

# **COUNTY OF MENDOCINO STANDARD SERVICES AGREEMENT**

This Agreement is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the "COUNTY", and **Redwood Quality Management Company**, hereinafter referred to as the "CONTRACTOR".

## **WITNESSETH**

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, COUNTY desires to obtain CONTRACTOR for mental health services for adults age 25 years and older; and,

WHEREAS, CONTRACTOR is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to COUNTY.

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit "A", and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

Exhibit A	Definition of Services
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements
Exhibit D	Assurance of Compliance with Nondiscrimination in State and Federally Assisted Programs
Exhibit E	Federal and State False Claims Acts
Appendix A	Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Lower Tier Covered Transactions
Addendum A	Business Associate Agreement
Attachment 1	Disclosure of Ownership and Control Interests
Attachment 2	MC 1982 C: Medi-Cal Specialty Mental Health Services Monthly Claim for Reimbursement form

The term of this Agreement shall be from July 1, 2018 (the "Effective Date"), and shall continue through June 30, 2019.

The compensation payable to CONTRACTOR hereunder shall not exceed Seven Million Four Hundred One Thousand Five Hundred Dollars (\$7,401,500) for the term of this Agreement.



IN WITNESS WHEREOF

DEPARTMENT FISCAL REVIEW:

By: *Anne Molgaard*  
Anne Molgaard, Acting HHSA Director

Date: 6/4/18

Budgeted: ☒ Yes ☐ No

Budget Unit: 4050

Line Item: 86-3113

Org/Object Code: MH

Grant: ☐ Yes ☒ No

Grant No.:

COUNTY OF MENDOCINO

By: *Dan Hamburg*  
DAN HAMBURG, Chair  
BOARD OF SUPERVISORS

Date: JUN 20 2018

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By: *Karla Van Hagen*  
Deputy

JUN 20 2018

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: *Karla Van Hagen*  
Deputy

JUN 20 2018

INSURANCE REVIEW:

By: *Carmel J. Angelo*  
Risk Management

Date: 6-6-18

CONTRACTOR/COMPANY NAME

By: *Camille Schraeder*  
Camille Schraeder, Chief Financial Officer

Date: 6.7.18

NAME AND ADDRESS OF CONTRACTOR:

Redwood Quality Management Company

PO Box 422

Ukiah, CA 95482  
707-472-0350;  
Camille@redwoodcommunityservices.org

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,  
County Counsel

By: *Charlotte Scott*  
Deputy

Date: 6/5/18

EXECUTIVE OFFICE/FISCAL REVIEW:

By: *Jonelle Rau*  
Deputy CEO

Date: 6-6-18

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; \$50,001+ Board of Supervisors  
Exception to Bid Process Required/Completed ☒  
Mendocino County Business License: Valid ☒  
Exempt Pursuant to MCC Section: \_\_\_\_\_

## **GENERAL TERMS AND CONDITIONS**

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold COUNTY harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and COUNTY laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the COUNTY agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two (2) week's written notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** To the furthest extent permitted by law (including without limitation California Civil Code sections 2782 and 2782.8, if applicable), CONTRACTOR shall assume the defense of, indemnify, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, demands, damages, costs, liabilities, and losses whatsoever alleged to be occurring or resulting in connection with the CONTRACTOR'S performance or its obligations under this AGREEMENT, unless arising out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.
3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.

CONTRACTOR affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code and CONTRACTOR further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONTRACTOR shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONTRACTOR'S and subcontractors' employees.

5. **CONFORMITY WITH LAW AND SAFETY:**
  - a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.



- b. Accidents: If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.
  - c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit "B" hereto as funding permits.
- If COUNTY over pays CONTRACTOR for any reason, CONTRACTOR agrees to return the amount of such overpayment to COUNTY, or at COUNTY's option, permit COUNTY to offset the amount of such overpayment against future payments owed to CONTRACTOR under this Agreement or any other agreement.
- In the event CONTRACTOR claims or receives payment from COUNTY for a service, reimbursement for which is later disallowed by COUNTY, State of California or the United States Government, the CONTRACTOR shall promptly refund the disallowance amount to COUNTY upon request, or at its option COUNTY may offset the amount disallowed from any payment due or that becomes due to CONTRACTOR under this Agreement or any other agreement.
7. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
8. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby assigns the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third

parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

The COUNTY's rights under this Paragraph 8 shall not extend to any computer software used to create such Documents and Materials.

9. CONFLICT OF INTEREST: The CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.
10. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO  
HHS Behavioral Health and Recovery Services  
1120 S. Dora St.  
Ukiah, CA 95482  
Attn: Jenine Miller

To CONTRACTOR: Redwood Quality Management Company  
PO Box 422  
Ukiah, CA 95482  
Attn: Camille Schraeder

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

11. USE OF COUNTY PROPERTY: CONTRACTOR shall not use COUNTY property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
12. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CONTRACTOR certifies that it will comply with all Federal, State, and local laws, rules and regulations pertaining to nondiscrimination in employment.
  - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, pregnancy, disability, sex, sexual orientation, gender identity, ancestry, national origin, age, religion, Veteran's status, political affiliation, or any other factor prohibited by law.
  - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, engaged in any unlawful discrimination.
  - c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to

its employment practices, except to the extent such records or portions of such records are confidential or privileged under State or Federal law.

- d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
- e. The CONTRACTOR shall include the provisions set forth in this paragraph in each of its subcontracts.

- 13. **DRUG-FREE WORKPLACE:** CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free workplace. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a COUNTY facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the COUNTY department/agency for which the contract services are performed. Violation of this provision shall constitute a material breach of this Agreement.
- 14. **ENERGY CONSERVATION:** CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
- 15. **COMPLIANCE WITH LICENSING REQUIREMENTS:** CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.

Before the COUNTY will issue a notice to proceed with the Services, CONTRACTOR and any subcontractors must acquire, at their expense, a business license from COUNTY in accordance with MCC 6.0. Such licenses must be kept valid throughout the Agreement term.

CONTRACTOR represents and warrants to COUNTY that CONTRACTOR and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions.

- 16. **AUDITS; ACCESS TO RECORDS:** The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, within sixty (60) days after examination, its authorized agents, officers or employees



such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

The CONTRACTOR shall maintain full and adequate records in accordance with COUNTY requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within COUNTY or CONTRACTOR shall pay to the COUNTY the reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR's books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such inspection. The COUNTY further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

17. **DOCUMENTS AND MATERIALS:** CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 8 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
18. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
19. **TERMINATION:** The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon giving to the CONTRACTOR notice. Such notice shall be in writing and may be issued by any COUNTY officer authorized to execute or amend the contract, the County Chief Executive Officer, or any other person designated by the County Board of Supervisors. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the CONTRACTOR shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said

payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to CONTRACTOR for its services as listed in Exhibit A shall not exceed \$7,401,500 payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment or lack of funding.

20. **NON APPROPRIATION:** If COUNTY should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the products set forth in this Agreement, or other means of performing the same functions of such products, COUNTY may unilaterally terminate this Agreement only upon thirty (30) days written notice to CONTRACTOR. Upon termination, COUNTY shall remit payment for all products and services delivered to COUNTY and all expenses incurred by CONTRACTOR prior to CONTRACTOR'S receipt of the termination notice.
21. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. **VENUE:** All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California.
23. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
24. **ADVERTISING OR PUBLICITY:** CONTRACTOR shall not use the name of COUNTY, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
25. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties. In the event of a conflict between the body of this

Agreement and any of the Exhibits, the provisions in the body of this Agreement shall control.

26. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
27. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.
28. ASSURANCE OF PERFORMANCE: If at any time the COUNTY has good objective cause to believe CONTRACTOR may not be adequately performing its obligations under this Agreement or that CONTRACTOR may fail to complete the Services as required by this Agreement, COUNTY may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to COUNTY, to correct the observed deficiencies in CONTRACTOR's performance. CONTRACTOR shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
29. SUBCONTRACTING/ASSIGNMENT: CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
  - a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
  - b. Only the department head or his or her designee shall have the authority to approve subcontractor(s).
  - c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
30. SURVIVAL: The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 8), and Conflict of Interest (Paragraph 9), shall survive termination or expiration for two (2) years.

31. SEVERABILITY: If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
32. INTELLECTUAL PROPERTY WARRANTY: CONTRACTOR warrants and represents that it has secured all rights and licenses necessary for any and all materials, services, processes, software, or hardware ("CONTRACTOR PRODUCTS") to be provided by CONTRACTOR in the performance of this AGREEMENT, including but not limited to any copyright, trademark, patent, trade secret, or right of publicity rights. CONTRACTOR hereby grants to COUNTY, or represents that it has secured from third parties, an irrevocable license (or sublicense) to reproduce, distribute, perform, display, prepare derivative works, make, use, sell, import, use in commerce, or otherwise utilize CONTRACTOR PRODUCTS to the extent reasonably necessary to use the CONTRACTOR PRODUCTS in the manner contemplated by this agreement.

CONTRACTOR further warrants and represents that it knows of no allegations, claims, or threatened claims that the CONTRACTOR PRODUCTS provided to COUNTY under this Agreement infringe any patent, copyright, trademark or other proprietary right. In the event that any third party asserts a claim of infringement against the COUNTY relating to a CONTRACTOR PRODUCT, CONTRACTOR shall indemnify and defend the COUNTY pursuant to Paragraph 2 of this AGREEMENT

In the case of any such claim of infringement, CONTRACTOR shall either, at its option, (1) procure for COUNTY the right to continue using the CONTRACTOR Products; or (2) replace or modify the CONTRACTOR Products so that that they become non-infringing, but equivalent in functionality and performance.

33. ELECTRONIC COPIES: The parties agree that an electronic copy, including facsimile copy, email, or scanned copy of the executed Agreement, shall be deemed, and shall have the same legal force and effect as, an original document.
34. COOPERATION WITH COUNTY: CONTRACTOR shall cooperate with COUNTY and COUNTY staff in the performance of all work hereunder.
35. PERFORMANCE STANDARD: CONTRACTOR shall perform all work hereunder in a manner consistent with the level of competency and standard of care normally observed by a person practicing in CONTRACTOR's profession. COUNTY has relied upon the professional ability and training of CONTRACTOR as a material inducement to enter into this Agreement. CONTRACTOR hereby agrees to provide all services under this Agreement in accordance with generally accepted professional practices and standards of care, as well as the



requirements of applicable Federal, State, and local laws, it being understood that acceptance of CONTRACTOR 's work by COUNTY shall not operate as a waiver or release. If COUNTY determines that any of CONTRACTOR 's work is not in accordance with such level of competency and standard of care, COUNTY, in its sole discretion, shall have the right to do any or all of the following: (a) require CONTRACTOR to meet with COUNTY to review the quality of the work and resolve matters of concern; (b) require CONTRACTOR to repeat the work at no additional charge until it is satisfactory; (c) terminate this Agreement pursuant to the provisions of paragraph 19 (Termination) or (d) pursue any and all other remedies at law or in equity.

[END OF GENERAL TERMS AND CONDITIONS]

## EXHIBIT A

### DEFINITION OF SERVICES

CONTRACTOR agrees to arrange for the provision of and pay for medically necessary Specialty Mental Health Services (SMHS), including those services required to meet the COUNTY's obligation to assist the indigent population to access SMHS, and referred by the Mental Health Services Act (MHSA) on behalf of the County of Mendocino in accordance with the Definition of Services defined in this contract. In the arrangement for the provision of services, CONTRACTOR shall ensure compliance with all applicable Medicaid laws, and regulations, including the 1915(b) Medi-Cal Specialty Mental Health Services Waiver, the County of Mendocino State Mental Health Plan (MHP) Agreement and Behavioral Health and Recovery Services (BHRS) policies and procedures.

CONTRACTOR shall arrange for the provision of the following services:

- I. Provision of Service
  - A. CONTRACTOR shall arrange and pay for medically necessary covered Specialty Mental Health Services to beneficiaries twenty-five (25) years and older, as defined for the purpose of this contract.
  - B. COUNTY shall provide and pay for the following mental health services to clients twenty-five (25) years and older:
    1. Access Line Coverage
    2. Lanterman-Petris-Short Conservatorship oversight and placement
    3. Mobile Outreach and Prevention Services (County Mobile Outreach teams to North County, South County, and Anderson Valley)
    4. Probation Mental Health Services (AB109)
    5. CalWorks Mental Health Services
    6. 1370 Competency Restoration
    7. Patients Rights Advocate
  - C. CONTRACTOR shall ensure that all medically necessary covered Specialty Mental Health Services are sufficient in amount, duration, and scope to reasonably be expected to achieve the purpose for which the services are furnished.
  - D. All medically necessary covered Specialty Mental Health Services shall ensure:
    1. The availability of services to address emergency psychiatric conditions twenty-four (24) hours a day, seven (7) days a week.

## EXHIBIT A – PAGE 2

### DEFINITION OF SERVICES

2. The availability of services to address urgent conditions twenty-four (24) hours a day, seven (7) days a week.
  3. The availability of services within 60 miles or 90 minutes of travel for all beneficiaries.
  4. Timely access to routine services, as determined by COUNTY to be required to meet needs.
- E. CONTRACTOR shall, to the extent feasible, allow Medi-Cal beneficiaries to choose the person/agency providing the services.

#### II. Availability and Accessibility of Services

- A. CONTRACTOR shall ensure the availability and accessibility of adequate numbers and types of subcontractors of medically necessary services. At a minimum, CONTRACTOR shall:
1. Maintain and monitor a network of appropriate providers that is supported by a subcontract with providers and that is sufficient to provide adequate access to all services covered under this contract. CONTRACTOR must establish the network and monitor the network, taking into consideration all of the following:
    - a. Anticipated number of Medi-Cal eligible clients.
    - b. Expected utilization of services.
    - c. Expected number and type of subcontractors, including cultural competency of subcontractors.
    - d. Number of subcontractors not accepting new beneficiaries.
    - e. Geographic location of subcontractors and their access to beneficiaries.
    - f. Whether subcontractors are credentialed for the services being provided.
  2. CONTRACTOR and subcontractors shall have links to the COUNTY provider directory and maintain a current list of their individual provider staff on their websites.
  3. If CONTRACTOR determines that it is unable to arrange for access to all services covered under this contract, CONTRACTOR shall notify COUNTY in writing detailing the area and/or services CONTRACTOR is unable to fulfill under this contract. CONTRACTOR shall work with COUNTY to develop a plan for the provision of needed access and/or services to meet requirements set forth in this contract that CONTRACTOR has identified it cannot fulfill.

## **EXHIBIT A – PAGE 3**

### **DEFINITION OF SERVICES**

B. CONTRACTOR shall comply with COUNTY requirements for timely access to services. CONTRACTOR shall:

1. Require all subcontractors to meet the COUNTY standards for timely access to care and services, taking into account the urgency of need for services.
  - a. Require all subcontractors to have hours of operations during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation during which the subcontractor offers services to non-Medi-Cal clients.
  - b. Establish mechanisms to ensure that subcontractors comply with timely access requirements.
  - c. Monitor subcontractors regularly to determine compliance with timely access requirements.
  - d. Take corrective action if a subcontractor fails to comply with timely access requirements.
  - e. Provide monthly timeliness access reports to COUNTY.
  - f. Notify COUNTY when a subcontractor is failing to comply with timely access requirements and provide COUNTY with corrective action provided to subcontractor. CONTRACTOR shall continue to work with subcontractor until subcontractor is in compliance with requirement or subcontractor services have been terminated. CONTRACTOR shall keep COUNTY informed throughout the corrective action process.

### **III. Quality Assurance / Quality Improvement**

#### **A. Quality Management**

1. CONTRACTOR shall adhere to COUNTY Quality Management program which defines the structure and operational processes, assigns responsibility to appropriate individuals, and adopts or establishes quantitative measures to assess performance and to identify and prioritize area(s) of improvement.
2. CONTRACTOR and COUNTY shall conduct performance monitoring activities throughout CONTRACTOR'S operations. These activities shall include, but are not limited to, client system outcomes, utilization management, utilization review, subcontractor appeals, credentialing, and monitoring and assistance in the resolution of client grievances.



## EXHIBIT A – PAGE 4

### DEFINITION OF SERVICES

3. CONTRACTOR, in coordination with COUNTY, shall ensure coordination of care with community health centers, law enforcement, County jail, acute care hospitals, Public Guardians, Substance Use Disorders Treatment, and any other identified entity by COUNTY. Memorandums of Understanding (MOU) shall be developed by COUNTY with each entity. CONTRACTOR shall assess the effectiveness of each MOU and work with the entity to improve identified problematic areas. COUNTY shall be available to help resolve any issue that cannot be resolved between the parties.
4. CONTRACTOR shall track underutilization of services and overutilization of services. CONTRACTOR shall provide monthly reports to the COUNTY on the underutilization and overutilization of services.
5. CONTRACTOR shall prevent and eliminate barriers to effective care, including but not limited to non-discrimination against particular subcontractors that serve high-risk populations or specialize in conditions that require costly treatment.
6. CONTRACTOR shall resolve any identified service delivery problems and take effective action when improvement is required or desired. COUNTY shall be notified by CONTRACTOR of any service delivery problems and the steps being taken by CONTRACTOR to resolve the identified problem.
7. CONTRACTOR shall ensure that all subcontractors participate in the COUNTY and State required beneficiary/family satisfaction surveys. CONTRACTOR shall submit to COUNTY all surveys by the due date. CONTRACTOR shall work with COUNTY to use the data to identify trends and opportunities for improvement.
8. CONTRACTOR shall ensure that all subcontractors adhere to the COUNTY and Mental Health Plan (MHP) requirements for beneficiary grievances, appeals, fair hearings, and change of subcontractor request. CONTRACTOR shall provide COUNTY original document of beneficiary grievances, appeals, fair hearings, and change of provider requests. COUNTY shall work with CONTRACTOR and subcontractors, as appropriate, to resolve all beneficiary problem resolution matters. CONTRACTOR shall work with COUNTY to use the data to identify trends and opportunities for improvement.
9. CONTRACTOR shall establish processes to ensure that all subcontractors remain in compliance with COUNTY and MHP requirements. If a subcontractor is not in compliance CONTRACTOR will start the corrective action process. CONTRACTOR shall notify COUNTY of any subcontractor out of compliance and provide COUNTY with a copy of the corrective action provided to subcontractor. CONTRACTOR shall continue to work with subcontractor until subcontractor is in compliance with requirements or subcontractor services have been terminated. CONTRACTOR shall keep COUNTY informed throughout the corrective action process.

## EXHIBIT A – PAGE 5

### DEFINITION OF SERVICES

10. CONTRACTOR shall assure that all relevant cultural and linguistic standards of care are incorporated into service delivery.
  - a. CONTRACTOR and/or subcontractors shall have evidence of culture-specific programs or referrals to community-based, culturally-appropriate, and non-traditional mental health subcontractors.
  - b. CONTRACTOR and/or subcontractors shall have evidence of the availability, as appropriate, of alternatives and options that accommodate the individual preference of clients.
11. CONTRACTOR shall participate in the Department of Health Care Services (DHCS) reviews. In preparation for reviews, CONTRACTOR shall provide COUNTY all requested information and data to maintain compliance. Information and data may be requested monthly to remain in compliance with set standards.

#### B. Quality Improvement (QI)

1. CONTRACTOR shall make continuous quality improvements to assure the appropriateness and effectiveness of Specialty Mental Health Services and meet the needs of the client. CONTRACTOR shall design and implement interventions for improving performance, and measure the effectiveness of interventions.
2. CONTRACTOR shall work with COUNTY to complete a minimum of two (2) Performance Improvement Projects (PIP) each fiscal year, one (1) clinical and one (1) non-clinical. CONTRACTOR shall provide COUNTY with all required information and data to be in compliance with the PIP requirements. These PIPs will measure performance using objective quality indicators and demonstrate planning for increasing or sustaining improvement.
3. CONTRACTOR shall assure that all identified issues are tracked over time and reported to the COUNTY.
4. CONTRACTOR shall provide reports at COUNTY meetings, such as Quality Improvement/Quality Management, Behavioral Health Advisory Board (BHAB), Utilization Management, and Quality Improvement Committee meetings.
5. CONTRACTOR shall participate in the Quality Improvement Committee meetings and provide reports as requested by the COUNTY and in relation to the goals set in the Quality Improvement Work Plan.

## EXHIBIT A – PAGE 6

### DEFINITION OF SERVICES

6. CONTRACTOR shall work with COUNTY annually to complete the Quality Improvement Work Plan and Quality Improvement Work Plan Evaluation. The Work Plan identifies key factors for quality improvement and utilization management. CONTRACTOR shall work with COUNTY toward agreed upon goals and provide COUNTY with requested information and data to complete the plans.
7. CONTRACTOR shall provide ongoing monitoring of the accessibility of services as evidenced by:
  - a. Timeliness of routine mental health appointments
  - b. Timeliness of services for urgent conditions
  - c. Access to after-hours care
  - d. Responsiveness of the crisis number
8. CONTRACTOR shall participate in the External Quality Review (EQR) annually. In preparation for the review, CONTRACTOR shall provide COUNTY with all requested information and data to complete the EQR requirements. EQR data shall be requested monthly by COUNTY to remain in compliance with set standards and goals. EQR focus areas are categorized as follows:
  - a. Service delivery capacity
  - b. Service delivery system and meaningful clinical issues
  - c. Service accessibility
  - d. Continuity of care and coordination of care
  - e. Beneficiary satisfaction
9. CONTRACTOR shall be responsible for the following:
  - a. Collaboration and coordination among clients, Mendocino County Behavioral Health and Recovery Services (BHRS), subcontractors, and CONTRACTOR
  - b. Assessment of subcontractor performance, including peer review, when appropriate
  - c. Provision of sufficient resources and trainings to ensure compliance with regulations
  - d. Requirement that subcontractors participate in QI activities
  - e. Management of service delivery utilizing a comprehensive Electronic Health Record (EHR) to facilitate the collection, management, and analysis of data needed for monitoring, evaluation, and improvement

## EXHIBIT A – PAGE 7

### DEFINITION OF SERVICES

- f. Requirement of subcontractors to follow the goals of the Quality Improvement Work Plan
- g. Requirement that subcontractors must adhere to COUNTY and MHP requirements
- h. QI activities must meet the requirements as specified by DHCS and SMHS requirements
- i. Provision of necessary resources to assure the delivery of culturally competent Specialty Mental Health Services

#### C. Quality Improvement and Quality Management Committees

1. COUNTY shall be responsible for facilitation of a Quality Improvement/Quality Management (QI/QM) Committee. CONTRACTOR shall participate on the QI/QM committee and attend all meetings. QI/QM recommends policy decisions, implements specific review and evaluation activities, and ensures follow-up of QI processes.
2. COUNTY shall facilitate a Quality Leadership Committee that shall provide oversight, approve policy and system changes, and review outcomes of PIPs. Summary reports shall be prepared for members with data and information concerning the QI functions measured. Identification and review of the performance of key indicators over time shall be intended to allow committee members to track success of improvement efforts and provide appropriate direction as needed. The Quality Leadership Committee shall provide oversight of the following:
  - a. Utilization Management
  - b. Subcontractor Relations
  - c. Client Services
  - d. Risk Management
  - e. Quality of Care

#### D. Utilization Management

1. CONTRACTOR shall be responsible for assuring that beneficiaries have appropriate access to Specialty Mental Health Services. CONTRACTOR shall assess the capacity of service delivery and accessibility of services to beneficiaries; this includes monitoring the number, type and geographic



## EXHIBIT A – PAGE 8

### DEFINITION OF SERVICES

distribution of mental health services. This information shall be provided to COUNTY and reported at Utilization Management meetings.

2. CONTRACTOR shall evaluate medical necessity appropriateness and efficiency of services provided to beneficiaries. CONTRACTOR shall track utilization of data to show client outcomes and performance indicators over time. CONTRACTOR shall track patterns, trends, and outlier data and monitor post care outcomes to assess effectiveness of care and services.
3. CONTRACTOR shall participate in COUNTY Utilization Management meetings and provide to COUNTY all requested information and data for the meetings.

#### E. Utilization Review

1. CONTRACTOR shall implement mechanisms to assure authorization decision standards are met for the following services: Adult Residential, Crisis Residential, Day Treatment Intensive, Day Rehabilitation, and Therapeutic Behavioral Services. CONTRACTOR shall adhere to MHP requirements for processing requests for initial and continuing authorizations of services. Authorization decisions shall be made within the timeframe set by Title 42, Code of Federal Regulations (C.F.R.) § 438.210(d).
2. CONTRACTOR shall have mechanisms in place to ensure consistent application of review criteria for authorization decisions, and shall consult with the requesting subcontractor when appropriate. CONTRACTOR shall authorize services based on medical necessity criteria and each client's level of service needs. Any decisions to deny a service authorization request or to authorize a service in an amount, duration, or scope that is less than requested shall be made by a professional who has appropriate clinical expertise in treating the client's condition or disease.
3. CONTRACTOR shall issue Notices of Adverse Benefit Determination (NOABD), per the MHP requirements, within the timeframe set forth in 42 C.F.R. 438.404(c). A copy of every NOABD issued shall be provided to COUNTY. NOABDs shall be provided to the COUNTY monthly.
4. CONTRACTOR shall use COUNTY approved clinical documentation and forms. CONTRACTOR shall obtain approval from COUNTY Behavioral Health Director or designee before using a new clinical documentation or form that would be subject to review or audit by the State of California or Federal Government. Failure by CONTRACTOR to obtain COUNTY approval may result in the inability of CONTRACTOR to bill for services.

## EXHIBIT A – PAGE 9

### DEFINITION OF SERVICES

5. COUNTY shall conduct clinical chart audits, treatment authorization audits and billing audits. COUNTY shall notify CONTRACTOR in writing of audit results. Corrective Action Plans shall be required for any items found out of compliance as a result of the audit. Findings may also indicate a recoupment of funds as dictated by the annual DHCS Reasons for Recoupment list.
6. CONTRACTOR shall monitor the amount of time from initial request for services to first billable visit. This data shall be analyzed and findings reported on a monthly basis to the BHAB, Quality Improvement Committee, and reported through CSI beginning November 7, 2018.
7. CONTRACTOR shall act as the Point of Authorization (POA) for mental health services for beneficiaries twenty-five (25) years and older. At the same time, COUNTY shall retain authority as the official POA for all mental health services and shall have the right to review, audit, and deny services based on MHP requirements. All denials shall be reviewed with CONTRACTOR. CONTRACTOR has the right to appeal decisions to the Behavioral Health Director or designee.
8. CONTRACTOR shall provide utilization review of the activities listed below. CONTRACTOR shall monitor and measure System Performance on a monthly basis, to include, but not be limited to the following:
  - a. Inpatient hospitalizations
  - b. Crisis services
  - c. Timely access to outpatient and psychiatric services
  - d. No shows
  - e. Client outcomes
  - f. Client satisfaction

#### IV. Specialty Mental Health Services

##### A. Provision of Cultural Competence

1. CONTRACTOR shall ensure subcontractors provide culturally competent services. CONTRACTOR shall coordinate with COUNTY to comply with annual cultural competency skills training for its staff and for the staff of each of the subcontractors. COUNTY shall develop and revise the Cultural Competency Plan in collaboration and coordination with CONTRACTOR and stakeholders.
2. Areas of focus in the implementation of the Cultural Competency Plan shall include, but not be limited to, elimination of the disparities in service delivery to special populations (Latino and Native American clients).
3. In the event the CONTRACTOR and/or subcontractors provide cultural competency training, CONTRACTOR and/or subcontractors shall submit to

## **EXHIBIT A – PAGE 10**

### **DEFINITION OF SERVICES**

COUNTY copies of agendas, sign-in sheets, handouts, and flyers, for cultural competency training provided to CONTRACTOR's staff and subcontractor's staff as occurs.

#### **B. Assure Client Rights**

CONTRACTOR shall assure that the screening of a client for a treatment or service program shall not result in the client being deprived of any rights, privileges, or benefits which are guaranteed to individuals by State or Federal law. CONTRACTOR shall assure that services are provided in a safe, sanitary, least restrictive and humane environment. All clients shall have the right to be treated with dignity and respect by CONTRACTOR and all subcontractors. CONTRACTOR shall work with the COUNTY's Patient's Rights Advocate to assure proper client interactions and interventions.

#### **C. Maintain Client Records**

CONTRACTOR and subcontractors shall maintain client records. CONTRACTOR shall identify a compliance officer that is responsible for maintaining the integrity of clients' health care information. Records shall be organized in a systematic fashion and stored according to licensing/regulatory standards. Individual and aggregate records shall be accessible to clinicians, the Quality Management process, and BHRS. Records that are released to proper authorities, individuals, and others shall be released only with an appropriately signed Release of Information (ROI). CONTRACTOR and subcontractors shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations, State and Federal laws, and other BHRS requirements for client confidentiality and record security. Client records shall be kept and maintained for 10 years after client discharge.

#### **D. Provide Access to Quality Care with a "no wrong door" Access System**

1. CONTRACTOR shall operate a "no wrong door" Access System to provide services for adults twenty-five (25) years and older. "No wrong door access" means that community members in need of services can be presented at any contracted Mendocino County mental health service program and receive help or services. More importantly the client will be engaged and assisted to meet his/her needs.
2. The Access System's primary role shall be to receive all treatment requests for community mental health services made by clients, their families, County agencies, community subcontractors, or law enforcement.

## EXHIBIT A – PAGE 11

### DEFINITION OF SERVICES

3. CONTRACTOR's Access System shall determine eligibility for services and medical necessity. When Mendocino County adult residents twenty-five (25) years and older access services they will be provided with "no wrong door" access to avoid delays or long waits for mental health service regardless of where they live within Mendocino County, without regard to their financial ability, and in compliance with Mendocino County MHP rules and regulations for services. If requested, Medi-Cal beneficiaries shall receive a screening and, if initial screening indicates, shall receive further assessment. A NOABD shall be provided to all beneficiaries who, upon initial screening or assessment, do not meet medical necessity criteria.
4. Direct services shall be provided in the client's native language or in American Sign Language (ASL), if required. Language assistance, if needed, for initial intake screening, assessment, and plan development services will be provided through use of competent bilingual staff, staff interpreters, contractors or formal arrangements with local organizations providing interpretation or translation services, technology and telephonic interpretation services or telehealth services. Language taglines shall be attached to vital documents, which shall be provided in current threshold languages. Accommodations to support access to vital documents shall be made for those beneficiaries with disabilities.
5. The scope of the Access System shall include, but is not limited to:
  - a. Prompt access to screening, assessment, and triage. CONTRACTOR shall monitor and document the amount of time from initial request for services to first billable visit, client language, all service requests, and outcomes from initial contact through crisis line. This data shall be analyzed and findings reported on a monthly basis to the BHAB and Quality Improvement Committee.
  - b. Client intakes and eligibility determinations.
  - c. Appropriate service referrals and authorizations within a Continuum of Care (CoC) appropriate to client's mental health needs.
  - d. Care manager assignments.
  - e. Transport coordination.
  - f. Coordination with primary care and/or substance abuse needs.
  - g. Offering hours of operation during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation offered to commercial beneficiaries or comparable to Medi-Cal fee-for-service, if the subcontractor serves Medi-Cal clients.

## EXHIBIT A – PAGE 12

### DEFINITION OF SERVICES

6. CONTRACTOR's subcontractors shall provide assistance, linkage and referrals to clients accessing services at multiple entry points. These entry points may include Community Based Organizations, Federally Qualified Healthcare Centers (FQHC), Rural Health Clinics, several Indian Health Clinics, three Hospital Emergency Rooms, Redwood Coast Regional Center, the community, and any mental health plan subcontractor.
  - a. Hospital Emergency Rooms shall be the destination points for 5150 (5150 is a section of the California Welfare and Institution Code specifically, the Lanterman-Petris-Short Act or "LPS" which allows a qualified officer or professional to involuntarily confine a person deemed to have a mental disorder that makes them a danger to him or herself, and/or others, and/or gravely disabled. When used as a term, 5150 can informally refer to the person being confined or the declaration itself or as in "someone was 5150'd").
  - b. MHP subcontractors shall provide mental health assessments and referrals; supportive care management services; substance abuse linkage and referrals; integration with primary care; crisis intervention and stabilization services; and emergency mental health services.
7. Clients shall be provided with required information pamphlets that include Client Rights, Notice of Privacy Practices, Grievance and Appeals Process Brochure, Advanced Directives, Provider Directory, Guide to Medi-Cal Mental Health Services Handbook and language taglines.

#### E. Adult System of Care

1. CONTRACTOR shall arrange for an appropriate range of SMHS that are adequate for the anticipated number of clients that will be served by the MHP. CONTRACTOR shall provide oversight and regulation of the programs and services provided by subcontractors. SMHS means:
  - a. Rehabilitative Mental Health Services
  - b. Mental Health Services
  - c. Medication Support Services
  - d. Crisis Intervention
  - e. Crisis Stabilization
  - f. Crisis Residential Treatment Services
  - g. Psychiatric Health Facility Services
  - h. Psychiatric Inpatient Hospital Services
  - i. Targeted Case Management

## EXHIBIT A – PAGE 13

### DEFINITION OF SERVICES

- j. Psychologist Services
  - k. EPSDT Supplemental SMHS
  - l. Psychiatric Nursing Facility Services
2. CONTRACTOR shall arrange for client advocacy, outreach services, coordinate local SMHS and medical care, provide interagency information and communication, arrange or provide local service transports, as well as, post-discharge transportation from inpatient psychiatric hospitalizations, and maintain each client's care management record. Services shall include, but not be limited to:
- 1. Crisis Services
  - 2. Access System
  - 3. Prompt access to screening and assessment; client intakes and eligibility determinations
  - 4. Appropriate client service referrals within a CoC appropriate to client's mental health needs
  - 5. Care management
  - 6. Transport coordination
  - 7. Coordination with primary care and co-occurring needs
  - 8. Crisis intervention and stabilization
  - 9. Coordination with law enforcement
  - 10. Emergency response to hospital emergency rooms
  - 11. Obtaining twenty-four (24) hour care service authorizations
3. Target Mental Health Population: The target population shall consist of Mendocino County Medi-Cal beneficiaries, twenty-five (25) years and older, who meet medical necessity criteria for MHP reimbursement as defined in Title IX, Article 2, Section 1830.205 and 1830.210 and meet the functional criteria for seriously mentally ill.
4. Mental Health Services: Services shall include a comprehensive array of services that address a client's mental health needs. Interventions shall be: individualized and designed to diminish impairments and prevent significant deterioration; culturally competent and appropriate services, which are sensitive and responsive to cultural and gender differences and special needs; and, delivered without regard to race, religion, national origin, gender, physical disability, or sexual orientation. Beneficiaries shall receive services in accordance with their level of medical necessity and the unique needs. Services shall be guided by an individualized client treatment plan, which shall be reviewed and revised annually.

## EXHIBIT A – PAGE 14

### DEFINITION OF SERVICES

5. Services shall be available in person, on the phone, and/or through telecommunication. Services shall be timely and accessible, and delivered by licensed/waivered staff, mental health professionals who are credentialed according to State requirements, and/or non-licensed subcontractors. Services shall be provided by or under the direction of mental health professionals functioning within the scope of their professional license and applicable State law. Transport services shall be available as needed.
6. Beneficiaries shall be linked to physical health care, dental services, benefits, employment, schools, training, transportation, and other non-mental health services as needed. Services shall also be coordinated with FQHC/Rural Health Clinic (RHC), Probation, and HHSA, as needed. Beneficiaries receiving mental health services shall be supported to receive health care at community health care organizations, and CONTRACTOR shall ensure that ROI promote integrated health care services. Beneficiaries shall be assisted with applying for and maintaining housing. Services shall be reviewed regularly to ensure client access to appropriate care for mental health and physical health needs.
7. Outpatient Services: CONTRACTOR shall provide outpatient services. Outpatient mental health services shall be provided to beneficiaries with a mental health diagnosis who meet medical necessity criteria for specialty mental health services. Outpatient services may be provided in the home, clinic, or community setting. Beneficiaries shall be actively involved throughout the assessment, treatment planning, and service delivery process. Services shall be client driven and culturally sensitive.
8. Specialty Mental Health Services: An array of Specialty Mental Health Services shall be available to Medi-Cal beneficiaries who meet medical necessity criteria. Services shall be aimed at ameliorating mental health symptoms, utilizing interventions that are designed to provide reduction of the client's mental disability, restoration, improvement and/or preservation of individual and community functioning. Specialty Mental Health Services shall include Assessment, Plan Development, Collateral, Therapy, Rehabilitation, and Crisis Intervention. SMHS shall be delivered within the least restrictive and most normative environment that is clinically appropriate.
9. Targeted Case Management Services: Linkage services shall be provided to assist beneficiaries to receive appropriate services, arrange transportation to appointments and/or activities when needed, and help them perform activities of daily living. Targeted case management services are defined as services furnished to assist individuals in gaining access to needed medical, alcohol and drug treatment, social, educational and other services.



## EXHIBIT A – PAGE 15

### DEFINITION OF SERVICES

10. Mental Health Services Act (MHSA): The MHSA program shall continue to be planned, updated and administered by COUNTY. COUNTY requires CONTRACTOR to be involved in the stakeholder's planning process and shall manage the implementation of the MHSA approved plan. CONTRACTOR shall integrate the MHSA programs into core programs in the System of Care by organizing and contracting with subcontractors to initiate Full Service Partnerships (FSP) and by managing and monitoring other MHSA programs and services including prevention programs, innovation programs, care management, housing support programs, community services and supports, workforce education, and training.
11. Drop-in Centers: COUNTY believes in wellness and recovery. CONTRACTORS shall arrange for prevention and support programs through drop-in centers. Subcontractors shall operate three (3) to five (5) days per week, including some weekends, to serve the Severely Mentally Ill (SMI) population. Services at these sites shall include, but not be limited to, client advocacy, assertive care management, illness prevention programs, peer-to-peer counseling, senior peer counseling, peer support programs, and transportation services.
12. Full Service Partnership (FSP): CONTRACTOR shall authorize the FSP benefit for qualified SMI clients upon consultation and approval from COUNTY Behavioral Health Director or designee. This service shall respond to client needs and support efforts toward wellness and recovery. Services may include treatment, wrap-around services, vocational training, and housing support.
13. Assisted Outpatient Treatment (AOT): CONTRACTOR shall arrange for subcontractors to provide AOT services. Subcontractors shall participate in the AOT Team meetings as requested by COUNTY and participate in the initial investigation of AOT referrals, providing known history on potential AOT clients. CONTRACTOR's subcontractors shall accept referrals for Biopsychosocial Assessment and assess client, determine if client has a qualifying diagnosis that meets medical necessity for SMHS, understand that many AOT clients may be reluctant to participate in voluntary services, and repeated and unique attempts to engage client in services may be necessary.
14. AOT requires subcontractor participation with the AOT treatment team and client in developing an AOT treatment plan. Assigned Care Managers shall assist clients in overcoming barriers, meeting treatment plan goals and reducing functional impairments toward reducing risk to self or others and increasing ability to participate meaningfully in independent living. Subcontractor shall testify in court when required regarding AOT qualifications, assessment, diagnosis, risk of client, and any other pertinent information to beneficiary.

## EXHIBIT A – PAGE 16

### DEFINITION OF SERVICES

15. AOT also requires completing any documents necessary for the AOT petition requested by the COUNTY or required by the Courts, which includes the Declaration stating that there is reason to believe AOT criteria are met according to WIC Code 5346(b)(5)(B). CONTRACTOR shall ensure that all timelines outlined in regulation or ordered by the court proceedings are met. Family and natural supports shall be included as part of client care plan. When successful treatment is sustained, CONTRACTOR shall facilitate transition of client to less restrictive treatment programs maintaining contact through a supported transition process.
16. COUNTY shall provide the following services for AOT:
  - a. Accept all referrals to AOT services.
  - b. Investigate all referrals.
  - c. Outreach to client, build rapport, and attempt to obtain engagement in voluntary services.
  - d. Coordinate services with the AOT treatment team consisting of Administrative Service Organization (ASO) Clinician, Counsel, Behavioral Health Director, and ASO Care Manager.
  - e. Assist with determining Treatment Plan Goals.
  - f. Support client and Care Manager in initial services needs such as financial, housing, and other imminent basic needs.
  - g. Make determination of need to file Declaration of AOT criteria with Court.
  - h. Notification of Counsel and Courts.
  - i. Tracking of all timelines and communication with treatment team around court processes and deadlines.
  - j. Complete documentation of non-compliance when necessary and communicate with Counsel.
  - k. Monitor and track transitions of client.
  - l. Report data to the State Department of Mental Health.
17. Forensic Services: CONTRACTOR shall establish a formal liaison with those agencies in the community that are primarily engaged with mental health care recipients who are actively connected to forensic, in order to be consistent with public safety and the needs of the individual. CONTRACTOR shall meet regularly in order to problem solve for concerns or specific clients, on an individual basis with the following offices, but not limited to the following:

## EXHIBIT A – PAGE 17

### DEFINITION OF SERVICES

- a. Behavioral Health Court
- b. Mendocino County Office of the Public Guardian
- c. Mendocino County Jail and Sheriff
- d. City Police Departments
- e. California Forensics Medical Group (CFMG)
- f. Office of the Public Defender
- g. Mendocino County Probation Office
- h. Mendocino County Superior Court

A representative of COUNTY shall be invited to participate in any interagency deliberation or meeting.

- 18. Transportation Service: CONTRACTOR shall arrange for transportation services. CONTRACTOR shall have subcontractors coordinate transportation for clients for admission to authorized services or placement sites, transfers between placement sites and discharges from placement sites back to the community. This service shall be provided through a coordinated effort by care managers with the local ambulance company, local care managers, members of the subcontractor network, and transportation contractors.
- 19. Behavioral Health Court: CONTRACTOR shall arrange for the provision of care management and outpatient services to participants of the Behavioral Health Court. In addition, CONTRACTOR shall arrange for subcontractors to collaborate and coordinate with the multi-agency Behavioral Health Court planning group.
- 20. Outcome Measurement Tools: CONTRACTOR shall require all in-county subcontractors to use the Adult Needs and Strengths Assessment (ANSA) outcome measurement tool. CONTRACTOR shall work with out-of-county subcontractors on using this outcome measurement tool. With the ANSA the frequency and intensity of services shall be correlated with outcome measure data. Outcome measure data shall be collected at the beginning of treatment, every six months following the first administration, and at the end of treatment to ensure that services maintain the appropriate level of intensity, frequency, and duration.
- 21. All urgent care needs related to medication management, routine visits, emergent conditions, and nonemergency crisis situations shall be assessed, treated, referred to a local clinic, and discharged to home or family, unless they have a medical or psychiatric emergency or a supportive care or placement need.
- 22. Medical needs shall be referred to a primary care clinic site within the System of Care network for assessment and treatment. Medical emergencies shall be referred to the appropriate emergency service or to the nearest hospital emergency room. Continued monitoring shall occur through an assigned care manager.

## EXHIBIT A – PAGE 18

### DEFINITION OF SERVICES

23. Psychiatric emergencies shall be assessed and referred to the appropriate level of the multi-tiered crisis service. Dispositions to crisis or twenty-four (24) hour care services shall be based on medically necessary interventions centered on client safety and rapid stabilization of the crisis episode.

#### F. Crisis Services

1. CONTRACTOR shall arrange for multi-tiered crisis intervention and crisis response services to Mendocino County residents twenty-five (25) years and older. Crisis services shall be available to those experiencing a mental health emergency and be accessible twenty-four (24) a day, seven (7) days a week. Crisis services shall be accessible via the telephone, walk-in crisis centers, and mobile response to designated community locations.
2. The Crisis Service's goals are:
  - a. Provide emergency assessments, appropriate emergency services/referrals, and a safe environment. CONTRACTOR's subcontractor shall maintain the response requirements.
  - b. Divert individuals from unnecessary presentations at local hospital emergency rooms.
  - c. Minimize the time involvement of emergency rooms and local law enforcement with each incident.
  - d. Reduce recidivism by linking client with appropriate resources and after care services.
  - e. Provide qualified professionals to respond to the local emergency rooms within twenty (20) minutes in Ukiah and Fort Bragg and within forty-five (45) minutes or less to Willits to perform the assessment for a 5150 placement.
  - f. Coordinate with law enforcement and hospital emergency departments to provide quality mental health services.
3. Crisis services shall be available to those in need, regardless of ability to pay. Once crisis services are accessed, assessments at every level of care shall determine the client's need for additional services. In every case, particular care shall be given to provide a safe, secure, and confidential experience. CONTRACTOR shall provide services to Medi-Cal clients and assist indigent clients to access mental health services. After stabilizing clients with insurance, CONTRACTOR shall provide referrals to the appropriate primary care provider/medical group network. CONTRACTOR shall bill crisis services covered by insurance to the appropriate third party payer. Payment for crisis services that are not covered by insurance are the responsibility of the client.

## EXHIBIT A – PAGE 19

### DEFINITION OF SERVICES

4. Individuals may be self-referred, family-referred, referred by law enforcement, Mendocino County agency referred, or referred by community-based mental health or medical professionals. Each individual shall be provided the least restrictive intervention possible. Assessments at every level of care shall determine the individual's need for additional services. CONTRACTOR shall assure that each crisis call is being responded to promptly; and, individuals who are determined to have a life-threatening or 5150 designation receive the highest priority.
5. Services by CONTRACTOR'S subcontractors may be provided over the phone or in person. All crisis contacts shall be logged and/or documented in the EHR, thus allowing the CONTRACTOR to monitor timeliness to access, appropriateness of intervention, and coordination of aftercare linkages, including, at times, access into mental health services. CONTRACTOR's subcontractor shall respond promptly and triage the crisis accordingly to the individual's level of suicidal, homicidal, and/or grave disability. The subcontractor shall refer medical emergencies to the appropriate emergency service or to the nearest hospital emergency room.
6. CONTRACTOR shall ensure service provision meets the following levels of care:
  - a. Crisis Prevention and Outreach
    - (1) CONTRACTOR shall work with subcontractors to ensure the provision of crisis prevention, outreach, and de-stigmatization services.
    - (2) CONTRACTOR and subcontractors shall participate in education and awareness events held locally throughout the County.
    - (3) CONTRACTOR shall arrange for crisis response to local community tragedies and disasters, as deemed necessary.
    - (4) CONTRACTOR shall provide subcontractors with assigned duties in emergency community efforts as per direction from the Behavioral Health Director.
    - (5) CONTRACTOR and subcontractors shall have informational pamphlets, flyers, and cards located throughout the County to ensure that beneficiaries have access to crisis services as needs arise.
    - (6) CONTRACTOR shall ensure appropriate networking to continue to expand local community supports and the development of a crisis continuum of care.

## EXHIBIT A – PAGE 20

### DEFINITION OF SERVICES

#### b. Crisis Intervention

- (1) CONTRACTOR shall assure crisis services can be requested through self-referrals, as well as referrals from community mental health agencies/subcontractors, healthcare subcontractors, law enforcement, family members, friends, neighbors, landlords, or community members concerned about the welfare of an individual who appears to be in a mental health crisis. Referrals shall be accepted by CONTRACTOR through an advertised toll-free crisis phone number which shall operate twenty-four (24) hours a day, seven (7) days a week.
- (2) CONTRACTOR shall ensure the operation of a minimum of two (2) Crisis Centers to be located inland and on the coast, with walk-in availability for individuals in crisis.
- (3) CONTRACTOR's subcontractor shall have appropriately credentialed staff that is trained to manage the crisis intervention and to resolve problems and/or situations with the least restrictive crisis response.
- (4) Criteria used by CONTRACTOR in assessing situations shall, at minimum, include deterioration of the mental health status or an increase in mental illness symptoms, along with:
  - i. Acute emotional distress;
  - ii. Thoughts of suicide or wanting to hurt oneself;
  - iii. Thoughts of harm to others;
  - iv. Physical aggression toward others;
  - v. Refusal of psychiatric or medical care because of impaired insight or judgment; and,
  - vi. Grave disability.
- (5) CONTRACTOR'S subcontracted crisis staff shall, upon completion of the assessment, provide brief crisis interventions designed to de-escalate and resolve the crisis or diminish the symptoms.
- (6) CONTRACTOR and subcontractors shall work to ensure that all parties involved in the initial crisis are content with the outcome of the initial assessment prior to determining a final disposition.

## EXHIBIT A – PAGE 21

### DEFINITION OF SERVICES

- (7) CONTRACTOR shall ensure appropriate referrals are made for the individual to assist in the stabilization of functioning and reduce potential recidivism into the crisis continuum of care.
- (8) CONTRACTOR shall assist subcontractors as needed to facilitate access to community resources such as housing, food, transportation, eligibility workers, and other domains of daily functioning to assist in the development of appropriate safety networks.
- (9) CONTRACTOR shall ensure that crisis services are provided in the least restrictive setting.
- (10) CONTRACTOR shall ensure access to a psychiatrist twenty-four (24) hours a day, seven (7) days a week for available consultation on medication and psychiatric conditions, as well as, requests for a second opinion when disagreements occur.
- (11) Crisis staff shall assess the need for inpatient psychiatric hospitalization and will work to complete the assessment, broker the bed, and arrange transportation should acute care be required.
- (12) CONTRACTOR shall monitor outcomes and indicators to look for trends and ways to prevent future inpatient psychiatric hospitalization.

#### c. Respite Services

- (1) CONTRACTOR shall arrange for Respite Care Services. Respite Care Services offer safe, temporary relief for adults who are experiencing a nonthreatening but difficult crisis situation, and for their care-givers. Respite programs provide short-term and time-limited breaks for mentally ill adults in need of temporary housing relief, without which emotional distress and situational trauma might increase, precipitating a need for more intensive services. It also operates as a support to unpaid caregivers of adults with a mental health diagnosis in order to support and maintain the care-giving relationship. Respite Care may be provided at a licensed community care facility or through temporary housing in a shelter, transitional housing sites, or a local motel and is available twenty-four (24) hours a day, seven (7) days a week. On occasion this service may be an alternative to costly higher levels of care, and



## EXHIBIT A – PAGE 22

### DEFINITION OF SERVICES

avoids potential emergency room visits and law enforcement involvement. Respite care shall be accessed by referral and authorized by CONTRACTOR.

#### d. Inpatient Psychiatric Services

- (1) CONTRACTOR shall arrange for the provision of voluntary and involuntary inpatient hospitalizations for adult clients twenty-five (25) years of age or older when medical necessity has been determined. CONTRACTOR shall authorize placement, find a bed with a contracted psychiatric facility, and arrange for transportation. Examples of qualified inpatient subcontractors include St. Helena Hospital, Woodland Memorial Hospital, Aurora Behavioral Healthcare, Restpadd and Marin General Hospital. COUNTY expects length of stay to range from three (3) to seven (7) days. CONTRACTOR shall monitor inpatient care and coordinate linkage and treatment upon discharge. When or if hospital staff suggest that an LPS conservatorship may be necessary for a patient, CONTRACTOR will contact COUNTY to begin to formulate a discharge strategy.

#### e. Supportive Aftercare Services

- (1) Following the initial crisis episode, CONTRACTOR shall ensure subcontractors timely follow-up is coordinated so as to assist in stabilization of the crisis and linkage for ongoing supports. When appropriate, the client's identified natural supports shall be involved in the planning and aftercare process.
- (2) Following an inpatient psychiatric stay, CONTRACTOR shall ensure that subcontractor provides a post-discharge exit interview to the client and offer supportive aftercare services. This exit interview will happen within the first seventy-two (72) hours of discharge and timeliness will be reported with utilization review reports.

## EXHIBIT A – PAGE 23

### DEFINITION OF SERVICES

- (3) CONTRACTOR shall ensure that all Mendocino County clients are transported back to the County following an inpatient stay.
- (4) Supportive after care services shall be offered to all clients who meet medical necessity criteria. After care may include respite, peer support, linkage to primary care and/or substance abuse programs, psychiatric follow-up, medication monitoring, care management, case consultation, and possibly other psychiatric emergency services. Support and aftercare shall be provided by subcontractors, even if the crisis is deemed not to be a mental health emergency.
- (5) CONTRACTOR shall allow for post-crisis aftercare linkage and support services to Medi-Cal and Indigent individuals regardless of the individual's ability to pay. For individuals with insurance, CONTRACTOR shall provide referrals to the appropriate primary care provider/medical group network for post-crisis aftercare linkage and support services.
- (6) CONTRACTOR shall ensure that aftercare services are mobile and provided in the community. The mobile aftercare model will assist crisis staff in evaluating client's environment, developing appropriate coping strategies, monitoring functioning in life domains, streamlining linkage referrals, and working to expand natural resources.
- (7) CONTRACTOR shall, to the extent possible, work with subcontractor to develop new resources in underserved areas so that referrals are made within the community of origin during crisis.
- (8) CONTRACTOR shall make supportive aftercare services available for up to sixty (60) days post crisis to allow for stabilization and linkage to community supports.
- (9) Conservatorship Investigations and Involuntary Detention: COUNTY shall provide oversight and placement of all Lanterman-Petris-Short Act Conservatorships. CONTRACTOR shall arrange for the provision of SMHS to persons within Mendocino County.
- (10) COUNTY shall provide 5150 training to all of CONTRACTOR'S subcontractors who will be conducting 5150 assessments. All personnel conducting 5150 assessments

## EXHIBIT A – PAGE 24

### DEFINITION OF SERVICES

shall be certified by the Behavioral Health Director. This training shall be conducted yearly to meet State requirements and all subcontractors need to be recertified yearly. Any subcontractor who does not attend the training or does not pass the training shall be unable to conduct 5150 assessments until the matter is rectified.

#### V. Administrative/Utilization Review Services

- A. CONTRACTOR shall provide administrative and utilization review services. CONTRACTOR shall partner with COUNTY to coordinate and/or consolidate existing administrative functions where appropriate. COUNTY anticipates that COUNTY will retain certain functions including fiscal management, client billing to State, Chart Audits/Clinical Review and quality management. COUNTY shall perform oversight of the CONTRACTOR and the contract. CONTRACTOR shall provide the following administrative services to complete the mental health management structure for Mendocino County:

##### 1. Administrative Services

- a. Care management technology
- b. Medi-Cal billing preparation
- c. Compliance management of administrative requirements
- d. Program system/data reports
- e. Subcontractor network development
- f. Subcontractor contracting and contract monitoring
- g. Subcontractor management/relations
- h. MHSA program/services management
- i. Subcontractor fiscal planning and budget monitoring
- j. Subcontractor cost report monitoring and oversight
- k. BHRS/ASO functions, systems and committee integration
- l. BHRS reporting/coordination/communication
- m. BHRS interagency coordination/communication
- n. BHAB, National Alliance on Mental Illness (NAMI) stakeholder relations
- o. Community relations

## EXHIBIT A – PAGE 25

### DEFINITION OF SERVICES

#### 2. Utilization Review Services

- a. Client eligibility verification
- b. Medical necessity determination
- c. Service authorization
- d. Lockouts
- e. Utilization management
- f. Quality/outcome management
- g. Compliance management of utilization review services
- h. Clinician/agency credentialing

3. CONTRACTOR's contracts with subcontractors shall be developed, negotiated and managed by the CONTRACTOR. A CONTRACTOR's representative shall consult with Mendocino County Counsel regarding requirements and safeguards necessary for inclusion into each network subcontractor agreement. CONTRACTOR shall be responsible for contract management and shall be the point of contact between subcontractors and COUNTY. CONTRACTOR shall maintain regular and routine communication with the Behavioral Health Director to report progress, solve problems, coordinate resources, provide information and maintain relationships.

#### VI. Subcontracts

- A. CONTRACTOR shall maintain and monitor a network of appropriate subcontractors that are supported by written contract. CONTRACTOR shall provide COUNTY with a copy of each executed subcontractor contract, at least yearly. In all contracts, CONTRACTOR and subcontractor must comply with the requirements of 42 C.F.R. § 438.214. CONTRACTOR shall ensure all subcontractors adhere to the COUNTY policies and procedures.
- B. CONTRACTOR shall not discriminate in the selection, or reimbursement, of any subcontractor who is acting within the scope of his or her license or certification under applicable State law, solely on the basis of that license or certification. CONTRACTOR shall ensure that subcontractors adhere to the COUNTY policy and procedure for selection, retention, credentialing, and re-credentialing of subcontractors.
- C. CONTRACTOR shall give written notice of the reason for deciding not to contract with a specific subcontractor or groups of subcontractors. A copy of the notice shall be provided to COUNTY.

## EXHIBIT A – PAGE 26

### DEFINITION OF SERVICES

- D. CONTRACTOR shall comply with California Code of Regulations (CCR) Title 9 § 1830.215 in the selection of subcontractors. Subcontractors shall maintain compliance with all MHP, State and Federal requirements. If a subcontractor does not maintain compliance CONTRACTOR shall issue a corrective action plan. COUNTY shall be notified when a subcontractor is failing to comply with requirements. CONTRACTOR shall provide COUNTY with a copy of the corrective action plan provided to subcontractor. CONTRACTOR shall continue to work with subcontractor until subcontractor is in compliance with requirement or subcontractor's services have been terminated. CONTRACTOR shall keep COUNTY informed throughout the corrective action process.
- E. CONTRACTOR shall ensure that subcontractors only use licensed, registered, or waived staff acting within their scope of practice for services which require a license, waiver, or registration.
- F. CONTRACTOR shall ensure that all subcontractor sites meet the requirements for Medi-Cal certification. COUNTY shall certify all subcontractors and recertify every three years. COUNTY shall conduct annual site reviews to verify that all subcontractors are in compliance with Medi-Cal site certification requirements. Any subcontractor found out of compliance shall receive a corrective action plan from COUNTY. COUNTY shall provide to CONTRACTOR a copy of any corrective action plan issued to a subcontractor. Failure to comply with the corrective action plan may result in termination of subcontractors Medi-Cal certification.
- G. CONTRACTOR shall assure that no subcontractor is on a list excluding them from billing Medi-Cal, such as:
  - 1. Office of General Inspector General List of Excluded Individuals/Entities (LEIE).
  - 2. DHCS Medi-Cal List of Suspended or Ineligible Subcontractors
  - 3. Excluded Parties List System (EPLS)
  - 4. Social Security Death Master List
  - 5. Verification of licensure without restrictions
  - 6. National plan and subcontractor Enumeration System (NPPES)
- H. CONTRACTOR shall run monthly checks on the exclusion list sites, as directed by the COUNTY, and provide COUNTY monthly reports.

## EXHIBIT A – PAGE 27

### DEFINITION OF SERVICES

- I. CONTRACTOR shall include in subcontractor contracts the following:
1. Anticipated number of Medi-Cal eligible clients.
  2. Expected utilization of services.
  3. Number and types of subcontractors in terms of training, experience and specialization needed to meet expected utilization.
  4. Number of subcontractors who are not accepting new clients.
  5. Geographic location of subcontractors and their accessibility to clients, considering distance, travel time, means of transportation ordinarily used by Medi-Cal recipients and physical access for disabled clients.
  6. Specific language stating the subcontractor is required to comply with all Federal, State & COUNTY requirements, regulations, and MHP policy and procedures for SMHS. This includes notification to COUNTY in a timely manner according to code provisions of Special Incidences, and communicating in writing to COUNTY throughout the process with status updates and outcomes.
- J. CONTRACTOR shall have a certification protocol for all subcontractors to ensure their capacity and capability for meeting the full requirements of the Mendocino County MHP. CONTRACTOR shall be responsible for financial and billing reconciliation, including cost reports, allowable costs, federal cost report compliance, etc. for all subcontractors.
- K. CONTRACTOR shall ensure that all subcontractors use an EHR. The EHR allows subcontractor to enter client data, upload clinical documents, enter progress notes, and track outcome data. EHR also allows CONTRACTOR to access various reports, to assist in monitoring:
1. Subcontractor scheduling and productivity
  2. Intensity and duration of services
  3. Demographic data
  4. Clinical data
  5. Service utilization
  6. Level of placement
  7. High-cost beneficiaries
- L. CONTRACTOR shall have a Chief Psychiatrist (licensed psychiatrist) who will be available to provide medical consultation as needed. CONTRACTOR's Chief Psychiatrist shall also assist with emergency ex partes, as needed. CONTRACTOR's Chief Psychiatrist shall have particular focus on medication, assessment, consultation, inpatient denials, appeals, and assist with recommendations for further treatment.

## EXHIBIT A – PAGE 28

### DEFINITION OF SERVICES

- M. CONTRACTOR shall be responsible for sending notification letters to clients, if a subcontractor terminates their contract with CONTRACTOR or CONTRACTOR terminates contract with COUNTY.
- VII. Monthly, Quarterly and Annual Reporting
- A. CONTRACTOR shall provide monthly, quarterly, and annual reports. The CONTRACTOR shall fully cooperate with BHRS and promptly provide all information pertaining to any aspect of the MHP when requested.
- B. CONTRACTOR shall provide COUNTY with information and reports as required, including, but not limited to, the following information:
1. Annual MHP and budget.
  2. Annual program report.
  3. Annual cost report - Cost Report Template Excel forms for CONTRACTOR and all subcontractors for current fiscal year with back up documentation (Invoices, Worksheets, Profit and Loss with Assets and Liabilities, Depreciation Schedule of Facilities and Equipment associated with this contract.).
  4. Monthly program report to BHAB.
  5. Monthly and quarterly claim submissions; no more than one (1) quarter in arrears.
  6. Quarterly CSS Demographic Reports for all CSS programs.
  7. Fiscal Year full Expenditure Detail Report by CSS Programs submit to BHRS (including receipts, invoices, vouchers, etc. to back up the expenditures that are entered in the Fiscal Report).
  8. Fiscal Year full Expenditure Detail Report by PEI Programs submit to BHRS (including receipts, invoices, vouchers, etc. to back up the expenditures that are entered in the Fiscal Report).
  9. PEI Quarterly Demographic Reports for all PEI programs.
  10. Maintain and submit to BHRS a semiannual list of all CONTRACTOR and subcontractor cultural and linguistic skills and training.
  11. Report on utilization funds compared to Plan of Services as requested.
  12. Tracking Access/Crisis Log due by the 10<sup>th</sup> of the month following the occurrence.
  13. Access Log Monthly totals page, includes year-to-date information due by the 10<sup>th</sup> of the month following the occurrence.
  14. Outpatient timeliness to Authorization Report due by the 10<sup>th</sup> of the month following the occurrence.

## EXHIBIT A – PAGE 29

### DEFINITION OF SERVICES

15. Outpatient Treatment Authorization Request (TAR) log (included hard copies of original TAR) due by the 10<sup>th</sup> of the month following the occurrence.
  16. Hospitalization Log including exit interview data done within seven (7) days of hospital exit, due by the 10<sup>th</sup> of the month following the occurrence.
  17. Hospital Report including charts/graphs, year-to-date which has admission average length of stay, readmission within thirty (30) days data, due by the 10<sup>th</sup> of the month following the occurrence.
  18. Copies of NOABDs, due monthly.
  19. Quarterly Training Log.
  20. Annual Statements of disclosure of ownership, control, and relationship information, managing employees, including agents and managing agents from both CONTRACTOR and subcontractor, as required in CRF, title 42, § 455.1012 and 455.104, and in the MHP Contract, Program Integrity Requirements.
  21. Diagnosis/Periodic Update Form (DPU) as occurs.
  22. Monthly closing summary of all cases closed which includes the name of the client, date of birth, chart number and the effective close date.
  23. Updated Network Adequacy Certification Tool quarterly. The report shall include Organizational Provider data, Individual Provider data and Providers providing services outside of certified provider sites.
  24. Quarterly utilization of Language Line data for all subcontractors. Data shall be separated by month and service provided in the following categories:
    - a. 24/7 telephone numbers
    - b. Face to face encounters
    - c. Telehealth or telephonic service encounters
  25. Any other data or cost reports, as requested.
  26. COUNTY may develop reporting instruments to facilitate evaluation and monitoring during the term of this agreement and with input from CONTRACTOR. Upon implementation of these reporting instruments, CONTRACTOR shall comply with the established requirements.
- C. COUNTY reserves the right to add performance indicators to the submission packet by informing the CONTRACTOR of new indicator requirements by letter from the Behavioral Health Director. The CONTRACTOR agrees to submit all performance indicators to COUNTY within thirty (30) days of receipt of the letter from COUNTY.



## EXHIBIT A – PAGE 30

### DEFINITION OF SERVICES

- D. CONTRACTOR shall provide COUNTY with a monthly "Operational" Cost Report using the most recent data. The Operational Cost Report will be used to track against the interim rate for less future audit reconciliation variation, and to produce an Official Annual Cost Report of Community Based Organizations. Community Based Organizations are those that provide Medi-Cal services contracted with the Administrative Service Organization for services under the Mental Health Plan. The Official Annual Cost Report will be in the State approved format, for submission to the State of California, DHCS.

### VIII. Technical Assistance and Training

- A. CONTRACTOR agrees to be subject to oversight reviews within each sub-heading:

1. Programmatic:

CONTRACTOR agrees to be subject to oversight reviews of programmatic service provision that satisfy DHCS, Program Oversight and Compliance Reviews and External Quality Reviews. These reviews evaluate the following, but are not limited to:

- a. Access
- b. Point of authorization
- c. Client protection
- d. Target population service provision
- e. Interface with physical health care
- f. Program integrity
- g. Quality improvement
- h. Service provision
- i. Data management
- j. Penetration rates and approved claim dollars per client
- k. Process barriers
- l. Race/ethnicity penetration rates

2. Financial

- a. CONTRACTOR shall make available to COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to COUNTY. CONTRACTOR shall furnish to COUNTY, within

## EXHIBIT A – PAGE 31

### DEFINITION OF SERVICES

sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

- b. CONTRACTOR and subcontractors shall be required to attend all mandatory COUNTY Technical Assistance and Training. COUNTY shall provide Technical Assistance and Training to ensure that CONTRACTOR complies with all components of Medi-Cal and Medicaid requirements including but not limited to:

- (1) Certified public expenditures
- (2) Funding, reporting and contract requirements
- (3) Compliance
- (4) Cultural Competency
- (5) 5150 Certification
- (6) Invoice training
- (7) Medi-Cal match training
- (8) Medi-Cal services training
- (9) Medi-Cal medical necessity training
- (10) Local, State and Federal laws, codes and regulations related to the provision of Medi-Cal services
- (11) Full Service Partnership
- (12) Mandated Reporting
- (13) Documentation training and supervisory documentation review and compliance to regulations
- (14) Redwood Coast Regional Centers

### IX. Health Care Reform

- A. CONTRACTOR shall collaborate with BHRS to participate, upon request, in the planning, coordination and implementation of the following Health Care Reform elements, including, not limited to:
1. Health systems service integration including, but not limited to, primary care and behavioral health (mental health and substance abuse) services
  2. Establishment of the "Medical Home"
  3. Medi-Cal Expansion
    - a. Outreach and engagement to facilitate client enrollment and maintenance of benefits.

## EXHIBIT A – PAGE 32

### DEFINITION OF SERVICES

#### 4. Clinical and Fiscal Outcomes

- a. Monitor and measure the achievement of quality clinical and fiscal outcomes while reducing costs through the management and delivery of integrative care

#### X. Memorandums of Understanding

- A. CONTRACTOR shall participate in the development and/or maintain with COUNTY and other parties the following MOU's:

1. COUNTY Substance Use Disorders Treatment
2. Justice System
3. Medical Hospitals
4. Community Health Centers
5. Law Enforcement
6. Public Guardians Office

#### XI. Compliance

- A. The COUNTY is accountable for any functions and responsibilities that it delegates to CONTRACTOR. COUNTY shall evaluate CONTRACTOR's ability to perform the activities prior to delegation. CONTRACTOR shall not delegate any activities to subcontractors.
- B. CONTRACTOR shall prepare a System Design Structure Report that describes the CONTRACTOR's SMHS delivery system, including all of the following:
  1. Proposed goals and objectives for the delivery system;
  2. Written description and/or outline of how the requirements specified in each section of the Scope of Work (Exhibit A) have been met; and for those requirements pending completion, a timeline for completion and the manner in which the requirements will be met;
  3. Identification and description of the roles of all subcontractors and other organizations providing services on behalf of or to CONTRACTOR;
  4. Written description and flow chart for the referral and service delivery framework involving ASO and subcontractors delivering mental health and any other services specified in the Scope of Work; and,
  5. Written description of the CONTRACTOR's mental health system interfaces, including services delivered to and by other systems, including community

## EXHIBIT A – PAGE 33

### DEFINITION OF SERVICES

hospitals, community health centers and other health care subcontractors in the County, and the County jail and justice system.

- C. The System Design Structure Report shall be due in a final form from CONTRACTOR no later than ninety (90) days from start date of this contract. The report shall be provided in written format and delivered to the Behavioral Health Director. BHRS, in its sole discretion, shall have the right to review and approve CONTRACTOR's System Design Structure report and require modification of such report. If modifications are required, the Behavioral Health Director shall meet with CONTRACTOR to discuss the requested modifications. Following BHRS approval of CONTRACTOR's System Design Structure Report, BHRS shall within ten (10) days provide written notice of approval to CONTRACTOR.
- D. CONTRACTOR shall provide a compliance officer, in coordination with COUNTY, and comply with Federal and State compliance program requirements. CONTRACTOR shall assure that all subcontractors comply with the compliance plan and that there are tools and protocols in place for ongoing compliance review. All clinical documentation shall meet Medi-Cal (Title IX) standards and EPSDT requirements. Internal systems shall be employed to monitor strict compliance with all requirements to meet standards and regulations with service authorizations, service delivery, documentation, and billing.
- E. CONTRACTOR's program policies, procedures and protocols, as related to client services and as shown in Exhibit A shall be reviewed and revised to reflect the requirements set forth by the Mendocino County MHP.
- F. CONTRACTOR acknowledges, and understands all current requirements of DHCS for the provision of SMHS. Such requirements include the following agreements, but are not limited to:
  - 1. MHP Performance Agreement
  - 2. Medi-Cal Services Agreement
  - 3. Managed Care Services Agreement
  - 4. MHSA Agreement
- G. CONTRACTOR shall meet the standards of said agreements referenced above as well as all successor agreements between the COUNTY and DHCS during the term of this Agreement.
- H. COUNTY shall operate a confidential phone line for calls regarding suspected fraud and compliance issues and shall respond to each call in a timely manner. All calls shall be recorded in a compliance log. CONTRACTOR shall post in all locations the compliance poster that includes the phone number.

## EXHIBIT A – PAGE 34

### DEFINITION OF SERVICES

- I. All services that do not meet medical necessity and are not sufficient to achieve the purpose for which the services are furnished, shall be disallowed. In no event shall the County be obligated to pay CONTRACTOR for any Short-Doyle/Medi-Cal services where Medi-Cal has been denied, disallowed or refused as payment for services by State or Federal authorities.
- J. All services disallowed are to be reimbursed by CONTRACTOR to COUNTY within thirty (30)-days of the notice of disallowance.
- K. In carrying out the Scope of Work contained in this Exhibit A, CONTRACTOR shall comply with all requirements to the satisfaction of COUNTY, in the sole discretion of COUNTY. For any finding of CONTRACTOR'S non-compliance with the requirements contained in the Exhibit A, COUNTY shall within ten (10) working days of discovery of non-compliance notify CONTRACTOR of the requirement in writing and ask for a written response within five (5) working days. If the identified non-compliance issue has not been resolved through response from CONTRACTOR, then COUNTY shall request in writing CONTRACTOR submit a Corrective Action Plan to correct the area of non-compliance and shall define the timeframe and measurability for each item listed within such Corrective Action Plan. COUNTY shall respond within sixty (60) days of receipt of CONTRACTOR'S Corrective Action Plan. Following such notification by COUNTY, should CONTRACTOR'S Corrective Action Plan and/or CONTRACTOR'S performance of such Plan fail to satisfy COUNTY that CONTRACTOR has complied with the requirements of this Exhibit A, COUNTY may withhold monthly payments for Administration/Utilization Review pending determination by COUNTY that CONTRACTOR'S Corrective Action Plan and/or performance meets COUNTY requirements. Should COUNTY determine that CONTRACTOR'S non-compliance has not been addressed to the satisfaction of COUNTY for a period of sixty (60) days or more from the date of notice by COUNTY of the required Corrective Action Plan by CONTRACTOR, COUNTY may impose a penalty of five percent (5%) of the monthly amount otherwise payable to CONTRACTOR for Administration/Utilization Review for each month following the sixty (60) day time period that CONTRACTOR'S non-compliance continues. Failure to meet compliance requirements may lead to termination of this contract by the COUNTY with a ninety (90) day written notice, when non-complaint issues continue and the Corrective Action Plan has not been successfully completed within the allotted timeline.

## EXHIBIT A – PAGE 35

### DEFINITION OF SERVICES

#### XII. Communication Plan

CONTRACTOR shall notify COUNTY of all communications with Media, including, but not limited to, press releases, interviews, articles, etc. CONTRACTOR shall not speak on behalf of COUNTY in any communications with Media but is encouraged to describe the services it provides and respond to questions about those services. CONTRACTOR is also encouraged, where appropriate, to provide timely and factual responses to public concerns.

- XIII. CONTRACTOR covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law or that would otherwise conflict in any manner or degree with the performance of its services hereunder. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interests shall be employed. In addition, if requested to do so by COUNTY, CONTRACTOR with 5% or more direct or indirect ownership interest shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Disclosure of Ownership & Control Interest" with COUNTY disclosing CONTRACTOR's or such other person's financial interests. Additionally, a background check, including fingerprinting, may be required for said persons if it is determined there is a "high" risk to the Medi-Cal program. Furthermore, CONTRACTOR agrees to gather completed Disclosure of Ownership forms from any and all subcontractors who are providing Medi-Cal specialty mental health services and provide a copy of forms to COUNTY.

[END OF DEFINITION OF SERVICES]

## EXHIBIT B

### PAYMENT AND COST SETTLEMENT TERMS

COUNTY shall reimburse CONTRACTOR for administrative fees, and Specialty Mental Health Services provided to all medically eligible clients as per the following instructions:

1. Specialty Mental Health Services and Mental Health Services Act (MHSA) funding shall mean the projected amounts of Realignment and MHSA funding received by Mendocino County from the State to provide: (1) required Medi-Cal Specialty Mental Health Services; (2) specified qualifying services to non-Medi-Cal eligible individuals; and (3) MHSA programs and services. Funding provided by COUNTY during the term of this Agreement is subject to increase, decrease, or not change upon sole discretion of COUNTY. All funding amounts shall be determined by COUNTY.
2. CONTRACTOR shall provide or arrange for the provision of services as directed by the Mendocino County Behavioral Health Director, and in compliance with the Mendocino County Mental Health Plan Contract with the State of California and the California MHSA Plan. Funding sources shall include 1991 Realignment, 2011 Realignment Behavioral Health Subaccount, and MHSA.
3. COUNTY shall provide reimbursement for Administrative Services, Utilization Review Services, Specialty Mental Health Services and MHSA Programs as follows:
  - a. Administrative Services are funded by 1991 Realignment. Funds shall be used only to reimburse direct and indirect costs necessary for the administration of the provision of Specialty Mental Health Services. Actual costs shall be reimbursed quarterly within forty-five (45) days of receipt of a complete and accurate invoice. Reimbursement for the cost of Administrative Services for FY 18-19 shall not exceed Two Hundred Thirty-Four Thousand Dollars (\$234,000). CONTRACTOR shall submit a quarterly invoice that includes allowable direct and indirect costs per Office of Management and Budget Circular A-87. Invoices shall include compensation for employees for the time specifically devoted to the support of MHP funded programs and the Administrative Services identified in this Agreement. Direct costs also include materials acquired, consumed, or expended; equipment and other approved capital expenditures, and travel expenses incurred specifically to carry duties and obligations of the MHP funded programs. Allowable indirect costs include facility costs and the cost of

## EXHIBIT B – PAGE 2

### PAYMENT AND COST SETTLEMENT TERMS

- services provided by other staff (i.e., HR, IT) to employees devoted to the MHP funded programs.
- b. Utilization Review Services are funded by 1991 Realignment. Funds shall be used only for the purposes of utilization review services and shall be reimbursed quarterly within forty-five (45) days of a complete and accurate invoice based on actual cost with maximum annual reimbursement not to exceed Three Hundred Twenty-Three Thousand Five Hundred Dollars (\$323,500). CONTRACTOR shall submit costs on form MC1982C SMHS.
  - c. COUNTY shall submit Medi-Cal billable services received from the CONTRACTOR to allow the COUNTY to draw down FFP dollars from the State for the CONTRACTOR for Short-Doyle Medi-Cal Eligible Services. COUNTY agrees to remit the FFP payment related to State approved claims to CONTRACTOR within sixty (60) days of receipt of payment from the State. All services that do not meet medical necessity and are not sufficient to achieve the purpose for which the services are furnished, shall be disallowed. COUNTY shall be fully reimbursed for the total claimed amount of all services disallowed (by State and/or County) audit and/or review within thirty (30) days of the notice of disallowance. Maximum annual reimbursement for Specialty Mental Health Services not to exceed One Million Five Hundred Twenty-Six Thousand Three Hundred Thirteen Dollars (\$1,526,313) for Fiscal Year (FY) 2018-19. 2011 Realignment for Specialty Mental Health Services claims shall be distributed quarterly beginning in July 2018 as scheduled:
    - i. July 9, 2018
    - ii. October 12, 2018
    - iii. January 11, 2019
    - iv. April 12, 2019
  - d. MHSA Services and Programs are funded by MHSA and shall be used in accordance with MHSA laws and regulations. CONTRACTOR shall provide COUNTY with copies of all MHSA contracts executed by CONTRACTOR. COUNTY shall reimburse CONTRACTOR for MHSA expenditures on a quarterly basis. Maximum annual reimbursement for MHSA services is not to exceed Two Million Two Hundred Fifty-Seven Thousand Six Hundred Eighty-Seven Dollars (\$2,257,687) for FY 2018-19. COUNTY shall reimburse CONTRACTOR within forty-five (45) days of receipt of:



## EXHIBIT B – PAGE 3

### PAYMENT AND COST SETTLEMENT TERMS

- i. Complete and accurate spreadsheet reporting PEI and CSS expenditures by Provider with services categorized by Adult and Children.
- ii. Monthly invoices for PEI and CSS costs from each provider for the quarter being billed.
- iii. Complete and accurate spreadsheet reporting MHSA Flex Fund expenditures by Provider with services categorized by Adult and Children.
- iv. Monthly invoices for MHSA Flex Fund for the quarter being billed.
- v. Quarterly Expenditure Summary reports with MHSA reported on the Other Contract Services area.
- vi. Final end of year Expenditure Summary Actual Reports.

Program/Services	Funding Source	Quarterly	Maximum Payable
Specialty Mental Health Services	2011 Realignment	\$381,578.25	\$1,526,313.00
MHSA PEI, CSS	Mental Health Services Act	\$564,421.75	\$2,257,687.00
Subtotal		\$946,000.00	\$3,784,000.00
Federal Financial Participation(match)			\$3,000,000.00
Total			\$6,784,000.00

## EXHIBIT B – PAGE 4

### PAYMENT AND COST SETTLEMENT TERMS

<b>RQMC ASO reimbursement ASO Contract</b>			
<b>Program/Services</b>	<b>Funding Source</b>	<b>Quarterly</b>	<b>Maximum Payable</b>
Administration	1991 Realignment	\$46,000.00	\$184,000.00
Ancillary Admin Support Services		\$12,500.00	\$50,000.00
Utilization Review / Quality Assurance	1991 Realignment	\$80,875.00	\$323,500.00
System of Care Contract Monitoring Fee		\$15,000.00	\$60,000.00
Total		\$154,375.00	\$617,500.00
<b>Contract Maximum</b>			<b>\$7,401,500.00</b>

4. CONTRACTOR shall submit Specialty Mental Health Medi-Cal Services claims in electronic files in a HIPAA compliant format to COUNTY as expeditiously as possible, and no later than sixty (60) days after the end of the month during which services were rendered (i.e. billing for services rendered in May would be due no later than July 31). Claims submitted by CONTRACTOR in excess of one hundred eighty (180) days from date of service shall be reviewed with the Behavioral Health Director and Behavioral Health Fiscal Manager for justification regarding late submission. COUNTY is aware that some services may require a late submission. If CONTRACTOR and Behavioral Health Fiscal Manager are unable to come to an agreement regarding late submission, the Behavioral Health Director shall make the final determination as to whether payment is to be remitted to CONTRACTOR. The Behavioral Health Director shall meet with CONTRACTOR to allow CONTRACTOR to provide justification for late payment. If late submission is not approved, CONTRACTOR shall be responsible for payment to any subcontractors owed reimbursement for services subject to such late billing.
5. COUNTY shall submit Medi-Cal billable services received from the CONTRACTOR to draw down FFP dollars from the State. All services that do not meet medical necessity and are not sufficient to achieve the purpose for which the services are furnished, shall be disallowed. COUNTY shall be fully reimbursed by CONTRACTOR for the total claimed amount of all services

## EXHIBIT B – PAGE 5

### PAYMENT AND COST SETTLEMENT TERMS

- disallowed by State and/or County audit and/or review within thirty (30) days of the notice of disallowance.
6. CONTRACTOR shall work with COUNTY to develop a Plan of Services, in a COUNTY provided format. CONTRACTOR shall submit the Plan of Services to COUNTY by September 30, 2018 for the Fiscal Year. The Plan of Services shall include all phases of services, projected age groups, expected budgeted components and justification for all planned expenditures for approval by the Behavioral Health Director, and Health and Human Services Agency Assistant Director of Administration. The parties agree that all changes approved/assigned by the Behavioral Health Director shall take effect no later than forty five (45) days from the approval date of such change.
  7. Prior to CONTRACTOR making any changes in payment rates of any amount and/or changes of more than five percent (5%) to total budget amounts allocated to subcontractors proportionate to the previous fiscal year, CONTRACTOR shall submit for approval to the Behavioral Health Director all such proposed changes.
  8. CONTRACTOR shall comply with all direction(s) from the Behavioral Health Director and all policies, procedures, letters and notices of the County of Mendocino Mental Health Plan, MHSA Plan, and the California Department of Health Care Services (DHCS). CONTRACTOR agrees to utilize all funds in accordance with the terms of this Agreement, and State and Federal healthcare funding laws and regulations. Funds shall not be used for lobbying or other administrative activities not related to the delivery of services under the Mental Health Plan.
  9. CONTRACTOR shall provide COUNTY with a monthly "Operational" Cost Report using the most recent data. The Operational Cost Report will be used to track against the interim rate for less future audit reconciliation variation, and to produce an Official Annual Cost Report of Community Based Organizations. Community Based Organizations are those that provide Medi-Cal services contracted with the Administrative Service Organization for services under the Mental Health Plan. The Official Annual Cost Report will be in the State approved format, for submission to the State of California, DHCS.
  10. COUNTY shall conduct quarterly reviews of CONTRACTOR's interim rates with CONTRACTOR's monthly Operational Cost Reports to maintain interim

## EXHIBIT B – PAGE 6

### PAYMENT AND COST SETTLEMENT TERMS

rates that align with COUNTY cost. COUNTY shall also review CONTRACTOR's Annual Cost Report to establish interim rates with CONTRACTOR. COUNTY shall consult with CONTRACTOR to determine possible adjustments and/or actions to be used for Cost Report reconciliation. CONTRACTOR shall provide COUNTY a copy of each contract negotiated with an outside provider within thirty (30) days of contract completion.

11. CONTRACTOR is responsible for the submission of all subcontractor cost reports by October 31, 2019. Cost reports must be completed using the appropriate templates and in accordance with the annual DHCS Fiscal Year Cost Report Policy Information Notice. Cost Reports shall include all services delivered through June 30 of FY 18-19. Settlement to cost will be made through the submission and acceptance of the Cost Reports in accordance with federal Medicaid requirements and the approved Medicaid State Plan and Waivers.

If the CONTRACTOR is out of compliance with the Cost Report submission requirements under any previous Agreement, CONTRACTOR agrees that funds to be distributed under the terms of this Agreement shall be withheld until such time as CONTRACTOR submits acceptable Cost Report(s). Acceptable Cost Reports are Cost Reports that comply with State guidelines and are deemed complete by the COUNTY.

12. The compensation payable to CONTRACTOR shall be dependent on CONTRACTOR satisfying all components of this Agreement and all direction from the Behavioral Health Director, the State/County Mental Health Plan, the MHSA Plan, CFR 42 of Federal Regulations, California Title IX, Exhibit A and Exhibit B as directed within this Agreement.

[END OF PAYMENT TERMS]

## **EXHIBIT C**

### **INSURANCE REQUIREMENTS**

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law. Insurance requirements shall be in addition to, and not in lieu of, CONTRACTOR's indemnity obligations under Paragraph 2 of this Agreement.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$3,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

[END OF INSURANCE REQUIREMENTS]

EXHIBIT D  
**CONTRACTOR ASSURANCE OF COMPLIANCE WITH**  
THE MENDOCINO COUNTY  
HEALTH & HUMAN SERVICES AGENCY  
**NONDISCRIMINATION IN STATE  
AND FEDERALLY ASSISTED PROGRAMS**

---

NAME OF CONTRACTOR: **Redwood Quality Management Company**

HEREBY AGREES THAT it will comply with Federal Law Requirements:

1. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in federally funded programs.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
4. Age Discrimination in Employment Act (29 CFR Part 1625).
5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.
6. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.
7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of individuals with disabilities.
9. Executive Order 11246, 42 USC 2000e et seq., and 41 CFR Part 60 regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.
10. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
12. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).
13. Title 42, United States Code (USC), Section 300 x-24, Requirements regarding tuberculosis and human immunodeficiency virus
14. Title 45, United States Code (USC), Section 96.128 Requirements regarding human immunodeficiency virus
15. 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91 Nondiscrimination Under Programs Receiving Federal Assistance, including handicap or age
16. Title 28, United States Code (USC), part 42, Nondiscrimination and Equal Employment
17. Title 7, United States Code (USC), part 15, Nondiscrimination Under Programs Receiving Assistance from the Department of Agriculture
18. Food Stamp Act of 1977, as amended and in particular section 272.6
19. Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996
20. 22 U.S.C. 7104 section 106 - Trafficking Victims Protection Act of 2000

21. Title 45, United States Code (USC), Section 96.131 - Admission Priority and Interim Services for Pregnant Women
22. CLAS (Culturally and Linguistically Appropriate Services National Standards); Civil Rights, Division 21 and ADA as amended
23. Title 42, CFR, Part 54 - Charitable Choice

As well as comply with State Law Requirements:

1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (2 CCR 7285.0 et seq.).
2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135-1119.5 as amended.
3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 13000.
4. No state, federal, or County Realignment funds shall be used by the Contractor or its subcontractors for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or its subcontractors to provide direct, immediate, or substantial support to any religious activity.
5. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for DHCS to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.
6. Title 1, Division 5 Chapter 7, of the Government Code, Section 4450 Access to Public Buildings by Physically Handicapped Persons
7. Title 22, Division 8 of the California Code of Regulations, Sections 98000-98413
8. California Civil Code Section 51 et seq., which is the Unruh Civil Rights Act
9. California Government Code section 12940 - California Fair Employment
10. California Government Code section 4450 -Access to Public Buildings
11. California Government Code Section 7290-7299.8 - the Dymally-Alatorre Bilingual Services Act

AND HEREBY GIVE ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE CONTRACTOR HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, CONTRACTOR agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code section 10605, or Government Code section 11135-11139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on CONTRACTOR directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

6.7.18  
Date

  
CONTRACTOR Signature

PO Box 422 Ukiah, CA 95482  
Address of CONTRACTOR

## EXHIBIT E

### DEFICIT REDUCTION ACT – OBLIGATIONS OF COUNTY

In accordance with Section 1902(a) of the Social Security Act, the County provides the following detailed information about the Federal False Claims Act and the California False Claims Act.

#### **THE FEDERAL FALSE CLAIMS ACT**

The Federal False Claims Act (“FCA”) helps the federal government combat fraud and recover losses resulting from fraud in federal programs, purchases, or contracts. 31 U.S.C. §§ 3729-3733.

#### **Actions that violate the FCA include:**

- Knowingly submitting (or causing to be submitted) a false claim to the Government or the Armed Forces of the United States (the “Armed Forces”) for payment or approval;
- Knowingly making or using (or causing to be made or used) a false record or statement to get a false claim paid or approved by the Government;
- Conspiring to get a false claim allowed or paid by the Government;
- Delivering (or causing to be delivered) less property than the amount of the receipt, where the person with possession or control of the Government money or property intends to deceive the agency or conceal the property;
- Making or delivering a receipt without completely knowing that the receipt is true, where the person authorized to make or deliver the receipt intends to defraud the Government;
- Knowingly buying or receiving public property from an officer or employee of the Government or a member of the Armed Forces who has no legal right to sell or pledge the property; or
- Knowingly making or using a false record to conceal, avoid, or decrease an obligation to pay money or transmit property to the Government.

#### “Knowing” and “Knowingly” means a person:

- Has actual knowledge of the information;
- Acts in deliberate ignorance of the truth or falsity of the information; or
- Acts in reckless disregard of the truth or falsity of the information. No proof of specific intent to defraud is required.

“Claim” includes any request or demand for money or property (including those made under contract) to the Government or to a contractor, grantee, or other recipient, if any portion of the requested money or property is funded by or will be reimbursed by the Government.

#### **A person or organization may be liable for:**

- A civil penalty \$5,500 to \$11,000 for each false claim;



- Three times the amount of damages sustained by the Government due to the violations; and
- The costs of a civil suit for recovery penalties or damages.

**The court may reduce the treble damages if:**

- The person committing the violation voluntarily disclosed all information known to him or her to the U.S. officials responsible for investigating false claims violations within thirty days of obtaining the information;
- The person fully cooperated with any Government investigation; and
- No criminal prosecution, or civil or administrative action had been commenced at the time of the person's disclosure, and the person had no actual knowledge of an investigation into such violation.

**Actions by Private Persons or *Qui Tam* Plaintiffs**

An individual also has the right to file a civil suit for him or herself and for the Government. The suit must be filed in the name of the Government. The suit is filed and served on the Government. The suit and all information are filed under seal, and most remain under seal for at least sixty days. The suit may be dismissed only if the court and the Attorney General consent to the dismissal in writing.

If a *qui tam* plaintiff alleges a false claims violation, the complaint and a written disclosure of the evidence and information that the person possesses must be served on the Government. Once the action is filed, no person other than the Government is allowed to intervene or file a lawsuit based on the same facts.

**Rights of the Parties to *Qui tam* Actions**

If the Government decides to file a civil suit, it assumes responsibility for prosecuting the action and is not bound by the acts of the *qui tam* plaintiff. However, the *qui tam* plaintiff has the right to continue as a party to the action, subject to certain limitations. If the Government decides not to file a civil suit, the *qui tam* plaintiff still has the right to proceed with a lawsuit. The Government can intervene later upon a showing of good cause.

**Award to *Qui tam* Plaintiff**

If the Government prosecutes a case initiated by a *qui tam* plaintiff and obtains an award or settlement, the *qui tam* plaintiff will receive between 15 and 25 percent of the recovery, depending on his or her contribution to the case. If the case is based primarily on information other than the disclosures of the *qui tam* plaintiff, the award cannot be more than 10 percent of the recovery.

If the Government decides not to intervene and the *qui tam* plaintiff successfully litigates the action, he or she will receive between 25 and 30 percent of the award or settlement. In either case, the court will award the *qui tam* plaintiff reasonable expenses and attorney's fees and costs.

If the court finds that the *qui tam* plaintiff planned and initiated the violation upon which the civil suit was based, it may reduce the share of the recovery that the person would otherwise receive. If the *qui tam* plaintiff is convicted of criminal conduct, he or she will be dismissed from the lawsuit and will not receive any monetary award.

If the court finds the defendant not guilty and the claim frivolous in a suit conducted by a *qui tam* plaintiff, the court may award the defendant reasonable costs and attorney fees.

### **Certain Actions Barred**

An individual cannot bring a *qui tam* action against a member of Congress, a member of the judiciary, or a senior executive branch official based on evidence already known to the Government.

An individual cannot bring a *qui tam* suit based on allegations in a civil suit or an administrative proceeding in which the Government is already a party.

An individual cannot bring a *qui tam* action based on the public disclosure of allegations unless he or she is the original source (e.g., an individual with direct and independent knowledge of the information on which the allegations are based who has voluntarily provided the information to the Government before filing a civil action). Public disclosure includes disclosure in a criminal, civil, or administrative hearing; in a congressional, administrative, or GAO report, hearing, audit, or investigation; or from the news media.

### **Whistleblower Protection**

An employee who has been discharged, demoted, suspended, threatened, harassed, or in any way discriminated against by his or her employer because of involvement in a false claims disclosure is entitled to all relief necessary to make the employee whole, including:

- Reinstatement with the same seniority status that the employee would have had but for the discrimination;
  - Two times the amount of back pay plus interest; and
  - Compensation for any special damage sustained because of the discrimination (including litigation costs and reasonable attorney's fees).
  - The protected false claims activities include investigation for, initiation of, testimony for, or assistance in a false claims action that has been or will be filed.
- An employee is entitled to bring an action in the district court for such relief.

## **THE CALIFORNIA FALSE CLAIMS ACT**

The California False Claims Act ("CFCA") applies to fraud involving state, city, county or other local government funds. The CFCA encourages voluntary disclosure of fraudulent activities by rewarding individuals who report fraud and allowing courts to waive penalties for organizations that voluntarily disclose false claims. Cal. Gov't Code §§ 12650-12655.

### **Actions that violate the CFCA include:**

- Knowingly submitting (or causing to be submitted) a false claim for payment or approval;
- Knowingly making or using (or causing to be made or used) a false record or statement to get a false claim paid or approved;
- Conspiring to get a false claim allowed or paid by the state or by any political subdivision;

- Benefiting from an inadvertent submission of a false claim, subsequently discovering the falsity of the claim, and failing to disclose to the state or political subdivision within a reasonable time after discovery;
- Delivering less property than the amount of the receipt, where the person has possession or control of public property;
- Knowingly making or delivering a false receipt, where the person is authorized to deliver a document;
- Knowingly buying or receiving (as a pledge of an obligation or debt) public property from any person who has no legal right to sell or pledge the property; or
- Knowingly making or using a record to conceal, avoid, or decrease an obligation to pay money or transmit property to the state or local government.

"Knowingly" means the person or organization:

- Has actual knowledge of the information;
- Acts in deliberate ignorance of the truth or falsity of the information; or
- Acts in reckless disregard of the truth or falsity of the information. Proof of specific intent to defraud is not required.

"Claim" includes any request for money, property, or services made to the state or any political subdivision (or to any contractor, grantee, or other recipient), where any portion of the money, property, or services requested was funded by the state or any political subdivision.

The maximum civil penalty is \$10,000, per claim. Persons who violate the CFCA may be liable to the state for three times the amount of damages that the state sustains because of the violation. The court can waive penalties and reduce damages for CFCA violations if the false claims are voluntarily disclosed.

The CFCA does not apply to false claims of less than \$500. Lawsuits must be filed within three years after the violation was discovered by the state or local official who is responsible for investigating the false claim (but no more than ten years after the violation was committed).

### **Private or Qui Tam Actions/Whistleblower Provisions**

Individuals (or qui tam plaintiffs) can sue for violations of the CFCA. Individuals who bring an action under the CFCA receive between 15 and 33 percent of the amount recovered (plus reasonable costs and attorney's fees) if the state prosecutes the case, and between 25 and 50 percent (plus reasonable costs and attorney's fees) if the qui tam plaintiff litigates the case on his or her own.

An individual cannot file a lawsuit based on public information, unless he or she is the original source of the information.

The CFCA bars employers from interfering with an employee's disclosure of false claims. Employees who report fraud and consequently suffer discrimination may be awarded (1) two times their back pay plus interest, (2) reinstatement at the seniority level they would have had except for the discrimination, (3) compensation for any costs or damages they have incurred, and (4) punitive damages, if appropriate.

### **Liability to the State or Political Subdivision**

A person or organization will be liable to the state or political subdivision for:

- Three times the amount of damages that the state or local government sustains because of the false claims violations;
- The costs of a civil suit for recovery of damages; and
- A civil penalty of up to \$10,000 for each false claim.

### **Certain Actions Barred**

An individual cannot bring a *qui tam* suit based on allegations in a civil suit or an administrative proceeding in which the state or political subdivision is already a party. An individual cannot file a lawsuit based on the public disclosure of allegations unless he or she is the original source (e.g., an individual with direct and independent knowledge of the information on which the allegations are based). Public disclosure includes disclosure in a criminal, civil, or administrative hearing; in an investigation, report, hearing, or audit conducted by or at the request of the Senate, Assembly, auditor, or governing body of a political subdivision; or by the news media.

### **Awards**

If the state or political subdivision prosecutes a case initiated by a *qui tam* plaintiff and obtains an award or settlement, the *qui tam* plaintiff receives between 15 and 33 percent of the recovery (plus reasonable costs and attorney's fees), depending on his or her contribution to the case. If the state or political subdivision decides not to file a lawsuit and the *qui tam* plaintiff successfully litigates the action, the *qui tam* plaintiff receives between 25 and 50 percent of the award or settlement. Employees who participated in fraudulent activities are not guaranteed any recovery. If the court finds the defendant not guilty and the claim frivolous in a suit conducted by a *qui tam* plaintiff, the court may award the defendant reasonable costs and attorney fees.

### **Whistleblower Protection**

Employers are prohibited from:

- Making or enforcing any type of rule or policy that prevents an employee from disclosing information to a government or law enforcement agency, or from investigating, initiating, testifying, or otherwise assisting in a false claims action; or
- Discharging, demoting, suspending, threatening, harassing, denying promotion to, or in any other manner discriminating against an employee because of his or her involvement in a false claims action.

### **Liability of Employer**

- An employer who interferes with an employee's disclosure of false claims will be liable to the employee for all relief necessary to make the employee whole, including:

- Reinstatement with the same seniority status that the employee would have had except for the discrimination;
- Two times the amount of back pay plus interest;
- Compensation for any special damage sustained as a result of the discrimination; and punitive damages where appropriate.

**Limitations on Eligibility of Employees for Damages**

If an employee's conduct has resulted in a false claim being submitted to the state or a political subdivision, and the employee has been discriminated against by his or her employer, he or she is entitled to remedies only if he or she voluntarily disclosed information to a government or law enforcement agency or assisted in a false claims action; and was coerced (either through harassment, threats of termination demotion, or other coercive actions) by the employer or its management into committing the fraudulent activity in the first place.

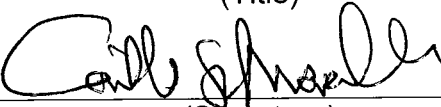
**Appendix A**  
**CERTIFICATION REGARDING**  
**DEBARMENT, SUSPENSION, and OTHER RESPONSIBILITY MATTERS**  
**LOWER TIER COVERED TRANSACTIONS**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 **Federal Register** (pages 19160-19211).

- (1) The primary principal certifies to the best of its knowledge and belief, that it and its principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
  - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment tendered against them for commission of fraud or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsifications or destruction of records, making false statements, or receiving stolen property;
  - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification, and
  - (d) Have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the primary principal is unable to certify to any of the statements in this certification, such principal shall attach an explanation.

Camille Schraeder  
(Type Name)

Chief Financial Officer  
(Title)

  
(Signature)

Redwood Quality Management Company  
(Organization Name)

PO Box 422  
Ukiah, CA 95482  
(Organization Address)

6.7.18  
(Date)

## ADDENDUM A

### Business Associate Agreement

**THIS HIPAA BUSINESS ASSOCIATE AGREEMENT** (the "Agreement") is entered into effective July 1, 2018 (the "Effective Date"), by and between Redwood Quality Management Company ("Business Associate") and **Mendocino County Behavioral Health & Recovery Services** (the "Covered Entity").

Business Associate and Covered Entity have a business relationship (the "Relationship" or the "Agreement") in which Business Associate may perform functions or activities on behalf of Covered Entity involving the use and/or disclosure of protected health information received from, or created or received by, Business Associate on behalf of Covered Entity. ("PHI"). Therefore, if Business Associate is functioning as a business associate to Covered Entity, Business Associate agrees to the following terms and conditions set forth in this HIPAA Business Associate Agreement.

1. **Definitions.** For purposes of this Agreement, the terms used herein, unless otherwise defined, shall have the same meanings as used in the Health Insurance Portability and Accountability Act of 1996, and any amendments or implementing regulations ("HIPAA"), or the Health Information Technology for Economic and Clinical Health Act (Title XIII of the American Recovery and Reinvestment Act of 2009), and any amendments or implementing regulations ("HITECH").
2. **Compliance with Applicable Law.** The parties acknowledge and agree that, beginning with the relevant effective dates, Business Associate shall comply with its obligations under this Agreement and with all obligations of a business associate under HIPAA, HITECH and other related laws, as they exist at the time this Agreement is executed and as they are amended, for so long as this Agreement is in place.
3. **Permissible Use and Disclosure of Protected Health Information.** Business Associate may use and disclose PHI to carry out its duties to Covered Entity pursuant to the terms of the Relationship. Business Associate may also use and disclose PHI (i) for its own proper management and administration, and (ii) to carry out its legal responsibilities. If Business Associate discloses Protected Health Information to a third party for either above reason, prior to making any such disclosure, Business Associate must obtain: (i) reasonable assurances from the receiving party that such PHI will be held confidential and be disclosed only as required by law or for the purposes for which it was disclosed to such receiving party; and (ii) an agreement from such receiving party to immediately notify Business Associate of any known breaches of the confidentiality of the PHI.

4. **Limitations on Uses and Disclosures of PHI.** Business Associate shall not, and shall ensure that its directors, officers, employees, and agents do not, use or disclose PHI in any manner that is not permitted or required by the Relationship, this Agreement, or required by law. All uses and disclosures of, and requests by Business Associate, for PHI are subject to the minimum necessary rule of the Privacy Standards and shall be limited to the information contained in a limited data set, to the extent practical, unless additional information is needed to accomplish the intended purpose, or as otherwise permitted in accordance with Section 13405(b) of HITECH and any implementing regulations.
5. **Required Safeguards To Protect PHI.** Business Associate agrees that it will implement appropriate safeguards in accordance with the Privacy Standards to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of this Agreement.
6. **Reporting of Improper Use and Disclosures of PHI.** Business Associate shall report within 24 business hours to Covered Entity a use or disclosure of PHI not provided for in this Agreement by Business Associate, its officers, directors, employees, or agents, or by a third party to whom Business Associate disclosed PHI. Business Associate shall also report within 24 business hours to Covered Entity a breach of unsecured PHI, in accordance with 45 C.F.R. §§ 164.400-414, and any security incident of which it becomes aware. Report should be made to:

Compliance Officer  
Mendocino County Behavioral Health  
1-866-791-9337

7. **Mitigation of Harmful Effects.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement, including, but not limited to, compliance with any state law or contractual data breach requirements. Business Associate shall cooperate with Covered Entity's breach notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.
8. **Agreements by Third Parties.** Business Associate shall enter into an agreement with any agent or subcontractor of Business Associate that will have access to PHI. Pursuant to such agreement, the agent or subcontractor shall agree to be



bound by the same restrictions, terms, and conditions that apply to Business Associate under this Agreement with respect to such PHI.

9. **Access to Information.** Within five (5) days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 C.F.R. § 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within two (2) days forward such request to Covered Entity.
10. **Availability of PHI for Amendment.** Within five (5) days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 C.F.R. § 164.526. In the event any individual delivers directly to Business Associate a request for amendment to PHI, Business Associate shall within two (2) days forward such request to Covered Entity.
11. **Documentation of Disclosures.** Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
12. **Accounting of Disclosures.** Within five (5) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual during the six (6) years prior to the date on which the accounting was requested, Business Associate shall make available to Covered Entity information to permit Covered Entity to respond to the request for an accounting of disclosures of PHI, as required by 45 C.F.R. § 164.528. In the case of an electronic health record maintained or hosted by Business Associate on behalf of Covered Entity, the accounting period shall be three (3) years and the accounting shall include disclosures for treatment, payment and healthcare operations, in accordance with the applicable effective date of Section 13402(a) of HITECH. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within two (2) days forward such request to Covered Entity.

13. **Electronic PHI.** To the extent that Business Associate creates, receives, maintains or transmits electronic PHI on behalf of Covered Entity, Business Associate shall:
- (a) Comply with 45 C.F.R. §§164.308, 301, 312, and 316 in the same manner as such sections apply to Covered Entity, pursuant to Section 13401(a) of HITECH, and otherwise implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic PHI;
  - (b) Ensure that any agent to whom Business Associate provides electronic PHI agrees to implement reasonable and appropriate safeguards to protect it; and
  - (c) Report to Covered Entity any security incident of which Business Associate becomes aware.
14. **Judicial and Administrative Proceedings.** In the event Business Associate receives a subpoena, court or administrative order or other discovery request or mandate for release of PHI, Covered Entity shall have the right to control Business Associate's response to such request. Business Associate shall notify Covered Entity of the request as soon as reasonably practicable, but in any event within two (2) days of receipt of such request.
15. **Availability of Books and Records.** Business Associate shall make its internal practices, books, and records relating to the use and disclosure and privacy protection of PHI received from Covered Entity, or created, maintained or received by Business Associate on behalf of the Covered Entity, available to the Covered Entity, the State of California, and the Secretary of the Department of Health and Human Services, in the time and manner designated by the Covered Entity, State or Secretary, for purposes of determining Covered Entity's compliance with the Privacy Standards. Business Associate shall notify the Covered Entity upon receipt of such a request for access by the State or Secretary, and shall provide the Covered Entity with a copy of the request as well as a copy of all materials disclosed.
16. **Breach of Contract by Business Associate.** In addition to any other rights Covered Entity may have in the Relationship, this Agreement or by operation of law or in equity, Covered Entity may i) immediately terminate the Relationship if

Covered Entity determines that Business Associate has violated a material term of this Agreement, or ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's option to have cured a breach of this Agreement shall not be construed as a waiver of any other rights Covered Entity has in the Relationship, this Agreement or by operation of law or in equity.

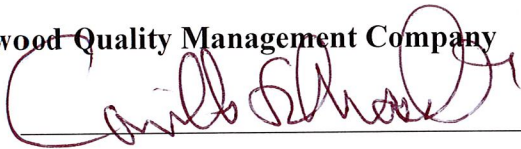
17. **Effect of Termination of Relationship.** Upon the termination of the Relationship or this Agreement for any reason, Business Associate shall return to Covered Entity or, at Covered Entity's direction, destroy all PHI received from Covered Entity that Business Associate maintains in any form, recorded on any medium, or stored in any storage system, unless said information has been de-identified and is no longer PHI. This provision shall apply to PHI that is in the possession of Business Associates or agents of Business Associate. Business Associate shall retain no copies of the PHI. Business Associate shall remain bound by the provisions of this Agreement, even after termination of the Relationship or the Agreement, until such time as all PHI has been returned, de-identified or otherwise destroyed as provided in this Section.
18. **Injunctive Relief.** Business Associate stipulates that its unauthorized use or disclosure of PHI while performing services pursuant to this Agreement would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled to institute proceedings in any court of competent jurisdiction to obtain damages and injunctive relief.
19. **Indemnification.** Business Associate shall indemnify and hold harmless Covered Entity and its officers, trustees, employees, and agents from any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate of its obligations under this Agreement.
20. **Exclusion from Limitation of Liability.** To the extent that Business Associate has limited its liability under the terms of the Relationship, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI.

21. **Owner of PHI.** Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate by Covered Entity.
22. **Third Party Rights.** The terms of this Agreement do not grant any rights to any parties other than Business Associate and Covered Entity.
23. **Independent Contractor Status.** For the purposed of this Agreement, Business Associate is an independent contractor of Covered Entity, and shall not be considered an agent of Covered Entity.
24. **Changes in the Law.** The parties shall amend this Agreement to conform to any new or revised legislation, rules and regulations to which Covered Entity is subject now or in the future including, without limitation, HIPAA, HITECH, the Privacy Standards, Security Standards or Transactions Standards.

IN WITNESS WHEREOF, each Party hereby executes this Agreement as of the Effective Date.

**Redwood Quality Management Company**

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



Name: Camille Schraeder

Title: Chief Financial Officer

**Mendocino County**

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



Name: Anne Molgaard

Title: Acting HHSA Director





**Attachment 1**  
**Mendocino County Health and Human Services Agency**  
*"Healthy People, Healthy Communities"*  
**Anne Molgaard ♦ Acting Director**



**Behavioral Health and Recovery Services**  
**Jenine Miller ♦ Behavioral Health Director**  
*Providing Behavioral Health Services*

**Ukiah Offices:** Mental Health • 1120 S. Dora St. • Ukiah • CA • 95482 • (707) 463-4303 • FAX (707) 463-6395  
**Fort Bragg Offices:** Mental Health • Avila Center • 790-B S. Franklin St. • Fort Bragg • CA • (707) 964-4747 • FAX (707) 961-2698  
**Willits Integrated Services Center:** Mental Health • 747 E. Valley St. • Willits • CA • 95490 • (707) 456-3850 • FAX (707) 456-3808

**Disclosure of Ownership & Control Interests**

Pursuant to 42 C.F.R §§ 455.104 et seq., and the Mendocino County Mental Health Plan Contract Number 12-89375, all: 1) Administrative Service Organizations (ASO), 2) all subcontractors (including both subcontractors with the ASOs who, themselves subcontract with other service providers as well as subcontractors who provide services directly to clients, whether they have contracted with ASOs, the ASOs subcontractors, or have entered into their contracts for services with the County), and 3) all client service network providers – are required to provide complete *Disclosure of Ownership & Control Interest* information on all of the following areas. These disclosures serve as a condition precedent to maintaining your right to continue serving, and being reimbursed for serving, the population of clients whom federal Medicaid/Medi-Cal and/or Medicare dollars ultimately fund.

Should you need additional space to be able to fully answer any of these areas of disclosure, please fill out the additional information on a separate page and reference the specific item you are addressing with the same numbers which appear on the form below. Please note that a memorandum explaining the Federal and State legal bases for individual items that make up this mandatory disclosures form is available upon request.

Owing to the sensitive nature of the information gathered on this form, it is a policy of the County of Mendocino that the County protect the security of this form; ensure that the form is only used for the purposes for which this information was gathered; and protect the integrity of that information by taking steps to make sure that it is not modified, changed, or deleted. Specifically, the County, through its Compliance Officer, will make certain that the originals of this form be kept in a secure, locked location to which only the Behavioral Health Director and his/her designee have a key, or have the combination. No hard copies will be made of these originals, which will remain under lock and key until such time as their production is required by the California Department of Health Care Services and/or Center for Medicare/Medicaid Services personnel for whom the statutory and regulatory scheme governing this process intends their contents. Finally, to guarantee the integrity of the originals, the County will scan the disclosure forms using a secure encryption system, and will then save the encrypted electronic copies on a network drive to which only the Mental Health Director and his/her designee have access. The Compliance Officer, as the person charged with

collecting the disclosure forms, will be responsible for making make sure that these steps are followed. Nevertheless, this form is discoverable under the California Public Records Act (California Government Code, Title 1, Division 7, §§ 6250 through 6276.48), however, sensitive information such as date of birth and Social Security number will be redacted prior to discovery.

Thank you in advance for your full cooperation with this effort.

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(1)(i) The names and addresses of any and all "persons," whether individuals or corporations, who have any ownership or control interest of any of the following, whether that interest meets or exceeds a 5% ownership/control or not:

- An ASO which contracts with the County of Mendocino
- Any subcontractor of such an ASO which either provides services directly or contracts those services out (to sub-subcontractors);
- Any direct provider of services who contracts with the County, whether operation as a sole practitioner, or as any organized group of providers

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

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Address: \_\_\_\_\_

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(1)(ii) The date of birth and social security number for every individual who fits paragraph (1)(i)'s definition of being a "person" with any ownership or control interest in any of the organizations described in that same paragraph, whether that interest meets or exceeds a 5% ownership/control interest or not:

(Name) Date of Birth, Social Security

Number: \_\_\_\_\_

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(1)(iii) The tax identification number(s) for any corporation(s) which fit(s) paragraph (1)(i)'s definition of being "person" with any ownership or control interest in any of the organizations described in that same paragraph, whether that interest meets or exceeds a 5% ownership/control interest or not AND the tax identification number (s) for any corporation(s) whose businesses have at least a 5% ownership or control interest in any of their subcontractors, and/or any of their subcontractors' subcontractors:

Tax Identification

Number(s): \_\_\_\_\_

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(2)(i) For any "person" who has any ownership or control interest in any of the organizations described in paragraph (1)(i), whether that interest meets or exceeds a 5% ownership/control interest or not, please disclose whether you are related to anyone else – as a spouse, parent,

child, or sibling – who also has such an interest, whether it meets or exceeds a 5% interest or not. Please make this series of disclosures by providing that related person's name, their exact familial tie to you, and the organization/entity which you share in common.

Related individual's name, relationship, and organization/entity in common:

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(2)(ii) For any "person," individual or corporate, who has any interest in an organization/entity that, itself, has a 5% or greater interest in any subcontractor, or in any other organization/entity which either contracts to provide services, which itself provides such services, please disclose whether you are related to anyone else – as a spouse, parent, child, or sibling – who has any interest in that other organization/entity. An example will help clarify what might otherwise be the potential for confusion in this section of the disclosure form.

Example: Mr. Jones has an ownership or control interest in ASO X; and ASO X does business with Subcontractor Y, in which ASO X has at least a 5% interest. Mr. Jones' wife has an ownership or control interest in Subcontractor Y even if her interest is less than 5%. Under these circumstances, Mr. Jones must disclose the he and ASO X do business with a subcontracting firm in which he as a spousal relationship.

Related individual's name, relationship and organization(s) in common:

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(3) If any "person," individual or corporate, who has any ownership or control interest in more than one organization/entity (whether those multiple interests meet or exceed 5% with any particular organization/entity or not), they must disclose all of those interests so that it is readily apparent "how many interests?" and "with whom?"

Individual's name, and the organization(s)/entity(s) in which they have any ownership or control interest(s):

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(4) The name, address, date of birth and social security number for any "managing employee" of any ASO, subcontractor, subcontractor's subcontractor, or provider:

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(5) The identity of any person who is a "managing employee" of any ASO, subcontractor, subcontractor's subcontractor, or provider, who has been convicted of a crime related to federal health care programs (i.e. fraud):

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The State has asked that the following disclosures related to business transactions be included:<sup>1</sup>

(6)(a) The ownership of any contractor with whom the contractor has had business transactions totaling more than \$25,000 during the 12-month period ending of the date of the request; and

(6)(b) Any significant business transactions between the contractor and any wholly owned supplier, or between the contractor and any subcontractor, during the 5-year period ending on the date of the request:

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By signing below, I certify all information is true and correct to the best of my knowledge:

\_\_\_\_\_ Date

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<sup>1</sup> While the language of (6)(a) and (6)(b) for disclosure (from the State) may not be as precise as that which appears in the federal regulations which drives the rest of the disclosure items in this form, it would appear that what the State is looking for in these two requests is information pertaining to who owns the business – whether subcontractors or suppliers – with whom the contractors (either ASOs or ASO subcontractors who, themselves, enter into subcontracts for services or supplies) are doing a significant amount of business, with “significant” being defined as totaling more than \$25,000 in any particular 12 month period.



## Attachment 2

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

Department of Health Care Services

MC 1982 C: Medi-Cal Specialty Mental Health Services Monthly Claim for Reimbursement -  
Quality Assurance/Utilization Review (QA/UR) Cost

Date:	County Code:	County:	Legal Entity Number:
Fiscal Year:	Claim for Month Ending:		

	A Skilled Professional Medical Personnel (SPMP)	B Other Medi-Cal Specialty Mental Health Program
1 Salary		
2 Benefits		
3 Training		
4 Travel		
5 General Expense		
6 Communication		
7 Facility Operation		
8 <b>Total Federal Match Eligible (Line 1 through Line 7)</b>	\$ -	\$ -
9 Performance Outcome Systems (POS) Assessment Data Entry		
10 Performance Outcome Systems Administration		
11 Performance Outcome Systems Provider Training and Certification		
12 Foster Family Agency (FFA) Costs		
13 Federal Medicaid Managed Care Final Rule and Parity Rule Administrative Costs		
14 <b>Total Federal Match and State General Fund (SGF) Eligible (Line 9 through Line 13)</b>	\$ -	\$ -
15 Percent of Time Spent on QA/UR		
16 Percent of Time Spent on QA/UR for Medi-Cal	75%	50%
17 Administrative Federal Medical Assistance Percentage	\$ -	\$ -
18 SGF for POS, FFA and Managed Care Final Rule	\$ -	\$ -
19 Administrative Federal Financial Participation	\$ -	\$ -

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

Department of Health Care Services

MC 1982 C: Medi-Cal Specialty Mental Health Services Monthly Claim for Reimbursement -  
Quality Assurance/Utilization Review (QA/UR) Cost

Date:	County Code:	County:	Legal Entity Number:
Fiscal Year:	Claim for Month Ending:		

I HEREBY CERTIFY under penalty of perjury that I am the official responsible for the administration of Community Mental Health Services in and for said claimant; that I am authorized to sign this certification on behalf of the County; that I have not violated any of the provisions of Section 1090 et sec. of the Government Code; that the amount for which reimbursement is claimed herein is in accordance with Chapter 3, Part 2, Division 5 of the Welfare and Institutions Code; that the claim is based on actual, total-funds expenditures for services to eligible beneficiaries; and that to the best of my knowledge and belief this claim is in all respects true, correct, and in accordance with the law. The County further certifies under penalty of perjury that: all claims for services provided to county mental health clients have been provided to the clients by the County; the services were, to the best of the County's knowledge, provided in accordance with the client's written treatment plan; and that all information submitted to the Department is accurate and complete. The County understands that payment of these claims will be from Federal and/or State funds, and any falsification or concealment of a material fact may be prosecuted under Federal and/or State laws. Pursuant to Section 433.32 of Title 42, Code of Federal Regulations (CFR), the County agrees to keep for a minimum of three years after final determination of costs is made through the DHCS reconciled Cost Report settlement process and retained beyond the three-year period if audit findings have not been resolved, a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. The County agrees to furnish these records and any information regarding payments claimed for providing services, on request, within the State of California to the California Department of Health Care Services (DHCS), the Medi-Cal Fraud Unit, California Department of Justice, Office of the State Controller, U.S. Department of Health and Human Services, or their duly authorized representatives. The County also certified under penalty of perjury that services are offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, or physical or mental disability.

Date: \_\_\_\_\_ Print Name & Title: \_\_\_\_\_  
Local Mental Health Director

Executed at: \_\_\_\_\_ Signature: \_\_\_\_\_

STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

Department of Health Care Services

MC 1982 C: Medi-Cal Specialty Mental Health Services Monthly Claim for Reimbursement -  
Quality Assurance/Utilization Review (QA/UR) Cost

Date:	County Code:	County:	Legal Entity Number:
Fiscal Year:	Claim for Month Ending:		

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Date: \_\_\_\_\_ Print Name & Title: \_\_\_\_\_  
County Auditor Controller or City Financial Officer

Executed at: \_\_\_\_\_ Signature: \_\_\_\_\_