

**COUNTY OF MENDOCINO
STANDARD SERVICES AGREEMENT**

This Agreement, dated as of _____, is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the "COUNTY", and **Redwood Management Company** hereinafter referred to as the "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, the COUNTY intends to maintain a comprehensive Mental Health Plan, in compliance with all applicable laws, rules and regulations and in conformance with guidelines issued by the California State Department of Health Care Services (DHCS); and,

WHEREAS, COUNTY desires to obtain CONTRACTOR to provide and/or arrange for the provisions of the Mendocino County's Mental Health Plan (MHP) specialty mental health services to Mendocino County's children and youth under the age of 21 ("Services"); and,

WHEREAS, CONTRACTOR is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to COUNTY.

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit "A", and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

Exhibit A	Definition of Services
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements
Exhibit D	Assurance of Compliance with Nondiscrimination
Appendix A	Certification Regarding Debarment, Suspension, and other Responsibility Matters - lower tier covered transactions
Addendum A	Medi-Cal Data Privacy and Security Agreement
Addendum B	Current Mendocino County's Mental Health Plan } <small>Not attached. Original on file at Mendocino County BHRS. Copy provided separately to Contractor.</small>

The term of this Agreement shall be from July 1, 2013 through June 30, 2019.

The compensation payable to CONTRACTOR hereunder shall not exceed Eight Million, Eight Hundred Forty Four Thousand, Nine Hundred Forty Two Dollars (\$8,844,942) for the first fiscal year of the agreement term, July 1, 2013 through June 30, 2014. A formula establishing a base matchable allocation for the remaining fiscal years is located in Exhibit B.

In addition to the compensation for the first fiscal year, the CONTRACTOR will receive compensation that shall not exceed Sixty-Eight Thousand Dollars (\$68,000) for the term between June 1, 2013 through June 30, 2013.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COUNTY OF MENDOCINO

By _____
Dan Hamburg, Chair and/or
John Pinches, Vice Chair
Board of Supervisors

Date: _____

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By _____
Deputy

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By _____
Deputy

Date: _____

HEALTH AND HUMAN SERVICES AGENCY

By _____
TOM PINIZZOTTO, HHSA Assistant Director,
Health Services

Date: _____

Budgeted: ☒ Yes ☐ No

Budget Unit: 4050

Line Item (Acct String): 86-3280

Org/Object Code: MH

Grant: ☐ Yes ☒ No

Grant No.: _____

INSURANCE REVIEW:

RISK MANAGER

By _____
KRISTIN McMENOMEY, Director
General Services Agency

Date: _____

CONTRACTOR/COMPANY NAME

By _____
Signature

Printed Name: Camille Schrader

Title: Executive Director

Date: _____

NAME AND ADDRESS OF CONTRACTOR:

Redwood Management Company

PO Box 422

Ukiah, CA 95482

Phone: 707-467-2010

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

Thomas R. Parker, County Counsel

By _____

Date: _____

EXECUTIVE OFFICE REVIEW:

APPROVAL RECOMMENDED

By _____
Carmel J. Angelo, Chief Executive Officer

Date: _____

Fiscal Review:

By: _____
Deputy CEO/Fiscal Date

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; **\$50,001+ Board of Supervisors**

Exception to Bid Process Required/Completed ☐ **Exception #:** n/a

GENERAL TERMS AND CONDITIONS

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold County harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and County laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the County agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two (2) week's written notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever including damages to property and injuries to, or death of persons, reasonable attorney's fees, expert fees and court costs occurring or resulting, or alleged to be occurring or resulting, to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connections with the CONTRACTOR'S performance or its obligations under this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting, or alleged to be occurring or resulting, to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of its obligations under this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.
3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.
5. **CONFORMITY WITH LAW AND SAFETY:**
 - a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.
 - b. **Accidents:** If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address

of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.

- c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the opportunity to review and inspect such evidence, including the scene of the accident.
- 6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit "B" hereto as funding permits.
- 7. TRAVEL EXPENSES: CONTRACTOR shall not be allowed or paid travel expenses unless set forth in this Agreement.
- 8. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
- 9. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby agrees to provide to a private, not-for-profit, successor and if there is none then assigns the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

CONTRACTOR shall pay all royalties and license fees which may be due for any patented or copyrighted materials, methods or systems selected by the

CONTRACTOR and incorporated into the work as set forth in Exhibit "A", and shall defend, indemnify and hold the COUNTY harmless from any claims for infringement of patent or copyright arising out of such selection.

The COUNTY's rights under this Paragraph 9 shall not extend to any computer software used to create such Documents and Materials.

10. **CONFIDENTIALITY:** CONTRACTOR agrees to require its employees to comply with the provisions of Section 10850 of the Welfare and Institutions Code and Division 19000 of the State of California, Department of Social Services, Manual of Policies and Procedures, to assure that:
 - a. All applications and records concerning an individual, made or kept by any public officer or agency in connection with the administration of any provision of the Welfare and Institutions Code relating to any form of public social services for which grants-in-aid are received by this State from the Federal Government shall be confidential and shall not be open to examination for any purpose not directly connected with the administration of such public social services.
 - b. No person shall publish or disclose, or use or permit, or cause to be published, disclosed or used, any confidential information pertaining to an applicant or recipient.

Contractor agrees to inform all its employees, agents, and partners of the above provisions and that any person who knowingly or intentionally violates the provisions of said State law is guilty of a misdemeanor.

11. **MONITORING:** CONTRACTOR shall cooperate fully with any utilization review committee established by the COUNTY for the purpose of monitoring the accomplishments and effectiveness of CONTRACTOR and specific services provided to individuals.
12. **COORDINATION OF COMMUNICATION:**

All information between the CONTRACTOR, Mendocino County BHRS, and the Mendocino County Mental Health Advisory Board regarding all aspects of program services shall be coordinated through the BHRS Director or designee. Copies of external fiscal or program correspondence between CONTRACTOR and the State and Federal governments and local boards or agencies concerning CONTRACTOR's program shall be sent concurrently to BHRS. CONTRACTOR will provide BHRS with reasonable notice of any on-site audits, reviews, or visits conducted by agencies such as the DHCS.
13. **GRIEVANCE PROCEDURE:** CONTRACTOR agrees to provide a system through which recipients of service shall have the opportunity to express and have considered their views, grievances and complaints regarding the delivery of

services. This system shall include notification to the recipients of their right to a state hearing.

14. ABUSE REPORTING REQUIREMENTS:

- a. CHILD ABUSE REPORTING REQUIREMENT: CONTRACTOR shall ensure that all known or suspected instances of child abuse or neglect are reported to a child protective agency as defined in Penal Code Section 11165(k). This responsibility shall include:

(1) A requirement that all employees, consultants, or agents performing services under this agreement who are required by Penal Code Section 11166, to report child abuse or neglect, sign a statement that he or she knows of the reporting requirements and shall comply with them.

(2) Establishing procedures to ensure reporting even when employees, consultants, or agents who are not required to report child abuse under Penal Code 11166, gain knowledge of, or reasonably suspect that a child has been a victim of abuse or neglect.

- b. ADULT ABUSE REPORTING REQUIREMENT: CONTRACTOR shall ensure that all known or suspected instances of elder abuse as defined in Welfare and Institutions Code 15610 are reported to Adult Protective Services. This responsibility shall include:

(1) A requirement that all employees, consultants, or agents performing services under this agreement who are required by Welfare and Institutions Code Section 15630 and 15632, to report adult abuse or neglect, sign a statement that he or she knows of the reporting requirements and shall comply with them.

(2) Establishing procedures to ensure reporting even when employees, consultants, or agents who are not required to report adult abuse under Welfare and Institutions Code Section 15630 and 15632, gain knowledge of, or reasonably suspect that an adult has been a victim of abuse or neglect.

15. HIPAA COMPLIANCE: CONTRACTOR agrees to comply with the applicable regulations for the Health Insurance Portability and Accountability Act (HIPAA) and shall hold the COUNTY harmless from any sanctions received by the CONTRACTOR, to the extent permitted by law, for breach of these regulations. CONTRACTOR also agrees: patients to whom services are rendered are third-party beneficiaries of this section; to prohibit any unauthorized disclosures or use of protected information; to put in place appropriate safeguards ensuring only permitted uses and disclosures; to immediately report to COUNTY reports of any

unauthorized uses or disclosures; ensure that sub-contractors of CONTRACTOR agree to the provisions of this section; to consent to patient access to their own health information; to make protected information available to the Federal Department of Health and Human Services as well as all internal compliance policies and procedures; to provide for the destruction of protected information upon agreement termination unless it must be retained to comply with another provision of law; and to ensure appropriate correction or amendment of records. A failure by CONTRACTOR to adhere to these provisions shall result in agreement termination.

16. **ELIGIBILITY FOR SERVICES:** The COUNTY shall determine eligibility for receiving services, but that the CONTRACTOR determines who meets those criteria under this agreement.
17. **CONFLICT OF INTEREST:** The CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.
18. **NOTICES:** All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO
Behavioral Health and Recovery Services
1120 S. Dora Street
Ukiah, CA 95482
Attn: Bev Rae

To CONTRACTOR: Redwood Management Company
PO Box 422
Ukiah, CA 95482

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

19. USE OF COUNTY PROPERTY: CONTRACTOR shall not use County property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
20. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS:
CONTRACTOR certifies that it will comply with all federal and state laws pertaining to equal employment opportunity and that it shall not discriminate against any employee or applicant for employment on the basis of race, color, religion, age, sex, national origin, ancestry, marital status, political affiliation or physical or mental condition, in matters pertaining to recruitment, hiring, training, upgrading, transfer, compensation or termination.
 - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.
 - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Vietnam era Veteran's status, political affiliation, or any other non-merit factor.

- c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
 - d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
 - e. The CONTRACTOR shall include the provisions set forth in paragraphs a through d (above) in each of its subcontracts.
21. **NONDISCRIMINATION IN STATE AND FEDERALLY ASSISTED PROGRAMS FOR RECIPIENTS OF MENDOCINO COUNTY HEALTH & HUMAN SERVICES AGENCY:** If applicable, under this agreement, the CONTRACTOR provides assistance or services to any applicant, client, participant or service recipient, hereinafter referred to as "recipient" of the Mendocino County Health & Human Services Agency, the CONTRACTOR shall administer said assistance or service in compliance with the provisions of Exhibit D "Assurance of Compliance with the Mendocino County Health & Human Services Agency Nondiscrimination in State and Federally Assisted Programs" form and shall complete and submit to the COUNTY said form prior to providing said assistance or service under this agreement. CONTRACTOR shall not charge recipients for the use of interpreters and shall insure that recipients covered under the provisions of Exhibit D are not denied or delayed in receiving assistance or services available to the other recipients under this agreement.
22. **DRUG-FREE WORKPLACE:** CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free workplace. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the County department/agency for which the agreement services are performed. Violation of this provision shall constitute a material breach of this Agreement.
23. **ENERGY CONSERVATION:** CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
24. **COMPLIANCE WITH LICENSING REQUIREMENTS:** CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.

25. **AUDITS; ACCESS TO RECORDS:** The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

CONTRACTOR will comply with all audit requirements pursuant to the DHCS Guidelines including but not limited to; The State Department of Health Care Services Program Oversight and Compliance Annual Review Protocol for Consolidated Specialty Mental Health Services, and Other Funded Services, Medi-Cal Title IX, the Mental Health Plan, and all state and federal program obligations. CONTRACTOR will be responsible for Medi-Cal Chart Audit exceptions. CONTRACTOR will file timely corrective action plans, appeal requests, and other compliance requirements on behalf of the County and shall ensure that the County remains in good standing with the DHCS.

CONTRACTOR agrees to be subject to, and accept responsibility for audits provided by COUNTY, State or Federal agencies and will accept responsibility for receiving, replying to and/or complying with any audit exceptions by appropriate COUNTY, State or Federal audit agencies occurring as a result of its performance of this Agreement. CONTRACTOR also agrees to be financially liable for audit exceptions due to inadequate documentation as per medical necessity documentation requirements. CONTRACTOR also agrees to pay, or make arrangements to pay, to the COUNTY within sixty (60) days of demand by COUNTY the full amount of the COUNTY'S obligation, including penalties, if any, to the State and/or Federal government resulting from any audit exceptions, to the extent such are attributable to the CONTRACTOR'S failure to perform properly any of its objectives under this Agreement. If CONTRACTOR fails to reimburse the COUNTY within the COUNTY approved time period, the COUNTY may offset the unpaid amount against any sums due from the COUNTY to CONTRACTOR pursuant to this Agreement or obligation

The CONTRACTOR shall maintain full and adequate records in accordance with County requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within County or CONTRACTOR shall pay to the COUNTY the reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR's books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such inspection. The COUNTY further reserves the right to examine and reexamine said

books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

RECORDS INSPECTION AND MAINTENANCE:

The DHCS, the County and appropriate federal agencies, and their duly authorized agents, shall have the right to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed and to audit and inspect any books and records of the Contractor which pertain to services performed and determination of amount payable under this Agreement at any reasonable time.

CONTRACTOR will maintain appropriate clinical, statistical records for a period of at least seven years, and financial records as required by law or through the completion of an audit.

26. **DOCUMENTS AND MATERIALS:** CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 9 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
27. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
28. **TERMINATION:** The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon giving to the CONTRACTOR 90 days prior written notice. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the CONTRACTOR shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable per fiscal year to CONTRACTOR for its services outlined in Exhibit A shall not exceed the negotiated amount for each fiscal year as outlined in Exhibit B for services

provided hereunder prior to the effective date of said suspension, termination or abandonment or lack of funding.

29. **NON APPROPRIATION:** If COUNTY should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the services set forth in this Agreement, or other means of performing the same functions of such services, COUNTY may unilaterally terminate this Agreement only upon thirty (30) days written notice to CONTRACTOR. Upon termination, COUNTY shall remit payment for all products and services delivered to COUNTY and all expenses incurred by CONTRACTOR prior to CONTRACTOR'S receipt of the termination notice.
30. **CHOICE OF LAW:** This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
31. **WAIVER:** No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
32. **ADVERTISING OR PUBLICITY:** CONTRACTOR shall not use the name of County, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
33. **ENTIRE AGREEMENT:** This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties.
34. **HEADINGS:** Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
35. **MODIFICATION OF AGREEMENT:** This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No

supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.

36. **ASSURANCE OF PERFORMANCE:** If at any time the COUNTY has good objective cause to believe CONTRACTOR may not be adequately performing its obligations under this Agreement or that CONTRACTOR may fail to complete the Services as required by this Agreement, COUNTY may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to COUNTY, to correct the observed deficiencies in CONTRACTOR's performance. CONTRACTOR shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
37. **SUBCONTRACTING/ASSIGNMENT:** CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
- a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
 - b. CONTRACTOR shall provide COUNTY with a quarterly updated list of all subcontractors. CONTRACTOR shall not substitute subcontractors without COUNTY's prior written approval.
 - c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
38. **SURVIVAL:** The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 9), and Conflict of Interest (Paragraph 16), shall survive termination or expiration for two (2) years.
39. **SEVERABILITY:** If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.
40. **PATENT AND COPYRIGHT INDEMNITY:** CONTRACTOR represents that it knows of no allegations, claims, or threatened claims that the materials, services, hardware or software ("CONTRACTOR Products") provided to COUNTY under

EXHIBIT A

DEFINITION OF SERVICES

CONTRACTOR agrees to provide and/or arrange for the provision of the Mendocino County's Mental Health Plan (MHP) specialty mental health services to Medi-Cal beneficiaries of Mendocino County within the Scope of Services defined in this contract.

CONTRACTOR agrees to provide MHP services to the children and youth of Mendocino County under the age of 21 through the development of the Multi-Agency Children's Coalition (MACC) which will be managed by Redwood Management Company- Multi-Agency Children's Coalition (RMC-MACC).

1. Objectives for the Quality Management Program:

CONTRACTOR will facilitate the improvement processes that most affect client outcomes. To this end, the CONTRACTOR will work towards:

- a. Improving the appropriateness and effectiveness of its services and outcomes
- b. Preventing or eliminating barriers to effective care
- c. Resolving identified service delivery problems
- d. Taking effective action when improvement is required or desired
- e. Maximizing the use of quality related data to identify trends and opportunities for improvement, such as beneficiary satisfaction survey data, complaint/grievance/fair hearing data, survey recommendations, utilization management data, Quality Improvement (QI) special studies, and Performance Improvement Projects (PIP)
- f. Maximizing coordination, collaboration and communication among the network of providers to assure:
 - i. Providers meet state standards for timely access to care and services taking into account urgency of need for service
 - ii. Mechanisms are established to assure ongoing compliance
 - iii. Corrective action is taken if there is a failure to comply
- g. Assuring that relevant cultural and linguistic standards of care are incorporated into service delivery
- h. Assuring that identified issues are tracked over time
- i. Ongoing monitoring of the accessibility of services as evidenced by:
 - i. Timeliness of routine mental health appointments
 - ii. Timeliness of services for urgent conditions
 - iii. Access to after-hours care
 - iv. Responsiveness of the 24/7 toll-free number

Exhibit A – Page 2

2. Provide a Quality Management Program:

CONTRACTOR will provide a quality management program (QMP).

The QMP describes the CONTRACTOR'S approach for compliance, quality assurance and improving performance, including the necessary mechanisms and processes. The QMP addresses the design, measurement, assessment and improvement approach for quality client care and organizational functions. The CONTRACTOR's Quality Management Program (QMP) will:

- a. Collaboration and coordination among clients, Mendocino County Behavioral Health and Recovery Services (BHRS), network providers, and CONTRACTOR
- b. Collect, analyze, and respond to client feedback, satisfaction surveys, and performance outcome indicators
- c. Prioritization of areas selected for improvement.
- d. Maintenance efforts for the stability of these functions
- e. Assessment of provider competence and performance, including peer review, when appropriate
- f. Provide sufficient resources and training for the QM activities
- g. The requirement that all providers, services, beneficiaries, family members and other interested stakeholders determined to be appropriate, participate in QI activities
- h. The provision of adequate information management systems to facilitate the collection, management and analysis of data needed for monitoring, evaluation and improvement
- i. The provision that members of the Quality Council participate in the planning, design, and execution of the QI Program, including policy setting and program planning
- j. The requirement that the QI activities meet the requirements as specified by the State Department of Health Care Services (DHCS) and Specialty Mental Health Services requirements
- k. The provision of necessary resources to assure the delivery of culturally competent specialty mental health services
- l. Manage service delivery utilizing a comprehensive Electronic Health Record (EHR)
- m. Utilize data to show client outcomes and performance indicators over time
- n. Train, monitor, and ensure that the MACC providers' services and documentation comply with Medi-Cal, Title IX, External Quality Review Organization (EQRO), and Mendocino County Mental Health Plan (MHP) standards.

3. Provide a Quality Leadership Committee:

CONTRACTOR will be responsible to facilitate/organize a quality leadership committee consisting of administrative officers from the CONTRACTOR, BHRS and others as needed or recommended by the BHRS director. The Quality

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Leadership Committee will provide oversight to the MACC Quality Council, approve policy and system changes, and review outcomes of Performance Improvement Projects (PIP). Summary reports are prepared for MACC members with data and information concerning the Quality Improvement (QI) functions measured. Identification and review of the performance of key indicators over time allows the MACC members to track success of improvement efforts and provides appropriate direction as needed.

4. Provide a Quality Council:

CONTRACTOR will provide a quality council. The Quality Council focus is on the proactive collection, analysis and reporting of quality of mental health care along with the development of systematic improvement efforts. The Quality Council recommends policy decisions, implements specific review and evaluation activities, and ensures follow-up of QI processes. Minutes of quarterly meetings are maintained reflecting all decisions and actions taken. This council functions in a guidance and consulting capacity to the CONTRACTOR and CONTRACTOR's Governing Body. It is responsible for ensuring that all QI activities are continuous and effective in improving delivery.

The Quality Council oversees the following:

- a. Utilization Management (UM): CONTRACTOR's Chief Medical Officer and Compliance Officer monitor UM activities and report the results of such monitoring to the Quality Council including analysis of over and under utilization and consumer complaints or grievances
- b. Provider Relations: CONTRACTOR's Communications Officer and Compliance Officer monitor all provider quality information such as provider satisfaction surveys, provider profiles and provider chart audit outcomes
- c. Client Services: CONTRACTOR's Compliance Officer aggregates reports of complaints and grievances along with client satisfaction survey outcome and develops and implements the action plans
- d. Risk Management: All adverse events are reviewed and analyzed. Action plans are developed by CONTRACTOR's Compliance Officer and reviewed by the Quality Council.
- e. Quality of Care: Quality of care outcome studies are prepared by CONTRACTOR's Compliance Officer and presented to the Quality Council to assure that effective performance improvement actions are taken.

In addition to the Quality Council, a MACC Advisory Council is made up of stakeholder representatives, including, but not limited to: Health and Human Services Agency (HHSA), Mendocino County Courts, law enforcement, Mendocino County Board of Supervisors (BOS), MACC providers, Mendocino Mental Health Coalition, consumers/family members, and Juvenile Justice/Probation. The MACC Advisory Council meets on a quarterly basis and works at the system level to make recommendations about needed policy changes, program design, and resource allocations specific to the target

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population. Minutes of these quarterly meetings are maintained reflecting all decisions and actions taken. The MACC Advisory Council continuously seeks feedback to mitigate gaps and barriers and enhance opportunities for partnerships. Detailed tools, protocols, and agendas will be developed to meet overall system outcomes.

5. Develop a Quality Management Process:

CONTRACTOR will develop a quality management process. CONTRACTOR'S quality management personnel will authorize all inpatient and outpatient services, as well as CONTRACTOR'S analysts who will:

- a. Manage chart documentation
- b. Audit charts for signatures and timeliness of treatment plan development and clinical documentation
- c. Audit billing codes against documented services
- d. Perform utilization review tasks as defined by DHSC regulations

Through use of the EHR, MACC providers will undergo regularly scheduled chart reviews, as well as a minimum of two formal chart audits per calendar year. The scheduled times are to be determined.

The CONTRACTOR, in a coordinated effort with Mendocino County BHRS, has a comprehensive Quality Assurance (QA) manual that includes detailed policies and procedures, protocols, and training requirements. The CONTRACTOR will manage the training of all providers to ensure compliance with all regulations, including the annual cultural competency training. The QA manual incorporates necessary policies and procedures, as well as audit methodologies.

The CONTRACTOR has developed a certification protocol for all MACC providers to ensure their capacity and capability for meeting the full requirements in the Mendocino County MHP. RMC will be responsible for financial and billing reconciliation, including cost reports, allowable costs, federal cost report compliance, etc.

6. Provide a Quality Improvement Program:

CONTRACTOR will provide a quality improvement program. The CONTRACTOR's internal QI committee will review the quality of services provided to beneficiaries. The QI committee is accountable to the Contractor's and is responsible for maintaining the QI Plan. QI activities include:

- a. Collecting and analyzing data
- b. Identifying opportunities for improvement
- c. Ensuring appropriate exchange of information through a universal Release of Information (ROI)

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- d. Ensuring Health Insurance Portability and Accountability Act of 1996 (HIPPA) compliance
- e. Guaranteeing Notice of Actions (NOA) are provided to beneficiaries when services are denied, modified, or deferred
- f. Obtaining input from consumers, providers and family members pertaining to barriers to services and satisfaction
- g. Measuring effectiveness of interventions through case management by monitoring GAF scores, administering CANS and comparing data at intervals, identifying needs and through UR-reducing volume of services, reducing length of stay/treatment, and reducing intensity of treatment
- h. Reviewing beneficiary grievances, appeals, expedited appeals, fair hearings, expedited fair hearings, provider appeals, and clinical records as per Title IX regulations.
- i. Cultural competency will be monitored through client satisfaction surveys.

The Annual Work Plan required by the by the Mental Health Plan identifies key factors for QI/UM activities. The CONTRACTOR will develop and/or revise and implement the Annual Work Plan in collaboration and coordination with Mendocino County BHRS.

A minimum of two PIPs are conducted annually, one clinical and one non-clinical. These PIPs measure performance using objective quality indicators and demonstrate planning for increasing or sustaining improvement

The CONTRACTOR's QMP system will be implemented amongst all MACC provider agencies to ensure compliance with the Mendocino County Mental Health Plan, state, and federal regulatory requirements. MACC providers will use an EHR to enter client data, upload clinical documents, enter progress notes, and track outcome data. The EHR allows the Contractor to access various reports, thus monitoring:

- j. Provider scheduling and productivity
- k. Intensity and duration of services
- l. Demographic data
- m. Clinical data
- n. Service utilization
- o. Level of placement
- p. High-cost beneficiaries

The CONTRACTOR will provide oversight of the activities listed below.- The Contractor will monitor and measure System Performance on a monthly basis, to include, not limited to the following:

- q. Inpatient hospitalizations
- r. Crisis services

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- s. Timely access to outpatient and psychiatric services
- t. No shows
- u. Client outcomes
- v. Client satisfaction

7. Provide a Utilization Management Program:

CONTRACTOR will provide a utilization management program. The Utilization Management Program (UMP) will provide guidelines to ensure that each child, youth under the age of 21, and family receives access to services and that those services are appropriate to meet client needs for the time period that their need exists. The CONTRACTOR will closely monitor utilization and length of treatment, to confirm that the service continues to be medically necessary, clinically appropriate, and provided at the level necessary.

All authorizations for outpatient and inpatient services require weekly consultation, review and final approval from the Mendocino County BHRS director or designee.

Utilization data is analyzed to assess utilization trends, service gaps, high risk populations, and quality of network care. The Utilization Management Program provides the following:

- a. Coordination and linkage with formal and informal supports, such as primary care, Child Welfare Services (CWS), schools, family resource centers, and appropriate specialty services
- b. Tracking of utilization patterns and trends
- c. Coordination across settings to assure continuity and timely intervention, and follow-up
- d. Analyzing aftercare services and supports to ensure effective community integration and reduce recidivism

8. Provide Compliance:

CONTRACTOR will provide compliance. The CONTRACTOR will assure that all MACC providers comply with the Mendocino County BHRS compliance plan and that there are tools and protocols in place for ongoing compliance review. All clinical documentation will be reviewed to ensure compliance with Medi-Cal (Title IX) standards and Early Periodic Screening and Treatment (EPSDT) requirements. Internal systems are employed to monitor strict compliance with all requirements to meet standards and regulations with service authorizations, service delivery, documentation, and billing.

The CONTRACTOR will operate a confidential phone line for calls regarding suspected fraud and compliance issues and will respond to each call in a timely manner. All calls will be recorded in a compliance log.

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9. Provide Cultural Competence:

CONTRACTOR will provide cultural competence. The CONTRACTOR will provide an Ethnic Services Coordinator to manage all cultural competence requirements. The CONTRACTOR will coordinate with Mendocino County BHRS to comply with annual cultural competency training for its staff and for the staff of each of the network providers. The CONTRACTOR will develop and revise the Cultural Competency Plan in collaboration and coordination with Mendocino County BHRS and stake holders. Additionally, the CONTRACTOR will utilize industry experts to augment annual training for target populations in Mendocino County.

Areas of focus in the implementation of the cultural competence plan include, not limited to, elimination of the disparities in service delivery to special populations (Latino and Native American clients).

10. Assure Consumer Rights:

The screening of a consumer for a treatment or service program shall not result in the consumer being deprived of any rights, privileges, or benefits, which are guaranteed to individuals by state or federal law. Services will be provided in a safe, sanitary, least restrictive and humane environment. All consumers have the right to be treated with dignity and respect. CONTRACTOR will work with the Patient's Rights Advocate and Ombudsman contracted by Mendocino County BHRS to assure proper client interactions and interventions.

11. Maintain Client Records:

CONTRACTOR will maintain client records. The CONTRACTOR and its subcontractors will implement and observe all regulations and ethical guidelines as it relates to the development and storage of medical records, maintaining the integrity of the clients' health care information. Medical records will be available through the EHR and stored according to licensing and regulatory standards and overseen by the CONTRACTOR's Compliance staff. Records are released only to the proper authorities or with the consent of the client (or guardian) through a ROI document. Records are accessible to clinicians, quality assurance, and Mendocino County BHRS personnel as appropriate. All CONTRACTOR's and subcontractors will be required to comply with HIPPA regulations, state and federal laws, and other County requirements for client confidentiality and record security.

12. Provide Access to Quality Care with an Access System:

CONTRACTOR will be responsible for the creation of an Access System in collaboration with the BHRS Director.

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The Access System's primary role is to receive all treatment requests for community mental health services made by clients, their families, county agencies, community providers or law enforcement.

CONTRACTOR will ensure timely access to services for children and youth under the age of 21, and their families. The CONTRACTOR will monitor the amount of time from initial request for services to first billable visit. This data will be analyzed and findings reported on a monthly basis to the Mental Health Board and Quality Improvement Committee. The CONTRACTOR as the Point of Authorization (POA) for mental health services amongst the children's system of care continuum.

- a. Referrals. Referrals for mental health services can come from not limited to the following: the emergency room, law enforcement, Community Based Organizations (CBO), Child Welfare Services (CWS), parents, Probation, Redwood Coast Regional Center (RCRC), schools, community, and/or self. CONTRACTOR will operate a "no wrong door" access approach to all services. The CONTRACTOR will log referrals for service in to the EHR and monitor for timeliness of access. The no wrong door vision is: community members in need of services can presented at any contracted Mendocino County mental health service program and receive help or services. The client will be engaged and assisted immediately to meet his/her need.
- b. Screening and Eligibility. CONTRACTOR will be responsible for screening new referrals and determining Medi-Cal eligibility. If requested, Medi-Cal beneficiaries will receive a screening and, if initial screening indicates, will receive further assessment. A NOA will be provided to all beneficiaries who, upon initial screening or assessment, do not meet medical necessity. Initial intake screening, assessment, and plan development services are readily available in both English and Spanish. Additional resources will be utilized to accommodate client and families need for services and documents to be provided in their native language. This same accommodation will be made for those beneficiaries with disabilities.
- c. Service Authorization. Further services will be authorized post assessment and triaged based on low, medium, or high need. Low need clients may be authorized for brief therapy (eight to fifteen sessions), medium need clients may be authorized for a full range of services for a period of three to six months, and high need clients may be authorized for a full range of services for six months. The frequency and intensity of services authorized will correlate with initial outcome measure data (primarily Child and Adolescent Needs and Strengths (CANS) Assessment data). Outcome measure data will be collected at regular intervals throughout treatment to ensure that services maintain the appropriate level of intensity, frequency, and duration.

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Clients will be provided with required information pamphlets that include Client Rights, Privacy and Grievance Policy, and an EPSDT Membership Handbook.

Out of county placement is, at times, necessary. The full array of mental health services allowed will be offered based on eligibility and appropriateness of service. Monitoring and oversight will be managed through the RMC with a strong emphasis on bringing Mendocino County youth home. Collaboration with Child Welfare Services, schools, and other placement agencies will occur as needed. A CONTRACTOR's representative will attend the Inter-Agency Case Management Team (IACMT) meeting. All service Authorizations requires collaboration and approval from the MH Director or designee.

- d. Emergency Access. Beneficiaries will have direct access to crisis services, psychiatric emergency services, and 24 hour care through the 24/7 Access Centers located inland and on the coast. Each location is staffed by qualified mental health clinicians.

13. Provide a Children and Youth System of Care:

The Children and Youth System of Care is a comprehensive array of programs and services with multi-agency involvement and collaboration. CONTRACTOR will provide oversight and regulation of the programs and services provided by MACC organizations. MACC providers are monitored by the CONTRACTOR and are responsive to the priorities of the MACC Advisory Council which includes Mendocino County BHRS, National Alliance on Mental Illness (NAMI) the Mental Health Board, providers, stakeholders, community partners, clients and family members.

a. Target Population.

The target population consists of Mendocino County Medi-Cal beneficiaries, under the age of 21, under the EPSDT program, who meet medical necessity criteria for Mendocino County Mental Health Plan reimbursement as defined in Title IX, Article 2, Section 1830.205 and 1830.210.

b. Mental Health Services.

A comprehensive array of services that address emotional, social, and educational needs are available to children, TAY, and their families. Interventions are individualized and are designed to diminish impairments, prevent significant deterioration, and allow the child to progress developmentally. Culturally competent and appropriate services, which are sensitive and responsive to cultural and gender differences and special needs, are provided. Services are delivered without regard to race, religion, national origin, gender, physical disability, or sexual orientation. Clients and their families receive services in accordance with their level of medical necessity and the unique needs and potential of each child. Services will be guided by an individualized client treatment plan, which will be reviewed and revised semi-annually.

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Services will be available in person, on the phone, and/or through telemedicine. Telemedicine is the use of telecommunication and information technologies in order to provide clinical health care at a distance. Services are timely and accessible, and delivered by licensed/waivered staff, mental health professionals who are credentialed according to state requirements, and/or non-licensed providers. Services are provided by or under the direction of mental health professionals functioning within the scope of their professional license and applicable state law. Transport services are available as needed.

Children, TAY, and families will be linked to physical health care, dental services, benefits, employment, schools, training, transportation, and other non-mental health services as needed. Services may also be coordinated with FQHC/Rural Health Clinic (RHC), Probation, Education, and HHSA, as needed. Children and youth receiving mental health services will be supported to receive health care at community health care organizations, and the CONTRACTOR will ensure that ROI promote integrated health care services. Services will be reviewed regularly to ensure client access to appropriate care for mental health and physical health needs.

- c. Outpatient Services. Outpatient mental health services are provided to severely emotionally disturbed children and TAY. Outpatient services may be provided in the home, clinic, or community setting. Youth and families will be actively involved throughout the assessment, service planning, and service delivery process. Services are client and family driven and culturally sensitive.
- d. Specialty Mental Health Services. An array of specialty mental health services is available to Medi-Cal beneficiaries who meet medical necessity. Services are aimed at ameliorating mental health symptoms, utilizing individual, group or family-based interventions that are designed to provide reduction of the client's mental or emotional disability, restoration, improvement and/or preservation of individual and community functioning. Specialty mental health services include Assessment, Plan Development, Collateral, Therapy (Individual, Family, and/or Group), Rehabilitation (Individual and/or Group) and Crisis Intervention. Specialty Mental Health services are to be delivered within the least restrictive and most normative environment that is clinically appropriate.

Crisis intervention services are available 24/7 and will be delivered in the clinic or in the community. When placement outside of the home is necessary, out-of-home placement will be provided at the lowest appropriate level and services will be expedited so the child/youth can quickly return home, whenever possible.

- e. Targeted Case Management Services. Linkage services will be provided to assist children, TAY, and family members to receive appropriate services, arrange transportation to appointments and/or activities when needed, and help them perform activities of daily living. These services also include finding appropriate out-of-home placements, when necessary. Targeted case

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- f. management services are defined as services furnished to assist individuals in gaining access to needed medical, alcohol and drug treatment, social, educational and other services.
- g. Evidence Based Practices (EBP). An array of EBP will be offered and will include, but are not limited to, the following:
 - i. Parent Child Interactive Therapy (PCIT)
 - ii. Positive Parenting Program (Triple P)
 - iii. Brief Strategic Family Therapy
 - iv. Trauma-Focused Cognitive Behavioral Therapy CTF-CBT)
 - v. Alternative Family Cognitive Behavioral Therapy (AF-CBT)
 - vi. Motivational Interviewing (MI)
 - vii. Dialectical Behavioral Therapy (DBT)
 - viii. Practice Wise – MAP
 - ix. Multidimensional Treatment Foster Care (MTFC)
- h. Therapeutic Behavioral Services (TBS). Intensive home-based services are available for children when the child is at imminent risk of out-of-home placement or upon return from out-of-home placement. TBS are utilized to provide one-to-one coaching for high-risk children. These intensive services are often successful in keeping children in the home and/or community and helping prevent out-of-home placements. TBS will be authorized through the POA for beneficiaries who meet class membership.
- i. Community Based Services (Wraparound). The CONTRACTOR, in collaboration with CWS and behavioral health partners, will work together to implement community resources that support children and youth staying in their home, school, and community whenever possible. Services are client focused, family driven, strength based, culturally competent, and delivered through multi-agency collaboration. Services incorporate formal and informal resources and are designed to assist families with successful transitions from formal supports to full community integration.
- j. School Based Services. Educationally Related Mental Health Services (ERMHS) are provided through coordination with the Special Education Local Plan Area (SELPA) based on needs identified on the client's Individual Education Plan (IEP). ERMHS through EPDST are delivered through a partnership within Mendocino County. CONTRACTOR will provide medically necessary EPSDT services to students attending the Orr Creek Program.
- k. Medication Management and Support Services. Services will be coordinated with and provided by local psychiatrists and through partnership within Mendocino County. Follow-up and consultation will be available through the CONTRACTORS's Medical Director.
- l. Forensic Services. Services will be coordinated with local law enforcement and the probation department. Services will focus on the reduction of recidivism rates.

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- m. Prevention and Early Intervention (PEI) Services offered through the Mental Health Services Act (MHSA). CONTRACTOR will oversee and support the application of screening, groups in school and resource center-based settings, and psychological educational intervention programs for those at risk of first onset of mental illness. A special target group for outreach is underserved populations and youth in outlying areas of the county. Groups are offered for individuals with co-occurring disorders (mental health and substance use), as well as activities for daily living. A wide variety of services and supports are offered. CONTRACTOR will coordinate with MHSA stakeholder groups to monitor PEI programs and identify service gaps.
- n. Full Service Partnerships (FSP) MHSA program. A FSP program is for children under the age of 21 and their families who would benefit from, and are interested in participating in, a program designed to address the total needs of a family whose child (and possibly other family members) is experiencing significant emotional, psychological or behavioral problems that are interfering with their wellbeing. The CONTRACTOR will support and monitor the provision of services to those who qualify for FSP, including supportive housing, mental health services, linkage case management, and access to community supports. The CONTRACTOR will integrate the MHSA programs into core programs in the System of Care by organizing and contracting with providers to initiate FSP and by managing and monitoring other MHSA program and services including Prevention Programs, Assertive Care Management, and Housing Support Programs.
- o. Inpatient Psychiatric Services. CONTRACTOR is responsible for ensuring access to inpatient psychiatric emergency service when a beneficiary (under the age of 21) has been determined to meet criteria for involuntary hospitalization as a danger to self and/or danger to others, or gravely disabled. The CONTRACTOR's Medical Director maintains contact with the inpatient psychiatric hospital to oversee length of stay and ensure timely coordination of aftercare services (both therapeutic and psychiatric).

14. Thursday 11 AM Court Calendar:

CONTRACTOR will provide and/or arrange for the provision of care management, medications, and outpatient services to participants of the Thursday 11 AM Court Calendar. In addition, CONTRACTOR will collaborate and coordinate with the multi agency Thursday 11 AM Court Calendar planning group.

15. Provide Crisis Services:

CONTRACTOR will provide or arrange for the provision of crisis services. Psychiatric emergency response services are available to all Mendocino County children and TAY that are experiencing a mental health emergency. CONTRACTOR will closely monitor crisis service to ensure that the following outcomes are met:

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- a. Provide emergency assessments, appropriate emergency services/referrals, and a safe environment
- b. Divert individuals from unnecessary presentations at local hospital emergency rooms
- c. Minimize the time involvement of emergency rooms and local law enforcement with each incident
- d. Reduce recidivism by linking client with appropriate resources and after care services
- e. Provide licensed qualified and/or waived clinicians to respond to the local emergency rooms within 20 minutes in Ukiah and Fort Bragg and within 45 minutes or less to Willits to perform the assessment for a 5150 placement

Crisis services are available to those in need, regardless of ability to pay; however, funding streams will be examined in order to assist the indigent population with accessing mental health services, or to assist those with insurance in linking back to their care provider network. Once crisis services are accessed, assessments at every level of care will determine the youth's need for additional services. In every case, particular care is given to provide a safe, secure and confidential experience.

Services may be provided over the phone or in person. All crisis contacts will be logged and/or documented in the EHR, thus allowing the CONTRACTOR to monitor timeliness to access, appropriateness of intervention, and coordination of aftercare linkages, including, at times, access into the Children's System of Care. CONTRACTOR will respond promptly and triage the crisis accordingly to the child or TAY level of suicidal, homicidally, and/or grave disability. CONTRACTOR will refer medical emergencies to the appropriate emergency service or to the nearest hospital emergency room.

The 24/7 Access Centers will have toll free telephone access for mental health issues and emergencies, prompt access to screening and assessment, and eligibility determination. Clients will receive referrals within a Continuum of Care appropriate to their mental health needs, care management assignments, transport coordination, coordination with primary care and substance abuse programs, crisis intervention and stabilization, coordination with law enforcement, emergency response to hospital emergency rooms, and out-of-county service authorizations.

CONTRACTOR will monitor crisis services and collect monthly data on youth served, city of call, source of call, reason for call, and resolution of call. Outcome data will be reviewed by RMC and service gaps, trends, and needed outreach will be noted and addressed with the MACC provider.

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The following levels of crisis care will be available:

a. Crisis Prevention/Intervention.

Once the crisis has been triaged to this level of care, a brief assessment will be completed and brief crisis interventions will be provided in an attempt to resolve the crisis or diminish the symptoms. Criteria used in assessing the situation include deterioration of the mental health status or an increase in mental health symptoms, along with:

- i. Acute emotional distress
- ii. Thoughts of suicide or wanting to hurt oneself
- iii. Thoughts of harm to others
- iv. Physical aggression toward others
- v. Refusal of psychiatric or medical care because of impaired insight or judgment
- vi. Grave disability

If the crisis intervention is not successful, then arrangements will be made to get the youth to the appropriate level of care. This care may include another level of crisis care, medical care, or other appropriate services in the integrated care system.

b. Crisis Stabilization.

Crisis Stabilization is an emergency behavioral healthcare alternative to higher cost emergency room services and inpatient hospitalizations. This service provides children and TAY with emerging or acute behavioral health problems prompt response and effective support in a confidential environment. It is intended for youth who do not meet the 5585 (minor)/5150 (adult) criteria and who need up to 23 hours of direct supervision and intervention in a therapeutic environment. 5585 and 5150 are a section of the California Welfare and Institution Code (specifically, the Lanterman-Petris-Short Act or “LPS”) which allows a qualified officer or clinician to involuntarily confine a person deemed to have a mental disorder that makes them a danger to him or herself, and/or others and/or gravely disabled. When used as a term, 5150 can informally refer to the person being confined or the declaration itself or as in “someone was 5150’d”.

Youth have prompt access to mental health/medical clinicians to deal with emergent acute problems, and referral assistance for a broad range of other community services as needed. CONTRACTOR’s team members will provide a safe environment and therapeutic support for stabilization of the crisis. A range of interventions will be available and will include medications, information and referral/linkage, crisis counseling, a short “respite” from situational stressors or focus on basic needs for food, a shower and sleep.

c. Psychiatric Emergency Service.

CONTRACTOR will be responsible for PES.

Services will be managed from the two identified 24/7 Access Centers. Initial contact will be made by phone to determine whether the youth will be transported to the Access Center or to the nearest emergency room. If there

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is no medical indication and the youth can be contained without restraint, then he/she will be directed to an Access Center for crisis assessment and triage. Clients will be seen by licensed and qualified clinicians immediately upon arrival at the Access Center. Post-assessment mental health treatment may include crisis interventions, 23-hour stabilization services, respite care, or 5585/5150 placement.

d. Outreach/Mobile PES:

CONTRACTOR will be available to provide outreach/mobile PES as appropriate and in coordination with law enforcement. CONTRACTOR will develop a pilot protocol in collaboration with law enforcement defining roles, expectations and data collection. It is expected that outreach/mobile PES will not be appropriate for all PES encounters. The pilot protocol will be effective upon consultation and approval from the BHRS Director or designee.

e. Inpatient Psychiatric Hospital Services.

If an inpatient psychiatric hospitalization is required (voluntary or involuntary), the CONTRACTOR will authorize placement, find a bed with a contracted psychiatric facility and arrange for transportation. The CONTRACTOR will monitor inpatient care and coordinate linkage and treatment upon discharge.

f. After Care Services.

After care services may include respite, peer support, linkage to primary care and/or substance abuse programs psychiatric follow up, medication monitoring, care management, case consultation and possibly other psychiatric emergency services. Support and aftercare will be provided, even if the crisis is deemed not to be a mental health emergency.

The CONTRACTOR's Medical Director (licensed psychiatrist) will be available to provide care management as needed while the youth is in inpatient psychiatric care to ensure appropriate treatment, timely release of youth, and psychiatric linkage in Mendocino County upon youth's discharge. The CONTRACTOR's Medical Director will also assist with emergency expartes as needed. The CONTRACTOR's Medical Director will have particular focus on medication, assessment, transitional consultation with the child or TAY primary care psychiatrist and recommendations for further treatment.

16. Provide Administrative Services:

CONTRACTOR will provide administrative services. The CONTRACTOR will partner with the Mendocino County BHRS Department to coordinate and/or consolidate existing administrative functions. It is anticipated that Mendocino County BHRS will retain certain functions including fiscal management, patient billing, and quality management; and perform oversight of the CONTRACTOR and the contract. RMC will provide the following administrative services to complete the mental health management structure for Mendocino County:

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- a. Client eligibility verification
- b. Medical necessity determination
- c. Service authorization
- d. Utilization management
- e. Care management technology
- f. Quality/outcome management
- g. Compliance management
- h. Grievance process management
- i. Clinician/agency credentialing
- j. Medi-Cal billing preparation
- k. Program system/data reports
- l. Provider network development
- m. Provider contracting
- n. Provider management/relations
- o. MHSA program/services management
- p. Provider fiscal planning and budget monitoring
- q. Provider cost reporting
- r. Mendocino County BHRS/RMC functions, systems and committee integration
- s. Mendocino County BHRS reporting/coordination/communication
- t. Mendocino County BHRS interagency coordination/communication
- u. Mendocino County Mental Health Board, NAMI stakeholder relations
- v. Community relations

Contracts with the network providers will be developed, negotiated and managed by the CONTRACTOR. A CONTRACTOR's representative will consult with Mendocino County Counsel regarding requirements and safeguards necessary for inclusion into each network provider agreement. The CONTRACTOR will be responsible for contract management and is the point of contact between network providers and Mendocino County BHRS. The CONTRACTOR will maintain regular and routine communication with the Director of Mendocino County BHRS to report progress, solve problems, coordinate resources, provide information and maintain relationships.

17. Provide Monthly, Quarterly and Annual Reporting:

CONTRACTOR will provide monthly, quarterly, and annual reports. The CONTRACTOR will fully cooperate with Mendocino County BHRS and promptly provide all information pertaining to any aspect of the Mental Health Plan when requested. RMC will provide Mendocino County BHRS and DHCS with information and reports as required, including, but not limited to, the following information:

- a. Annual Mental Health Plan and budget
- b. Annual program report
- c. Annual cost report
- d. Monthly program report to Mendocino County Mental Health Advisory Board

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- e. Monthly and quarterly claim submissions; no more than one quarter in arrears
- f. Any other data or costs reports, as requested
- g. Mendocino County during the term of this agreement and with input from RCS may develop reporting instruments to facilitate evaluation and monitoring. Upon implementation of these reporting instruments, RCM shall comply with the established requirements
- h. Tracking Access Log
- i. Grievances and Appeal Log
- j. Notice of Action (NOA) Log
- k. Quarterly Training Log

CONTRACTOR shall monitor monthly and prepare a quarterly report showing Short-Doyle/Medi-Cal System revenue estimates versus current revenues received. Through the reconciliation process, CONTRACTOR shall promptly reimburse County for any payments made by County to CONTRACTOR for which Short-Doyle/Medi-Cal System billings were prepared and which were thereafter disallowed, in whole or in part by the DHCS or County quality assurance clinical audits within thirty days of final agreement of all parties to the audit.

CONTRACTOR will submit a bi-monthly invoice packet, separating all billing on a bi-monthly basis, concurrently providing reporting for performance indicators on a monthly basis to the COUNTY. The COUNTY will provide the report templates to the CONTRACTOR. These performance indicators, submitted in electronic form, include, but may not be limited to:

- a. Report on utilization funds compared to Plan of Services
- b. Monthly evaluation of Office of Inspector General excluded list of all CONTRACTOR's staff.
- c. Timeliness of Access Report with backup information from date of call was FIRST received, referred to as Initial Contact, to FIRST day of BILLABLE service provided.
- d. Notice of Action Report (NOA) submission for all Notices of Actions provided to recipients for all reasons as stated in the Medi-Cal Eligibility Procedures Manual per CMS guidelines
- e. Written verification that services reimbursed by Medi-Cal were furnished to the beneficiaries.
- f. Implementation and periodic utilization of an agreed upon performance outcome measure submitted as part of the authorization and treatment processes for the delivery of Medi-Cal services (e.g. Child and Adolescent Needs and Strengths CANS)
- g. Include a monthly closing summary of all cases closed which includes the name of the client, date of birth, chart number and the effective close date.
- h. Point of Authorization Reports for the month tracking the following:

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- i. Initial Authorizations
 - ii. Closings with Reason Codes and/or Outcomes
 - iii. Authorizations By Diagnosis Codes and by amount of service type authorized
 - iv. Recidivism Tracking Report of all client re-entry into Mental Health Service Provision
 - v. For Child and Adolescent Services a Child and Adolescent Needs and Strengths (CANS) Assessments Scores will be requested for all Authorizations of Treatment
 - vi. For Adult Services Provided the Level of Care Utilization System (LOCUS) assessment tool will be utilized and required for submission to the COUNTY for outcome measurement.
- i. The COUNTY reserves the right to add performance indicators to the submission packet by informing the CONTRACTOR of new indicator requirements by letter from the Behavioral Health and Recovery Services Director of the County of Mendocino. The CONTRACTOR agrees to submit all performance indicators to the COUNTY within thirty (30) days of receipt of the letter from the COUNTY.

18. Technical Assistance and Training:

CONTRACTOR agrees to be subject to oversight reviews within each sub-heading:

a. Programmatic:

CONTRACTOR agrees to be subject to oversight reviews of programmatic service provision that satisfy State Department of Health Care Services, Program Oversight and Compliance Reviews and External Quality Reviews. These reviews evaluate the following but not limited to:

- i. Access
- ii. Point of authorization
- iii. Beneficiary protection
- iv. Target population service provision
- v. Interface with physical health care
- vi. Program integrity
- vii. Quality improvement
- viii. Service provision
- ix. Data management
- x. Penetration rates and approved claim dollars per beneficiary
- xi. Process barriers
- xii. Race/ethnicity penetration rates

b. Financial

CONTRACTOR agrees to allow COUNTY to audit all records relating to the General Ledger including backup documentation on all journals,

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registers, vouchers, contracts, tax reports, payroll and disbursement records, including programs for storing and receiving data.

- c. COUNTY will provide Technical Assistance and Training to ensure that CONTRACTOR complies with all components of Medi-Cal and Medicaid requirements including but not limited to:
 - i. Certified public expenditures
 - ii. Funding, reporting and contract requirements
 - iii. 5150 Certification
 - iv. Invoice training
 - v. Medi-Cal match training
 - vi. Medi-Cal services training
 - vii. Medi-Cal necessity training
 - viii. All Local, State and Federal laws, codes and regulations related to the provision of Medi-Cal services.
 - ix. Full Service Partnership
 - x. Mandated Reporting
 - xi. Documentation training and supervisory documentation review and compliance to regulations
 - xii. Redwood Coast Regional Centers

19. Provide Contractor Services:

The CONTRACTOR acknowledges, and understands all current requirement of the California State Department of Health Care Services (DHCS) for the provision of mental health services. Such requirements include the following agreements, but are not limited to:

- a. County Mental Health Plan Performance Agreement
- b. Medi-Cal Services Agreement
- c. Managed Care Services Agreement
- d. Mental Health Services Act Agreement

CONTRACTOR shall meet the standards of said agreements as well as all successor agreements between the County and DHCS during the term of this Agreement.

20. Conservatorship Investigations and Involuntary Detention:

CONTRACTOR will collaborate and develop a Memorandum of Understanding (MOU) with the COUNTY's Public Guardian office. COUNTY BHRS Director will review and approve the MOU.

CONTRACTOR to provide mental health services to persons within Mendocino County pursuant to the Lanterman-Petris-Short Act (Welfare and Institutions Code section 5350, *et seq.*), and shall recommend to the County's Public Guardian's Office, as necessary, the establishment of conservatorships pursuant

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to said provisions. CONTRACTOR's staff is designated to secure comprehensive evaluation and intensive treatment at locked facilities designated for such purposes.

CONTRACTOR shall provide initial and annual renewal documentation for all clients conserved.

21. Program Policies, Procedures and Protocols:

CONTRACTOR's current program policies, procedures and protocols, as related to client services and as shown in Exhibit A shall be reviewed and revised to reflect the requirements set forth in the Mendocino County's Mental Health Plan.

22. Seventy-Two Hour Detention (5150) Training

BHRS will provide 5150 training to all CONTRACTOR staff and necessary providers who will be conducting 5150 assessments. All personnel conducting 5150 assessments need to be certified by the BHRS director. This training is conducted yearly to meet state requirements and will need to be recertified yearly.

23. Health Care Reform:

CONTRACTOR will collaborate with BHRS to participate, upon request, in the planning, coordination and implementation of the following Health Care Reform elements, including, not limited to:

- a. Health systems service integration including, not limited to, primary care and behavioral health (mental health and substance abuse) services
- b. CONTRACTOR will manage the implementation of the California Institute of Mental Health (CIMH) Health Care Process Improvement Project (PIP), including development and implementation of a MOU (elements to include, not limited to, bi-directional referrals, sharing of data, and regularly scheduled case conferences
- c. Establishment of the "Medical Home"
- d. Medi-Cal Expansion
 - i. Outreach and engagement to facilitate client enrollment and maintenance of benefits
- e. Collaboration with BHRS and Partnership HealthPlan (PHP) in the implementation and follow-up on the Partnership HealthPlan/Mental Health Memorandum of Understanding
- f. Clinical and Fiscal Outcomes
 - i. Monitor and measure the achievement of quality clinical and fiscal outcomes while reducing costs through the management and delivery of integrative care

24. Communication Plan:

All communications with Media, including, not limited to, press releases, interviews, articles, etc..., will be managed by the COUNTY. Upon request from the COUNTY, the CONTRACTOR will be available to participate in media publications and/or events.

CONTRACTOR will collaborate with the COUNTY in the development of a specific communication plan including, an immediate short term plan announcing the award of the contract, interviews and feature stories about the transition of services, etc... and a long term plan including, not limited to, periodic updates, features stories, special events, (e.g. Mental Health Awareness Month, announcement and stories on new programs/services, series on mental health informational/educational articles, etc...)

25. Transition Phase:

The transition phase will consist of transferring specific administrative, fiscal, services and programs, and management of care functions from the COUNTY and CONTRACTOR. These functions and services will be transition as agreed upon and prioritize by BHRS director and

CONTRACTOR to meet immediate needs (within 30 days or less of the effective date of the contract) and short term needs (within 90 days or less of the effective date of the contract).

The timeline for meeting immediate and short term needs will be within 30 days or less of the effective date of the contract and includes the following elements:

- a. Communication Plan
- b. Client census review and reassignments (as appropriate)
- c. Annual Work Plan
- d. Quality Improvement Plan
- e. Establish of the target/priority service population
- f. Revision of Clinical Training Manuals (including Provider handbook)
- g. Access
- h. 24/7 Psychiatric Emergency Services (PES)/Crisis Services
- i. 72 hour detention/5150 training
- j. Medication Management Support Services
- k. Notice of actions (NOA)
- l. Point of authorization (POA)
- m. Utilization Review (concurrent and retro reviews)
- n. Routine outpatient services
- o. Review and revisions of policies, procedures and protocols
- p. Mental Health Service Act Plan

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q. EQRO Requirements

The timeline for meeting short term needs will be within 90 days or less of the effective date of the contract and include, not limited to, the following elements:

- a. Finalization of housing plan (permanent, transitional, respite, etc...)
- b. Client Satisfaction Survey Outcomes
- c. Medi-Cal site certifications and re-certifications
- d. CIMH Health Care Reform
- e. Integrated Care
- f. Documentation Accountability
- g. MHSA Innovation and Workforce Education and Training Plans
- h. MHSA Allocation
- i. Contracts/Network development
- j. Overview of fiscal commitment/responsibilities to local, state, and federal funding streams
- k. Ongoing implementation and monitoring of DHCS System Review recommendations

The ongoing implementation and progress on the transition plan will be monitored by the Quality Improvement Committee. Status reports will be provided to the Mental Health Advisory Board.

[End of Exhibit A]

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EXHIBIT B
PAYMENT TERMS

COUNTY will pay CONTRACTOR as per the following instructions:

1. The COUNTY will negotiate with the CONTRACTOR a base matchable allocation, effective only during the term of this agreement and subject to increase, decrease, or no change upon quarterly re-negotiation. The term base matchable allocation is used to define the allocation received from the state to provide the required match for medically necessary Medi-Cal specialty mental health services. These services will be provided as listed in the Mendocino County Mental Health Plan and the California Mental Health Services Act Plan. The funding sources listed are from Realignment 2011 (i.e. Managed Care Allocation, EPSDT), Mental Health Services Act Plan (MHSA) and other additional Non-Federal funding the State or other organizations collect to provide these services.)
2. The COUNTY will distribute the allocated amounts of ALL funding sources in regards to the Mental Health Plan.
3. CONTRACTOR will provide a Plan of Services for evaluation purposes, for each year, to COUNTY including expected budgeted components and justification for approval by the COUNTY.
4. COUNTY will pay CONTRACTOR, on a monthly basis, on the fifth working day of each month, the match allocation amount negotiated at a rate as follows:
 - b) First Fiscal Year of the term of this agreement the rate setting, from first month to last month of the first year, will be distributed as follows:
 - i. 16% for the FIRST Month
 - ii. 16% for the SECOND Month
 - iii. 16% for the THIRD Month
 - iv. 16% for the FOURTH Month
 - v. 8% for the FIFTH Month
 - vi. Then 4% for EACH Month remaining until the conclusion of the first year.
 - c) For the remaining outside reimbursement will be distributed as received from the normal claiming process. Contract Maximum is dependant on maximizing revenue by at least 95% of the Certified Public Expenditures (CPE) Matchable distribution.
 - d) For the remaining terms of the agreement each subsequent year will be distributed at 9% of the match allocation for the FIRST FOUR months and 8% of the match allocation for the REMAINING months of the Fiscal Year.

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5. The COUNTY will submit billable services using reports and or invoices on a bi-weekly basis to allow the ability to draw down Federal Financial Participation dollars for the CONTRACTOR for Short-Doyle Medi-Cal Eligible Services. The COUNTY agrees to remit the Federal Financial Participation payment related to submitted claims by the CONTRACTOR, to the CONTRACTOR within Thirty (30) days after verification of receipt of funds. Billing for services is expected to be completed on a bi-weekly basis. Billing for services beyond the 60-day period will not be honored.
6. Mental Health Out-Patient Services will be paid for as provided following all Short-Doyle Medi-Cal billing procedures for the rates set as follows:
 - A. Assessment / Plan Development / Case Conferencing @ \$2.61 per minute
Therapy (Individual, Group & Family) / Collateral Services
Rehabilitation Services (Individual & Group)
 - B. Therapeutic Behavioral Services @ \$2.61 per minute
 - C. Case Management Linkage @ \$2.02 per minute
 - D. Crisis Intervention @ \$3.88 per minute
 - E. Medication Management and Support @ \$4.82 per minute
7. CONTRACTOR shall provide COUNTY, State and Federal Agencies with an annual Cost Report in the State approved format for submission to the State of California, Department of Mental Health for Medi-Cal reimbursement.
8. The COUNTY will pay CONTRACTOR up to \$68,000 as reimbursement for direct costs related to the transition plan beginning June 1, 2013 through June 30, 2013. CONTRACTOR will submit a detailed invoice itemizing the direct costs.

The compensation payable to CONTRACTOR for the transition funding in item 8 hereunder shall not exceed **\$68,000** for the term between June 1, 2013 through June 30, 2013.

The compensation payable to CONTRACTOR hereunder shall not exceed **\$8,844,942** for the first fiscal year of the agreement term.

[END OF PAYMENT TERMS]

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EXHIBIT C

INSURANCE REQUIREMENTS

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law.

CONTRACTOR agrees to indemnify and hold harmless COUNTY, its elected or appointed officials, employees or volunteers against any claims, actions, or demands against them, or any of them, and against any damages, liabilities or expenses, including costs of defense and attorney's fees, for personal injury or death, or for the loss or damage to the property, or any or all of them, to the extent arising out of the performance of this Agreement by CONTRACTOR.

CONTRACTOR affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self insurance in accordance with the provisions of the Code and CONTRACTOR further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONTRACTOR shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONTRACTOR'S and subcontractors' employees.

CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing malpractice insurance coverage for CONTRACTOR and his employee(s) in an amount, which is no less than \$1,000,000 in a form acceptable to the COUNTY.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

EXHIBIT D
CONTRACTOR ASSURANCE OF COMPLIANCE WITH
THE MENDOCINO COUNTY
HEALTH & HUMAN SERVICES AGENCY

**NONDISCRIMINATION IN STATE
AND FEDERALLY ASSISTED PROGRAMS**

NAME OF CONTRACTOR Redwood Management Company

HEREBY AGREES THAT it will comply with Title VI and VII of the Civil Rights Act of 1964 as amended; Section 504 of the Rehabilitation Act of 1973 as amended; the Age Discrimination Act of 1975 as amended; the Food Stamp Act of 1977, as amended and in particular section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code section 11135-11139.5, as amended; California Government Code section 12940 (c), (h) (1), (i), and (j); California Government Code section 4450; Title 22, California Code of Regulations section 98000 – 98413; Title 24 of the California Code of Regulations, Section 3105A(e); the Dymally-Alatorre Bilingual Services Act (California Government Code Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of 1996; and other applicable federal and state laws, as well as their implementing regulations [including 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, 7 CFR Part 15, and 28 CFR Part 42], by ensuring that employment practices and the administration of public assistance and social services programs are nondiscriminatory, to the effect that no person shall because of ethnic group identification, age, sex, sexual orientation, color, disability, medical condition, national origin, race, ancestry, marital status, religion, religious creed or political belief be excluded from participation in or be denied the benefits of, or be otherwise subject to discrimination under any program or activity receiving federal or state financial assistance; and HEREBY GIVE ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all federal and state assistance; and THE CONTRACTOR HEREBY GIVES ASSURANCE THAT administrative methods/procedures which have the effect of subjecting individuals to discrimination or defeating the objectives of the California Department of Social Services (CDSS) Manual of Policies and Procedures (MPP) Chapter 21, will be prohibited.

BY ACCEPTING THIS ASSURANCE, CONTRACTOR agrees to compile data, maintain records and submit reports as required, to permit effective enforcement of the aforementioned laws, rules and regulations and permit authorized CDSS and/or federal government personnel, during normal working hours, to review such records, books and accounts as needed to ascertain compliance. If there are any violations of this assurance, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with Welfare and Institutions Code section 10605, or Government Code section 11135-11139.5, or any other laws, or the issue may be referred to the appropriate federal agency for further compliance action and enforcement of this assurance.

THIS ASSURANCE is binding on CONTRACTOR directly or through contract, license, or other provider services, as long as it receives federal or state assistance.

Date
PO Box 422, Ukiah, CA 95482
Address of CONTRACTOR

CONTRACTOR Signature

Appendix A

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, and OTHER RESPONSIBILITY MATTERS LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 **Federal Register** (pages 19160-19211).

- (1) The primary principal certifies to the best of its knowledge and belief, that it and its principals:
 - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment tendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsifications or destruction of records, making false statements, or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification, and
 - (d) Have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (2) Where the primary principal is unable to certify to any of the statements in this certification, such principal shall attach an explanation.

_____ (Type Name)	Redwood Management Company _____ (Organization Name)
_____ (Title)	PO Box 422, Ukiah, CA 95482 _____ (Organization Address)
_____ (Signature)	_____ (Date)

Addendum A

Medi-Cal Data Privacy and Security Agreement

The California Department of Health Care Services (DHCS) and the County of Mendocino Health and Human Services Agency (MC-HHSA) have entered into a Medi-Cal Data Privacy and Security Agreement in order to ensure the privacy and security of Medi-Cal Personally Identifiable Information (PII).

Medi-Cal PII is information directly obtained in the course of performing an administrative function on behalf of Medi-Cal, such as determining Medi-Cal eligibility or conducting IHSS operations, that can be used alone, or in conjunction with any other information, to identify a specific individual. PII includes any information that can be used to search for or identify individuals, or can be used to access their files, such as name, social security number, date of birth, driver's license number or identification number. PII may be electronic or paper.

AGREEMENTS

NOW THEREFORE, County and the Contractor mutually agree as follows:

I. Privacy and Confidentiality

- A. Contractors may use or disclose Medi-Cal PII only to perform functions, activities or services directly related to the administration of the Medi-Cal program in accordance with Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et seq, or as required by law.

Disclosures which are required by law, such as a court order, or which are made with the explicit written authorization of the Medi-Cal client, are allowable. Any other use or disclosure of Medi-Cal PII requires the express approval in writing of DHCS. Contractor shall not duplicate, disseminate or disclose Medi-Cal PII except as allowed in the Agreement.

- B. Access to Medi-Cal PII shall be restricted to only contractor personnel who need the Medi-Cal PII to perform their official duties in connection with the administration of the Medi-Cal program.
- C. Contractor and/or their personnel who access, disclose or use Medi-Cal PII in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable Federal and State statutes.

Addendum A – page 2

II. Employee Training and Discipline

Contractor agrees to advise its personnel who have access to Medi-Cal PII of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in applicable Federal and State laws. Contractor shall:

- A. Train and use reasonable measures to ensure compliance with the requirements of this Agreement by their personnel who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII; and take corrective action against such personnel who intentionally violate any provisions of this Agreement, up to and including by termination of employment. New employees will receive privacy and security awareness training from Contractor within 30 days of employment and receive regular reminders throughout their employment. This information will be recorded in employee records with dates of each training/reminder. These records are to be retained and available for inspection for a period of three years after completion of the training/reminders.

III. Management Oversight and Monitoring

The Contractor agrees to:

- A. Establish and maintain ongoing management oversight and quality assurance for monitoring workforce compliance with the privacy and security safeguards in this Agreement when using or disclosing Medi-Cal PII and ensure that ongoing management oversight includes periodic self-assessments.

IV. Confidentiality Statement

Contractor agrees to ensure that all contractor personnel who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII sign a confidentiality statement. The statement shall include at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement shall be signed by the Contractor and their personnel prior to access to Medi-Cal PII.

V. Physical Security

Contractor shall ensure that Medi-Cal PII is used and stored in an area that is physically safe from access by unauthorized persons during working hours and non-working hours. Contractor agrees to safeguard Medi-Cal PII from loss, theft or inadvertent disclosure and, therefore, agrees to:

- A. Secure all areas of Contractor facilities where personnel assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII. The Contractor shall ensure that these secure areas are only accessed by authorized individuals with properly coded key cards, authorized door keys or access authorization; and access to premises is by official identification.
- B. Ensure that there are security guards or a monitored alarm system with or without security cameras 24 hours a day, 7 days a week at Contractor facilities and leased facilities where a large volume of Medi-Cal PII is stored.

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- C. Issue Contractor personnel who assist in the administration of the Medi-Cal program identification badges and require County Workers to wear the identification badges at facilities where Medi-Cal PII is stored or used.
- D. Store paper records with Medi-Cal PII in locked spaces, such as locked file cabinets, locked file rooms, locked desks or locked offices in facilities which are multi-use (meaning that there are personnel other than contractor personnel using common areas that are not securely segregated from each other.) The contractor shall have policies which indicate that Contractor and their personnel are not to leave records with Medi-Cal PII unattended at any time in vehicles or airplanes and not to check such records in baggage on commercial airlines.
- E. Use all reasonable measures to prevent non-authorized personnel and visitors from having access to, control of, or viewing Medi-Cal PII.

VI. Computer Security Safeguards

The Contractor agrees to comply with the general computer security safeguards, system security controls, and audit controls in this section. In order to comply with the following general computer security safeguards, the Contractor agrees to:

- A. Encrypt portable computer devices, such as laptops and notebook computers that process and/or store Medi-Cal PII, with a solution using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution. One source of recommended solutions is specified on the California Strategic Sourced Initiative (CSSI) located at the following link: www.pd.dgs.ca.gov/masters/EncryptionSoftware.html. The Contractor shall use an encryption solution that is full-disk unless otherwise approved by DHCS.
- B. Encrypt workstations where Medi-Cal PII is stored using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- C. Ensure that only the minimum necessary amount of Medi-Cal PII is downloaded to a laptop or hard drive when absolutely necessary for current business purposes.
- D. Encrypt all electronic files that contain Medi-Cal PII when the file is stored on any removable media type device (i.e. USB thumb drives, floppies, CD/DVD, etc.) using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- E. Ensure that all emails sent outside the Contractor's e-mail environment that include Medi-Cal PII are sent via an encrypted method using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- F. Ensure that all workstations, laptops and other systems that process and/or store Medi-Cal PII have a commercial third-party anti-virus software solution and are updated when a new anti-virus definition/software release is available.

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- G. Ensure that all workstations, laptops and other systems that process and/or store Medi-Cal PII have current security patches applied and up-to-date.
- H. Ensure that all Medi-Cal PII is wiped from systems when the data is no longer legally required. The Contractor shall ensure that the wipe method conforms to Department of Defense standards for data destruction.
- I. Ensure that any remote access to Medi-Cal PII is established over an encrypted session protocol using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI. The Contractor shall ensure that all remote access is limited to minimum necessary and least privilege principles.

VII. System Security Controls

In order to comply with the following system security controls, the Contractor agrees to:

- J. Ensure that all Contractor systems containing Medi-Cal PII provide an automatic timeout after no more than 20 minutes of inactivity.
- K. Ensure that all Contractor systems containing Medi-Cal PII display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only. User shall be directed to log off the system if they do not agree with these requirements.
- L. Ensure that all Contractor systems containing Medi-Cal PII log successes and failures of user authentication and authorizations granted. The system shall log all data changes and system accesses conducted by all users (including all levels of users, system administrators, developers, and auditors). The system shall have the capability to record data access for specified users when requested by authorized management personnel. A log of all system changes shall be maintained and be available for review by authorized management personnel.
- M. Ensure that all Contractor systems containing Medi-Cal PII use role based access controls for all user authentication, enforcing the principle of least privilege.
- N. Ensure that all Contractor data transmissions over networks outside of the Contractor's control are encrypted end-to-end using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI, when transmitting Medi-Cal PII. The Contractor shall encrypt Medi-Cal PII at the minimum of 128 bit AES or 3DES (Triple DES) if AES is unavailable.
- O. Ensure that all Contractor systems that are accessible via the Internet or store Medi-Cal PII actively use either a comprehensive third-party real-time host based intrusion detection and prevention program or be protected at the perimeter by a network based IDS/IPS solution.

VIII. Audit Controls

- P. Contractor agrees to an annual system security review by the County to assure that systems processing and/or storing Medi-Cal PII are secure. This includes audits and keeping records for a period of at least three (3) years. A routine procedure for system review to catch unauthorized access to Medi-Cal PII shall be established by the Contractor.

IX. Paper Document Controls

In order to comply with the following paper document controls, the Contractor agrees to:

- A. Dispose of Medi-Cal PII in paper form through confidential means, such as cross cut shredding and pulverizing.
- B. Not remove Medi-Cal PII from the premises of the Contractor except for identified routine business purposes or with express written permission of DHCS.
- C. Not leave faxes containing Medi-Cal PII unattended and keep fax machines in secure areas. The Contractor shall ensure that faxes contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Contractor personnel shall verify fax numbers with the intended recipient before sending.
- D. Use a secure, bonded courier with signature of receipt when sending large volumes of Medi-Cal PII. The Contractor shall ensure that disks and other transportable media sent through the mail are encrypted using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.

X. Notification and Investigation of Breaches

The Contractor agrees to:

- A. Notify John Martire, Chief Welfare Investigator, at 467-5856.

XI. Assessments and Reviews

In order to enforce this Agreement and ensure compliance with its provisions, the Contractor agrees to inspections of its facilities, systems, books and records, with reasonable notice from the County, in order to perform assessments and reviews.

XII. Assistance in Litigation or Administrative Proceedings

In the event of litigation or administrative proceedings involving DHCS based upon claimed violations, the Contractor shall make all reasonable effort to make itself and its personnel who assist in the administration of the Medi-Cal program and using or disclosing Medi-Cal PII available to DHCS at no cost to DHCS to testify as witnesses.

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Signature Page

Contractor Name (printed)

Contractor Signature

Contractor Title

Contractor's Agency Name

Date