

**AGREEMENT WITH THE COUNTY OF SHASTA FOR THE PROVISION OF  
INPATIENT PSYCHIATRIC SERVICES  
TO BE PROVIDED THROUGH SUTTER-YUBA BEHAVIORAL HEALTH**

**DESCRIPTION:** Acute inpatient, psychiatric health facility services

**CONTRACT NO.:**

**BEGINS:** July 1, 2016

**ENDS:** June 30, 2019

**ADMINISTERING AGENCY:** Sutter-Yuba Behavioral Health

THIS AGREEMENT (Agreement) is made and entered into between the County of Shasta, a political subdivision of the State of California, herein after called "COUNTY," and Sutter-Yuba Behavioral Health, a joint powers authority, through the County of Sutter, a political subdivision of the State of California, hereinafter called "CONTRACTOR." Sutter-Yuba Behavioral Health is operated by the County of Sutter and the County of Yuba through a joint powers agreement, and operates a Psychiatric Health Facility hereinafter called the "Facility," the Sutter-Yuba Mental Health Psychiatric Health Facility located at 1965 Live Oak Blvd, Yuba City, CA.

**WHEREAS,** COUNTY is charged with the responsibility of providing mental health services for mentally disordered persons, and;

**WHEREAS,** CONTRACTOR has the facilities and the ability to be certified and staffed to provide psychiatric inpatient hospital care and maintenance of mentally disordered persons,

**NOW, THEREFORE,** it is hereby mutually agreed by and between COUNTY and CONTRACTOR as follows:

1. **Description of Services:** CONTRACTOR shall provide psychiatric inpatient services at the Facility to residents of COUNTY over the age of 18 in conformance with all applicable federal and state statutes and regulations. Services will be provided, with prior authorization by COUNTY, to eligible persons with a mental disorder (hereinafter called "Patient(s)") who may be either on voluntary or involuntary status. The length of stay of each Patient shall be determined by the CONTRACTOR'S professional staff, in coordination with COUNTY as indicated in Section 10 herein. CONTRACTOR shall provide, or shall arrange for, necessary emergency and non-elective ancillary medical services for a Patient as part of the inpatient treatment services.

If services required by Patients exceed CONTRACTOR'S capabilities, CONTRACTOR may utilize other facilities as mutually agreed upon by the CONTRACTOR'S Director of Mental Health and COUNTY'S Director of Adult System of Care.

COUNTY staff will consult with CONTRACTOR'S staff prior to a Patient's discharge to effect an appropriate placement. COUNTY will be responsible for aftercare and placement of all

Patients covered by this Agreement upon their discharge from CONTRACTOR'S Facility or any subsequent placement facility including transportation from the Facility.

It is understood and agreed that only mentally disordered persons are to be admitted to the Facility pursuant to this Agreement and that inebriates and persons not mentally disordered, in the opinion of CONTRACTOR, are specifically excluded therefrom.

2. **Direction:** The services to be provided pursuant to this Agreement by CONTRACTOR for Patients shall be under the general direction of the COUNTY Director of Adult System of Care or his/her designee. CONTRACTOR shall render inpatient psychiatric services rendered to Patients admitted to the Facility in accordance with applicable state and federal laws and regulations. Documentation of services provided by CONTRACTOR for each Patient shall be available for review by COUNTY upon request.
3. **Patient Eligibility:** Services under this Agreement shall be rendered without regard to race, color, sex, sexual orientation, religion, national origin, ancestry, disability, age (over 40), physical or mental status as specified in applicable federal and state laws and regulations. The specific admission procedures shall be mutually agreed upon by the CONTRACTOR'S Director of Mental Health of and the COUNTY'S Director of Adult System of Care. Residency in COUNTY will be the basic requirement for eligibility for services. Transients referred by COUNTY on an emergency or involuntary status may also receive services through this Agreement.
4. **Cultural Competence:** CONTRACTOR shall provide services pursuant to this Agreement in accordance with current State statutory, regulatory and policy provisions related to cultural and linguistic competence as defined in California State Department of Mental Health (DMH) Information Notice No: 10-02, 2010 Cultural Competence Plan Requirements (CCPR), which establishes new standards and criteria for the entire County Mental Health System, including Medi-Cal services, Mental Health Services Act (MHSA), and Realignment as part of working toward achieving cultural and linguistic competence. The CCPR standards and criteria as cited in California Code of Regulations, Title, 9, Section 1810.410, are applicable to organizations/agencies that provide mental health services via Medi-Cal, MHSA, and/or Realignment.
5. **Payments:** In consideration for CONTRACTOR providing inpatient psychiatric services to Patients pursuant to this Agreement, COUNTY shall pay CONTRACTOR at the rate of \$1,136.55 per Patient/per day or portion of day, including the day of admission and excluding the day of discharge, all inclusive of: (a) all hospital costs including room and board, (b) medications, (c) psychiatrist's time, (d) laboratory work, and (e) court costs. For Patients who are COUNTY Medi-Cal beneficiaries, the COUNTY will be charged the actual cost per day based on the cost report for the prior COUNTY Fiscal Year. (For the purposes of this Agreement, the COUNTY'S Fiscal Year and the CONTRACTOR'S Fiscal Year [hereinafter referred to as the "Fiscal Year"] commences on July 1 and ends on June 30 of the following calendar year.) If COUNTY wishes to pursue reimbursement from Medi-Cal, COUNTY must bill Medi-Cal directly for services rendered. Medi-Cal will not reimburse for room and board costs which are determined to be \$20.76.

- A. If it is determined, either before or after admission to the Facility, that a Patient has Medi-Cal eligibility in another county, it is the responsibility of the COUNTY to notify the county of financial responsibility that one of its Medi-Cal beneficiaries has been admitted to the Facility. It is also the responsibility of the COUNTY to provide documentation of authorization from the responsible county to the CONTRACTOR, who will then bill the county of responsibility as defined above, for reimbursement.
  - B. Unless COUNTY has provided CONTRACTOR with documentation of authorization from another responsible county, COUNTY is responsible for payment in full for CONTRACTOR'S services regardless of a Patient's county Medi-Cal eligibility or other insurance.
  - C. CONTRACTOR will not bill a Patient directly for any services, such as unmet share of cost, deductibles, etc.
  - D. Payments to CONTRACTOR by COUNTY shall be made within 45 days of receipt of correct and approved invoice and supporting documentation by COUNTY. CONTRACTOR shall submit invoices and supporting documentation to COUNTY, within 30 days of the date of discharge of any Patient. CONTRACTOR shall submit with any invoice supporting documentation identifying: the Patient, service provider, type of service and requisite service code, date of service, and time of day and length of time of services.
  - E. For the term of this Agreement the annual cap amount, the amount not to be exceeded, will be \$100,000.
6. **Mental Health Cost Report:** CONTRACTOR agrees to provide COUNTY with an annual cost report in accordance with State Department of Mental Health requirements no later than October 31<sup>st</sup> for the preceding fiscal/contractual year.
7. **Certification of Program Integrity:** CONTRACTOR shall comply with all applicable state and federal statutory and regulatory requirements for certification of claims including, but not limited to, Title 42, Code of Federal Regulations, Part 438.

For each Medi-Cal beneficiary Patient for whom the CONTRACTOR is submitting a claim for reimbursement, CONTRACTOR shall ensure the following:

- A. An assessment of the Medi-Cal beneficiary was conducted in compliance with the requirements established in the Mental Health Plan (MHP) contract between Sutter-Yuba Behavioral Health and the State of California Department of Mental Health, a copy of which will be provided to COUNTY by CONTRACTOR under separate cover upon request.
- B. The Medi-Cal beneficiary was eligible to receive Medi-Cal services at the time the services were provided to the beneficiary.
- C. The services included in the claim were actually provided to the beneficiary.
- D. Medical necessity was established for the beneficiary as defined in applicable statutes and regulations for the service or services provided, for the timeframe in which the services

were provided. Days beyond the timeframe that is defined as medically necessary (“Administrative Days”), approved in advance by COUNTY, shall be reimbursed by COUNTY.

- E. A client plan was developed and maintained for the beneficiary that met all client plan requirements established in the MHP contract between Sutter-Yuba Behavioral Health and the Department of Health Care Services.

In addition, CONTRACTOR certifies that the following processes are in place:

- F. Written policies, procedures, and standards of conduct that articulate CONTRACTOR’S commitment to comply with all applicable federal and state standards with respect to operation of the Facility.
- G. The designation of a compliance officer and a compliance committee accountable to senior management.
- H. Effective training and education for the compliance officer and CONTRACTOR’S employees, volunteers, and agents at the Facility.
- I. Enforcement of standards through well-publicized disciplinary guidelines.
- J. Provisions for internal monitoring and auditing.
- K. Provision for prompt response to detected offenses, and for development of corrective action initiatives relating to the provision of mental health services.
- L. Confirmation that subcontractors and all employees are not excluded from Medi-Cal and Medicaid participation.

8. **Term:** The term of this Agreement shall be from July 1, 2016 and shall expire June 30, 2019.

9. **Admissions Procedure:** CONTRACTOR agrees that only those Patients that COUNTY specifically refers to CONTRACTOR for placement in the Facility shall receive services pursuant to this agreement. COUNTY’S written request for admission constitutes authorization.

- A. COUNTY understands and accepts that Patients are encouraged and permitted to sign into the Facility as a voluntary patient when possible pursuant to subdivision (c) of section 5250 of the California Welfare & Institutions Code.
- B. All persons referred by COUNTY for admission to the Facility will be medically cleared for admission to a non-medical facility prior to admission to the Facility. This medical clearance will be provided directly or indirectly and payment arranged or provided by COUNTY. Criteria and requirements for medical clearance will be determined by CONTRACTOR. All transportation costs to and from the Facility for medical care and clearance are the responsibility of COUNTY.

- C. CONTRACTOR shall not be required to accept referrals for treatment of individuals housed in jail or other penal institutions.
10. **Coordination of Care:** COUNTY and CONTRACTOR agree that both of their clinical staffs will fully communicate and cooperate in the development of treatment, planning, determination of length of stay, readiness for discharge, and in the process of planned transition back into the community and to this end may freely exchange Patient information as a unitary treatment program. COUNTY agrees to facilitate timely aftercare placement for Patients ready for discharge.
11. **Patient Records:** Active Patient records shall be maintained at the nursing station at the Facility. Closed records shall be maintained at a designated site, in accordance with all applicable laws and regulations.
- A. Patient records shall be retained for 10 years or any further period that is required by law or regulation and until all federal or state audits are complete and exceptions resolved for this Agreement. Upon request, CONTRACTOR shall make these records available to authorized representatives of COUNTY, the State of California, and the United States Government. For the first two years after last discharge, the records shall be stored on site at the Facility. For the last eight years after last discharge, all records shall be stored in a secured off-site area selected by CONTRACTOR.
- B. CONTRACTOR staff at the Facility shall have access within 24 hours to all appropriate COUNTY Patient records requested by CONTRACTOR staff. Records shall be available within 24 hours of request, weekends and COUNTY holidays excluded. COUNTY staff shall have access to all Facility records for any Patient, placed pursuant to this Agreement, who is (or was) under CONTRACTOR'S care at the Facility.
12. **Right to Audit:** CONTRACTOR agrees to extend to the COUNTY Director of Adult System of Care or designee, or auditors designated by COUNTY or the State of California, the right to review and investigate records, programs, or procedures, at a reasonable time during normal business hours as regards Patients as well as the overall operation of CONTRACTOR'S programs at the Facility. CONTRACTOR shall be subject to the examination and audit of the State Auditor General for a period of three years after final payment under contract (Government Code, Section 8546.7).
13. **Status of Contractor:** The parties hereto agree that CONTRACTOR, its agents, and employees, including its professional and non-professional staff, in the performance of this Agreement shall act in an independent capacity and not as officers, officials, employees, or agents of COUNTY. CONTRACTOR shall furnish all personnel, supplies, equipment, furniture, insurance, utilities, telephone, and quarters necessary for the performance of the services to be provided by CONTRACTOR pursuant to this Agreement.
14. **Conflict of Interest:** CONTRACTOR attests that it has no current business or financial relationship with any COUNTY employees that would conflict with this Agreement and will not enter into any such business or financial relationships with any such employees during the term of this Agreement.

CONTRACTOR has an affirmative duty to disclose to COUNTY in writing the name(s) of any person(s) who have an actual, potential, or apparent business or financial conflict of interest.

15. **Indemnity:** COUNTY and CONTRACTOR shall each defend, hold harmless, and indemnify the other party, its governing board, officers, officials, administrators, agents, employees, volunteers, and other representatives from and against any and all liabilities, claims, demands, costs, loses, damages, or expenses, including reasonable attorney's fees and costs, and including, but not limited to, consequential damages, loss of use, extra expense, death, sickness, or injury to any person(s) or damage to any property, from any cause whatsoever arising from or connected with its service hereunder, that arise out of or result from, in whole or in part, the negligent, wrongful or willful acts or omissions of the indemnifying party, its employees, volunteers, agents, subcontractors, independent contractors, consultants, or other representatives. This indemnity provision shall survive the termination or expiration of this Agreement and is in addition to any other rights or remedies that COUNTY and CONTRACTOR may have under law and/or this Agreement.
16. **Insurance:** CONTRACTOR and COUNTY are both covered, and will remain covered, for general liability, automobile liability, professional liability, property, and workers' compensation liability through a self-insurance program during the performance of this Agreement, in conjunction with excess coverage through the California Association of Counties – Excess Insurance Authority. A certificate of coverage will be furnished to COUNTY by CONTRACTOR and by CONTRACTOR to COUNTY upon request.
17. **Nondiscrimination:** CONTRACTOR agrees to comply with federal and state non-discrimination and equal opportunity statutes and regulations.

During the performance of this Agreement,

- A. CONTRACTOR and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including, but not limited to, HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave.
- B. CONTRACTOR and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- C. CONTRACTOR and subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Chapter 1 of Part 2.8 of Division 3 of Title 2 of the California Government Code, commencing at section 12900) and the regulations promulgated thereunder.
- D. CONTRACTOR and its subcontractors shall give written notice of their obligations under this Section of this Agreement to labor organizations with which they have a collective bargaining or other agreement.
- E. CONTRACTOR shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified

handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of United States Department of Health and Human Services, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.

F. CONTRACTOR shall include the nondiscrimination and compliance provisions of this Agreement in all agreements with subcontractors to perform work or services under this Agreement.

18. **Assignment:** Neither party shall assign, sublet, delegate, or transfer any of its rights, duties, or obligations arising hereunder without written consent of the other.

19. **Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that both CONTRACTOR and COUNTY are political subdivisions of the State of California. As such, both are subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment, or services not budgeted in a given Fiscal Year. It is further understood that in the normal course of COUNTY'S and CONTRACTOR'S businesses, they will adopt a proposed budget prior to a given Fiscal Year, but that the final adoption of a budget does not occur until after the beginning of the Fiscal Year.

A. Notwithstanding any other provision of this Agreement to the contrary, either party shall give notice of termination of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products, or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and COUNTY and CONTRACTOR released from any further liability hereunder. In addition to the above, should the respective Boards of Supervisors of COUNTY and CONTRACTOR, during the course of a given year, for financial reasons reduce or order a reduction in the budget for either COUNTY'S or CONTRACTOR'S departments for which services were contracted to be performed pursuant to this Agreement, this Agreement may be deemed to be immediately terminated in its entirety subject to payment for services performed prior to termination. Notice of said termination shall be provided at the earliest possible date.

20. **Default, Termination, and Cancellation:**

A. Default:

1) Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (Notice). If the party in default does not cure the default within 10 days of the date of Notice (Time to Cure), then such party shall be in default. The Time to Cure may be extended in the discretion of the party giving Notice. Any extension of the Time to Cure must be in writing, prepared by the party in default for signature by the party giving Notice and must specify the reason(s) for the extension and the date the extension of the Time to Cure expires.

2) The Notice given under this Section of this Agreement shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default

perform the provisions of this Agreement within the Time to Cure. No Notice shall be deemed a termination of this Agreement unless the party giving Notice so elects in subsequent written notice after the Time to Cure has expired.

**B. Ceasing Performance:** COUNTY or CONTRACTOR may terminate this Agreement in the event either becomes unable to substantially perform any term or condition of this Agreement.

**C. Termination without Cause:**

- 1) Either party shall have the right to terminate this Agreement without cause; any such termination will be effective 60 days after written notice. In the event of termination by COUNTY or CONTRACTOR, CONTRACTOR shall be paid for all services performed to the date of termination.
- 2) This Agreement may be terminated by either party, if the State of California Department of Mental Health gives written notice stating that services provided are not in compliance with requirements of law or regulations, by giving 21 days written notice to the other party.

**21. Amendments:** This Agreement constitutes the entire Agreement between the parties. Any amendments or changes to this Agreement shall be agreed to in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representatives of both parties. However, in no event shall such amendments create additional liability to COUNTY or provide additional compensation to CONTRACTOR except as explicitly set forth in this or amended Agreement.

**22. Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and registered or by personal delivery. Notices to CONTRACTOR shall be addressed/delivered as follows:

Psychiatric Health Facility Program Manager  
Sutter-Yuba Behavioral Health  
1965 Live Oak Blvd  
Yuba City, CA 95991

And to:

Deputy Director Clinical Services  
Sutter-Yuba Behavioral Health  
1965 Live Oak Blvd.  
Yuba City, CA 95591

or to such other location as the CONTRACTOR directs.

Notices to COUNTY shall be addressed/delivered as follows:



Branch Director  
HHS Business and Support Services  
Attn: Contracts Unit  
P.O. Box 496005  
Redding, CA 96049-6005

or to such other location as the COUNTY directs.

23. **Rules and Laws:** CONTRACTOR and COUNTY agree to comply with all applicable laws, regulations, and policies governing the provisions of public mental health services. CONTRACTOR shall comply with all applicable provisions of the COUNTY MHP or successor contract with the State of California which is in effect at the time services are provided, available from COUNTY upon request. All services, documentation, and reporting shall be provided in conformity with the requirements of all pertinent laws, regulations, and County requirements.
24. **Administrator:** The employee designated to administer this agreement for Sutter-Yuba County Mental Health Services is the PHF Program Manager.
25. **HIPAA Compliance:** CONTRACTOR affirms that it is subject to the provisions of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191, "HIPAA") and its implementing regulations relating to protecting the privacy and security of confidential health information. CONTRACTOR will not use or disclose protected confidential health information other than as permitted or required by law and regulation and will notify COUNTY of any discovered instances of breaches of confidentiality.
  - A. Without limiting the rights and remedies of COUNTY elsewhere as set forth in this Agreement, COUNTY may terminate this Agreement without penalty or recourse if COUNTY determines that CONTRACTOR violated a material term of the provisions of this Section of this Agreement. CONTRACTOR will ensure that any subcontractors' agents receiving protected confidential health information related to this Agreement agree to the same restrictions and conditions that apply to CONTRACTOR with respect to such information.
26. **Confidentiality and Patients' Rights:** CONTRACTOR agrees to maintain a record of each Patient served pursuant to this Agreement. These records shall be maintained in the strictest confidence in accordance with applicable state and federal laws and regulations. No specific information pertaining to discrete individual Patients will be provided to persons or agencies other than those as set forth in the provisions contained herein and in accordance with applicable state and federal laws and regulations. Furthermore CONTRACTOR shall comply with all applicable laws and regulations, state and federal, pertaining to patients' rights (including, but not limited to section 5325 of the California Welfare and Institutions Code. CONTRACTOR and COUNTY further agree to hold the other harmless for any breach of confidentiality or breach of patients' rights, as set forth in the indemnity provisions contained herein.
  - A. CONTRACTOR and COUNTY agree to maintain the confidentiality of Patient information and records as provided by applicable law and regulation; notwithstanding, professional records and COUNTY Patient information shall be interchangeable between

CONTRACTOR and COUNTY to establish and support a high level of clinical services and continuity of care and aftercare services.

27. **Choice of Law:** The validity, enforceability, or interpretation of this Agreement shall be governed by the laws of the State of California. In the event that either COUNTY or CONTRACTOR deems it necessary to take legal action to enforce any provisions of this Agreement, the parties shall each bear their own costs, which shall include, but not be limited to, reasonable attorney's fees and costs.

***[SIGNATURE PAGE FOLLOWS]***

**IN WITNESS WHEREOF**, the parties hereto 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.

SHASTA COUNTY:

Dated: \_\_\_\_\_

\_\_\_\_\_, Chairman  
Board of Supervisors  
Shasta County  
State of California

ATTEST:

Lawrence G. Lees  
Clerk of the Board of Supervisors

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

Rubin E. Cruse, Jr.  
Shasta County Counsel

Dated: 1/6/17

Alan B. Cox  
Deputy County Counsel

Risk Management Approval

Dated: 1/6/17

James Johnson  
Risk Management Analyst

SUTTER COUNTY:

Dated: 12-8-16

Tony Hobson, Ph.D., Director  
Sutter-Yuba Behavioral Health

Dated: 12.20.14

Jim Whiteaker, vice Chairman  
Sutter County Board of Supervisors

ATTEST:

Donna Johnston  
Sutter County Clerk of the Board of Supervisors

Dated: 12.20.14

Anna E. ... Deputy Clerk

APPROVED AS TO FORM:

Sutter County Counsel  
Jean Jordan

Dated: 12/15/16

County Counsel

