

**PERSONAL SERVICES AGREEMENT BETWEEN THE COUNTY OF SHASTA
AND
CASCADES MANAGEMENT COMPANY, LLC. DBA
RIDGEVIEW RESIDENTIAL CARE HOME**

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 Cascades Management Company, LLC., dba Ridgeview Residential Care Home ("Contractor"), (collectively, the "Parties" and individually a "Party"), for the purpose of providing adult residential care home services.

Section 1. RESPONSIBILITIES OF CONTRACTOR.

Clients of County ("Clients") may be placed by County in Contractor's facility located at 2096 Cascade Blvd. Shasta Lake, CA ("Facility") to receive residential care home services upon referral of the Client by County and acceptance of Client by Contractor. Upon such placement, and pursuant to the terms and conditions of this agreement, Contractor shall:

- A. Provide specialty mental health services, as defined in the California Code of Regulations (CCR), Title 9, Chapter 11, to Medi-Cal eligible beneficiaries, with or without private insurance, who meet the criteria established in, and in accordance with, the Shasta County Managed Care Mental Health Plan. For the purposes of this agreement, the "Shasta County Managed Care Mental Health Plan" is the contract between the State of California Department of Health Care Services and the County to provide mental health managed care services to California Medi-Cal beneficiaries. The Shasta County Managed Care Mental Health Plan is available at: http://www.co.shasta.ca.us/index/hhsa_index/Mental_health_alcohol_and_drug/Or_gProviders.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. If any ambiguity, inconsistency, or conflict exists between the language of this agreement and Shasta County's Managed Care Mental Health Plan, the Shasta County Managed Care Mental Health Plan shall govern.
- B. Provide an augmentation program for residential care home services to Clients pursuant to this agreement that shall include, but not be limited to, the program services as prescribed in **EXHIBIT B, Program Review**, attached and incorporated herein. Contractor shall only admit those Clients who require community Mental Health Treatment services as defined by applicable laws and regulations. For Contractor's third floor independent (non-licensed) living section, Contractor shall offer vacancies to County's Clients a minimum of seven days prior to offering the vacancy to other individuals.
- C. Provide on-site staffing pursuant to staffing levels as set forth in, **EXHIBIT A, STAFF SCHEDULE** attached and incorporated herein, to ensure provision of care and supervision to meet Clients' needs pursuant to all requirements set forth in CCR,

Title 22, Division 6, Chapter 1, Article 6, sections 80077.2, 80078 and Chapter 6, Article 6, section 85065.

- D. Require all Clients, or a lawful representative, to complete and sign an Admission Agreement prior to admission and be subject to the terms and conditions of Contractor's Client Admissions and Discharge Criteria as prescribed in **EXHIBIT B**. All Admissions Agreements must be signed by the Health and Human Services Agency, ("HHS") Director ("Director") or his or her designee, including County authorization to pay for the Client's services.
- E. Participate in meetings with County case managers, as may be called by County, to review the progress of each Client, medication dosage and compliance (as documented in each Client's medication records), recreation participation, and specific Client problems.
- F. Submit written quarterly status reports to County during the term of this agreement for each Client placed in the Facility. For purposes of this agreement, quarterly shall mean no later than 20 days after the end of each calendar quarter (i.e., within 20 days after the last day of March, June, September, and December during the time this agreement is in effect).
- G. By the 10th day of each month during the term of this agreement, submit to County a written calendar of activities for the prior month provided or arranged by Contractor for Clients placed in the Facility.
- H. Allow County staff reasonable access to (1) all areas of Contractor's Facility wherein a Client is currently placed, or had been placed, pursuant to this agreement, at any time and (2) such data as will allow for the meaningful evaluation and monitoring of quality of care by County.
- I. Maintain buildings, grounds, fixtures, furniture, equipment, and supplies pursuant to all requirements set forth in CCR Title 22, Division 6, Chapter 1, Article 6, sections 80086-80088, and Chapter 6, sections 85087-85088. Bathroom fixtures, floor coverings, décor and furnishings at Facility shall be clean, in good repair, and free of rips, stains and hazards.
- J. Provide copies of any reports prepared by State agencies or licensing bodies regarding the Facility or quality of care provided, including any notations of deficiencies.
- K. Acknowledge the funding source of all activities undertaken pursuant to this agreement by including in any educational and training materials, audio visual aids, interviews with the press, flyers, or publications the following statement: "This activity (or program) has been funded (or sponsored) by the County of Shasta through the California Mental Health Services Act."

- 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 2. RESPONSIBILITIES OF COUNTY.

During the term of this agreement, County shall:

- A. Through the HHSA Director or any HHSA Branch Director designated by the HHSA Director, refer Clients, via completing a referral packet, to Contractor for placement in the Facility. County shall only compensate Contractor for the provision of services pursuant to this agreement. Contractor shall not be compensated by County for services in the absence of said written authorization from the HHSA Director or any HHSA Branch Director, designated by the HHSA Director. So long as a particular Client remains at the Facility, the authorization for services at the Facility for that Client shall be reviewed by the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, at least once every six months.
- B. Compensate Contractor pursuant to the terms and conditions of this agreement.
- C. Evaluate program outcomes as it relates to individual needs and service plans of Clients placed at Contractor's Facility. County shall provide no more than 40 hours of technical assistance to Contractor to support Contractor in data collection, tracking, and reporting of outcome goals.
- D. Monitor and evaluate the performance of Contractor throughout the term of this agreement.

Section 3. COMPENSATION.

- A. In consideration of the services rendered by the Contractor pursuant to this agreement, County shall pay Contractor on a monthly basis for services of up to 16 beds at the rate of \$115 per day per bed for each Client admitted to the Facility. Payment to Contractor for days during a particular month when a Client is temporarily absent from the Facility is limited to a total of seven days per month and is allowable only if the County determines the following conditions are met:
1. The absence is consistent with the Client's service and treatment plans;

2. The absence is necessary for the Client's progress or maintenance at the level of care furnished by Contractor pursuant to this agreement;
 3. The absence is planned or anticipated; and
 4. The absence, as well as the purpose(s) of the absence, is (are) documented.
- B. County shall pay Contractor \$250 for each Client receiving services from Contractor's third floor independent (non-licensed) living section.
- C. Notwithstanding the above, payment to Contractor for days during a particular month when a Client is temporarily absent, due to acute hospital or acute non-hospital (psychiatric health facility) treatment, or for treatment in other facilities which meet the staffing standards prescribed in the CCR, Title 9, section 663, is limited to 10 days per month. Payment for the days the Client is temporarily absent due to the reasons described in this provision (Section 3.A.), is allowable if such treatment is necessary as determined by County for the Client to return to the level of care furnished by Contractor pursuant to this agreement, (i.e., in a residential facility), and if the purpose(s) is (are) documented in writing by Contractor.
- D. The maximum amount payable to Contractor under this agreement shall be \$671,600 per County Fiscal Year. For the purposes of this agreement, the County Fiscal Year commences on July 1 and ends on June 30 of the following calendar year. The maximum compensation shall not exceed \$2,014,800 during the entire term of the agreement.
- E. No more than once per County Fiscal Year and no later than 30 days after the commencement of each County Fiscal Year during the term of this agreement, the HHSA Director, or any HHSA Branch Director designated by the HHSA Director, may approve in writing and in advance, changes in the Contractor's rates of compensation as set forth in Section 3.A. of this agreement, provided that an increase in any single rate shall not exceed 10 percent over the original rate during the entire term of this agreement and provided further that the rate increase(s) shall not increase the total compensation payable under this agreement.
- F. Contractor's violation or breach of agreement terms may result in fiscal penalties, withholding of compensation, or termination of agreement.

Section 4. BILLING AND PAYMENT.

- A. Contractor shall submit to HHSA Business and Support Services, Attn: Accounts Payable, P.O. Box 496005, Redding, CA 96049-6005, a monthly itemized statement of services rendered by the 15th day of each month for services rendered the preceding month, which shall include: (1) names of Clients and Client Identification Number (ID#) with each Client's admission and/or discharge date; and (2) number of days utilized by each Client pursuant to this agreement. County shall make payment within 30 days of receipt of Contractor's complete, correct,

and approved statement. For the final month or portion thereof that this agreement is in effect, Contractor shall submit a final statement for services rendered for the final month or portion thereof that this agreement was in effect, by the 15th of the following month, and County shall make payment of the final correct and approved statement by the 30th of that following month. For purposes of effectuating payment of compensation, this provision shall survive the termination or expiration of this agreement.

- B. 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.

Section 5. TERM OF AGREEMENT.

- A. The initial term of this agreement shall commence July 1, 2018, and shall end June 30, 2021.
- 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 County's HHSA Director or any HHSA Branch Director designated by the HHSA Director.
- E. Should this agreement be terminated, Contractor shall promptly provide to County any and all finished and unfinished reports, data, studies, photographs, charts, and other documents prepared by Contractor pursuant to this agreement.
- F. If this agreement is terminated, Contractor shall only be paid for services satisfactorily completed and provided prior to the effective date of termination.

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

- A. This agreement supersedes all previous agreements relating to the subject of this agreement and constitutes the entire understanding of the Parties hereto. Contractor shall be entitled to no other benefits other than those specified herein. Contractor specifically acknowledges that in entering into and executing this agreement, Contractor relies solely upon the provisions contained in this agreement and no others.
- B. No changes, amendments, or alterations to this agreement shall be effective unless in writing and signed by both Parties. Notwithstanding the foregoing, rate changes may be approved in writing as set forth in section 3.E. However, 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.
- 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 its principals, partners, officers, employees, subcontractors or 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: Arne Hyson
 1535 Plumas Ct Ste. A
 Yuba City, CA 95991
 Phone: (530) 790-2530
 Fax: (530) 790-2533

- 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.

Section 27. OBLIGATIONS

The terms and conditions of this agreement shall not inure to the benefit of any person or entity not a signatory to this agreement. Contractor recognizes that County is under no obligation to place any Clients to the Facility.

Section 28. FEDERAL HEALTHCARE COMPLIANCE PROGRAM.

A. In entering into this agreement, Contractor acknowledges the County's Program for Compliance with Federal Healthcare Programs (Compliance Program) and agrees to comply, and to require its employees who are considered "Covered Individuals" to comply with all policies and procedures of the Compliance Program including, without limitation, County's Code of Conduct ("Code of Conduct"), attached and incorporated

herein as **EXHIBIT C**. 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 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 provide copies of the Code of Conduct 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, and understand the Code of Conduct and agree to abide by the requirements of the Compliance Program. Contractor shall submit the signed certifications to County's Compliance Officer within 30 days after the effective date of this agreement for all current employees who are Covered Individuals and within 30 days after the start date of any newly-hired employees who are Covered Individuals.
- 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 Contractor's program with prior approval of County's Compliance Officer, to its employees 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 or Medi-Cal.
- E. Contractor attests that Contractor and all Contractor's employees and subcontractors are not excluded from Medi-Cal and Medicaid provider participation.
- F. Contractor shall verify monthly all of Contractor's employees and subcontractors are not excluded from Medi-Cal and Medicaid provider participation. Contractor shall maintain documentation of monthly verification on file and provide such documentation to County upon request.

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 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: Alan B. Cox 8/7/18
Alan B. Cox
Deputy County Counsel

RISK MANAGEMENT APPROVAL

By: James Johnson 08/08/18
James Johnson
Risk Management Analyst

Date: 8/29/18

CONTRACTOR

By: Arne Hyson
Arne Hyson,
Chief Executive Officer

Tax I.D.#: On File

EXHIBIT A

RIDGEVIEW RESIDENTIAL CENTER

STAFF SCHEDULE

<u>STAFF</u>	<u>SUN</u>	<u>MON</u>	<u>TUES</u>	<u>WED</u>	<u>THURS</u>	<u>FRI</u>	<u>SAT</u>
Manager (40 hours)	Off	8am-5pm	8am-5pm	8am-5pm	8am-5pm	8am-5pm	Off
Supervisor (40 hours)	Off	8am-5pm	8am-5pm	8am-5pm	8am-5pm	8am-5pm	Off
MHW #1	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours
MHW #2	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours	24 hours

EXHIBIT B

Program Review

Introduction

Contractor, located at 2096 Cascade Blvd. Shasta Lake, CA, offers a full range of mental health services and programs for adults and older adults ages 18 through 59, who are suffering from chronic and persistent mental health challenges and who are unable to provide for their own daily needs. Care is delivered by a multidisciplinary team in partnership with local providers which may include psychiatrists, nurses, social workers, care managers, mental health counselors, substance abuse counselors, vocational counselors, paraprofessionals, family members and other professionals, depending on the needs of Clients.

Contractor guides and supports individuals experiencing mental health symptoms toward recovery, psychiatric rehabilitation, and well-being. Contractor integrates evidence-based practices, individual treatment and additional resources to support a healthy mind, body and spirit. The Contractor's program provides a safe a supportive environment where residents have the opportunity to regain mental health and stability and overcome "daily living" obstacles.

Contractor's mission is to provide an integrated service delivery system incorporating affordable and supportive housing services through organizational strategies that deliver quality Client care and reliable outcome data under the guidance of professional program managers.

Contractor's business plan approach is an integrated services model which is designed to achieve four broad objectives; 1) to provide accessible service delivery and supportive affordable housing for Clients; 2) to control and decrease the cost of Client's mental health care; 3) to integrate Clients toward independence by utilizing existing local providers for primary and mental health care; and 4) to decrease homelessness, law enforcement contact, and emergency room services.

Residential Structured Programs

Contractor has developed an affordable, intensive, short-term residential treatment program to serve adults returning to Shasta County following a psychiatric hospitalization or to provide an alternative to psychiatric hospitalization.

Contractor will serve up to 16 persons at a time in a supportive, comfortable, and structured therapeutic living environment. Contractor's second floor will be licensed as an Adult Residential Facility by Community Care Licensing, a division of the California Department of Social Services. Contractor's program (sample of program schedule below) will offer brief intensive treatment for Clients who suffer from dual diagnosis, trauma, and mood related disorders. Contractor has the capacity to offer long-term care for persistent mental illness and for Clients who require direction with basic life skills. Clients participate in group and individual counseling, and practice living independently. In this friendly environment, they help each other by sharing their problems and living cooperatively. Use of supportive services in the community and appropriate complimentary primary care health practices is encouraged. Typically, the length of treatment is about 90 days.

The Facility will be staffed at all time with sufficient numbers and competent staff to meet Client needs.

The goal of Contractor is to assist mental health Clients to stabilize their mental health condition, optimize their functioning, and return to a less restrictive level of care.

As determined by County, referrals will come from two sources; higher levels of acute, locked or other long-term placements or from lower levels of supervised or independent living. Contractor will provide a Client-driven, clinician supervised rehabilitation program model that will assist the Client in identifying, practicing and implementing those skills necessary to reduce the number of inpatient hospital days and maximize their opportunity to succeed in community-based living arrangements.

Contractor's program focus will include those areas that historically are barriers to successful and lasting transition to less restrictive levels of care; medication management and education, interpersonal coping skills development, independent living skills education and practice, and self-advocacy. Clients will remain in the program until they are able to transition to an appropriate placement identified by the treatment team and the client.

The program will be staffed by professionals and para-professionals, including a psychiatrist, physician's assistant, nurse practitioners, clinical psychologist, registered nurse, Licensed Vocational Nurse/Licensed Psychiatric Technician's, recreation therapist, case manager and mental health workers. Ancillary services such as medical appointments, consults, lab, dentistry, etc., will be made with appropriate referrals.

Each Client works with a multi-disciplinary team comprised of team members that possess diverse skills, with education and experience in a variety of fields, including psychiatry, social work, psychology, chemical health, nursing, case management, complementary health practices, therapeutic recreation, nutrition, and health & wellness.

Admission and Discharge Criteria

Admission Criteria

Contractor's Facility is intended for individuals who have an identifiable dementia, or other mental health condition or crisis, requiring temporary or long-term placement outside of their home. Contractor accepts "voluntary" and "conserved" Clients of County referred by County who meet the admission criteria established for the program.

Inclusions:

- Client must have a qualified mental health diagnosis;
- Client or Client's legal guardian/conservator must consent to treatment;
- Client must have an emergent or long-term related mental health need that cannot be treated at a lower level of care;
- Client must be free from alcohol or drug use for at least 24 hours prior to entering the program; and
- Client must be referred from County or have the approval of the Contractor's Medical Director.

Exclusions:

- Client must not be actively dangerous to self or others;
- Client must not have a need for a higher level of acute psychiatric care;
- Client must not have a need for acute medical treatment or nursing care;
- Client must not have an active case of communicable tuberculosis;
- Client must not have a condition that renders them bedridden; and
- Client must not have a primary diagnosis of drug or alcohol problems.

Discharge Criteria

With the exception of cases involving acute psychiatric or medical attention requiring immediate placement, the County will provide a 30-day notice for discharge to ensure all supporting documentation is prepared in a timely manner with a safe medical, psychiatric, and therapeutic transition plan.

Clients are discharged or transferred from Contractor's Facility when the Client has demonstrated that they meet all of the following criteria:

- Client has met the criteria for discharge listed in the treatment plan;
- Client has alleviated all crisis and/or other symptoms;
- Client has demonstrated ability to function in a less-restrictive environment;

If Client does not meet all of the criteria listed above, Client may be discharged or transferred from Contractor's Facility when the Client has demonstrated that they meet at least one of the following criteria:

- Client has demonstrated need for a higher level of medical or psychiatric care;
- Client has demonstrated an uncooperative attitude toward treatment and is actively engaged in counter-productive behavior;
- Client has repeatedly disregarded the rules of the Facility and/or responsibilities and expectations;
- Client has demonstrated threats and/or other dangerous behavior to other residents or staff.

Mandatory Groups

Check-In Group: Client joins the household each morning and afternoon and checks-in with "how you're doing", what your plan for the day is, and hear staff announcements.

Illness Management and Recovery (IMR) Group: In IMR Clients learn about mental illness and strategies for treatment, how to decrease symptoms, and how to reduce relapses and re-hospitalizations. This group will help identify personal recovery goals and will include homework to support in making progress toward goals.

House Meeting/Squeaky Clean: This meeting gives Clients a chance to check in with the household, give suggestions, make comments, air grievances, and give compliments. The Clients run this meeting. Staff will make special announcements and recreation activities will be planned

during this meeting. After this meeting, Clients work together as a house to get weekly cleaning completed.

Coping Skills Group: This group is focused on learning and practicing skills to cope with a variety of symptoms of mental illness and experiences in life such as stress, anxiety, and depression. Group members will learn how their thoughts, feelings, and behaviors are connected and how to use this connection in different ways to increase coping.

Health and Wellness Group: This group is facilitated by a Registered Nurse. The focus is on group discussions around the promotion of wellness, medical self-care, and disease prevention. It provides Clients an opportunity to get their medical questions answered and learn important information about their health.

Elective Groups

Independent Living Skills Group: This group discusses all the topics it takes to live independently. Clients pick their goals and get support and feedback from others.

Dual Recovery Group: This group is an educational support group for residents who want to reduce their use of drugs or alcohol or stop using substances altogether. This group is also appropriate for those who would like support in maintaining their sobriety.

Therapeutic Art Group: Clients learn more about their creative side by spending time getting to know themselves better and have fun with art.

Social Relationships Group: This group discusses topics like; communication, self-esteem, family relationships, friends, anger education, assertiveness, self-improvement, and much more. This group will help Clients practice the skills it takes to have positive relationship experiences.

Brain Train Group: In this group, Clients learn how to increase memory, concentration, attention and focus, through learning and practice of research-based strategies for improving the brain in all these areas. During this group Clients spend time doing pencil puzzles, strategy games, memory games and learning the cognitive benefits of this practice.

Mindful Movement Group: In this group, Clients learn exercises that can relieve anxiety and help improve mood, energy, and concentration. These exercises are safe, gentle and easy to learn.

We Fit!: This group's focus is to increase resident's physical movement. When the weather is pleasant, this time is used for the walking group. When weather is less than pleasant, other activities are used to increase movement, for example, Wii Fit, walking local malls, etc.

Relaxation Group: This is a very easy group which provides a pleasant experience of deeper relaxation. No previous experience is necessary. The group facilitator guides the group using nature music, simple breathing and a guided imagery format.

Open Process/Men's & Women's Group: These groups are just as they sound. The groups rotate; with open process every other week and then men's group and women's group monthly. It is an open group to discuss whatever is on your minds. Focus will be primarily on feelings, current concerns, and potential solutions. One of the main goals of this group is for group members to

support each other in getting and giving advice and support. Men's group will focus on male Client's concerns or issues, Women's group will focus on female Client's concerns or issues.

Family and Friends Group: Join this group for treats, conversation, and education. This is a chance for Client's family members and friends to learn more about recovery, facts about mental illness, self-care and problem-solving techniques. This group is open to Clients and any family member or close friend the Client wishes to invite.

Vocational Group: This group is facilitated by Clients and the focus is on chemical dependency issues, spiritual support, and recovery. There are no requirements for membership or to attend.

Activities

Community Outings: Outings are planned at the request of Clients. Outings with staff go to places like movies, bowling, playing pool, etc. For independent outings, staff will help coordinate with other Clients, provide a gift card (such as for coffee or bowling), and Client will go on their own. Suggestions are welcomed.

Basic Needs: This is a time when our Independent Living Skills Coordinator assists with Client meal planning and if anyone else would like to tag along to get basic needs from the grocery store.

Brunch: On Sunday mornings, we have a home cooked brunch.

Bingo: Clients can play bingo with peers for a chance to win prizes.

EXHIBIT C

SHASTA COUNTY 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 HHSA Contractor.

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.

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 Contractor 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.

3. CODE OF CONDUCT

All HHSA Contractors and employees, volunteers, and interns of Contractor shall:

- A. Perform their duties in good faith and to the best of their ability;
- 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 client 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.

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
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

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 am an employee of Cascades Management Company, LLC dba Ridgeview Residential Care Home, a contractor of the County of Shasta, through its Health and Human Services Agency;
2. I have received a copy of the Code of Conduct;
3. I have read and understand the Code of Conduct; and
4. I agree to comply with the Code of Conduct.

Signed _____ Date _____

Contractor shall maintain all current signed Code of Conduct – Contractor Certification forms on file and retain forms for a period of seven years after employee no longer works for Contractor, and provide to HHSA upon request, or submit-depending upon agreement terms, this signed certification to HHSA Compliance Program staff at 1810 Market Street, Redding, CA 96001, or to P.O. Box 496005, Redding, CA 96049-6005.

Thank you.