

## PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA AND RESTPADD, INC.

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 Restpadd, Inc., a California corporation (“Contractor”) (collectively, the “Parties” and individually a “Party”) for the purpose of providing psychiatric inpatient services.

**WHEREAS**, the County of Shasta has an obligation to ensure that inpatient psychiatric care is provided to those individuals in need while ensuring that the least restrictive environments are utilized to provide needed care, and the needs of residents are best served with local options for care whenever possible; and

**WHEREAS**, the County of Shasta desires to provide psychiatric inpatient services through a third party while ensuring the rights of individuals for appropriate level of care are upheld and respected;

**NOW, THEREFORE BE IT RESOLVED** that the County of Shasta desires to contract with Restpadd, Inc. to provide inpatient psychiatric placement and treatment services.

### Section 1. DEFINITIONS.

For the purposes of this agreement, the following definitions shall apply:

- A. **Client** means an individual determined to need treatment for a psychiatric illness or disorder, including but not limited to individuals with Medi-Cal benefits, County Medical Services Program (CMSP) benefits or uninsured County residents.
- B. **Out of County Client** means those Clients for whom another County maintains the financial or authorization responsibility. For purposes of this agreement, Contractor shall provide the same level of service to an Out of County Client as for a Client. The use of the word “Client” in this agreement shall include “Out of County Client” unless otherwise stated.
- C. **Physician Services** means services provided by an individual licensed under state law to practice medicine or osteopathy.
- D. **Private Insurance Client** means an individual determined to need treatment for a psychiatric illness or disorder that has private medical insurance. For the purposes of this agreement, Contractor shall provide the same level of service to a Private Insurance Client as for a Client. The use of the word “Client” in the agreement shall include “Private Insurance Client” unless otherwise stated.

### Section 2. RESPONSIBILITIES OF CONTRACTOR.

- A. Pursuant to the terms and conditions of this agreement, Contractor shall:
  - (1) Provide psychiatric inpatient services at Contractor’s Psychiatric Health Facility (PHF) for County in accordance with the terms, conditions and specifications as set forth herein and in **EXHIBIT A, PROGRAM RESPONSIBILITIES OF CONTRACTOR PSYCHIATRIC HEALTH FACILITY**, attached and incorporated herein.

- (2) In accordance with Title VI of the Civil Rights Act of 1964 and Title VI Regulations for federally funded programs to insure equal access for Limited English Proficiency individuals, Contractor shall provide linguistically competent services with appropriate-language certified interpreters either through in-house means or by contracting with an appropriate service provider.
- (3) Comply with the provisions contained in the Shasta County Managed Care Mental Health Plan, provided to Contractor pursuant to Section 3.D. of this agreement. All services provided by the Contractor shall be provided 24 hours per day, 7 days per week.
- (4) Allow County staff to consult with Contractor staff regarding inpatient placement, and coordination of care.
- (5) Designate a Contractor Liaison to participate in clinical care coordination meetings and to coordinate services/discharge plans with County's Transition Admission and Discharge Team ("TAD Team") as set forth in **EXHIBIT A**.
- (6) Comply with County findings as a result of any County investigation pursuant to Welfare and Institutions Code ("WIC") Section 5326.9.
- (7) Attend quarterly meetings with local area hospitals, local law enforcement and County to discuss issues of inpatient hospitalization and related procedural concerns.
- (8) Notify County of the submission of Contractor's application to Centers for Medicare & Medicaid Services ("CMS") for Medicare certification.
- (9) When an Out of County Client is placed at Contractor's PHF, comply with California Code of Regulations ("CCR"), Title 9, Section 1820.225.
- (10) Provide after hours, weekend and holiday physician on-call services to County. On-call physician services shall be available 365 days per year including 5:00 p.m. to 8:00 a.m. (Pacific Standard Time) Monday through Friday and 24 hours per day on Saturdays, Sundays and all County Holidays as identified in Chapter 11 of the Shasta County Personnel Rules.
- (11) Submit written documentation of medical necessity including any relevant comprehensive psychiatric evaluations, physician orders, treatment plans, progress notes, discharge plans, or clinical information as determined by County for all Clients placed at Contractor's PHF for psychiatric inpatient services, in a format approved by County and in accordance with CCR Title 9 Section 1820.205 and 1820.225.
- (12) Comply with WIC Sections 8100-8108 regarding notification to the California Department of Justice.
- (13) Comply with WIC Section 5608(b) regarding the exercise of general supervision of mental health services in Shasta County by the local director of mental health services under Part 2 of Division 5 of the WIC.

**B. Reporting.**

- (1) Contractor shall:

- a. Cooperate with County requests for information on Clients receiving services from Contractor under the terms of this agreement to conform to state-required Client Service Information (CSI) and/or other reports as requested by County.
- b. Immediately notify County by telephone if a death, serious personal injury, or substantial property damage occurs in connection with the performance of this agreement. Within 24 hours of incident, Contractor shall promptly submit to County a written report in such form as may be required by County for all serious incidents, which occur in connection with the performance of this agreement. This report must include, at a minimum, the following information:
  1. Name and address of the injured or deceased person; if any.
  2. Name and address of Contractor's staff or subcontractor, if any were involved in the incident.
  3. Name and address of Contractor's liability insurance carrier.
  4. A detailed description of the incident and whether any of County's equipment, tools, material, or employees were involved.
- c. Report monthly to County the number of Out-of-County Clients that Contractor discharged within Shasta County and the number that it discharged to other counties.

**C. Personnel.**

(1) Contractor shall:

- a. Furnish such qualified professional personnel as prescribed by Title 9, and Title 22, Chapter 9 of the CCR for the type of services prescribed and provided herein.
- b. Comply with all applicable federal and state laws, rules and regulations in regard to non-discrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, sexual preference, age, medical condition or handicap, (including compliance with the Federal Rehabilitation Act of 1973, Section 504.)

**D. Licensing Requirements.**

(1) Contractor shall:

- a. Comply with all applicable county and/or state licensing requirements and obtain appropriate licenses and display the same in a location that is reasonably conspicuous. Contractor shall abide by the Short-Doyle Act (WIC, Division 5, Part II, Section 5600 et seq.); Title 9 and Title 22 of the CCR; the State Cost Reporting/Data Collection Manual (CR/DC); and California Department of Health Care Services (DHCS) and prior Department of Mental Health Policy Letters.
- b. Furnish to County within 30 days of execution of this agreement, and thereafter within 30 days of any amendment to this agreement thereto, the following:
  1. A Program Schedule, and

2. Treatment Staff Roster (including license number or evidence of credentialing).

**E. Clinical Records.**

(1) Contractor shall:

- a. Maintain Client records in accordance with all state and federal requirements. Client records must comply with all appropriate state and federal requirements. Individual Client records shall contain intake information, interviews, and progress notes. Client records shall contain details adequate for the evaluation of the service.
- b. Provide County with required records for billing purposes, utilization review, and other purposes as may be required under the terms of this agreement.
- c. Be hereby informed that County payment may be delayed or withheld for lack of appropriate records and/or contents of those records required from Contractor in order to bill under Medi-Cal or other third party payer sources.

**F. Quality Assurance.**

(1) Contractor shall:

- a. Notify County pursuant to Section 19.C. of this agreement of any and all adverse incidents involving a Client or the PHF, including but not limited to, death or injury, at the PHF. All adverse incidents are reviewed by County and any recommendations will be forwarded both to the Director, or his or her designee, and the Contractor's Administrator, or his or her designee.
- b. Furnish County with a copy of its current Quality Assurance Policies and Procedures and its Client Problem Resolution Process within 30 days of execution of this agreement.

**G. Patient Rights.**

(1) Contractor shall:

- a. Comply with all applicable laws and regulations pertaining to the rights of patients. Specifically, Contractor shall adopt and post in a conspicuous place or places a written policy on the rights of patients in accordance with section 70707 of Title 22 of the CCR and shall comply with Sections 5325 and 5325.1 of the WIC. Alleged or suspected violations of patient rights as set forth in Sections 5325 and 5325.1 shall be investigated by the local director of mental health, or his/her designee pursuant to Section 5326.9 and complaints by patients shall be investigated by County's Patients' Rights Advocate pursuant to Sections 5500-5550, and, when appropriate for either type of investigation referenced in this section, by the DHCS (or any other subsequent appropriate state agency) or other persons and entities as required by law or regulation.
- b. Comply with provisions pertaining to rights of youth patients. Contractor shall operate in accordance with the provisions of Chapter 1 or Part 1 of Division 6 (commencing with Section 6002.15) of the WIC, and other applicable laws and regulations.

**H. Records to be Kept, Audits or Review, Reports, Availability, Period of Retention.**

- (1) **Inspection Rights** - Contractor, upon written request and as authorized by law, shall make all of its books, reports and records, pertaining to the services furnished under the terms of this agreement available for inspection, examination, or copying:
  - a. By any duly authorized agents of County, the State of California DHCS (or any other subsequent appropriate state agency), the United States Department of Health and Human Services, and the Comptroller General of the United States. The United States Department of Health and Human Services and Comptroller of the United States are intended third-party beneficiaries of this covenant.
  - b. At all reasonable times at Contractor's Facility or Contractor's place(s) of business or at such other mutually-agreeable location(s) in California.
  - c. In a form maintained in accordance with the general standards applicable to such books, reports or records.
  - d. For a term of at least seven years from the close of the County Fiscal Year in which this agreement was in last effect, or until resolution of any audit, review, claim, or litigation pursuant thereto, whichever is later. For the purposes of this agreement, the County Fiscal Year begins on July 1 and ends on June 30 of the following calendar year.
  - e. By making adequate office space available for review teams or auditors to perform the inspection, examination, and/or copying described herein. Such space must be capable of being locked and secured to protect the work of the review team or auditors during the period of their inspection, examination, and/or copying.
  - f. By permitting on-site reviews and audits during normal working hours with at least 72- hour notice, except that unannounced on-site reviews and requests for information may be made at the sole discretion of the inspecting entity in those exceptional situations where arrangement of an appointment beforehand is clearly not possible or clearly inappropriate to the nature of the intended review and/or audit.
- (2) These audits or reviews may evaluate the following matters pertinent to Medi-Cal beneficiaries:
  - a. Level and quality of care, and the necessity and appropriateness of the services provided.
  - b. Internal procedures for assuring efficiency, economy, and quality of care.
  - c. Grievances or complaints relating to medical care and their disposition.
  - d. Beneficiary-related financial records when determined necessary by County to assure accountability for public funds.
- (3) Contractor shall maintain medical records as required by Sections 70747 through 70751 of Title 22 of the CCR and other records related to a beneficiary's eligibility for services, the service rendered, the beneficiary to whom the service was

rendered, the date of the service, the medical necessity of the service, and the quality of service provided. Records shall be maintained in accordance with Section 51476 of Title 22 of the CCR. The foregoing constitutes "records" for the purposes of this Article VI.

- (4) The Parties agree that the purpose of both the inspection, examination and/or copying of books, reports and records as well as any audits and reviews conducted and authorized by Section H(1) of this agreement, is solely to assess Contractor and Contractor's subcontractor's compliance with the terms and conditions of this agreement.
- (5) Contractor does not waive the provisions of Evidence Code Section 1157 with regard to medical staff records as applicable to state and federal laws and Contractor's Bylaws.

**I. Subcontracts.**

- (1) Contractor shall:
  - a. Maintain and make available to County, the United States Department of Health and Human Services, and agents of the State of California, upon written request, copies of all subcontracts for the performance of any of Contractor's obligations and responsibilities under this agreement. Contractor shall assure that all subcontracts entered into from the effective date of this agreement shall require subcontractors to:
    1. Make all applicable books and records pertaining to this agreement available upon 48 hours of advance notice and during customary business hours for inspection, examination, or copying by County, the State of California Department of Health Services, or the United States Department of Health and Human Services.
    2. Retain such books and records for a term of seven years from the close of the State of California's fiscal year in which the subcontract became effective or until resolution of any audit, review, or claim, or litigation pursuant thereto, whichever is later.

**J. Recovery of Overpayments to Contractor, Liability for Interest.**

- (1) When an audit or review performed by any authorized agency discloses that Contractor has been overpaid under this agreement, or where the total payments exceed the total liability under this agreement, Contractor covenants that any such overpayment or excess payments over liability may be recouped by County by withholding the amount due from future payments, seeking recovery by payment from Contractor, or a combination of these two methods.
- (2) When recoupment or recovery is sought under Section 2.J. of this agreement, Contractor may appeal according to applicable procedural requirements of the regulations adopted pursuant to Part 2.5 of Division 5 (commencing at Section 5775) of the WIC with the following exceptions:
  - a. The process for recovery or recoupment shall commence within 60 days after issuance of account status or demand resulting from an audit or review and

shall not be deferred or tolled by the filing of a request for an appeal according to the applicable regulations.

- b. Contractor's liability to County for any overpayment or excess payment shall be as provided in Section 5779(e) of the WIC.

**K. Program Integrity Requirements.**

(1) Contractor shall:

- a. Comply with all state and federal statutory and regulatory requirements for certification of claims including Title 42, Code of Federal Regulations ("CFR") Part 438.
- b. For each Client who has Medi-Cal benefits (Beneficiary), for whom Contractor is submitting a claim for reimbursement assure the following:
  - 1. An assessment of the Beneficiary was conducted in compliance with the requirements established in the Shasta County Managed Care Mental Health Plan.
  - 2. The Beneficiary was eligible to receive Medi-Cal services at the time the services were provided to the Beneficiary.
  - 3. The services included in the claim were actually provided to the Beneficiary.
  - 4. Medical necessity was established for the Beneficiary as defined by statute and/or regulation for the service or services provided, for the timeframe in which the services were provided, except for the initial assessment and when County decides to keep a Beneficiary at the PHF as allowed by regulation.
  - 5. A client plan was developed and maintained for the Beneficiary that met all client plan requirements as set forth in the Shasta County Managed Care Mental Health Plan.
- c. In addition, Contractor certifies the following processes are in place:
  - 1. Written policies, procedures, and standards of conduct that articulate Contractor's commitment to comply with all applicable federal and state standards.
  - 2. The designation of a compliance officer and a compliance committee who/that are accountable to Contractor's senior management.
  - 3. Effective training and education for the compliance officer, compliance committee, and the Contractor's employees.
  - 4. Enforcement of standards through well-publicized employee disciplinary guidelines.
  - 5. Internal auditing and monitoring.
  - 6. Prompt response to detected offenses, and development of corrective action initiatives relating to the provision of mental health services.

- L. As required by Government Code Section 7550, each document or report prepared by Contractor for or under the direction of County pursuant to this agreement shall contain the numbers and dollar amount of the agreement and all subcontracts under the agreement relating to the preparation of the document or written report. If multiple documents or written reports are the subject of the agreement or subcontracts, the disclosure Section may also contain a statement indicating that the total agreement amount represents compensation for multiple documents or written reports. Contractor shall label the bottom of the last page of the document or report as follows: department name, agreement number, and dollar amount. If more than one document or report is produced under this agreement, Contractor shall add: "This [document or report] is one of [number] produced under this agreement."

**Section 3. RESPONSIBILITIES OF COUNTY.**

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

- A. Compensate Contractor as prescribed in Sections 4 and 5 of this agreement and shall monitor the outcomes achieved by Contractor.
- B. The HHSA Director, or his or her designee, shall assign a County designated liaison ("County Liaison") who shall participate in clinical care coordination meetings as clinically indicated as determined by either Party for the purpose of coordinating services/discharge plans.
- C. Coordinate quarterly meetings with local area hospitals, local law enforcement and Contractor to discuss issues related to the process of inpatient hospitalization and other related procedural concerns.
- D. Provide Contractor with a copy of the Shasta County Managed Care Mental Health Plan, as follows:
- (1) For the purposes of this agreement, the "Shasta County Managed Care Mental Health Plan" is the agreement effective May 1, 2013 through April 30, 2018 between the State of California Department of Health Care Services and the County, or any subsequent agreement.
  - (2) The Shasta County Managed Care Mental Health Plan is available at [http://www.co.shasta.ca.us/index/hhsa\\_index/Mental\\_health\\_alchol\\_and\\_drug/OrgProviders.aspx](http://www.co.shasta.ca.us/index/hhsa_index/Mental_health_alchol_and_drug/OrgProviders.aspx). Contractor shall check the website for updates regularly to ensure Contractor has current approved Shasta County Managed Care Mental Health Plan. Should Contractor be unable to access the electronic version of the Shasta County Managed Care Mental Health Plan, County will provide Contractor with a hard copy version upon written request.
- E. Provide a Patients' Right Advocate to provide the services as outlined in Section 5520 of the WIC.
- F. The TAD Team shall be responsible for coordinating outpatient mental health services, residential care and other community supports deemed necessary for Shasta County Clients discharged from Contractor's PHF (not applicable to Out-of-County Clients or Private Insurance Clients).



- G. Provide training(s) as determined by County, including Patients' Rights training and WIC 5150 training to Contractor's designated staff. The time, date and location of each training shall be set by County.
- H. Conduct utilization review meetings between County and Contractor staff for the purpose of reviewing documentation in the records of Clients receiving services from Contractor pursuant to this agreement. Each utilization review meeting shall include, at a minimum, the following individuals: Contractor's Director of Nursing, or his or her designee, and the County's Managed Care Clinical Program Coordinator, or his or her designee. The date, time, and location of each Utilization Review Meeting shall be set by County.

#### **Section 4.     COMPENSATION.**

- A. Contractor shall be paid in accordance with **EXHIBIT C, PAYMENTS**, attached and incorporated herein, for the services described in this agreement. Compensation payable to Contractor under this agreement shall not exceed \$3,000,000 from July 1, 2017 through June 30, 2018 and shall not exceed \$3,000,000 from July 1, 2018 through June 30, 2019 for a total compensation not to exceed \$6,000,000 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.
- B. Contractor's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.

#### **Section 5.     BILLING AND PAYMENT.**

- A. For the services rendered under this agreement, Contractor shall submit invoices and supporting documentation to Shasta County HHSA, Business and Support Services Branch, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005 in accordance with the conditions and terms specified in **EXHIBIT C**. County shall not be obligated to pay Contractor for services covered by any invoice, if Contractor presents the invoice to County more than 90 days after the date services were rendered by Contractor. Except as may otherwise be provided in this agreement, County shall make payment within 30 days of receipt of Contractor's correct and approved invoices and supporting documentation. For the purposes of effectuating payment of compensation, this provision shall survive the termination, expiration, or cancellation of this agreement.
- B. Upon termination of this agreement, County shall compensate Contractor pursuant to the terms of this agreement within 30 days of receipt of Contractor's final invoice. Contractor shall submit Contractor's final invoice, within 15 days of the effective date of termination. To the extent necessary to effectuate full compensation of Contractor, this provision shall survive the termination 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 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 6. TERM OF AGREEMENT.**

The term of this agreement shall commence with all rights and obligations herein made effective on July 1, 2017 and shall thereafter end June 30, 2019. 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. County shall notify Contractor in writing of such non-appropriation at the earliest possible date.

**Section 7. 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 not less than 90 days written notice to Contractor. Contractor may terminate this agreement without cause on not less than 120 days written notice to County.
- C. County may terminate this agreement immediately upon oral notice should funding cease or be materially decreased during the term of this agreement. County shall provide written notice to Contractor within five business days after providing oral notice.
- D. County's right to terminate this agreement may be exercised by the Shasta County Board of Supervisors, the County Executive Officer, the Shasta County HHSA Director, or any HHSA Branch Director designated by the HHSA Director, or any HHSA Branch Deputy 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 8. 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. However, minor amendments including retroactive, and changes in the Contractor's rates not to exceed ten percent over the original rate during the entire term of the agreement, 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 Shasta County HHSA Director, any HHSA Branch Director designated by the HHSA Director, or any HHSA Branch Deputy Director designated by the HHSA 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, except to the extent the provisions of this agreement conflict with the provisions of the Shasta County Managed Care Mental Health Plan, in which case the provisions of the Shasta County Managed Care Mental Health Plan govern.

**Section 9. 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 10. 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 insure 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 11. 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 12. 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 insurance necessary to protect the County and the public with limits of liability of not less than \$1 million combined single limit bodily injury and property damage; 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 the 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 and \$3 million annual 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 *Shasta County, its elected officials, officers, employees, agents, and volunteers as additional insureds* and provides that coverage *shall not be reduced or canceled without 30 days written prior notice certain to the County*. 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 the 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, 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 the County.

**Section 13. 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 14. COMPLIANCE WITH LAWS; NON-DISCRIMINATION.**

- A. Contractor shall observe and comply with all applicable federal, state, and local laws, ordinances, and codes 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. Comply with Section 1352 of Title 31, U.S.C. and no funds expended pursuant to this agreement shall be used to pay any person for influencing or attempting to influence

an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement. All services rendered by Contractor pursuant to this agreement shall be in compliance with Section 1352 of Title 31, U.S.C., and in conjunction therewith Contractor shall execute the attached **EXHIBIT B, CERTIFICATION REGARDING LOBBYING**, attached hereto and incorporated herein.

- F. Services provided under this agreement shall be provided by individuals with employment or personal services arrangements with Contractor satisfying the employment or personal services safe harbors of the federal anti-kickback law (42 CFR Section 1001.952(d) & (i)) and the personal service exception of the Stark law (42 CFR Section 411.357(d)) as applicable or as otherwise authorized by law.

**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.
- B. With respect to Contractor's Site(s), Contractor shall comply with all applicable County, state and federal licensing requirements and shall obtain all applicable licenses and display the same in a location on Contractor's Site(s) that is reasonably conspicuous. Failure to maintain the licensing requirements shall be deemed a breach of this agreement and may be, at County's sole discretion, grounds for the termination of this agreement pursuant to Section 7.A. of this agreement.
- C. Contractor shall immediately advise County of any investigation or adverse action taken against it, or its principals, partners, officers, employees, subcontractors, and agent providing services pursuant to this agreement by state or federal agencies and/or professional licensing organizations.

**Section 17. PERFORMANCE STANDARDS.**

Contractor shall perform the work or services required by this agreement in accordance with the industry and/or professional standards applicable to Contractor's work or services.

**Section 18. CONFLICTS OF INTEREST.**

Contractor and Contractor's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property, or source of income that could be financially affected by or otherwise conflict in any manner or degree with the performance of the work or services required under this agreement.

**Section 19. NOTICES.**

A. Except as provided in Section 7.C. of this agreement (oral notice of termination due to insufficient funding), any notices required or permitted pursuant to the terms and provisions of this agreement shall be given to the appropriate Party at the address specified below or at such other address as the Party shall specify in writing. Such notice shall be deemed given: (1) upon personal delivery; or (2) if sent by first class mail, postage prepaid, two days after the date of mailing.

If to County:           Branch Director  
                                  HHSA Adult Services Branch  
                                  Attn: Contracts Unit  
                                  P.O. Box 496005  
                                  Redding, CA 96049-6005  
                                  Phone: 530-225-5900  
                                  Fax: 530-225-5977

If to Contractor:       Administrator  
                                  Restpadd, Inc.  
                                  2750 Eureka Way  
                                  Redding, CA 96001  
                                  Phone: 530-262-6700  
                                  Fax: 530-241-2722

B. Any oral notice authorized by this agreement shall be given to the persons specified in Section 19.A. and shall be deemed to be effective immediately.

**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, Section 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 Section 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. 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 25. CONFIDENTIALITY OF PATIENT/CLIENT INFORMATION.**

- A. 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 WIC; Civil Code Section 56.10; the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations adopted pursuant thereto; Title 42, CFR, Part 2; and Title 45, CFR, 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.
- B. Notwithstanding any other provision of this agreement, names of Clients receiving public social services hereunder are confidential and are to be protected from unauthorized disclosure in accordance with Chapter IV of Subchapter C of Part 431 of Subpart F of Title 42, of the CFR (commencing at Section 431.300) and Section 14100.2 of the WIC and regulations adopted there under. For the purpose of this agreement, all information, records, data, and data elements collected and maintained under this agreement and pertaining to Clients shall be protected by Contractor from unauthorized disclosure. This provision shall survive the termination, expiration, or cancellation of this agreement

**Section 26. FINANCIAL REPORTING.**

- A. Upon receipt of written notice of the County, Contractor shall provide such accounting information and/or records that reflect Contractor's financial feasibility, as determined by County, to honor the terms of the agreement.
- B. Contractor shall maintain complete financial records including an annual, independent audit prepared in accordance with OMB Circular A-133, which clearly reflects the actual cost of each type of service for which Contractor claims payment hereunder. Within 90 days after the close of each County Fiscal Year during the term of this agreement, Contractor shall provide County with an annual Cost Report in the appropriate format for submission to DHCS for Medi-Cal reimbursement. The Beneficiary-eligibility determination and the fees charged to and collected from Beneficiaries shall also be shown in such records, and any apportionment of costs shall be made in accordance with P.L. 98-502 (31 USC §7501 et seq.), OMB A-133 and generally accepted accounting principles.

**Section 27. FEDERAL HEALTHCARE COMPLIANCE PROGRAM.**

- A. In entering into this agreement, Contractor acknowledges County's Compliance Program and has received, read and understands the **Shasta County Health and Human Services Agency Mental Health Plan ("MHP") Contractor Code of Conduct ("Code of Conduct")**, attached and incorporated herein as **EXHIBIT D**, and agrees to comply and to require its employees and subcontractors who are considered "Covered Individuals" without limitation, to comply with all provisions of the Code of Conduct. Should the aforementioned Code of Conduct be amended during the term of this agreement Contractor shall comply with the Code of Conduct as amended and as provided to Contractor by County. "Covered Individuals" are defined as employees or subcontractors of the Contractor with responsibilities pertaining to the ordering, provision, documentation, coding, or billing of services payable by a Federal Healthcare program for which County seeks reimbursement from the Federal Healthcare programs.
- B. Contractor agrees to annually provide copies of the Code of Conduct, available from County, to all Covered Individuals who are its employees and to obtain (subject to review by County and/or Office of Inspector General [OIG]) signed certifications from each individual certifying that they have received, read, understand, and agree to abide by the requirements of the Code of Conduct. Contractor shall retain the signed certifications on file and provide to County's Compliance Officer or his or her designee immediately when requested by County, either orally or in writing.
- C. Contractor agrees that all of its employees who are Covered Individuals, both current and all newly-hired, will be required to attend annually the complete compliance training program provided by County, or attend Contractor's compliance training program with prior approval of County's Compliance Officer or his or her designee, as required by the County's Program for Compliance with Federal Healthcare Programs.
- D. Contractor shall not enter into an agreement with any provider who is, or at any time has been, excluded from participation in any federally funded healthcare program,

including, without limitation, Medi-Cal, Medicaid, or Medicare.

- E. Contractor attests that Contractor and all Contractor's employees and subcontractors are not excluded from Medi-Cal, Medicaid, and Medicare provider participation.
- F. Contractor shall verify monthly to ensure all of Contractor's employees and subcontractors are not excluded from Medi-Cal, Medicaid and Medicare provider participation. Contractor shall maintain documentation of monthly verification on file and provide such documentation to County within 10 days of written request from County. Verification checking, at a minimum, shall include Contractor's use of the following three websites:

- (1) [http://oig.hhs.gov/exclusions/exclusions\\_list.asp](http://oig.hhs.gov/exclusions/exclusions_list.asp)
- (2) <https://files.medi-cal.ca.gov/pubsdoco/SandILanding.asp>
- (3) <https://www.sam.gov/portal/SAM/#1>

#### **Section 28. NOTICE OF RIGHTS.**

Contractor shall give the persons provided services pursuant to this agreement notice of their rights in accordance with Section 5325 of the WIC and CCR, Title 9, Section 862. In addition, in all of Contractor's Site(s), Contractor shall have prominently posted in the predominant languages of the community a notice of the rights delineated in Section 5325 of the WIC and in CCR, Title 9, Section 862.

#### **Section 29. 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 11.

***/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: \_\_\_\_\_

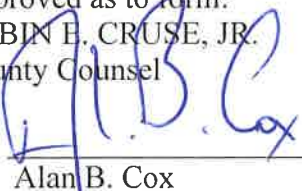
\_\_\_\_\_  
DAVID A. KEHOE, CHAIRMAN  
Board of Supervisors  
County of Shasta  
State of California

ATTEST:


LAWRENCE G. LEES  
Clerk of the Board of Supervisors

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

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


By:  8/15/17  
Alan B. Cox  
Deputy County Counsel

RISK MANAGEMENT APPROVAL


By:  08/16/17  
James Johnson  
Risk Management Analyst

**CONTRACTOR**

Date: 8/28/17

By:   
Carl Womack, Administrator  
Restpadd, Inc.

~~Approved as to form~~

  
~~Jody Burgess~~  
~~Burgess & Bogener, Inc.~~

Tax I.D. #: \_\_\_\_\_ On File \_\_\_\_\_

## PROGRAM RESPONSIBILITIES OF CONTRACTOR PSYCHIATRIC HEALTH FACILITY (PHF)

### Section 1. PROGRAM SERVICES.

In full consideration of the payments herein provided for, Contractor shall provide the services described below in a manner consistent with the terms and provisions of this agreement and its EXHIBITS and in accordance with the requirements of Title 9 of the California Code of Regulations ("CCR"):

- A. For Clients assessed as requiring inpatient psychiatric care, Contractor shall provide inpatient services, at ages allowed by licensure and certification by the California Department of Social Services, at Contractor's PHF, 24 hours a day and 7 days per week. County agrees to pay the all-inclusive "Fee-for-Service" daily rate as specified in Section A of **EXHIBIT C** of this agreement for each day of admission, **excluding** the day of discharge. County is eligible to receive Medi-Cal reimbursement from the State of California Department of Health Care Services (DHCS) for these inpatient services for eligible Clients, and other reimbursement as available.
- B. Contractor will determine the appropriateness of placement based on clinical medical necessity pursuant to CCR, Title 9, Section 1820.205.
- C. Client admissions shall be subject to all applicable federal and state statutes and regulations pertaining to screening procedures and standards, including, but not limited to, federal and state statutes and regulations governing psychiatric health facilities.
- D. **Eligibility.** Contractor shall admit Clients to the PHF who meet medical necessity for psychiatric inpatient services pursuant to CCR, Title 9, Section 1820.205. It is agreed by County and Contractor that Clients that do not meet medical necessity pursuant to CCR, Title 9, Section 1820.205 for psychiatric inpatient services, as well as individuals suffering exclusively from developmental disability, mental retardation, alcohol or drug intoxication or physical illnesses (without a psychiatric component), shall not be considered for admission to Contractor's PHF.
- E. **Basic Service Level.** It is agreed by both Contractor and County that the basic service level (the minimum array of services provided to Clients at the PHF) fully complies with Title 22 of the CCR, Section 72445. It is further agreed by Contractor that basic services will also include access to medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming.
  - (1) Services shall include, but are not limited to 72-hour detention under Welfare and Institutions Code ("WIC") Code Section 5150, 14-day Certification under WIC Section 5250 (and acute psychiatric inpatient care for voluntary Clients who would otherwise be referred by County.)
  - (2) Contractor will prepare and serve all Notices of Certification under WIC Sections 5250 et. seq. or 5256 et. seq. and conduct all necessary certification and capacity hearings as provided for in WIC Section 5250 et. seq. and Section 5332 et. seq. Patient's Rights Advocates to be served all required notices no later than 3:00 p.m.

the day preceding any hearing described herein where practical, otherwise when reasonably able to do so and in accordance with all laws.

- F. **Discharge Planning and Post-Acute Placement.** Contractor shall coordinate with County to facilitate quality discharge plans for each Shasta County Client placed at Contractor's PHF. Contractor shall keep County Liaison and TAD Team, fully informed of all discharges to include, but not be limited to; standard discharges, 5150 holds, Reese Hearings and writs of Habeas Corpus. Contractor shall inform of all discharge times and dates as Contractor becomes aware and shall update County should these times and/or dates change. Contractor shall fully participate in pre-discharge program planning as soon as reasonably practical. Contractor shall fax discharge medication list and discharge instructions (to include address and phone number of where Client is discharging to; follow-up appointment date and time, provider and phone number; list of all discharge medications) to the TAD Team at their confidential FAX number: 530-225-5229. In addition, Contractor shall make contact with TAD Team representative at 530-225-5204 or 530-225-5985, prior to driver dispatch from County to pick up Shasta County Client for discharge transport. Transportation of Out-of-County Clients will not be provided by County.
- G. **Physician Services.** Unless otherwise authorized by law, no physician with a financial interest in the PHF as defined in 42 CFR Section 411.354 may perform or control, any act or activity constituting the practice of medicine in connection with the physician component of the contracted PHF services. Contractor will engage subcontract physicians who will retain the exclusive authority to practice medicine in connection with the physician component of the contracted PHF services in accordance with this agreement.

## **Section 2. GOALS.**

The goals of Client treatment under this agreement are:

- A. Decrease risk of danger to self or others and improve capacity for self-care.
- B. To modify dysfunctional maladaptive behavioral patterns, provide medication supports, and develop daily living skills which will enable them to live in a less restrictive, more independent setting.
- C. To minimize inappropriate or unnecessary state and local acute hospitalization to the extent clinically appropriate by providing quality 24-hour sub-acute care.

**State of California  
Department of Health Care Services**

**CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.
- C. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Name of Contractor

\_\_\_\_\_  
Printed Name of Person Signing for Contractor

\_\_\_\_\_  
Contract/Grant Number

\_\_\_\_\_  
Signature of Person Signing for Contractor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

## PAYMENTS

Payment shall be made to Contractor for the services provided under this agreement pursuant to the following conditions and terms:

- A. For the PHF services provided pursuant to **EXHIBIT A**, County shall compensate Contractor, at the **all-inclusive** rate as set forth below:
  - (1) From July 1, 2017 through June 30, 2018 the rate shall be \$880 per day per Client admitted to Contractor's PHF, excluding the day of discharge, on a "Fee for Services Basis."
  - (2) From July 1, 2018 through June 30, 2019 the rate shall be \$900 per day per Client admitted to Contractor's PHF, excluding the day of discharge, on a "Fee for Services Basis."
- B. Contractor shall provide County all documentation and records required to allow County to bill third party payer sources, including Medi-Cal, required for the purposes of Utilization Review Meetings, and as may be required for other purposes relevant to the provision of services under the terms of this agreement, within 90 days of the date of service.
- C. Contractor shall submit monthly to County, an invoice and supporting documentation identifying: the Client name, Client date of birth, admission date, discharge date, and length of services. County shall retain Medi-Cal reimbursement.
- D. County shall pay Contractor pursuant to the terms of this agreement within 30 days following the submission of a correct and approved invoice and supporting documentation by Contractor.
- E. County shall provide approval or disapproval of Contractor's determination of medical necessity for each Client admitted to Contractor's PHF in accordance with CCR, Title 9 Section 1820.225. Should County's approval of medical necessity be invalidated by a DHCS audit, County shall be liable for the audit exception.
- F. Contractor shall provide County with the correct and currently active National Provider Identifier (NPI) number(s) under which the services provided pursuant to this agreement shall be billed to state or federal payer sources. Services provided without submission to County of the correct and currently active NPI(s) by Contractor, that would otherwise be billed to state or federal payer sources, shall be the responsibility of the Contractor and will not be reimbursed nor compensated for by County or if already reimbursed or compensated for by County, the amounts paid under an incorrect or inactive NPI shall be refunded to County upon demand by County. Contractor shall notify County, in writing, within 10 days of any change to, or suspension of NPI(s) associated with the services provided pursuant to this agreement. The correct and currently active NPI(s) shall be included as documentation on each billhead or invoice submitted by Contractor to County. Any billhead or invoice received by County without the NPI included shall be returned to Contractor and shall not be reimbursed by or compensated for by County until the billhead or invoice is submitted including the NPI.



**SHASTA COUNTY MENTAL HEALTH AND HUMAN SERVICES AGENCY,  
MENTAL HEALTH PLAN (MHP)  
CONTRACTOR CODE OF CONDUCT**

Shasta County Health and Human Services Agency (HHSA), maintains high ethical standards and is committed to complying with all applicable statutes, regulations, and guidelines. HHSA Contractors shall follow this Contractor Code of Conduct (Code of Conduct) as applicable to services performed under the Managed Care Plan agreement between Shasta County and the State Department of Health Care Services and this agreement between the County of Shasta and Contractor.

**Section 1. PURPOSE.**

The purpose of this HHSA Code of Conduct is to ensure that all HHSA Contractors providing services under the Shasta County Managed Care Plan (the agreement between Shasta County and State of California Department of Health Care Services to provide specialty mental health services to eligible Shasta County Medi-Cal beneficiaries) and this agreement between the County of Shasta and Contractor, are committed to conducting their activities ethically and in compliance with all applicable state and federal statutes, regulations, and guidelines applicable to Federal Health Care programs. This Code of Conduct also serves to demonstrate HHSA's dedication to providing quality care to its Clients, and to submitting accurate claims for reimbursement to all payers.

**Section 2. CODE OF CONDUCT – GENERAL STATEMENT.**

- A. This Code of Conduct is intended to provide HHSA Contractors with general guidelines, to enable them to conduct the business of HHSA in an ethical and legal manner;
- B. Every HHSA Contractor is expected to uphold this Code of Conduct;
- C. Failure to comply with this Code of Conduct, or failure to report reasonably suspected issues of non-compliance, may result in the HHSA Contractor's termination of contracted status. In addition, such conduct may place the Contractor, the individuals employed by Contractor, or HHSA, at substantial risk in terms of its relationship with various payers. In extreme cases, there is also the risk of action by a governmental entity up to and including an investigation, criminal prosecution, and/or exclusion from participation in the Federal Health Care Programs.

**Section 3. CODE OF CONDUCT.**

All HHSA Contractors and employees of Contractor shall:

- A. This Code of Conduct is intended to provide HHSA Contractors with general guidelines, to enable them to conduct the business of HHSA in an ethical and legal manner;
- B. Comply with all statutes, regulations, and guidelines applicable to Federal Health Care programs, and with this Code of Conduct;

- C. Refrain from any illegal conduct. When a Contractor is uncertain of the meaning or application of a statute, regulation, or policy, or the legality of a certain practice or activity, Contractor shall inform the HHSA Compliance Officer or designee;
- D. Not obtain any improper personal benefit by virtue of their contractual relationship with HHSA;
- E. Notify the HHSA Compliance Officer or designee immediately upon the receipt, at any location, of any inquiry, subpoena, or other agency or government request for information regarding HHSA or the services provided under this agreement between HHSA and Contractor;
- F. Not destroy or alter HHSA information or documents in anticipation of, or in response to, a request for documents by any applicable government agency or from a court of competent jurisdiction;
- G. Not engage in any practice intended to unlawfully obtain favorable treatment or business from any entity, physician, Client, resident, vendor, or any other person or entity in a position to provide such treatment or business;
- H. Not accept any gift of more than nominal value or any hospitality or entertainment, which because of its source or value, might influence the Contractor's independent judgment in transactions involving HHSA or the services provided under this agreement between HHSA and Contractor;
- I. Disclose to the HHSA Compliance Officer or designee any financial interest, official position, ownership interest, or any other financial or business relationship that they (or a member of their immediate family, or persons in their employ) has with HHSA's employees, vendors or contractors;
- J. Not participate in any false billing of HHSA, Client, other government entities, or any other Party;
- K. Not participate in preparation or submission of any false cost report or other type of report submitted to the HHSA or any other government entity;
- L. Not pay, or arrange for Contractor to pay, any person or entity for the referral of HHSA Clients to Contractor, and shall not accept any payment or arrange for any other entity to accept any payment for referrals from Contractor;
- M. Not use confidential HHSA information for their own personal benefit or for the benefit of any other person or entity, while under contract to HHSA, or at any time thereafter;
- N. Not disclose confidential medical information pertaining to HHSA's Clients without the express written consent of the Client or pursuant to court order and in accordance with all applicable laws;
- O. Promptly report to the HHSA Compliance Officer or designee any and all violations or reasonably suspected violations of this Code of Conduct;
- P. Promptly report to the HHSA Compliance Officer or designee any and all violations or reasonably suspected violations of any statute, regulation, or guideline applicable to Federal Health Care programs;

- Q. Know they have the right to use HHSA's Confidential Disclosure Line without fear of retaliation with respect to disclosures; and with HHSA's commitment to maintain confidentiality, as appropriate; and
- R. Not engage in or tolerate retaliation against anyone who reports suspected wrongdoing.

**Section 4. SHASTA COUNTY COMPLIANCE OFFICER.**

The Shasta County HHSA Compliance Officer may be contacted at:

Compliance Officer

Shasta County Health and Human Services Agency, Business & Support Services Branch

1810 Market Street, Redding, CA 96001

P.O. Box 496005, Redding, CA 96049-6005

(530) 245-6750

24/7 Confidential Disclosure Line: (530) 229-8050 or 1-866-229-8050

Email: [mhcompofcr@co.shasta.ca.us](mailto:mhcompofcr@co.shasta.ca.us)

*CODE OF CONDUCT CERTIFICATION PAGE FOLLOWS*



Shasta County Health & Human Services Agency (HHSA)

# CODE OF CONDUCT – CONTRACTOR CERTIFICATION

I, \_\_\_\_\_, by signing this Certification  
(Print First and Last Name)  
acknowledge that:

1. I have received a copy of the Code of Conduct;
2. I have read and understand the Code of Conduct; and
3. I agree to comply with the Code of Conduct.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Please maintain on file and provide to HHSA upon request to: HHSA Compliance Program staff at 1810 Market Street, Redding, CA 96001, or to P.O. Box 496005, Redding, CA 96049-6005.