Agency assists residents in maintaining housing stability.	80% of residents housed during each funding year have remained housed for a minimum of one year.	Resident rosters.	
25	Agency maintains 90% residency rate throughout each funding year.	Subsequent to fully leasing the housing units, 90% are occupied at any given time.	Resident log.	
26	Agency provides services to residents with co-occurring substance abuse disorders.	30% of residents are diagnosed with or report having co-occurring substance abuse disorders.	Outcomes database on residents that have diagnosis of co-occurring substance abuse.	
27	Agency refers to and/or provides residents, parents and caregivers with self-help, peer support, and caregiver support groups.	100% of residents referred to self-help, peer support, and/or caregiver support groups. 25% of residents and/or caregivers are actively involved with self-help, peer support and/or caregiver support groups.	Sample review of records; lists of referrals; Support Group sign-in sheets; resident interviews.	
28	Agency provides direct assistance with linking residents with education or vocational and/or employment opportunities including volunteer activities outside their residence.	30% of residents are involved in some type of education or vocational training program and/or employment including volunteer activities for at least 10 hours per week for a minimum of 90 days.	Admission Database and Monthly Reports.	

Mental Health Services Act (MHSA) - Community Support Services (CSS), Field Capable Clinical Services (FCCS) for Older Adults:				
	Performance Based Criteria	Performance Targets	Method of Data Collection	Required Outcome (check)
29				
30	Agency provides significant amount of field and/or community-based services.	60% of all services shall be provided in field and/or community-based settings.	Information System (IS) report on services provided in the field and/or community-based settings.	
31	Agency has required staffing ratio to provide contracted services.	100% compliance with required staffing to provide services outlined in the DMH approved Negotiation Package.	Staff Roster.	

PERFORMANCE STANDARDS AND OUTCOME MEASURES EXHIBIT

CONTRACTOR (Legal Entity Name): _____

Legal Entity Number: _____

32	Agency provides services or has the availability to provide services to older adults with co-occurring substance abuse disorders.	20% of clients served have diagnosis of co-occurring substance abuse disorder.	IS report on clients who have substance abuse diagnosis.	
33	Agency directly provides or refers clients, family members and caregivers to self-help, support, and education groups.	100% of clients, family members, and caregivers will receive information on self-help, support and education groups.	Sample review of records. List of referrals.	
34	Agency has required multi-disciplinary team staffing.	Agency hires staff as stipulated in RFS.	Negotiation Package and staff rosters.	

DMH Agreement Summary

LEGAL ENTITY NAME: _____

Contract No.: _____

Legal Entity No.: _____

Term of Agreement: _____ Contract Expiration: _____

Board Adopted Date: _____

LIST OF FUNDING SOURCES
(Please check all applicable contract funding.)

1	CGF	44	MHSA – FSP - TAY – Mental Health Services
2	CGF – Psychiatric Emergency Services (PES) (NCC)	45	MHSA – FSP - Adult – One Time Cost
3	CGF – Transitional Residential Program (NCC)	46	MHSA – FSP - Adult – Client Supportive Services (Flex Funds)
4	SAMHSA, CFDA #93.958	47	MHSA – FSP - Adult – Mental Health Services
5	SAMHSA – Child Mental Health Initiative, CFDA #93.104	48	MHSA – FSP - Older Adult – One Time Cost
6	SAMHSA – Targeted Capacity Expansion, CFDA #93.243	49	MHSA – FSP - Older Adult – Client Supportive Services (Flex Funds)
7	PATH, CFDA #93.150	50	MHSA – FSP - Older Adult – Mental Health Services
8	CalWORKs – Flex Fund	51	MHSA – Non FSP - Child – Integrated MH/COD Services
9	CalWORKs – Mental Health Services (MHS)	52	MHSA – Non FSP - Child – Family Crisis Services – Respite Care
10	CalWORKs – Community Outreach Services (COS)	53	MHSA – Non FSP - Child – One Time Cost
11	CalWORKs – Families Project – Client Support Services	54	MHSA – Non FSP - TAY – Drop-In Centers
12	CalWORKs – Families Project – MHS & Targeted Case Management	55	MHSA – Non FSP - TAY – Probation Camps
13	CalWORKs – Families Project - COS	56	MHSA – Non FSP - TAY – One Time Cost
14	DPSS – GROW	57	MHSA – Non FSP - Adult - IMD Step Down
15	DCFS – AB 2994	58	MHSA – Non FSP - Adult – Safe Haven
16	DCFS – Family Preservation	59	MHSA – Non FSP - Adult – One Time Cost
17	DCFS – Star View Life Support PHF	60	MHSA – Non FSP – Older Adult – Service Extenders
18	DCFS – Independent Living	61	MHSA – Non FSP - Older Adult – Training
19	DCFS – STOP	62	MHSA – Non FSP - Older Adult – One Time Cost
20	DCFS – Medical Hubs	63	MHSA – Non FSP - Cross-Cutting – Urgent Care
21	DCFS – Basic MH Services – Enhanced Specialized Foster Care	64	MHSA – Non FSP - Cross-Cutting – Enriched Residential Services
22	DCFS – Intensive In-Home – Enhanced Specialized Foster Care	65	MHSA – Non FSP - Cross-Cutting – One Time Cost
23	DCFS – Multidisciplinary Assessment Team (MAT) – Enhanced Specialized Foster Care	66	MHSA – Family Supportive Services (FSS)
24	DCFS – Wraparound	67	MHSA – Wellness Centers – One Time Cost
25	Probation – Substance Abuse/Co-Occurring Disorder Services	68	MHSA – Wellness Centers
26	Probation – Neurobehavioral Demonstration Pilot Project	69	MHSA – Wellness Centers - Client Run
27	Probation – Title IV E Waiver	70	MHSA – FCCS – Child - One Time Cost
28	Schiff-Cardenas – M.H. Screening, Assessment, and Treatment (MHSAT)	71	MHSA – FCCS – Child - Client Supportive Services (Flex Funds)
29	Schiff-Cardenas – Multi-Systemic Therapy Program (MST)	72	MHSA – FCCS – Child - Mental Health Services
30	ADPA Housing	73	MHSA – FCCS – TAY - One Time Cost
31	DHS-OAPP HIV/AIDS	74	MHSA – FCCS – TAY - Client Supportive Services (Flex Funds)

DMH Agreement Summary

LEGAL ENTITY NAME: _____

Contract No.: _____

Legal Entity No.: _____

Term of Agreement: _____ Contract Expiration: _____

Board Adopted Date: _____

32	DHS Dual Diagnosis	
33	DHS Social Model Recovery	
34	DHS LAMP	
35	HIV AIDS	
36	IDEA (AB 3632 – SEP), CFDA #84.027	
37	AB3632 – SEP (SB 1807); SB90	
38	State Managed Care Allocation	
39	MHSA – FSP – Child – One Time Cost	
40	MHSA – FSP – Child – Client Supportive Services (Flex Funds)	
41	MHSA – FSP - Child – Mental Health Services	
42	MHSA – FSP - TAY – One Time Cost	
43	MHSA – FSP - TAY – Client Supportive Services (Flex Funds)	

75	MHSA – FCCS – TAY - Mental Health Services	
76	MHSA – FCCS – Adult - One Time Cost	
77	MHSA – FCCS – Adult - Client Supportive Services (Flex Funds)	
78	MHSA – FCCS – Adult - Mental Health Services	
79	MHSA – FCCS – Older Adult - One Time Cost	
80	MHSA – FCCS – Older Adult - Client Supportive Services (Flex Funds)	
81	MHSA – FCCS – Older Adult - Mental Health Services	
82	MHSA – Jail Linkage Services	
83	MHSA – Outreach and Engagement	
84	Medi-Cal, Healthy Families, or MAA FFP	
85	SGF - EPSDT	

FUNDING SOURCES OF NEW AGREEMENT:
See Financial Summary(ies) for details of MCA.

MAXIMUM CONTRACT AMOUNT (MCA) PER FISCAL YEAR (FY)

FY	FY	FY
\$	\$	\$

Headquarters' (HQ) Address: _____

HQ's Sup. District: _____

Service Area(s): _____

COUNTY OF LOS ANGELES - DEPARTMENT OF MENTAL HEALTH
Contracts Development and Administration Division

ATTACHMENT III

CONTRACTING WITH MINORITY/WOMEN-OWNED FIRMS
PERCENTAGE OF OWNERSHIP IN FIRM

	Contractor/Firm	Firm Status	Black/African American		Hispanic/Latin American		Asian American		White	
			% Men	% Women	% Men	% Women	% Men	% Women	% Men	% Women
1	Alcott Center for Mental Health Services	NP								
2	Asian American Drug Abuse Program, Inc.	NP								
3	Barbour and Floyd Medical Associates	P	50	50						
4	Behavioral Health Services, Inc.	NP								
5	California Hispanic Commission, Inc.	NP								
6	Catholic Healthcare West	NP								
7	Cedars-Sinai Medical Center	NP								
8	Child and Family Guidance Center	NP								
9	ChildNet Youth and Family Services, Inc.	NP								
10	The Children's Center of the Antelope Valley	NP								
11	City of Gardena	G								
12	Community Family Guidance Center	NP								
13	Counseling and Research Associates, Inc.	NP								
14	Counseling4Kids	NP								
15	David & Margaret Home, Inc.	NP								
16	Dubnoff Center for Child Development and Educational Therapy	NP								
17	D'Veal Corporation	NP								
18	El Centro del Pueblo, Inc.	NP								
19	Emotional Health Association	NP								
20	Exceptional Children's Foundation	NP								
21	FamiliesFirst, Inc.	NP								
22	Filipino-American Service Group, Inc.	NP								
23	The Guidance Center	NP								
24	Hamburger Home	NP								
25	Heritage Clinic and The Community Assistance Program For Seniors	NP								
26	Hillview Mental Health Center, Inc.	NP								
27	The Institute for the Redesign of Learning	NP								
28	Jewish Family Service of Los Angeles	NP								
29	JWCH Institute, Inc.	NP								
30	LeRoy Haynes Center for Children and Family Services, Inc.	NP								

CONTRACTING WITH MINORITY/WOMEN-OWNED FIRMS
PERCENTAGE OF OWNERSHIP IN FIRM

	Contractor/Firm	Firm Status	Black/African American		Hispanic/Latin American		Asian American		White	
			% Men	% Women	% Men	% Women	% Men	% Women	% Men	% Women
31	Los Angeles Unified School District	N/A								
32	Maryvale	NP								
33	McKinley Children's Center, Inc.	NP								
34	Mental Health America of Los Angeles	NP								
35	New Directions, Inc.	NP								
36	One In Long Beach, Inc.	NP								
37	Optimist Boys' Home and Ranch, Inc.	NP								
38	Pacific Asian Counseling Services	NP								
39	Pasadena Unified School District	N/A								
40	Pediatric & Family Medical Center	NP								
41	Penny Lane Centers	NP								
42	Phoenix Houses of Los Angeles, Inc.	NP								
43	PROTOTYPES, Centers for Innovation in Health, Mental Health and Social Services	NP								
44	Providence Community Services, LLC	P							100	
45	San Fernando Valley Community Mental Health Center, Inc.	NP								
46	SHIELDS for Families	NP								
47	South Bay Children's Health Center Association, Inc.	NP								
48	South Central Health and Rehabilitation Program	NP								
49	SPIRITT Family Services, Inc.	NP								
50	St. Francis Medical Center	NP								
51	St. Joseph Center	NP								
52	Star View Adolescent Center, Inc.	P							33.33	66.66
53	Step Up on Second St. Inc.	NP								
54	SunBridge Braswell Enterprises, Inc.	P							100	
55	SunBridge Harbor View Rehabilitation Center, Inc.	P							100	
56	Tarzana Treatment Center, Inc.	NP								
57	Telecare Corporation	P	4	7	3	3	2	5	3	73
58	Tessie Cleveland Community Services Corporation	NP								
59	Transitional Living Centers for L.A. County, Inc.	NP								
60	The Village Family Services	NP								
61	VIP Community Mental Health Center, Inc.	NP								

CONTRACTING WITH MINORITY/WOMEN-OWNED FIRMS
PERCENTAGE OF OWNERSHIP IN FIRM

	Contractor/Firm	Firm Status	Black/African American		Hispanic/Latin American		Asian American		White	
			% Men	% Women	% Men	% Women	% Men	% Women	% Men	% Women
62	Watts Labor Community Action Committee - WLCAC	NP								
63	WISE & Healthy Aging	NP								

Firm Status: NP = Non-Profit
P = For Profit
G = Governmental

NOTE: Non-Profit firms and governmental institutions are not owned; hence, the data on percentage of ownership in firm by ethnicity and gender is not required per instructions from the Office of Affirmative Action Compliance.