

**PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA AND
RIVERSIDE HEIGHTS HEALTHCARE CENTER, LLC**

This agreement is entered into between the County of Shasta, a political subdivision of the State of California, through its Health and Human Services Agency (“County”), and Riverside Heights Healthcare Center, LLC (“Contractor”), a California limited liability company, (collectively, the “Parties” and individually a “Party”), for the provision of licensed skilled nursing and residential mental health treatment services.

Section 1. RESPONSIBILITIES OF CONTRACTOR.

Pursuant to the terms and conditions of this agreement and in consideration of the compensation hereinafter set forth, Contractor shall:

- A. Perform services for County as prescribed in **EXHIBIT A, PROGRAM SERVICES**, attached and incorporated herein.
- B. Submit quarterly reports, attached and incorporated herein as **EXHIBIT B, QUARTERLY REPORT**, to County during the term of this agreement for each Client placed in Facility. For purposes of this agreement, quarterly means no later than 15 days after the end of each calendar quarter (i.e. March, June, September, and December) during the term of this agreement.
- C. Provide two weeks written notice to County’s Director of discharge date for any Client discharged from Contractor’s facility by Contractor. Should a discharge occur in less than two weeks from the date of the notice of discharge, Contractor shall be responsible for all days short of the two weeks’ notice.

Section 2. RESPONSIBILITIES OF COUNTY.

Pursuant to the terms and conditions of this agreement, County shall:

- A. Participate in regular site visitations for the purpose of monitoring Clients’ progress, general welfare of Clients, physical and program integrity of the facility as well as routine review of service provider reports, fiscal claims, and Client records.
- B. Participate in monthly Utilization Review which may be composed of, but not limited to, the following participants: The Client’s conservator or representative, County, Contractor’s facility staff or designee. Findings and recommendations of this review shall become integrated in the Client’s treatment plan.
- C. Review each facility’s admission, discharge and length of stay data on a quarterly basis.
- D. Provide two weeks written notice to Contractor’s Director of discharge date for any Client discharged from Contractor’s facility by County, unless waived by the Contractor’s Director. Should a discharge occur in less than two weeks from the date of the notice of discharge, County shall be responsible for all days short of the two weeks’ notice.
- E. Compensate Contractor as prescribed in Sections 3 and 4 of this agreement and monitor the outcomes achieved by Contractor.

Section 3. COMPENSATION.

- A. County shall compensate Contractor for services rendered pursuant to this agreement in accordance with the terms set forth in **EXHIBIT C, PAYMENTS, EXHIBIT D, PATCH LEVELS CRITERIA,** and **EXHIBIT E, INTERVENTIONS FOR PATCH LEVELS,** each exhibit attached and incorporated herein.
- B. The total compensation payable to Contractor under this agreement shall not exceed \$100,000 per fiscal year (“FY”) beginning FY 2021-22 through FY 2023-24. In no event shall the maximum amount payable under this agreement exceed \$300,000 during the entire term of the agreement. For the purposes of this agreement, the County Fiscal Year commences on July 1 and ends on June 30 of the following year.
- C. During the term of this agreement, the Health and Human Services Agency (“HHS”) Director (“Director”), or any HHS Branch Director designated by HHS Director, may approve rate changes, both retroactive and prospective, provided that the increase in any single rate shall not increase the maximum amount payable under this agreement.
- D. Contractor shall be paid via electronic invoice payment; automated clearing house (“ACH”), County credit card, or Commerce Bank virtual card. ACH payments require submission of the completed Auditor-Controller ACH/Direct Deposit authorization form within five days of execution of this agreement.
- E. Contractor’s violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.
- F. If the term begins (or ends) on other than the first (or last) day of the calendar month, the payment for the partial month shall be prorated on a per diem basis based upon the number of days of access/services during the month.

Section 4. BILLING AND PAYMENT.

- A. Contractor shall submit to HHS Business and Support Services Branch, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005 a single written, monthly statement incorporating all uses of Contractor’s facilities pursuant to this agreement (“Statement”) by the 10th day of each month following the month in which the services were rendered. The Statement shall include, at a minimum, the facility’s name and current active National Provider Identifier (“NPI”), Client’s name, number of days of service, and dates of service for each Client billed for. County shall make payment within 30 days of receipt of Contractor’s correct and approved Statement.
- B. Notwithstanding the foregoing, upon termination, expiration, or cancellation of this agreement, Contractor shall submit to County a final Statement within 10 days of the termination, expiration, or cancellation of this agreement, and County shall make payment within 30 days of receipt of Contractor’s correct and approved final Statement. For purposes of effectuating payment of compensation, this provision shall survive the termination, expiration, or cancellation of this agreement.
- C. Compensation under this agreement shall be reduced by applicable contractor revenues. The term “applicable contractor revenues” refers to those receipts or reductions in expenditures or costs which operate to offset or reduce expense or cost

items that are allocable to Contractor's compensation under this agreement (such as but not limited to: purchase discounts, rebates or allowances, insurance refunds and adjustments or overpayment, or other erroneous charges). To the extent that applicable contractor revenues, accruing or received by Contractor relate to allowable costs, they shall be credited to County either as a reduction, or a cash refund, as appropriate.

- D. Should County, or the state or federal government, disallow any amount claimed by Contractor, Contractor shall reimburse County, or the state or federal government, as directed by County, or the state or federal government, for such disallowed cost.

Section 5. TERM OF AGREEMENT.

This agreement shall commence as of July 1, 2021 and shall end June 30, 2024. Notwithstanding the foregoing, County shall not be obligated for payments hereunder for any future County fiscal year unless or until County's Board of Supervisors appropriates funds for this agreement in County's budget for that County fiscal year. In the event that funds are not appropriated for this agreement, then this agreement shall end as of June 30 of the last County fiscal year for which funds for this agreement were appropriated. For the purposes of this agreement, the County fiscal year commences on July 1 and ends on June 30 of the following year. County shall notify Contractor in writing of such non-appropriation at the earliest possible date.

Section 6. TERMINATION OF AGREEMENT.

- A. If Contractor materially fails to perform Contractor's responsibilities under this agreement to the satisfaction of County, or if Contractor fails to fulfill in a timely and professional manner Contractor's responsibilities under this agreement, or if Contractor violates any of the terms or provisions of this agreement, then County shall have the right to terminate this agreement for cause effective immediately upon the County giving written notice thereof to Contractor. If termination for cause is given by County to Contractor and it is later determined that Contractor was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph B of this Section.
- B. County may terminate this agreement without cause on 30 days written notice to Contractor.
- C. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement.
- D. County's right to terminate this agreement may be exercised by the County Executive Officer, HHSA Director, or any HHSA Branch Director designated by the HHSA Director.
- E. Should this agreement be terminated, Contractor shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Contractor pursuant to this agreement.
- F. If this agreement is terminated, Contractor shall only be paid for services satisfactorily completed and provided prior to the effective date of termination.

Section 7. ENTIRE AGREEMENT; AMENDMENTS; HEADINGS; EXHIBITS/APPENDICES.

- A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the Parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no others.
- B. No changes, amendments, or alterations to this agreement shall be effective unless in writing and signed by both Parties. In addition to the provisions of Section 3.C. of this agreement, minor amendments, including retroactive, that do not result in a substantial or functional change to the original intent of this agreement and do not cause an increase to the maximum amount payable under this agreement may be agreed to in writing between Contractor and the HHS A Director, or any HHS A Branch Director designated by the HHS A Director, provided that the amendment is in substantially the same format as the County's standard format amendment contained in the Shasta County Contracts Manual (Administrative Policy 6-101).
- C. The headings that appear in this agreement are for reference purposes only and shall not affect the meaning or construction of this agreement.
- D. If any ambiguity, inconsistency, or conflict exists or arises between the provisions of this agreement and the provisions of any of this agreement's exhibits or appendices, the provisions of this agreement shall govern.

Section 8. NONASSIGNMENT OF AGREEMENT; NON-WAIVER.

Inasmuch as this agreement is intended to secure the specialized services of Contractor, Contractor may not assign, transfer, delegate, or sublet any interest herein without the prior written consent of County. The waiver by County of any breach of any requirement of this agreement shall not be deemed to be a waiver of any other breach.

Section 9. EMPLOYMENT STATUS OF CONTRACTOR.

Contractor shall, during the entire term of this agreement, be construed to be an independent contractor, and nothing in this agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture relationship, or to allow County to exercise discretion or control over the professional manner in which Contractor performs the work or services that are the subject matter of this agreement; provided, however, that the work or services to be provided by Contractor shall be provided in a manner consistent with the professional standards applicable to such work or services. The sole interest of County is to ensure that the work or services shall be rendered and performed in a competent, efficient, and satisfactory manner. Contractor shall be fully responsible for payment of all taxes due to the State of California or the federal government that would be withheld from compensation if Contractor were a County employee. County shall not be liable for deductions for any amount for any purpose from Contractor's compensation. Contractor shall not be eligible for coverage under County's workers' compensation insurance plan nor shall Contractor be eligible for any other County benefit. Contractor

must issue W-2 and 941 Forms for income and employment tax purposes, for all of Contractor's assigned personnel under the terms and conditions of this agreement.

Section 10. INDEMNIFICATION.

Each Party shall defend, indemnify, and hold the other Party, its officials, officers, employees, agents, and volunteers, harmless from and against any and all liability, loss, expenses (including reasonable attorney's fees), or claims for injury or damage arising out of the performance of this agreement, but only in proportion to and to the extent such liability, loss, expenses (including reasonable attorney's fees), or claims for injury or damage are caused by or result from the negligent or intentional acts or omissions of the indemnifying Party, its officials, officers, employees, agents, subcontractors, or volunteers.

Section 11. INSURANCE COVERAGE.

- A. Without limiting Contractor's duties of defense and indemnification, Contractor and any subcontractor shall obtain, from an insurance carrier authorized to transact business in the State of California, and maintain continuously during the term of this agreement Commercial General Liability Insurance, including coverage for owned and non-owned automobiles, and other coverage necessary to protect County and the public with limits of liability of not less than \$1 million per occurrence; such insurance shall be primary as to any other insurance maintained by County.
- B. Contractor and any subcontractor shall obtain and maintain continuously required Workers' Compensation and Employer's Liability Insurance to cover Contractor, subcontractor, Contractor's partner(s), subcontractor's partner(s), Contractor's employees, and subcontractor's(s') employees with an insurance carrier authorized to transact business in the State of California covering the full liability for compensation for injury to those employed by Contractor or subcontractor. Each such policy shall be endorsed to state that the Workers' Compensation carrier waives its right of subrogation against *County, its elected officials, officers, employees, agents, and volunteers* which might arise in connection with this agreement. Contractor hereby certifies that Contractor is aware of the provisions of section 3700 of the Labor Code, which requires every employer to insure against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and Contractor shall comply with such provisions before commencing the performance of the work or the provision of services pursuant to this agreement.
- C. Contractor shall obtain and maintain continuously a policy of Errors and Omissions coverage with limits of liability of not less than \$1 million per occurrence, \$3 million in the aggregate.
- D. Contractor shall require subcontractors to furnish satisfactory proof to County that liability and workers' compensation and other required types of insurance have been obtained and are maintained similar to that required of Contractor pursuant to this agreement.
- E. With regard to all insurance coverage required by this agreement:

- (1) Any deductible or self-insured retention exceeding \$25,000 for Contractor or subcontractor shall be disclosed to and be subject to approval by the County Risk Manager prior to the effective date of this agreement.
- (2) If any insurance coverage required hereunder is provided on a “claims made” rather than “occurrence” form, Contractor or subcontractor shall maintain such insurance coverage with an effective date earlier or equal to the effective date of this agreement and continue coverage for a period of three years after the expiration of this agreement and any extensions thereof. In lieu of maintaining post-agreement expiration coverage as specified above, Contractor or subcontractor may satisfy this provision by purchasing tail coverage for the claims-made policy. Such tail coverage shall, at a minimum, provide the insurance coverage required hereunder for claims received and reported three years after the expiration date of this agreement.
- (3) All insurance (except workers' compensation and professional liability) shall include an endorsement or an amendment to the policy of insurance which names *County, its elected officials, officers, employees, agents, and volunteers as additional insureds*. In the event that coverage is reduced or canceled, a notice of said reduction or cancellation shall be provided to County within 24 hours. Any available insurance proceeds in excess of the specified minimum limits and coverage pursuant to the terms of this agreement shall be applicable to the Additional Insured. The additional insureds coverage shall be equal to Insurance Service Office endorsement CG 20 10 for on-going operations, and CG 20 37 for completed operations.
- (4) Each insurance policy (except for workers' compensation and professional liability policies), or an endorsement thereto, shall contain a “separation of insureds” clause which shall read:

“Separation of Insureds.

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

 - a. As if each Named Insured were the only Named Insured; and
 - b. Separately to each suit insured against whom a claim is made or suit is brought.”
- (5) Contractor shall provide County with an endorsement or amendment to Contractor’s policy of insurance as evidence of insurance protection before the effective date of this agreement.
- (6) The insurance coverage required herein shall be in effect at all times during the term of this agreement. In the event any insurance coverage expires at any time during the term of this agreement, Contractor shall provide County, at least 20 days prior to said expiration date, a new endorsement or policy amendment evidencing insurance coverage as provided for herein for not less than the remainder of the term of this agreement or for a period of not less than one year. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided and a renewal endorsement or policy amendment is not provided

within 10 days of the expiration of the endorsement or policy amendment in effect at inception of this agreement, County may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

- (7) If the endorsement or amendment does not reflect the limits of liability provided by the policy of insurance, Contractor shall provide County a certificate of insurance reflecting those limits.
- (8) Any of Contractor's Excess Insurance shall contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of County.

Section 12. NOTICE OF CLAIM; APPLICABLE LAW; VENUE.

- A. If any claim for damages is filed with Contractor or if any lawsuit is instituted concerning Contractor's performance under this agreement and that in any way, directly or indirectly, contingently or otherwise, affects or might reasonably affect County, Contractor shall give prompt and timely notice thereof to County. Notice shall be prompt and timely if given within 30 days following the date of receipt of a claim or 10 days following the date of service of process of a lawsuit. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Any dispute between the Parties, and the interpretation of this agreement, shall be governed by the laws of the State of California. Any litigation shall be venued in Shasta County.

Section 13. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.

- A. Contractor shall observe and comply with all applicable present and future federal laws, state laws, local laws, codes, rules, regulations, and/or orders that relate to the work or services to be provided pursuant to this agreement.
- B. Contractor shall not discriminate in employment practices or in the delivery of services on the basis of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, medical condition (including cancer, HIV, and AIDS) physical or mental disability, use of family care leave under either the Family & Medical Leave Act or the California Family Rights Act, or on the basis of any other status or conduct protected by law.
- C. Contractor represents that Contractor is in compliance with and agrees that Contractor shall continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101, *et seq.*), the Fair Employment and Housing Act (Government Code sections 12900, *et seq.*), and regulations and guidelines issued pursuant thereto.
- D. No funds or compensation received by Contractor under this agreement shall be used by Contractor for sectarian worship, instruction, or proselytization. No funds or compensation received by Contractor under this agreement shall be used to provide direct, immediate, or substantial support to any religious activity.
- E. In addition to any other provisions of this agreement, Contractor shall be solely responsible for any and all damages caused, and/or penalties levied, as the result of Contractor noncompliance with the provisions of this Section.

Section 14. ACCESS TO RECORDS; RECORDS RETENTION.

- A. County, federal, and state officials shall have access to any books, documents, papers, and records of Contractor that are directly pertinent to the subject matter of this agreement for the purpose of auditing or examining the activities of Contractor or County. Except where longer retention is required by federal or state law, Contractor shall maintain all records for five years after County makes final payment hereunder. This provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Contractor shall maintain appropriate records to ensure a proper accounting of all funds and expenditures pertaining to the work performed or the services provided pursuant to this agreement. Contractor shall maintain records providing information that account for all funds and expenses related to the provision of services provided pursuant to this agreement. Access to these records shall be provided to County during working days, 8:00 a.m. to 5:00 p.m. and at other times upon reasonable notice by County, and upon request of state and federal agencies charged with the administration of programs related to the work or services to be provided pursuant to this agreement.
- C. Contractor agrees to accept responsibility for receiving, replying to, and/or complying with any audit exception by appropriate federal, state, or County audit directly related to the provisions of this agreement. Contractor agrees to repay County the full amount of payment received for duplicate billings, erroneous billings, audit exceptions, or false or deceptive claims. Contractor agrees that County may withhold any money due and recover through any appropriate method any money erroneously paid under this agreement if evidence exists of less than full compliance with this agreement including, but not limited to, exercising a right of set-off against any compensation payable to Contractor.

Section 15. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS.

Contractor's failure to comply with state and federal child, family, and spousal support reporting requirements regarding Contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this agreement. Contractor's failure to cure such default within 90 days of notice by County shall be grounds for termination of this agreement.

Section 16. LICENSES AND PERMITS.

- A. Contractor, and Contractor's officers, employees, and agents performing the work or services required by this agreement, shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, the County of Shasta, and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this agreement and constitutes grounds for the termination of this agreement by County.

Section 20. AGREEMENT PREPARATION.

It is agreed and understood by the Parties that this agreement has been arrived at through negotiation and that neither Party is to be deemed the Party which created any uncertainty in this agreement within the meaning of section 1654 of the Civil Code.

Section 21. COMPLIANCE WITH POLITICAL REFORM ACT.

Contractor shall comply with the California Political Reform Act (Government Code, sections 81000, *et seq.*), with all regulations adopted by the Fair Political Practices Commission pursuant thereto, and with the County's Conflict of Interest Code, with regard to any obligation on the part of Contractor to disclose financial interests and to recuse from influencing any County decision which may affect Contractor's financial interests. If required by the County's Conflict of Interest Code, Contractor shall comply with the ethics training requirements of Government Code sections 53234, *et seq.*

Section 22. PROPERTY TAXES.

Contractor represents and warrants that Contractor, on the date of execution of this agreement, (1) has paid all property taxes for which Contractor is obligated to pay, or (2) is current in payments due under any approved property tax payment arrangement. Contractor shall make timely payment of all property taxes at all times during the term of this agreement.

Section 23. SEVERABILITY.

If any portion of this agreement or application thereof to any person or circumstance is declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal or state statute or regulation or County ordinance, the remaining provisions of this agreement, or the application thereof, shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this agreement are severable.

Section 24. COUNTY'S RIGHT OF SETOFF.

To the fullest extent permitted by law, County shall have the right but not the obligation, to setoff, in whole or in part, against any compensation owed to Contractor or any of its subsidiaries under any contract with the County, any amount of any Federal or State audit liability owed by or claimed or asserted against the County or any amounts owed to County by Contractor or its subsidiaries.

Section 25. CONFIDENTIALITY.

During the term of this agreement, both Parties may have access to information that is confidential or proprietary in nature. Both Parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other Party or as required by law. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 26. CONFIDENTIALITY OF PATIENT INFORMATION.

All information and records obtained in the course of providing services under this agreement shall be confidential, and Contractor and all of Contractor's employees, volunteers, agents, and officers shall comply with state and federal requirements regarding confidentiality of patient information (including, but not limited to, section 5328 of the Welfare and Institutions Code; Civil Code section 56.10; the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations adopted pursuant thereto; Title 42, Code of Federal Regulations, Part 2; and Title 45, Code of Federal Regulations, section 205.50). All applicable regulations and statutes relating to patients' rights shall be adhered to. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 27. CLINICAL RECORDS.

Contractor shall maintain adequate clinical treatment records. Clinical treatment records must comply with all applicable state and federal requirements. Individual Client clinical treatment records shall contain assessment information, treatment planning documents, and progress notes which reflect all Client contacts and/or all treatment decisions. Program and Client clinical treatment records shall contain detail adequate for the evaluation of the service. Contractor shall provide monthly reports to the HHSA Director in conformance with the Client and Service Information ("CSI") System as directed by the County.

Section 28. FINANCIAL RECORDS.

Contractor shall maintain financial records that clearly reflect the cost of each type of service for which compensation under this agreement is claimed. Any apportionment of costs shall be made in accordance with generally accepted accounting principles and shall evidence proper audit trails reflecting the true cost of the services rendered. Appropriate service and financial records must be maintained and retained for seven years following the close of the fiscal year to which the records pertain. This provision shall survive the termination, expiration, or cancellation of this agreement.

Section 29. FINANCIAL REPORTING.

Contractor shall provide financial information and/or records pertaining to Contractor's agency including, but not limited to: audited financial statement from audit prepared in accordance with Circular No. A-133 of the Office of Management and Budget of the Executive Office of the President of the United States ("OMB") and performed by a qualified Certified Public Accountant (submitted annually to County within 30 days of Contractor's receipt of financial statement); IRS form 990 and all supporting schedules (submit to County within 30 days of filing); notice to County of any tax delinquency including but not limited to property, sales, income, and payroll taxes (submit to County within 10 days of receipt of notice or knowledge of delinquency). All financial information shall be submitted to Shasta County Health and Human Services Agency, Business and Support Services, Attention: HHSA Fiscal Manager, P.O. Box 496005, Redding, CA 96049-6005. Contractor shall provide additional financial information as requested by County within 30 days of receiving such request. Contractor shall fully cooperate with County in providing any financial information and/or records requested by County

concerning this agreement. This Section shall survive the termination, expiration or cancellation of this agreement for the period of time necessary to submit all required financial reporting to County as prescribed herein.

Section 30. PERSONNEL.

- A. Contractor shall furnish such qualified professional personnel as prescribed in Title 9 of the California Code of Regulations, for the type of services prescribed in **EXHIBIT A**.
- B. Contractor shall provide clinical supervision to all treatment staff, licensed or unlicensed. Those staff seeking licensure shall receive supervision in accordance with the appropriate State Licensure Board.
- C. All Contractor's personnel shall have the appropriate state licensure required for their given profession.

Section 31. AGREEMENT SUPERVISION.

- A. The HHSa Director, or his or her designee, shall be the County representative authorized and assigned to represent the interests of the County and to determine if the terms and conditions of this agreement are carried out.
- B. County shall monitor the kind, quality, and quantity of Contractor's services and criteria for determining the persons to be served and length of treatment for the persons receiving mental health services covered under the terms of this agreement.

Section 32. CLIENTS' RIGHTS.

Contractor shall give all Clients served under this agreement, notice of their rights ("Client's Rights") pursuant to and in compliance with section 5325 of the Welfare and Institutions Code and California Code of Regulations, title 9, section 862. In addition, in all facilities providing the services described herein Contractor shall have prominently posted in the predominant languages of the community a copy of the Clients' Rights.

Section 33. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT.

The Parties acknowledge the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees that, as a provider of medical treatment services, it is a "covered entity" under HIPAA and, as such, has obligations with respect to the confidentiality, privacy, and security of patients' medical information, and must take certain steps to preserve the confidentiality of this information, both internally and externally, including the training of staff and the establishment of proper procedures for the release of such information. The Parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is independently responsible for compliance with HIPAA and agrees to take all necessary actions to comply with the requirements of HIPAA related to transactions and code sets, privacy, and security. Contractor agrees that, should it fail to comply with its obligations under HIPAA, it shall indemnify and hold harmless County (including County's

officers, employees, and agents), for damages that are attributable to such failure. The indemnification provided for in this Section is in addition to, and does not in any way limit, the hold harmless, indemnification, and defense obligations of Contractor that are provided for in Section 10.

Section 34. COUNTERPARTS/ELECTRONIC, FACSIMILE, AND PDF SIGNATURES.

This agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this agreement. The Parties further agree that the electronic signatures of the Parties included in this agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among Parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the Parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code. Facsimile signatures or signatures transmitted via pdf document shall be treated as originals for all purposes.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, County and Contractor have executed this agreement on the dates set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

JOE CHIMENTI, CHAIR
Board of Supervisors
County of Shasta
State of California

ATTEST:
MATTHEW P. PONTES
Clerk of the Board of Supervisors

By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

DocuSigned by:
By: Alan Cox
Name: Alan B. Cox

Date: 09/03/2021 | 10:40 AM PDT
Title: Deputy County Counsel III

RISK MANAGEMENT APPROVAL

DocuSigned by:
By: James Johnson
Name: James Johnson

Date: 09/08/2021 | 11:04 AM PDT
Title: Risk Management Analyst III

CONTRACTOR

DocuSigned by:
By: Philip Weinberger
Name: Philip Weinberger

Date: 09/13/2021 | 10:50 AM PDT
Title: Chief Executive Officer

CONTRACTOR

DocuSigned by:
By: Marilynn Mahan
Name: Marilynn Mahan

Date: 09/13/2021 | 8:38 AM PDT
Title: Chief Operations Officer

Tax I.D.#: On File

**EXHIBIT A
PROGRAM SERVICES**

- I. In full consideration of the payment herein provided for, Contractor shall provide the services described below in a manner consistent with the terms and provisions of this agreement:

Licensed Skilled Nursing Facility Services (SNF)

Contractor shall maintain a licensed skilled nursing facility (SNF) that serves adults and older adults with co-occurring disorders (psychiatric/medical) in need of 24-hour skilled nursing services.

II. SERVICE & STAFFING STANDARDS

Contractor shall:

- A. Comply with all applicable state and federal laws in carrying out the requirements of this agreement.
- B. Provide clinical supervision to all staff, licensed and unlicensed. Staff seeking licensure shall receive clinical supervision in accordance with the appropriate State Licensure Board; all staff will receive weekly group or individual supervision, sufficient to support staff practice.
- C. Identify lead clinical staff responsible for or organizing training of staff. Training will include but is not limited to the following: clinical characteristics of core target population, co-occurring substance use, service planning, risk assessments, psychiatric rehabilitation, skill-based groups, family education intervention, crisis management and relapse prevention.

III. SERVICE REQUIREMENTS

Contractor shall ensure adherence to the following:

A. Service Levels

- 1. Provide a minimum of weekly face to face contact or more as clinically indicated which may include but is not limited to wellness plan development and monitoring, and enrollment in mental health rehabilitation groups.
- 2. Ensure face to face psychiatry visits are at a minimum of one time per month or more frequently as indicated in **EXHIBIT C**.

B. Service Authorization

- 1. Services are pre-authorized in writing by the County. Services not pre-authorized in writing by County shall not be reimbursed.
- 2. Facility rates shall be in accordance with **EXHIBIT C** and shall be determined as part of the written authorization.
- 3. Modifications to the County authorized rate without the written consent of County shall not be reimbursed.

4. Services rendered without a written authorization from County shall not be reimbursed.
5. Bed holds can be authorized if the Contractor agrees to have the Client return.
6. Bed holds are limited to a maximum of 10 days. Bed holds are for Clients currently residing in the facility and must be pre-authorized by County.
7. Referrals will be reviewed and disposition will be made within three working days from receipt. All denials will be in writing and submitted to County.

C. Admission Criteria

Client Eligibility. Contractor shall admit Clients with a Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (“DSM-5”) diagnosis. Clients in need of 24-hour mental health services, Clients who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, elopement risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower level care facility, shall be considered acceptable for admission. County may grant individual exceptions to these admission criteria. It is agreed by County and Contractor that Clients whose mental illness is deemed appropriate for acute care, as well as Clients suffering exclusively from developmental disability, mental retardation, or physical illnesses (without a psychiatric component), shall not be considered for admission.

D. Core Mental Health Services

1. Individualized service plans that focus on strengths and target identified behavioral problems and other conditions such as cognitive impairments. Contractor shall involve the Client in treatment planning to the extent the Client is able to participate.
2. Provide opportunities to participate in educational and/or peer support groups for Clients and caregiver/family (when available).
3. Provide supportive individual therapy for Clients as clinically appropriate. Individual therapy is time-limited, targeted and focused on clearly identified goals and objectives.
4. Provide services that target symptom remission or functional improvements which may include, but are not limited to; motivational interviewing, teaching independent living skills, employment and vocational skills, and preparing wellness and recovery, and relapse prevention plans.
5. Provide rehabilitation groups for specific issues, such as money management, stress management, health and wellness, anger management (frustration and impulsivity) and relapse prevention.
6. Provide education on psychiatric and/or co-occurring substance use disorders and relapse prevention.

7. Provide crisis intervention as needed to prevent hospitalization.

E. Crisis Response

1. Ensure individualized crisis plans are developed during admission and updated as indicated. Plans should address triggers of stress, patterns of behaviors, personal supports, helpful interventions, relevant medication history, and current prescriptions to reduce the frequency of relapse.
2. Provide 24 hour 7 days per week crisis services as clinically indicated.
3. Notify in writing the County via facsimile at (530) 225-5229 when a Client requires acute psychiatric or medical hospitalization.

F. Discharge Criteria – Contractor shall only discharge a Client from service when:

1. Client has achieved a level of recovery stability as determined by Client, caregiver/family member, legal guardian and providers as measured by symptom management, recognition of triggers of relapse, active participation in a wellness plan.
2. The length/duration of services shall be determined by the individualized needs of each Client, in accordance with his/her Treatment Plan.
3. Contractor's staff making Client discharge plans shall consult with County regarding placement options and outpatients supports early in the discharge planning process.
4. Client has been determined by the Client, caregiver/family member, legal guardian, County and current treatment provider to no longer benefit from the treatment environment or regime.

G. Performance Measures

Admissions: 90% of all Clients referred for placement by County will be admitted into the identified programs.

H. Additional Provisions

1. Contractor shall provide information on adverse incidents to County within 24 hours of their occurrence including, but not limited to, deaths, elopements, physical injury, physical or sexual abuse, or significant assaults. Contractor shall provide corrective action plans and progress reports when indicated or requested by County.
2. Contractor will provide Client progress notes on a quarterly basis in a format as included in **EXHIBIT B**. When deemed necessary, and requested in advance by County, Contractor shall provide more frequent progress notes, within three working days of request, to evaluate the progress of individual Client treatment goals in order to facilitate timely discharges.
3. Contractor shall cooperate with County requests for information on Clients placed under the terms of this agreement.
4. Contractor shall allow County to have reasonable access to all areas of any of Contractor's facilities wherein a Client is currently placed, or had been

placed, pursuant to this agreement, at any time and to such data as will allow for the meaningful evaluation and monitoring of quality of care.

5. Contractor shall provide County, within 24 hours of receipt, copies of any reports prepared by State agencies or licensing bodies regarding the facilities or quality of care provided, including any notations of deficiencies.

IV. TREATMENT GOALS.

The treatment goals at Contractor's facilities under the terms and conditions of this agreement are:

- A. To modify a Client's dysfunctional maladaptive behavioral patterns and develop daily living skills which will enable the Client to live in a less restrictive, more independent setting.
- B. To minimize inappropriate or unnecessary state and local acute hospitalization to the extent clinically appropriate by providing quality 24-hour skilled nursing care.
- C. At request of County, Contractor shall consult with County's psychiatrist on the proper dosage and administration of appropriate medications to reduce the lengths of stay in order to transition Clients to less restrictive levels of care in a timely manner.

EXHIBIT B QUARTERLY REPORT

COMPLETED FORMS MAY BE MAILED, EMAILED OR FAXED

Shasta County Health and Human Services Agency

Adult Services Branch

ATTN: Contracts

2460 Breslauer Way, Redding CA 96001

Email: ASContracts@co.shasta.ca.us

FAX Number: (530) 229-8404

Provider Name: _____

Quarter Covered by Report: _____

Report Completed by: _____

Phone Number: _____

Email Address: _____

Date of Report: _____

1. Report the following information for the quarter:

1	Number of Shasta County Clients added to the program. <i>Target: = 90 % of Clients referred</i>	# accepted	%
2	Number of Shasta County Clients not admitted to the program. (A referral for admittance was sent to program and was declined)	# declined	
3	Number of Clients who discharged this quarter. <i>(To get %, divide # of Clients who discharge by total # of Clients)</i>	# discharged	%
4	Number of adults who received crisis services (5150 evaluation). <i>Target: < 3%</i> <i>(To get %, divide # of Clients receiving crisis services by total # of Clients)</i>	# receiving	%
5	Number of Clients who were admitted to psychiatric hospital. <i>Target: < 3%</i> <i>(To get %, divide # of Clients admitted by total # of Clients)</i>	# admitted	%
6	Number of Clients moved to a higher level of care. <i>Target: < 3%</i> <i>(To get %, divide # of Clients moved to higher level of care by total # of Clients)</i>	# moved	%
7	Number of Clients who successfully transitioned to a lower level of care. <i>(To get %, divide # of Clients who moved to lower level of care by total # of Clients)</i>	# moved	%
8	Every Client had an active Individualized Service Plan	<input type="checkbox"/> Yes <input type="checkbox"/> No	
9	Total # of Group Services delivered		
10	Total # of Rehabilitation Services delivered		

EXHIBIT B

For any of the above categories which did NOT meet the expected outcome, please discuss below.

1. Number 4 has a less than 3% target measure. If the number of Clients who received crisis services was higher than 3%, please explain why:

2. Number 5 has a less than 3% target measure. If the number of Clients who were admitted to a psychiatric hospital was higher than 3%, please explain why:

3. Number 6 has a less than 3% target measure. If the number of Clients who were moved to a higher level of care was higher than 3%, please explain why:

4. If any of the above (1-3) questions are answered. Please explain what your plan is over this next quarter to ensure your program can meet the expected target measure:

5. What groups were delivered this quarter?

6. If there were any extenuating circumstances or significant changes over this past quarter, please explain here:

EXHIBIT B

Contract Service Requirements:

7. Report the number of services delivered by each of the following classifications during the quarter:

Classification	#	Classification	#
Licensed Physician/Psychiatrist		Registered Nurse (RN)	
Licensed Psychologist		Licensed Vocational Nurse (LVN)	
Licensed/Associate Therapist (LMFT/LCSW/LPCC)		Mental Health Technician (MHT)	
Other:		Other:	

8. Contract Staff Trainings Requirements:

Training Name	# of Staff Attending	Training Name	# of Staff Attending
Clinical characteristics of core target population		Risk assessments	
Co-occurring substance use		Psychiatric rehabilitation	
Service planning		skill-based groups	
Family education intervention		Crisis management and relapse prevention.	
Other:		Other:	
Other:		Other:	

9. Provide any other information you would like us to have.

EXHIBIT C PAYMENTS

PAYMENT. Payment shall be made to Contractor for the number of days of services provided under this agreement pursuant to the following conditions and terms:

- A. Contractor shall submit to County a monthly Statement in accordance with Section 4 of this agreement.
- B. Contractor shall provide County with National Provider Identifier (NPI). Services provided without submission to County of NPI by Contractor shall be the responsibility of the Contractor and will not be reimbursed by County.
- C. SNF rates per Client per day at the time of the execution of this agreement are \$273.07. Temporary Client absence rates per Client per day at the time of the execution of this agreement are \$264.58 (bed hold rate) pursuant to this agreement.
- D. County further agrees to compensate Contractor for specialized services at the following patch rates: Specialized services will consist of three distinct levels (1, 2, and 3) and paid at the SNF rate (\$273.07) per bed-day plus the patch rates per bed-day as identified in **EXHIBIT D, PATCH LEVELS CRITERIA**, based upon psychology/psychiatry visits authorized by the HHSA Director or his/her designee.
- E. The Medi-Cal reimbursement rates for skilled nursing facilities are adjusted during the year. The rates noted in this agreement are subject to change, and Contractor shall be paid at the adjusted rates up to the agreement's maximum amount, without amendment to this agreement.

**EXHIBIT D
PATCH LEVELS CRITERIA**

Level 1: \$60 Patch Rate

Professional Services:

- Psychiatry – One visit per month
- Psychology – One visit per month

Assistance with Behavioral and/or Medical Needs:

- Chronic mental health diagnosis w/active delusions & hallucinations, and/or mood swings
- Seizure Disorder
- Chronic skin conditions
- Resistive to Activities of Daily Living (“ADL”) care
- Repetitive questioning of others
- Alzheimer’s/DSM-5
- Physically aggressive
- Verbally aggressive
- Restlessness

Level 2: \$130 Patch Rate

Professional Services:

- Psychiatry – One visit per month
- Psychology – One visit per month

Assistance with Behavioral and/or Medical Needs:

- Duel diagnosed with Dementia and chronic mental illness with active psychosis
- Chronic depression, resistive to eating and withdrawn
- Stage 2 – 3 skin issues
- Diabetes
- Pain management
- Oxygen therapy
- Hemiplegia
- Two people assist with ADL, strikes out at staff
- Falls
- Strikes out at staff and others unprovoked
- Parkinson's
- Wandering behavior
- Inappropriate sexual comments

Level 3: \$185 Patch Rate

Professional Services:

- Psychiatry – Two visits per month
- Psychology – Two visits per month

Assistance with Behavioral and/or Medical Needs:

- Chronic mental health illness and not stable on medications
- Recent history of hitting others
- Property destruction
- Extensive assistance with ADL care
- Need for 1:1 supervision for constant wandering and/or striking out at others
- Bowel/bladder retraining
- Extensive Falls
- Gastronomy tubes, Nasogastric tubes, Intravenous Therapy
- Stage 3 – 4 skin issues
- Uncontrolled seizures
- Severe Parkinson's
- Organic Mental Syndrome related to head trauma
- Constant screaming out behavior
- False allegations

EXHIBIT E

INTERVENTIONS FOR PATCH LEVELS

Level A:

Psychologist will provide one session per month.

Psychiatrist will provide one session per month.

Behavioral Specialist will provide specialized interventions to assist with focusing on problematic behaviors such as false allegations to decrease behavior and provide safety reassurance.

Increased monitoring of resident to prevent absent without leave (“AWOL”).

Level B:

Psychologist will provide one session per month.

Psychiatrist will provide one session per month.

Behavioral specialist will counsel residents on anger management, coping skills, and mental health awareness to assist residents in focusing on learning alternative ways to process their verbal/physical aggression.

Individual counseling with behavioral specialist, as needed, to assist resident with gaining tools to manage aggressive behaviors.

Social Services, nursing, and maintenance will work to ensure that resident's environment is safe, secure, and free of objects that may cause injury.

Level C:

Psychologist will provide two sessions per month.

Psychiatrist will provide two sessions per month.

1:1 staff observation to ensure safety of resident and others.

Activity department will provide in-room visits with resident to increase socialization and allow resident to engage in an activity of their interest.

Routine individual counseling with behavioral specialist using cognitive behavioral therapy, solution focused therapy, and various other counseling techniques that can assist resident in managing high risk behaviors.

Nursing and social service staff meet with psychologists on a weekly basis to discuss the resident's case and ensure that a team approach is being utilized to meet therapeutic goals.