

**THIRD AMENDMENT TO AGREEMENT  
BETWEEN THE COUNTY OF SAN MATEO  
AND CAMINAR, INC.**

THIS THIRD AMENDMENT TO THE AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Caminar, Inc, hereinafter called "Contractor";

WITNESSETH:

Whereas, pursuant to Section 31000 of the California Government Code, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof; and

WHEREAS, the parties entered into an Agreement on December 7, 2021 for substance use disorder treatment services, and housing and housing-related mental health services for the term July 1, 2021 through June 30, 2022 for an amount not to exceed \$10,381,251; and

WHEREAS, the agreement was amended a first time on June 14, 2022, increasing the amount of the agreement by \$11,324,907 for a maximum obligation of \$21,706,158; and extended the term through June 30, 2023; and

WHEREAS, the agreement was amended a second time on October 12, 2022, removing specific language to be more suitable fit for Project 90 services to adult-males only, with no change to the amount or term of the agreement; and

WHEREAS, the parties wish to amend the agreement to increase the maximum amount by \$8,260,099 for a total amount not to exceed \$29,966,257 and extend the term through March 31, 2024.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:**

1. **Section 4 Payments** of the agreement is amended to read as follows:

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit A.1.1 and Exhibit A.2.2, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B.1.3 and Exhibit B.2.3. County reserves the right to withhold payment if County determines that the quantity or quality of the work performed is unacceptable. In no event shall County's total fiscal obligation under this Agreement exceed TWENTY-NINE MILLION NINE HUNDRED SIXTY-SIX THOUSAND TWO HUNDRED FIFTY-SEVEN DOLLARS

(\$29,966,257). County reserves the right to refuse payment to Contractor or disallow costs for any expenditure, as determined by County to be in conflict with the terms and conditions of this Agreement, outside the scope of work of this Agreement, when adequate supporting documentation is not presented or where prior approval was required but was either not requested or not granted.

County reserves the right to refuse payment to Contractor or disallow costs for any expenditure, as determined by County to be in conflict with the terms and conditions of this Agreement, outside the scope of work of this Agreement, when adequate supporting documentation is not presented or where prior approval was required but was either not requested or not granted. The Contractor will submit invoices and monthly program reports to Behavioral Health and Recovery Services (BHRS) by the tenth (10th) of each month. Program performance data will be submitted in a timely, complete, accurate, and verifiable manner using the BHRS approved reporting procedures. Invoices must reflect the provision of services and the usage of funds each month throughout the entire contract period. Refer to Exhibit B for specific fiscal requirements. Upon notification from BHRS, the Contractor must correct inaccurate invoices and corresponding reports in order to receive reimbursement. Corrections must be made within five (5) working days. Invoices submitted more than two (2) months past the month of service may not be reimbursed. Invoice(s) for June will be due by June 1st to facilitate timely payment.

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2021 through March 31, 2024

2. **Section 5 Term and Termination** of the agreement is amended to read as follows:

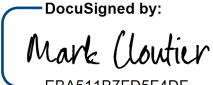
Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2021 through March 31, 2024.

Sections A-F shall remain the same.

3. Exhibit B.1.1 and Exhibit B.2.2 are hereby deleted and replaced with Exhibit B.1.3 and Exhibit B.2.3 attached hereto.
4. All other terms and conditions of the agreement, as previously amended, between the County and Contractor shall remain in full force and effect.

In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For Contractor: Gaminar, Inc.

<small>DocuSigned by:</small>  <small>EBA511B7ED5E4DE</small>	05/15/2023	Mark Cloutier
_____ Contractor Signature	_____ Date	_____ Contractor Name (please print)

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COUNTY OF SAN MATEO

By:

President, Board of Supervisors, San Mateo County

Date:

ATTEST:

By:

Clerk of Said Board

EXHIBIT B.1.3 – MENTAL HEALTH SERVICES PAYMENTS AND RATES  
CAMINAR, INC.  
FY 2021 – 2024

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In consideration of the services provided by Contractor in Exhibit A.1.1, County shall pay Contractor based on the following fee schedule:

I. PAYMENTS

In full consideration of the services provided by Contractor under this Agreement and subject to the provisions of Paragraph 3 of this Agreement, County shall pay Contractor in the manner described below:

A. Maximum Obligation

The maximum amount that County shall be obligated to pay for all services provided under this Agreement shall not exceed the amount stated in Paragraph 3 of this Agreement. Furthermore, County shall not pay or be obligated to pay more than the amounts listed below for each component of service required under this Agreement.

In any event, the maximum amount county shall be obligated to pay for all services rendered under this contract shall not exceed TWENTY-NINE MILLION NINE HUNDRED SIXTY-SIX THOUSAND TWO HUNDRED FIFTY-SEVEN DOLLARS (\$29,966,257).

B. MENTAL HEALTH

The maximum amount County shall be obligated to pay for the Mental Health portion shall not exceed TWENTY-FOUR MILLION FOUR HUNDRED TWENTY-TWO THOUSAND TWO HUNDRED TWENTY-THREE DOLLARS (\$24,422,223) for the term of the agreement.

1. Housing, Housing-Related Mental Health Services, Case Management and Rehabilitation Services

**I.FY 21 – 22**

July 1,2021 – June 30,2022

Subject to the availability of funding for services as described in Section I of Exhibit A.1.1, Contractor shall receive a maximum of EIGHT MILLION SIX HUNDRED TWO THOUSAND FIVE HUNDRED EIGHTY-FIVE DOLLARS (\$8,602,585) for. This amount shall include the following:

a. Maximum Amount By Service Component

County shall not pay or be obligated to pay more than the amounts listed below for each component of service described in Paragraph I of Exhibit A.1.1:

Crisis Residential Treatment Services	1,673,097
Transportation – Crisis Residential	22,350
Transitional Residential Treatment Services	1,625,035
Transportation – Transitional Residential	29,130
REACH	1,392,861
REACH North/Central Case Management	87,787
Med Clinic	931,335
New Ventures	1,337,468
WRAP	131,793
Supported Education	128,666
Supported Employment	132,090
Transition Age Youth (TAY)	204,284
Young Adult Independent Living (YAIL)	466,829
Supported Housing – Existing Program	260,608
Supported Housing – Expansion	179,252 *
TOTAL	8,602,585

\* To be paid on a fee-for-service basis. See I.C.i. below.

b. Rate of Payment

Subject to the maximum amount stated above and the terms and conditions of this Agreement, Contractor shall be reimbursed the full cost of providing services described in Section I of Exhibit A.1.1. Unless otherwise authorized by the Chief of San Mateo County Health or designee, the monthly payment by County to Contractor for the services described in Paragraph I.B. of this Exhibit B.1.3 shall be one-twelfth (1/12<sup>th</sup>) of the total obligation for those services or SEVEN HUNDRED ONE THOUSAND NINE HUNDRED FORTY-FOUR DOLLARS (\$701,944).

c. Supportive Housing - Expansion

- i. The total Supported Housing-Expansion costs shall not exceed ONE HUNDRED SEVENTY-NINE THOUSAND TWO HUNDRED FIFTY-TWO DOLLARS (\$179,252) and is included in I.B.1. above.
- ii. This will be paid based upon actual costs upon receipt of invoice from Contractor. Payment for client specific housing costs (i.e rent, security deposit, moving costs)

will be made upon receipt of back-up documentation submitted with monthly invoice detailing the list of clients and the specific direct housing expenses paid by Contractor for each client. The invoice will also itemize personnel, operations and administrative costs. Contractor shall be responsible for collecting tenant payments to cover portions of the program costs.

**II. FY 22 – 23**

July 1,2022 – June 30,2023

Subject to the availability of funding for services as described in Section I of Exhibit A.1.1, Contractor shall receive a maximum of EIGHT MILLION EIGHT HUNDRED SIXTY THOUSAND SIX HUNDRED SIXTY-TWO DOLLARS (\$8,860,662) for Housing, Housing-Related Mental Health Services, Case Management and Rehabilitation Services. This amount shall include the following:

a. Maximum Amount By Service Component

County shall not pay or be obligated to pay more than the amounts listed below for each component of service described in Paragraph I of Exhibit A.1.1:

Crisis Residential Treatment Services	1,723,290
Transportation – Crisis Residential	23,020
Transitional Residential Treatment Services	1,673,786
Transportation – Transitional Residential	30,004
REACH	1,434,647
REACH North/Central Case Management	90,421
Med Clinic	959,275
New Ventures	1,377,592
WRAP	135,746
Supported Education	132,526
Supported Employment	136,053
Transition Age Youth (TAY)	210,413
Young Adult Independent Living (YAIL)	480,834
Supported Housing – Existing Program	268,426
Supported Housing – Expansion	184,629 *
TOTAL	8,860,662

\* To be paid on a fee-for-service basis. See I.C.i. below.

b. Rate of Payment

Subject to the maximum amount stated above and the terms and conditions of this Agreement, Contractor shall be reimbursed the full cost of providing services described in Section I of Exhibit A.1.1. Unless otherwise authorized by the Chief of San Mateo County Health or designee, the monthly payment by County to Contractor for the services described in Paragraph I.B. of this Exhibit B.1.3 shall be one-twelfth (1/12<sup>th</sup>) of the total obligation for those services or SEVEN HUNDRED TWENTY THREE THOUSAND THREE DOLLARS (\$723,003).

c. Supportive Housing - Expansion

- i. The total Supported Housing-Expansion costs shall not exceed ONE HUNDRED EIGHTY-FOUR THOUSAND SIX HUNDRED TWENTY-NINE DOLLARS (\$184,629) and is included in I.B.1. above.
- ii. This will be paid based upon actual costs upon receipt of invoice from Contractor. Payment for client specific housing costs (i.e rent, security deposit, moving costs) will be made upon receipt of back-up documentation submitted with monthly invoice detailing the list of clients and the specific direct housing expenses paid by Contractor for each client. The invoice will also itemize personnel, operations and administrative costs. Contractor shall be responsible for collecting tenant payments to cover portions of the program costs.

**III. FY 23 – 24**

July 1,2023 – March 31,2024

Subject to the availability of funding for services as described in Section I of Exhibit A.1.1, Contractor shall receive a maximum of SIX MILLION SIX HUNDRED FORTY-FIVE THOUSAND FOUR HUNDRED NINETY-FOUR DOLLARS (\$6,645,494) for Housing, Housing-Related Mental Health Services, Case Management and Rehabilitation Services. This amount shall include the following:

a. Maximum Amount By Service Component

County shall not pay or be obligated to pay more than the amounts listed below for each component of service described in Paragraph I of Exhibit A.1.1:

Crisis Residential Treatment Services	1,292,467
Transportation – Crisis Residential	17,265

Transitional Residential Treatment Services	1,255,340
Transportation – Transitional Residential	22,503
REACH	1,075,985
REACH North/Central Case Management	67,815
Med Clinic	719,456
New Ventures	1,033,194
WRAP	101,810
Supported Education	99,394
Supported Employment	102,040
Transition Age Youth (TAY)	157,809
Young Adult Independent Living (YAIL)	360,625
Supported Housing – Existing Program	201,319
Supported Housing – Expansion	138,472 *
TOTAL	6,645,494

\* To be paid on a fee-for-service basis. See I.C.i. below.

b. Rate of Payment

Subject to the maximum amount stated above and the terms and conditions of this Agreement, Contractor shall be reimbursed the full cost of providing services described in Section I of Exhibit A.1.1. Unless otherwise authorized by the Chief of San Mateo County Health or designee, the monthly payment by County to Contractor for the services described in Paragraph I.B. of this Exhibit B.1.3 shall be one-ninth (1/9<sup>th</sup>) of the total obligation for those services or SEVEN HUNDRED TWENTY THREE THOUSAND THREE DOLLARS (\$723,003).

c. Supportive Housing - Expansion

- i. The total Supported Housing-Expansion costs shall not exceed ONE HUNDRED THIRTY-EIGHT THOUSAND FOUR HUNDRED SEVENTY-TWO DOLLARS (\$138,472) and is included in I.B.1. above.
- ii. This will be paid based upon actual costs upon receipt of invoice from Contractor. Payment for client specific housing costs (i.e rent, security deposit, moving costs) will be made upon receipt of back-up documentation submitted with monthly invoice detailing the list of clients and the specific direct housing expenses paid by Contractor for each client. The invoice will also itemize personnel, operations and administrative costs. Contractor shall be responsible for collecting tenant payments to cover portions of the program costs.



2. San Mateo Contractors' Association Grant Funding

**I. FY 21-22**

July 1,2021 – June 30,2022

Subject to the availability of State funding for services as described in Section II of Exhibit A.1.1, Contractor shall receive a maximum of ONE HUNDRED ELEVEN THOUSAND EIGHT HUNDRED FIFTY-EIGHT DOLLARS (\$111,858) for the San Mateo Contractors' Association grant funding and associated administrative costs.

- a. This amount shall include the following:
  - i. Contractor shall be paid half of the maximum or FIFTY-FIVE THOUSAND NINE HUNDRED TWENTY-NINE DOLLARS (\$55,929) in July, and the remaining half of the maximum or FIFTY-FIVE THOUSAND NINE HUNDRED TWENTY-NINE (\$55,929) in January.
  - ii. The maximum amount to be distributed among MHSA sub-contractors shall be ONE HUNDRED THREE THOUSAND SIX HUNDRED NINETY-FIVE DOLLARS (\$103,695)
  - iii. The maximum amount County shall pay Contractor for consultant and administrative costs shall not to exceed EIGHT THOUSAND ONE HUNDRED SIXTY-THREE DOLLARS (\$8,163).

**II. FY 22-23**

July 1,2022 – June 30,2023

Subject to the availability of State funding for services as described in Section II of Exhibit A.1.1, Contractor shall receive a maximum of ONE HUNDRED FIFTEEN THOUSAND TWO HUNDRED FOURTEEN DOLLARS (\$115,214) for the San Mateo Contractors' Association grant funding and associated administrative costs.

- a. This amount shall include the following:
  - i. Contractor shall be paid half of the maximum or FIFTY-SEVEN THOUSAND SIX HUNDRED SEVEN

DOLLARS (\$57,607) in July, and the remaining half of the maximum or FIFTY-SEVEN THOUSAND SIX HUNDRED SEVEN DOLLARS (\$57,607) in January.

- ii. The maximum amount to be distributed among MHSA sub-contractors shall be ONE HUNDRED SIX THOUSAND EIGHT HUNDRED SIX DOLLARS (\$106,806).
  - iii. The maximum amount County shall pay Contractor for consultant and administrative costs shall not to exceed EIGHT THOUSAND FOUR HUNDRED EIGHT DOLLARS (\$8,408).
- b. At any point during the Agreement term, Contractor shall comply with all reasonable requests by County to provide a report accounting for the Grant Funds distributed by the County to the Contractor to-date.

**III. FY 23-24**

July 1,2023 – March 31,2024

Subject to the availability of State funding for services as described in Section II of Exhibit A.1.1, Contractor shall receive a maximum of EIGHTY-SIX THOUSAND FOUR HUNDRED TEN DOLLARS (\$86,410) for the San Mateo Contractors' Association grant funding and associated administrative costs.

- a. This amount shall include the following:
- i. Contractor shall be paid half of the maximum or FIFTY-SEVEN THOUSAND SIX HUNDRED SEVEN DOLLARS (\$57,607) in July, and the remaining half of the maximum or FORTY-THREE THOUSAND TWO HUNDRED FIVE DOLLARS (\$43,205) in January.
  - ii. The maximum amount to be distributed among MHSA sub-contractors shall be EIGHTY THOUSAND ONE HUNDRED FIVE DOLLARS (\$80,105).
  - iii. The maximum amount County shall pay Contractor for consultant and administrative costs shall not to exceed SIX THOUSAND THREE HUNDRED FIVE DOLLARS (\$6,305).

- b. At any point during the Agreement term, Contractor shall comply with all reasonable requests by County to provide a report accounting for the Grant Funds distributed by the County to the Contractor to-date.

4. Technology Supports for Clients

- a. Contractor shall submit the corresponding Attachment V Reporting Form for the technology support of tablets, funded by the CARES Act. Contractor's reporting shall include monthly tracking logs as described in Exhibit A – Reporting Activities.
- b. Contractor shall submit the corresponding Attachment V Reporting Form for the technology supports of the cell phones, funded by the MHSA. Contractor's reporting shall include monthly tracking logs as described in Exhibit A – Reporting Activities.

- C. Contractor's annual FY 2021-22 and FY 2022-23 budget is attached and incorporated into this Agreement as Exhibit C.
- D. Contractor will be responsible for all expenses incurred during the performance of services rendered under this Agreement.
- E. Modifications to the allocations in Paragraph A of this Exhibit B.1.1 may be approved by the Chief of San Mateo County Health or designee, subject to the maximum amount set forth in Paragraph 3 of this Agreement.
- F. The Chief of San Mateo County Health or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.
- G. In the event that funds provided under this Agreement are expended prior to the end of the contract period, Contractor shall provide ongoing services under the terms of this Agreement through the end of the contract period without further payment from County.
- H. In the event this Agreement is terminated prior to June 30, 2022, Contractor shall be paid on a prorated basis for only that portion of the contract term during which Contractor provided services pursuant to this Agreement. Such billing shall be subject to the approval of the Chief of San Mateo County Health or designee.

- I. Disallowances that are attributable to an error or omission on the part of County shall be the responsibility of County. This shall include but not be limited to quality assurance (QA) audit disallowances as a result of QA Plan error or format problems with County-designed service documents.
- J. The contracting parties shall be subject to the examination and audit of the Department of Auditor General for a period of three years after final payment under contract (Government Code, Section 8546.7).
- K. At any point during the Agreement term, Contractor shall comply with all reasonable requests by County to provide a report accounting for the Grant Funds distributed by the County to the Contractor to-date.
- L. Monthly Invoice and Payment
  - 1. Contractor shall bill County on or before the tenth (10th) working day of each month following the provision of services for the prior month. The invoice shall clearly summarize direct and indirect services (if applicable) for which claim is made.
    - a. Direct Services/Claims

Completed Service Reporting Forms or an electronic services file will accompany the invoice and provide back-up detail for the invoiced services. The Service Reporting Forms will be provided by County, or be in a County approved format, and will be completed by Contractor according to the instructions accompanying the Service Reporting Forms. County reserves the right to change the Service Report Forms, instructions, and/or require the Contractor to modify their description of services as the County deems necessary. The electronic services file shall be in the County approved Avatar record format.
    - b. Indirect Services/Claims

Indirect services (services that are not claimable on the Service Reporting Form or electronically) shall be claimed on the invoice and shall be billed according to the guidelines specified in the contract.
  - 2. Payment by County to Contractor shall be monthly. Claims that are received after the tenth (10th) working day of the month are considered to be late submissions and may be subject to a delay in payment. Claims that are received 180 days or more after the date

of service are considered to be late claims. County reserves the right to deny invoices with late claims or claims for which completed service reporting forms or electronic service files are not received. Claims may be sent to [BHRS-Contracts-Unit@smcgov.org](mailto:BHRS-Contracts-Unit@smcgov.org) OR:

County of San Mateo  
Behavioral Health and Recovery Services  
Attn: Contracts Unit  
2000 Alameda de las Pulgas, Suite 280  
San Mateo, CA 94403

M. County anticipates revenues from various sources to be used to fund services provided by Contractor through this Agreement. Should actual revenues be less than the amounts anticipated for any period of this Agreement, the maximum payment obligation and/or payment obligations for specific services may be reduced at the discretion of the Chief of San Mateo County Health or designee.

N. In the event Contractor claims or receives payment from County for a service, reimbursement for which is later disallowed by County or the State of California or the United States Government, then Contractor shall promptly refund the disallowed amount to County upon request, or, at its option, County may offset the amount disallowed from any payment due or become due to Contractor under this Agreement or any other agreement.

O. County May Withhold Payment

Contractor shall provide all pertinent documentation required for Medi-Cal, Medicare, and any other federal and state regulation applicable to reimbursement including assessment and service plans, and progress notes. The County may withhold payment for any and all services for which the required documentation is not provided, or if the documentation provided does not meet professional standards as determined by the BHRS Quality Improvement Manager. Contractor shall meet quarterly with County contract monitor, as designated by the BHRS Deputy Director, Adult and Older Adults, to review documentation and billing reports, and to take appropriate corrective action, as needed, to resolve any identified discrepancies.

P. Inadequate Performance

If County or Contractor finds that performance is inadequate, at the County's discretion, a meeting may be called to discuss the causes for the performance problem, to review documentation, billing and/or other reports, and to take appropriate corrective action, as needed, to resolve any identified discrepancies. This Agreement may be renegotiated, allowed to

continue to end of term, or terminated pursuant to Paragraph 5 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.

Q. Cost Report

1. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the end of the fiscal year. This report shall be in accordance with the principles and format outlined in the Cost Reporting/Data Collection (CR/DC) Manual. Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report shall be submitted along with the Cost Report.
2. If the annual Cost Report provided to County shows that total payment to Contractor exceed the total actual costs for all of the services rendered by Contractor to eligible patients during the reporting period, a single payment in the amount of the contract savings shall be made to County by Contractor, unless otherwise authorized by the BHRS Director or designee. By mutual agreement of County and Contractor, contract savings or "rollover" may be retained by Contractor and expended the following year, provided that these funds are expended for mental health services approved by County and are retained in accordance with Paragraph Y of this Exhibit B.1.1.

R. Election of Third Party Billing Process

Contractor shall select an option for participating in serial billing of third-party payors for services provided through this Agreement through the completion of Attachment C – Election of Third Party Billing Process. The completed Attachment C shall be returned to the County with the signed Agreement. Based upon the option selected by the Contractor the appropriate following language shall be in effect for this Agreement.

1. Option One
  - a. Contractor shall bill all eligible third-party payors financially responsible for a beneficiary's health care services that Contractor provides through this Agreement. Within ten (10) days of the end of each month, Contractor shall provide to County copies of the Explanation of Benefits or other remittance advice for every third-party payment and/or denial of such third-party payments for services provided by Contractor during such month. The amount of any such third-party payment shall be deducted from the total actual costs

for all services rendered by Contractor as reflected on the Cost Report as defined in Paragraph U of this Exhibit B.1.1. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third-party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement, through the Cost Report reconciliation.

- b. Contractor shall provide a copy of each completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this Agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

## 2. Option Two

- a. Contractor shall provide information to County so that County may bill applicable other third-parties before billing Medi-Cal for services provided by Contractor through this Agreement. The amount of any such third-party payment shall be deducted from the total actual costs for all services rendered by Contractor as reflected on the Cost Report as defined in Paragraph U of this Exhibit B.1.1. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement through the Cost Report reconciliation.
- b. Contractor shall provide a copy of the completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms

are due within ten (10) days of the end of the first month of the Agreement.

S. Beneficiary Billing

Contractor shall not submit a claim to, demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this contract except to collect other health insurance coverage, share of cost and co-payments. The Contractor shall not hold beneficiaries liable for debts in the event that the County becomes insolvent, for costs of covered services for which the State does not pay the County, for costs of covered services for which the State or the County does not pay the Contractor, for costs of covered services provided under this or other contracts, referral or other arrangement rather than from the County, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary with an emergency psychiatric condition.

T. Claims Certification and Program Integrity

1. Contractor shall comply with all state and federal statutory and regulatory requirements for certification of claims, including Title 42, Code of Federal Regulations (CFR) Part 438, Sections 438.604, 438.606, and, as effective August 13, 2003, Section 438.608, as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are hereby incorporated by reference.
2. Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A.1.1 of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

The claim must include the following language and signature line at the bottom of the form(s) and/or cover letter used to report the claim.

“Under the penalty of perjury under the laws of the State of California, I hereby certify that this claim for services complies with all terms and conditions referenced in the Agreement with San Mateo County.

Executed at \_\_\_\_\_ California, on \_\_\_\_\_ 20\_\_

Signed \_\_\_\_\_ Title \_\_\_\_\_

Agency \_\_\_\_\_ ”



3. The certification shall attest to the following for each beneficiary with services included in the claim:
  - a. An assessment of the beneficiary was conducted in compliance with the requirements established in this agreement.
  - b. The beneficiary was eligible to receive services described in Exhibit A.1,1 of this Agreement at the time the services were provided to the beneficiary.
  - c. The services included in the claim were actually provided to the beneficiary.
  - d. Medical necessity was established for the beneficiary as defined under California Code of Regulations, Title 9, Division 1, Chapter 11, for the service or services provided, for the timeframe in which the services were provided.
  - e. A client plan was developed and maintained for the beneficiary that met all client plan requirements established in this agreement.
  - f. For each beneficiary with specialty mental health services included in the claim, all requirements for Contractor payment authorization for specialty mental health services were met, and any reviews for such service or services were conducted prior to the initial authorization and any re-authorization periods as established in this agreement.
  - g. Services are offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.
4. Except as provided in Paragraph II.A.4. of Exhibit A.1.1 relative to medical records, Contractor agrees to keep for a minimum period of three years from the date of service a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. Contractor agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the California Department of Health Services; the Medi-Cal Fraud Unit; California Department of Mental Health; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human

Services, Managed Risk Medical Insurance Board or their duly authorized representatives, and/or the County.

U. Unspent Funds

Contractor may rollover unspent funding from the County according to the following procedures.

1. Contractor shall submit a projected calculation of any savings no later than ninety (90) days before end of the fiscal year. The projected calculation will be a separate report from the year-end cost report. With the projected calculation Contractor shall return the amount of the savings.
2. At the time of the submission of the projected calculation Contractor may request to rollover some or all of any savings. The request must be made in writing to the BHRS Director or designee. The request shall identify specifically how the rollover funds will be spent, including a detailed budget. Savings shall not be spent until Contractor receives a written approval of the request. Approved rollover funds shall be spent only for the succeeding fiscal year and only for the specific purpose(s) requested and approved.
3. Contractor shall submit an accounting report of the rollover savings. This report shall include copies of the detailed expenses. The report is due ninety (90) days after the specific purpose has been completed, or ninety (90) days after the end of the fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.
4. If the specific purpose is not yet complete as of the end of the succeeding fiscal year, contractor may request to rollover the unspent funds to the succeeding second fiscal year by submitting a written request with the accounting report. The unspent rollover funds shall not be spent until the request is approved by the BHRS Director or designee.
5. A final accounting of the rollover funds shall be submitted ninety (90) days after the specific purpose has been completed, or ninety (90) days after the end of the second fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.

\*\*\* END OF EXHIBIT B.1.3 \*\*\*

EXHIBIT B.2.3 – PAYMENTS AND RATES  
CAMINAR, INC.  
FY 2021 – 2024

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In consideration of the services provided by Contractor in Exhibit A.2.2, County shall pay Contractor based on the following fee schedule:

I. PAYMENTS

In full consideration of the services provided by Contractor under this Agreement and subject to the provisions of Paragraph 3 of this Agreement, County shall pay Contractor in the manner described below:

A. Maximum Obligation

The maximum amount that County shall be obligated to pay for all services provided under this Agreement shall not exceed the amount stated in Paragraph 3 of this Agreement. Furthermore, County shall not pay or be obligated to pay more than the amounts listed below for each component of service required under this Agreement. Contractor shall receive monthly payments as outlined below, upon timely submission of reports as outlined in the AOD Policy and Procedure Manual located at: <http://www.smhealth.org/bhrs/aod/reqs>.

In any event, the maximum amount County shall be obligated to pay for all services rendered under this contract shall not exceed TWENTY-NINE MILLION NINE HUNDRED SIXTY-SIX THOUSAND TWO HUNDRED FIFTY-SEVEN DOLLARS (\$29,966,257).

B. Drug MediCal Organized Delivery System SUD Treatment Services

The maximum amount County shall be obligated to pay for DMC-ODS services shall not exceed FIVE MILLION FIVE HUNDRED FORTY-FOUR THOUSAND THIRTY-FOUR DOLLARS (\$5,544,034) for the term of the agreement.

1. A. **FY 21-22**  
July 1, 2021 – June 30, 2022

Contractor shall be paid a maximum of ONE MILLION NINE HUNDRED SEVENTY-EIGHT THOUSAND TWO HUNDRED FORTY-SIX DOLLARS (\$1,978,246). Contractor shall submit monthly invoices for payment. Invoice amounts shall be for the Contractor actual monthly costs, or an advance payment in the amount of ONE HUNDRED SIXTY-FOUR THOUSAND EIGHT HUNDRED FIFTY-FOUR DOLLARS (\$164,854), whichever is less.

Contractor will submit invoices on forms and in manner prescribed by the County.

**B. FY 22-23**

July 1, 2022 – June 30, 2023

Contractor shall be paid a maximum of TWO MILLION THIRTY-SEVEN THOUSAND FIVE HUNDRED NINETY-THREE DOLLARS (\$2,037,593). Contractor shall submit monthly invoices for payment. Invoice amounts shall be for the Contractor actual monthly costs, or an advance payment in the amount of ONE HUNDRED SIXTY-NINE THOUSAND SEVEN HUNDRED NINETY-NINE DOLLARS (\$169,799), whichever is less. Contractor will submit invoices on forms and in manner prescribed by the County.

**C. FY 23-24**

July 1, 2023 – March 31, 2024

Contractor shall be paid a maximum of ONE MILLION FIVE HUNDRED TWENTY-EIGHT THOUSAND ONE HUNDRED NINETY-FIVE DOLLARS (\$1,528,195). Contractor shall submit monthly invoices for payment. Invoice amounts shall be for the Contractor actual monthly costs, or an advance payment in the amount of ONE HUNDRED SIXTY-NINE THOUSAND SEVEN HUNDRED NINETY-NINE DOLLARS (\$169,799), whichever is less. Contractor will submit invoices on forms and in manner prescribed by the County.

2. Where Contractor requires payment advances, Contractor assures the County that an advance is necessary in order to maintain program integrity. Contractor will not use County funds to provide working capital for non-County programs. Where possible, advances will be deposited in interest-bearing accounts, with said interest being used to reduce program costs.
3. County shall make monthly payments to Contractor for invoiced amounts within thirty (30) days of receipt of invoices.
4. Costs for room and board services must be claimed and reported separately and distinctly from residential treatment services using the methodology for claiming and reporting for room and board services as approved by the County.
5. Billing for DMC Services

- a. Contractor shall bill BHRS for services provided to Medi-Cal clients, covered under the DMC-ODS.
- b. Contractor must follow the process established under DHCS ADP Bulletin 11-01, for clients that have other healthcare coverage (OHC) in addition to Medi-Cal including future DHCS process updates for DMC claims for clients with OHC: [http://www.dhcs.ca.gov/services/MH/MHSUD/Documents/ADP\\_Bulletins/ADP\\_11-01.pdf](http://www.dhcs.ca.gov/services/MH/MHSUD/Documents/ADP_Bulletins/ADP_11-01.pdf).
- c. Services covered through another healthcare provider shall not be reimbursed through the County. Contractor shall bill the other healthcare coverage for which the client is a beneficiary. If Contractor is not a member of the provider network for that healthcare coverage, Contractor shall then refer client to the healthcare provider network

6. DMC-ODS Administrative Requirements

- a. Contractor may not use allocated DMC State General Funds to pay for any non-DMC services. In accordance with W&IC Sections 14132.44 and 14132.47, funds allocated to the Contractor for DMC services, including funding for alcohol and other drug services for pregnant and postpartum pursuant to Title 22, Section 51341.1(c), may not be used as match for targeted case management services or for MediCal Administrative Activities (MAA).
- b. DMC rates are contingent upon legislative action of the annual State Budget and/or the approval of the DMC-ODS plan. All claims must be documented in accordance with DHCS DMC Provider Billing Manual, DMC rules, guidelines, timelines, and must be provided by staff who are lawfully authorized to provide, prescribe and/or order these services within the scope of their practice and/or licensure.
- c. Contractor shall prepare and retain for DHCS review as needed the following forms: a) multiple billing override certification (MC 6700), document 2K; b) Good Cause Certification (6065A) document 2L(a); and Good Cause Certification (6065B) Document 2LB. In the absence of good cause documented on the GCC 6065 a or b form, claims that are not submitted within thirty (30) days of the end of the month of service will be denied.
- d. The existence of good cause shall be determined by DHCS in accordance with Title 22, CCR, Sections 51008 and 51008.5.

- e. DMC services are jointly funded by Federal Financial Participation (FFP) and matching State and local dollars. FFP is the Federal share of reimbursement for eligible services delivered to MediCal clients as defined by CCR Title 9, Section 1840.1000. Contractor will meet the FFP eligibility criteria.

7. Cost Report / Unspent Funds

- a. Contractor shall complete and certify State DMC year-end cost report forms. Contractor shall submit completed forms and certification to County no later than August 30th after the end of the fiscal year.

With the cost report, Contractor shall submit a written reconciliation of the total units of services delivered under this agreement with the total number of units reported by Contractor to the County data system. The County reserves the right to withhold payment due to Contractor under this Agreement or subsequent year's Agreement until such time as Contractor submits the required cost report and reconciliation report to the County.

- b. If the annual cost report provided to County shows that total payment to Contractor exceeds the total actual costs for all of the services rendered by Contractor to eligible patients during the reporting period, a single payment in the total amount of the unearned funds shall be made by Contractor to County, unless otherwise authorized by the BHRS Director. This payment shall be submitted with the cost report.
- c. If the annual cost report provided to County shows that Contractor had costs that were higher than the payments received (and less than the Agreement maximum), Contractor may submit an invoice to the County for any additional amount owed up to the balance of the Agreement maximum. County will make payment for approved costs within forty-five (45) days of receipt of such invoice.
- d. Contractor may request that contract savings or "unspent funds" within the Agreement maximum are expended by Contractor in the following year, provided that these funds are expended for SUD services approved by County in accordance with the following procedures.

- i. Contractor shall submit a summary calculation of any savings ninety (90) days after end of the fiscal year. The summary calculation will be a separate report from the year-end cost report.
- ii. At the time of the submission of the summary calculation Contractor may request to rollover some or all of any savings. The request must be made in writing to the BHRS Director or the Director's designee. The request shall identify specifically how the rollover funds will be spent, including a detailed budget. Approved rollover funds shall be spent only for the succeeding fiscal year and only for the specific purpose(s) requested and approved. If approved, the Agreement for the succeeding fiscal year will be amended as necessary to include the approved rollover amount.
- iii. If the specific purpose is not yet complete as of the end of the succeeding fiscal year, contractor may request to rollover the unspent funds to the succeeding second fiscal year by submitting a written request with the accounting report. The unspent balance shall be returned to the County with the submission of the written request. The request is subject to approval by the BHRS Director or the Director's designee. If such request is approved, the Agreement for the succeeding fiscal year will be amended as necessary to include the approved rollover amount.
- iv. A final accounting of the rollover funds shall be submitted ninety (90) days after the specific purpose has been completed, or ninety (90) days after the end of the succeeding fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.

8. Additional forms and/or information may be required in support of Cost Report data at discretion of the County.

C. All Services

1. Cost Settlement

Settlements of total amount due to Contractor for services provided will be made at the following times:

- a. Filing of monthly Revenues and Expenditures Reports. Contractor shall submit a monthly Revenues and Expenditure Report to the BHRS Program Analyst.
- b. Filing of quarterly Budget Monitoring Reports. Contractor shall submit a quarterly Budget Monitoring Report using the BHRS provided template.
- c. Filing of Cost Report. At the time that the Contractor submits the DHCS Cost Report to the County, Contractor shall reconcile all actual costs with payments received. Contractor shall submit an invoice to the County for any balance due, or shall submit a check to the County for any unearned amount. Any balances due or unearned amounts will have been adjusted to account for any subsequent known disallowances for DMC services.

DMC Cost Report requirements are described in section V.

- d. Subsequent to the filing of the County DMC Cost Report to the State DHCS, there may be a secondary settlement required if it is determined that units and/or costs previously submitted by the Contractor are eligible or ineligible for reimbursement. Notice for any settlement under this provision will be sent by the County to the Contractor within 60 (sixty) days of the time in which the County files the DMC Cost Report.
- e. It is anticipated that DHCS will make payment to the County of any outstanding claims approximately eighteen (18) months following the close of the fiscal year. At that time there may be reconciliation with DHCS of outstanding County claims that may result in disallowed units or costs previously submitted for payment. Notices for any settlement under this provision will be sent by County to Contractor within sixty (60) days of receipt from DCHS of the total reconciliation of units of service. The County may choose to appeal any such disallowances, and therefore reserves the right to defer any reconciliation with Contractor until the resolution of any such appeal.
- f. A final reconciliation and settlement is anticipated subsequent to the audit of the County's DMC Cost Report by DHCS. Notices for any settlement under this provision will be sent by County to Contractor within sixty (60) days of receipt from DCHS of the final audit determination. The County may



choose to appeal any audit disallowances, and therefore reserves the right to defer final reconciliation of payments to Contractor until resolution of any such appeal.

- g. If the Contractor has acted in good faith to ensure staff and programs completely comply with County's direction and requirements, to the extent that Contractor audit findings are the result of County's directions and requirements and not from Contractor's errors or omissions, Contractor shall not be held responsible for such audit findings. If the Contractor disagrees with a negative audit finding, Contractor may appeal that decision to the BHRS Director, who shall have final authority to determine Contractor's responsibility for the audit finding.
2. Contractor will be responsible for all expenses incurred during the performance of services rendered under this Agreement.
3. Modifications to the allocations in Paragraph A of this Exhibit B.2.1-2 may be approved by the Chief of San Mateo County Health or designee, subject to the maximum amount set forth in Paragraph 3 of this Agreement.
4. The Chief of San Mateo County Health or designee is authorized to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.
5. In the event that funds provided under this Agreement are expended prior to the end of the contract period, Contractor shall provide ongoing services under the terms of this Agreement through the end of the contract period without further payment from County.
6. In the event this Agreement is terminated prior to June 30, 2023, Contractor shall be paid on a prorated basis for only that portion of the contract term during which Contractor provided services pursuant to this Agreement. Such billing shall be subject to the approval of the Chief of San Mateo County Health or designee.
7. Disallowances that are attributable to an error or omission on the part of County shall be the responsibility of County. This shall include but not be limited to quality assurance (QA) audit disallowances as a result of QA Plan error or format problems with County-designed service documents.

8. The contracting parties shall be subject to the examination and audit of the Department of Auditor General for a period of three years after final payment under contract (Government Code, Section 8546.7).
9. At any point during the Agreement term, Contractor shall comply with all reasonable requests by County to provide a report accounting for the Grant Funds distributed by the County to the Contractor to-date.
10. Monthly Invoice and Payment

Contractor shall bill County on or before the tenth (10th) working day of each month following the provision of services for the prior month. Payment by County to Contractor shall be monthly. Claims that are received after the tenth (10th) working day of the month are considered to be late submissions and may be subject to a delay in payment. Claims that are received one hundred eighty (180) days or more after the date of service are considered to be late claims. County reserves the right to deny invoices with late claims or claims for which completed service reporting forms or electronic service files are not received. Claims and reports are to be sent to:

County of San Mateo  
Behavioral Health and Recovery Services  
BHRS Program Analyst  
310 Harbor Blvd., Bldg. E  
Belmont, CA 94002

Contractor shall set and collect client fees from non Medi-Cal beneficiaries based on the client's ability to pay. The fee requirement shall not apply to prevention and early intervention services. Contractor shall identify in its annual cost report the types and amounts of revenues collected.

11. County anticipates revenues from various sources to be used to fund services provided by Contractor through this Agreement. Should actual revenues be less than the amounts anticipated for any period of this Agreement, the maximum payment obligation and/or payment obligations for specific services may be reduced at the discretion of the Chief of San Mateo County Health or designee.
12. Adjustments may be made to the total of the Agreement and amounts may be withheld from payments otherwise due to the Contractor for nonperformance to the extent that nonperformance involves fraud, abuse, or failure to achieve the objectives of the provisions of Exhibit A.2.1.

13. In the event Contractor claims or receives payment from County for a service, reimbursement for which is later disallowed by County or the State of California or the United States Government, then Contractor shall promptly refund the disallowed amount to County upon request, or, at its option, County may offset the amount disallowed from any payment due or become due to Contractor under this Agreement or any other agreement.
14. Contractor shall provide all pertinent documentation required for Medi-Cal, Medicare, and any other federal and state regulation applicable to reimbursement including assessment and service plans, and progress notes. The County may withhold payment for any and all services for which the required documentation is not provided, or if the documentation provided does not meet professional standards as determined by the San Mateo County BHRIS Quality Improvement Manager.

Contractor shall maintain for review and audit and supply to County and/or DHCS upon request, adequate documentation of all expenses claimed pursuant to this Intergovernmental Agreement to permit a determination of expense allowability.

If the allowability or appropriateness of an expense cannot be determined by County or DHCS because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles and generally accepted governmental audit standards, all questionable costs may be disallowed by County or DHCS. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may be made for the amount substantiated and deemed allowable. Invoices, received from a Contractor and accepted and/or submitted for payment by County, shall not be deemed evidence of allowable Intergovernmental Agreement costs.

It is understood and agreed that failure by the County or Contractor to comply with applicable federal and state requirements in rendering covered services shall be sufficient cause for the State to deny payments to and/or recover payments from the County and/or terminate the Contractor from DMC program participation. If the State or the Department of Health Care Services (DHCS) disallows or denies payments for any claim, County shall repay to the State the federal Medicaid funds and/or State General Funds it received for all claims so disallowed or denied. The overpayment shall be recovered by any of the methods allowed in Title 22, CCR, Sections 51047(a) and (b).

Before such denial, recoupment, or disallowances are made, State shall provide the Contractor with written notice of its proposed action. Such notice shall include the reason for the proposed action and shall allow the Contractor sixty (60) days to submit additional information before the proposed action is taken, as required in Title 22, CCR, Section 51047(a).

Reimbursement for covered services, other than NTP services, shall be limited to the lower of:

- a. Contractor's usual and customary charges to the general public for the same or similar services;
- b. Contractor's actual allowable costs.

15. Substance Abuse Prevention and Treatment Funding

Contractor shall comply with the SAPT Block Grant financial management standards contained in Title 45, CFR, Part 74, Sections 74.21(b)(1) through (4) and (b)(7), and Part 96, Section 96.30.

Pursuant to 42 U.S.C. 300x-31, Contractor shall not use SAPT Block Grant funds provided by the Intergovernmental Agreement on the following activities:

- a. Provide inpatient services;
- b. Make cash payment to intended recipients of health services;
- c. Purchase or improve land, purchase, construct or permanently improve (other than minor remodeling) any building or other facility or purchase major medical equipment;
- d. Satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds;
- b. Provide financial assistance to any entity other than a public or nonprofit private entity;
- c. Pay the salary of an individual through a grant or other extramural mechanism at a rate in excess of level I of the Executive Salary Schedule for the award year: see [http://grants.nih.gov/grants/policy/salcap\\_summary.htm](http://grants.nih.gov/grants/policy/salcap_summary.htm);
- d. Purchase treatment services in penal or correctional institutions of this State of California; and

- e. Supplant state funding of programs to prevent and treat substance abuse and related activities.

16. County May Withhold Payment

Contractor shall provide all pertinent documentation required for Medi-Cal, Medicare, and any other federal and state regulation applicable to reimbursement including assessment and service plans, and progress notes. The County may withhold payment for any and all services for which the required documentation is not provided, or if the documentation provided does not meet professional standards as determined by the BHRS Quality Improvement Manager. Contractor shall meet quarterly with County contract monitor, as designated by the BHRS Deputy Director, Adult and Older Adults, to review documentation and billing reports, and to take appropriate corrective action, as needed, to resolve any identified discrepancies.

17. Inadequate Performance

If County or Contractor finds that performance is inadequate, at the County's discretion, a meeting may be called to discuss the causes for the performance problem, to review documentation, billing and/or other reports, and to take appropriate corrective action, as needed, to resolve any identified discrepancies. This Agreement may be renegotiated, allowed to continue to end of term, or terminated pursuant to Paragraph 5 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.

18. Election of Third Party Billing Process

Contractor shall select an option for participating in serial billing of third-party payors for services provided through this Agreement through the completion of Attachment C – Election of Third Party Billing Process. The completed Attachment C shall be returned to the County with the signed Agreement. Based upon the option selected by the Contractor the appropriate following language shall be in effect for this Agreement.

a. Option One

- i. Contractor shall bill all eligible third-party payors financially responsible for a beneficiary's health care services that Contractor provides through this Agreement. Within ten (10) days of the end of each

month, Contractor shall provide to County copies of the Explanation of Benefits or other remittance advice for every third-party payment and/or denial of such third-party payments for services provided by Contractor during such month. The amount of any such third-party payment shall be deducted from the total actual costs for all services rendered by Contractor as reflected on the Cost Report as defined in Paragraph R of this Exhibit B.2.1. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third-party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement, through the Cost Report reconciliation.

ii. Contractor shall provide a copy of each completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this Agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

a. Option Two

i. Contractor shall provide information to County so that County may bill applicable other third-parties before billing Medi-Cal for services provided by Contractor through this Agreement. The amount of any such third-party payment shall be deducted from the total actual costs for all services rendered by Contractor as reflected on the Cost Report as defined in Paragraph R of this Exhibit B.2.1. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third-party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement through the Cost Report reconciliation.

- ii. Contractor shall provide a copy of the completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

19. Beneficiary Billing

Contractor shall not submit a claim to, demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this contract except to collect other health insurance coverage, share of cost and co-payments. The Contractor shall not hold beneficiaries liable for debts in the event that the County becomes insolvent, for costs of covered services for which the State does not pay the County, for costs of covered services for which the State or the County does not pay the Contractor, for costs of covered services provided under this or other contracts, referral or other arrangement rather than from the County, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary with an emergency psychiatric condition.

20. Claims Certification and Program Integrity

- a. Contractor shall comply with all state and federal statutory and regulatory requirements for certification of claims, including Title 42, Code of Federal Regulations (CFR) Part 438, Sections 438.604, 438.606, and, as effective August 13, 2003, Section 438.608, as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are hereby incorporated by reference.
- b. Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A.2.1 of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

The claim must include the following language and signature line at the bottom of the form(s) and/or cover letter used to report the claim.

“Under the penalty of perjury under the laws of the State of California, I hereby certify that this claim for services complies with all terms and conditions referenced in the Agreement with San Mateo County.

Executed at \_\_\_\_\_ California, on \_\_\_\_\_ 20\_\_

Signed \_\_\_\_\_ Title \_\_\_\_\_

Agency \_\_\_\_\_ ”

- c. The certification shall attest to the following for each beneficiary with services included in the claim:
- i. An assessment of the beneficiary was conducted in compliance with the requirements established in this agreement.
  - ii. The beneficiary was eligible to receive services described in Exhibit A.2.1 of this Agreement at the time the services were provided to the beneficiary.
  - iii. The services included in the claim were actually provided to the beneficiary.
  - iv. Medical necessity was established for the beneficiary as defined under California Code of Regulations, Title 9, Division 1, Chapter 11, for the service or services provided, for the timeframe in which the services were provided.
  - v. A client plan was developed and maintained for the beneficiary that met all client plan requirements established in this agreement.
  - vi. For each beneficiary with specialty mental health services included in the claim, all requirements for Contractor payment authorization for specialty mental health services were met, and any reviews for such service or services were conducted prior to the initial



authorization and any re-authorization periods as established in this agreement.

- vii. Services are offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.
- d. Except as provided in Paragraph V.A. of Exhibit A.2.1 relative to medical records, Contractor agrees to keep for a minimum period of three years from the date of service a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. Contractor agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the California Department of Health Services; the Medi-Cal Fraud Unit; California Department of Mental Health; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human Services, Managed Risk Medical Insurance Board or their duly authorized representatives, and/or the County.

## 21. Audit Requirements

All expenditures of County realignment funds, state and federal funds furnished to the Contractor are subject to audit by the State. Such audits shall consider and build upon external independent audits performed pursuant to audit requirements of the Office of Management and Budget (OMB) 2 CFR 200 and/or any independent Contractor audits or reviews.

In addition to requirements below, Contractor shall be in compliance with federal Single Audit requirements as a designated sub-recipient of federal funding. Contractor agrees to amend this agreement during the contract term to add federal Uniform Guidance compliance requirements.

Objectives of audits may include, but not limited to, the following:

- a. To determine whether units of service claimed/reported are properly documented by service records and accurately accumulated for claiming/reporting;
- b. To validate data reported by the Contractor for prospective Intergovernmental Agreement negotiations;

- c. To provide technical assistance in addressing current year activities and providing recommendation on internal controls, accounting procedures, financial records, and compliance with laws and regulations;
- d. To determine the cost of services, net of related patient and participant fees, third- party payments, and other related revenues and funds;
- e. To determine that expenditures are made in accordance with applicable state and federal laws and regulations and State Agreement with the State requirements, and/or;
- f. To determine the facts in relation to analysis of data, complaints, or allegations, which may be indicative of fraud, abuse, willful misrepresentation.

Unannounced visits may be made at the discretion of the State and/or County.

The refusal of the Contractor to permit access to and inspection of electronic or print books and records, physical facilities, and/or refusal to permit interviews with employees, as described in this part constitutes an express and immediate material breach of this Agreement and will be sufficient basis to terminate the Agreement for cause or default.

County shall monitor the activities of Contractor to ensure that:

- a. Contractor is complying with program requirements and achieving performance goals; and
- b. Contractor is complying with fiscal requirements, such as having appropriate fiscal controls in place, and using awards for authorized purposes.

Contractor shall be responsible for any disallowance taken by the Federal Government, the State, or the California State Auditor, as a result of any audit exception that is related to the Contractor's responsibilities herein.

Pursuant to OMB Circular A-133, State may impose sanctions against the Contractor for not submitting single or program-specific audit reports, or failure to comply with all other audit requirements. Should such sanctions be due to noncompliance by the Contractor,

such sanctions will be passed on to the Contractor by the County. The sanctions may include:

- a. Withholding a percentage of federal awards until the audit is completed satisfactorily;
- b. Withhold or disallowing overhead costs;
- c. Suspending federal awards until the audit is conducted; or
- d. Terminating the federal award.

22. Drug Medi-Cal Financial Audit Requirements

In addition to the audit requirements, the State may also conduct financial audits of DMC programs, exclusive of NTP services, to accomplish any of, but not limited to, the following audit objectives:

- a. To review reported costs for validity, appropriate allocation methodology, and compliance with Medicaid laws and regulations;
- b. To ensure that only the cost of allowable DMC activities are included in reported costs;
- c. To determine the provider's usual and customary charge to the general public in accordance with CMS (The Medicare Provider Reimbursement Manual) (CMS- Pub.15), which can be obtained from the Centers for Medicare & Medicaid Services, Baltimore, Maryland, or [www.cms.hhs.gov](http://www.cms.hhs.gov) for comparison to the DMC cost per unit;
- d. To review documentation of units of service and determine the final number of approved units of service;
- e. To determine the amount of clients' third-party revenue and MediCal share of cost to offset allowable DMC reimbursement; and
- f. To compute final settlement based on the lower of actual allowable cost, the usual and customary charge, or the maximum allowance, in accordance with Title 22, Section 51516.1.

23. Contractor shall be responsible for any disallowances taken by the Federal Government, the State, or the Bureau of State Audits as a

result of any audit exception that is related to its responsibilities. Contractor shall not use funds administered by the State to repay one federal funding source with funds provided by another federal funding source, or to repay federal funds with state funds, or to repay state funds with federal funds.

Contractor agrees to promptly develop and implement any corrective action plans in a manner acceptable to the State in order to comply with recommendations contained in any audit report. Such corrective action plans shall include time-specific objectives to allow for measurement of progress and are subject to verification by the State within six (6) months from the date of the plan.

24. DMC Record Keeping

Contractor shall maintain sufficient books, records, documents, and other evidence necessary for the State to audit Intergovernmental Agreement performance and Intergovernmental Agreement compliance. Contractor shall make these records available to the State, upon request, to evaluate the quality and quantity of services, accessibility and appropriateness of services, and to ensure fiscal accountability. Regardless of the location or ownership of such records, they shall be sufficient to determine if costs incurred by Contractor are reasonable, allowable and allocated appropriately. All records must be capable of verification by qualified auditors.

- a. Contractor shall include in any Agreement with an audit firm a clause to permit access by the State to the working papers of the external independent auditor, and require that copies of the working papers shall be made for the State at its request.
- b. Contractor shall keep adequate and sufficient financial records and statistical data to support the year-end documents filed with the State. All records must be capable of verification by qualified auditors.
- c. Accounting records and supporting documents shall be retained for a ten (10) year period from the date the year-end cost settlement report was approved by the State for interim settlement. When an audit by the Federal Government, the State, or the California State Auditor has been started before the expiration of the ten (10) year period, the records shall be retained until completion of the audit and final resolution of all issues that arise in the audit. Final settlement shall be made at the end of the audit and appeal process. If an audit has not been completed within three years, the interim settlement shall

be considered as the final settlement.

- d. Financial records shall be kept so that they clearly reflect the source of funding for each type of service for which reimbursement is claimed. These documents include, but are not limited to, all ledgers, books, vouchers, time sheets, payrolls, appointment schedules, client data cards, and schedules for allocating costs. All records must be capable of verification by qualified auditors.
- e. Should Contractor discontinue its contractual agreement with the County, or cease to conduct business in its entirety, Contractor shall provide fiscal and program records for the Agreement period to the County. Records shall be provided in compliance with the State Administrative Manual (SAM), located at <http://sam.dgs.ca.gov/TOC/1600.aspx>.

The Contractor shall retain all records required by Welfare and Institutions Code section 14124.1, 42 CFR 433.32, and California Code of Regulations, Title 22, Section 51341.1 et seq. for reimbursement of services and financial audit purposes.

- f. In the expenditure of funds hereunder, and as required by 45 CFR Part 96, Contractor shall comply with the requirements of SAM and the laws and procedures applicable to the obligation and expenditure of federal and state funds.
- g. Contractor shall retain records of utilization review activities required for a minimum of ten (10) years.

In addition, Contractor shall, upon request, make available to the County and/or the State their fiscal and other records to assure that Contractor has adequate recordkeeping capability and to assure that reimbursement for covered DMC services is made in accordance with Title 22, CCR, Section 51516.1. These records include, but are not limited to, matters pertaining to:

- Provider ownership, organization, and operation;
- Fiscal, medical, and other recordkeeping systems;
- Federal income tax status;
- Asset acquisition, lease, sale, or other action;
- Franchise or management arrangements;
- Patient service charge schedules;
- Costs of operation;

- Cost allocation methodology;
- Amounts of income received by source and purpose; and
- Flow of funds and working capital.

25. Dispute Resolution Process

- a. When a financial audit is conducted by the Federal Government, the State, or the California State Auditor directly with Contractor, and if the Contractor disagrees with audit disallowances related to its programs, claims or services, County shall, at the Contractor's request, request an appeal to the State. Contractor must file such an appeal of State audit findings with the County. The appeal must be in writing and sent to the County AOD Administrator within thirty (30) days of receipt of the audit findings.
- b. When a financial audit is conducted by the County with Contractor, and if the Contractor disagrees with audit disallowances related to its programs, claims or services, the Contractor may file a written appeal by email or facsimile with the Director of Behavioral Health and Recovery Services. The appeal must be sent within thirty (30) days of receipt of the audit findings from the County.

The County will respond to an appeal within ten (10) business days of receiving it, and the County may, at its election, set up a meeting with the Contractor to discuss the concerns raised by the appeal. The decision of the County will be final. The appeal letter must be sent as follows:

Director, Behavioral Health and Recovery Services  
c/o Ritu Modha  
[rmodha@smcgov.org](mailto:rmodha@smcgov.org)

\*\*\* END OF EXHIBIT B.2.3 \*\*\*

## Exhibit C

2023-24 San Mateo County	Crisis Residential	Transitional	REACH	MED Clinic	New Ventures	WRAP	Supported Ed	Supported Empl	TAY	YAIL	SM Supported Housing	SMCA MHSA Funds	Avatar	TOTAL BASE CONTRACT
<b>EXPENSES</b>														
<b>Personnel Expenses</b>														
Salaries, Taxes, Insurance & Benefit	1,445,758	1,559,087	901,289	1,013,168	785,082	79,130	88,704	77,072	156,727	323,057	18,002	-	-	6,447,075
<b>Total Personnel Expenses</b>	<b>1,445,758</b>	<b>1,559,087</b>	<b>901,289</b>	<b>1,013,168</b>	<b>785,082</b>	<b>79,130</b>	<b>88,704</b>	<b>77,072</b>	<b>156,727</b>	<b>323,057</b>	<b>18,002</b>	<b>-</b>	<b>0</b>	<b>6,447,075</b>
<b>Operating Expenses</b>														
Professional and Contract Services	1,413	1,489	4,801	1,737	36,178	611	1,265	1	807	621	537	-	0	49,461
General Expenses	208,963	236,714	164,933	181,186	164,485	19,103	20,257	7,759	21,162	46,167	42,331	15	0	1,113,073
<b>Total Operating Expenses</b>	<b>210,376</b>	<b>238,202</b>	<b>169,734</b>	<b>182,922</b>	<b>200,663</b>	<b>19,715</b>	<b>21,522</b>	<b>7,760</b>	<b>21,969</b>	<b>46,789</b>	<b>42,868</b>	<b>15</b>	<b>0</b>	<b>1,162,535</b>
<b>TOTAL Direct</b>	<b>\$1,656,134</b>	<b>\$1,797,289</b>	<b>\$1,071,022</b>	<b>\$1,196,090</b>	<b>\$985,745</b>	<b>\$98,845</b>	<b>\$110,226</b>	<b>\$84,831</b>	<b>\$178,696</b>	<b>\$369,846</b>	<b>\$60,870</b>	<b>\$15</b>	<b>0</b>	<b>\$7,609,609</b>
Administration Costs	\$248,420	\$269,593	\$160,653	\$179,413	\$147,862	\$14,827	\$16,534	\$12,725	\$26,804	\$55,477	\$9,130		0	\$1,141,439
<b>TOTAL Expenses</b>	<b>\$1,904,554</b>	<b>\$2,066,882</b>	<b>\$1,231,676</b>	<b>\$1,375,503</b>	<b>\$1,133,607</b>	<b>\$113,671</b>	<b>\$126,760</b>	<b>\$97,556</b>	<b>\$205,501</b>	<b>\$425,323</b>	<b>\$70,000</b>	<b>\$15</b>	<b>0</b>	<b>\$8,751,049</b>