

## **PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA AND VISTA PACIFICA ENTERPRISES, 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 Vista Pacifica Enterprises, Inc., a California corporation ("Contractor"), (collectively, the "Parties" and individually a "Party"), for the provision of 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 perform services for County as prescribed in **EXHIBIT A, PROGRAM SERVICES**, attached and incorporated herein.

### **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 client's progress, general welfare of clients, physical and program integrity of the facility as well as routine review of service provider reports, fiscal claims.
- 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. 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 B, PAYMENTS**, and **EXHIBIT C, PATCH LEVELS CRITERIA**, attached and incorporated herein.
- B. The total compensation payable to Contractor under this agreement shall not exceed \$2,500,000 per fiscal year ("FY") beginning FY 2017-18 through FY 2019-20. In no event shall the maximum amount payable under this agreement exceed \$7,500,000 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 ("HHSA") Director ("Director"), or any HHSA Branch Director designated by Director, may approve, rate changes made by Provider, in writing and in advance, and rate changes made by the state, both retroactive and prospective, provided that the increase in any single rate shall not exceed 10 percent over the current rate, per fiscal year, during the entire term of this agreement and provided further that the rate increase shall not increase the total compensation payable under this agreement.

- D. Contractor's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.
- E. 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 HHSA 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.**

- A. This agreement shall commence July 1, 2017 and shall end June 30, 2020.
- B. 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, the Shasta County Health and Human Services Agency ("HHSA") Director or any HHSA Branch Director designated by the 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 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 HHSA Director, or any HHSA Branch 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.

**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.**

To the fullest extent permitted by law, Contractor shall indemnify and hold harmless County, its elected officials, officers, employees, agents, and volunteers against all claims, suits, actions, costs, expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, litigation costs, and investigation costs), damages, judgments, or decrees arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or by any of Contractor's subcontractors, any person employed under Contractor, or under any subcontractor, or in any capacity, except when the injury or loss is caused by the sole negligence or intentional wrongdoing of County. Contractor shall also, at Contractor's own expense, defend the County, its elected officials, officers, employees, agents, and volunteers, against any claim, suit, action, or proceeding brought against County, its elected officials, officers, employees, agents, and volunteers, arising from the work or the provision of services undertaken pursuant to this agreement by Contractor, or any of Contractor's subcontractors, any person employed under Contractor, or under any Subcontractor, or in any capacity. Contractor shall also defend and indemnify County for any adverse determination made by the Internal



Revenue Service or the State Franchise Tax Board and/or any other taxing or regulatory agency and shall defend, indemnify, and hold harmless County with respect to Contractor's "independent contractor" status that would establish a liability on County for failure to make social security deductions or contributions or income tax withholding payments, or any other legally mandated payment. The provisions of this paragraph are intended to be interpreted as broadly as permitted by applicable law. This provision shall survive the termination, expiration, or cancellation of this agreement.

**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 insure 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.

- B. Contractor shall immediately advise County of any investigation or adverse action taken against it, or against its officers, employees, and agents 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 6.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  
                                  2640 Breslauer Way  
                                  Redding, CA 96001  
                                  Phone: 530-225-5900  
                                  Fax: 530-225-5977

If to Contractor:       President  
                                  Vista Pacifica Enterprises, INC.  
                                  3674 Pacific Avenue  
                                  Riverside, CA 92509  
                                  Phone: 951 682-4833  
                                  Fax: 951-682-1503

- 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.



- C. Unless otherwise stated in this agreement, any written or oral notices on behalf of the County as provided for in this agreement may be executed and/or exercised by the County Executive Officer.

**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 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 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.

*[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: \_\_\_\_\_

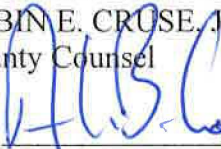
\_\_\_\_\_  
LES BAUGH, CHAIRMAN  
Board of Supervisors  
County of Shasta  
State of California

ATTEST:


LAWRENCE G. LEES  
Clerk of the Board of Supervisors

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

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


By:  2/8/18  
\_\_\_\_\_  
Alan B. Cox  
Deputy County Counsel

RISK MANAGEMENT APPROVAL

By:  02/09/18  
\_\_\_\_\_  
James Johnson  
Risk Management Analyst

Date: 2/20/2018

**CONTRACTOR**

  
\_\_\_\_\_  
Cheryl Jumonville  
President

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)/Institute of Mental Disease (IMD)

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 B**.

## 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 B**, 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 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. Restoration to Competency Program

1. Provide an intensive program designed to restore clients to competency so that they may stand trial, directed at those with misdemeanor charges to restore competency as quickly as possible.
2. An initial competency assessment will determine the degree of competency of the client.
3. Client will attend daily classes with counselors and licensed clinical psychologists to include educational discussions and periodic test to assess improvement in degree of competency, and mock court role play. Focus will be on the following:
  - Understanding of charge(s)
  - Appreciation of penalties
  - Appraisal of available defenses

- Understanding of the roles of various courtroom personnel
- Understanding of court procedures
- Motivation to help themselves in the legal process
- Appraisal of likely outcomes
- Planning of legal strategies
- Ability to cooperate with counsel
- Capacity to disclose pertinent information to counsel
- Capacity to testify
- Capacity to challenge prosecution witnesses
- Ability to manifest appropriate courtroom behavior
- Capacity to cope with incarceration while awaiting trial

4. Progress will be monitored by counselors and licensed clinical psychologist and will be evaluated to determine whether or not they have been restored to competency and are ready to stand trial.

G. 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. A LOCUS will be used as a data source.
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.

H. Performance Measures

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

I. 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 D**, attached and incorporated herein.

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 subacute 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 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. IMD/SNF (18-64) rates, including temporary absence days, are set forth in California Code of Regulations, title 22, section 51511, plus the rate for Special Program Services as set forth in California Code of Regulations, title 22, section 51511.1.
- D. IMD/SNF rates per client per day at the time of the execution of this agreement are \$204.94. Temporary client absence rates per client per day at the time of the execution of this agreement are \$197.59 (bed hold rate) pursuant to this agreement.
- E. County further agrees to compensate Contractor for specialized services at the following patch rates: Specialized services will consist of four distinct levels (A, B, C, and D) and paid at the IMD/SNF rate (\$204.94) per bed-day plus the patch rates per bed-day as identified in **EXHIBIT C, PATCH LEVELS CRITERIA**, attached and incorporated herein, based upon psychology/psychiatry visits authorized by the Director or his/her designee.

## **EXHIBIT C PATCH LEVELS CRITERIA**

**Level A - \$60 Patch rate** (Psychiatry visits two times per month, Psychology visit one time per month)

Residents on this patch level require increased supervision and resources from staff. Examples of behavioral/medical needs that meet this requirement are:

- AWOL Risk patients
- Extremely verbally aggressive/threatening
- Allegations of abuse towards staff and peers

**Level B - \$130 Patch rate** (Psychiatry visits two times per month, Psychology visits two times per month)

Residents on this patch level require frequent supervision and resources from multiple departments. Examples of behavioral/medical needs that meet this requirement are:

- Periodic physical aggression towards staff or peers
- Property destruction
- Suicidal risk
- Maladaptive behaviors that require frequent counseling and attention from direct care staff
- Severe psychosis which requires frequent redirection/counseling/behavior modification from unit staff

**Level C - \$170 Patch rate** (Psychiatry visits two times per month, Psychology visits four times per month)

Residents on this patch level require near constant supervision and resources from the facility because their behaviors make them a danger to themselves or others. Examples of behavioral/medical needs that meet this requirement are:

- Physically aggressive behavior that requires the use of 1:1 or LOS (Line of Sight) staff to keep others safe.
- Suicidal behavior that requires the use of 1:1 or LOS staff to keep the resident safe.

**Level D – Restoration to Competency Program \$150 Patch Rate**

An Intensive Program to restore residents to Competency to Stand Trial. Directed at those with misdemeanor charges with the goal of restoring them to Competency as quickly as possible. They receive daily classes on legal and competency issues including mock court role play. Daily classes are led by Masters level counselors and/or a licensed psychologist.

## EXHIBIT D

PROGRAM CARE PLAN REVIEW/ QUARTERLY SUMMARY

DATE:

Resident:

Admit Date:

☐ Initial Review ☐ Quarterly Review ☐ Annual Review

Average STP hours this quarter:

Resident's Strengths:

PROGRAM CARE PLANS:

**PROBLEM # PROBLEM:**

OBJECTIVE:

MEASURABLE PROGRESS:

APPROPRIATENESS OF OBJECTIVE:

INTERVENTIONS:

EFFECTIVENESS OF INTERVENTIONS:

RECOMMENDATIONS:

**PROBLEM #PROBLEM:**

OBJECTIVE:

MEASURABLE PROGRESS:

APPROPRIATENESS OF OBJECTIVE:

INTERVENTIONS:

EFFECTIVENESS OF INTERVENTIONS:

RECOMMENDATIONS:

(Continued)

Signature/Title \_\_\_\_\_

Date \_\_\_\_\_

RESIDENT:

PHYSICIAN:

MEDICAL RECORD #:

PROGRAM CARE PLAN REVIEW/ QUARTERLY SUMMARY-continued

DATE:

**PROBLEM # PROBLEM:**

OBJECTIVE:

MEASURABLE PROGRESS:

APPROPRIATENESS OF OBJECTIVE:

INTERVENTIONS:

EFFECTIVENESS OF INTERVENTIONS:

RECOMMENDATIONS:

**PROBLEM # PROBLEM:**

OBJECTIVE:

MEASURABLE PROGRESS:

APPROPRIATENESS OF OBJECTIVE:

INTERVENTIONS:

EFFECTIVENESS OF INTERVENTIONS:

RECOMMENDATIONS:

Signature /Title \_\_\_\_\_ Date \_\_\_\_\_

☐ Resident attended Treatment Team meeting (See attendance sheet)

☐ Resident did not attend Treatment meeting- PC discussed review with resident and sign below.

Resident Signature \_\_\_\_\_ / PC signature \_\_\_\_\_