

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND CBIZ OPTUMAS
FOR THE TERM OF JUNE 1, 2025, THROUGH JUNE 30, 2027**

This Agreement is entered into this 20 day of May, 2025, by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County," and CBIZ OPTUMAS, hereinafter called "Contractor."

* * *

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, it is necessary and desirable that Contractor be retained for the purpose of professional services.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

- Exhibit A—Services
- Exhibit B—Payments and Rates
- Exhibit C – Timelines and Budget
- Attachment H – HIPPA Requirements
- Attachment IP – Intellectual Property Rights

2. Services to be performed by Contractor

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for County in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. 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 THREE HUNDRED SEVENTY THOUSAND DOLLARS (\$370,000).

In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination or expiration. Contractor is not entitled to payment for work not performed as required by this agreement.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from June 1, 2025 through June 30, 2027.

5. Termination

This Agreement may be terminated by Contractor or by the Chief of San Mateo County Health or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after County learns of said unavailability of outside funding.

6. Contract Materials

At the end of this Agreement, or in the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other written materials (collectively referred to as "contract materials") prepared by Contractor under this Agreement shall become the property of County and shall be promptly delivered to County. Upon termination, Contractor may make and retain a copy of such contract materials if permitted by law.

7. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of County and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of County employees.

8. Hold Harmless

a. General Hold Harmless

Contractor shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Contractor or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

b. Intellectual Property Indemnification

Contractor hereby certifies that it owns, controls, and/or licenses and retains all right, title, and/or interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and/or other technology relating to any part of the services it provides under this Agreement and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as "IP Rights") except as otherwise noted by this Agreement.

Contractor warrants that the services it provides under this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Contractor shall defend, indemnify, and hold harmless County from and against all liabilities, costs, damages, losses, and expenses (including reasonable attorney fees) arising out of or related to any claim by a third party that the

services provided under this Agreement infringe or violate any third-party's IP Rights provided any such right is enforceable in the United States. Contractor's duty to defend, indemnify, and hold harmless under this Section applies only provided that: (a) County notifies Contractor promptly in writing of any notice of any such third-party claim; (b) County cooperates with Contractor, at Contractor's expense, in all reasonable respects in connection with the investigation and defense of any such third-party claim; (c) Contractor retains sole control of the defense of any action on any such claim and all negotiations for its settlement or compromise (provided Contractor shall not have the right to settle any criminal action, suit, or proceeding without County's prior written consent, not to be unreasonably withheld, and provided further that any settlement permitted under this Section shall not impose any financial or other obligation on County, impair any right of County, or contain any stipulation, admission, or acknowledgement of wrongdoing on the part of County without County's prior written consent, not to be unreasonably withheld); and (d) should services under this Agreement become, or in Contractor's opinion be likely to become, the subject of such a claim, or in the event such a third party claim or threatened claim causes County's reasonable use of the services under this Agreement to be seriously endangered or disrupted, Contractor shall, at Contractor's option and expense, either: (i) procure for County the right to continue using the services without infringement or (ii) replace or modify the services so that they become non-infringing but remain functionally equivalent.

Notwithstanding anything in this Section to the contrary, Contractor will have no obligation or liability to County under this Section to the extent any otherwise covered claim is based upon: (a) any aspects of the services under this Agreement which have been modified by or for County (other than modification performed by, or at the direction of, Contractor) in such a way as to cause the alleged infringement at issue; and/or (b) any aspects of the services under this Agreement which have been used by County in a manner prohibited by this Agreement.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

9. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement without penalty or advance notice.

10. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by County's Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

(a) Comprehensive General Liability...	\$1,000,000
(b) Motor Vehicle Liability Insurance...	\$1,000,000
(c) Professional Liability.....	\$1,000,000

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

11. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Further, Contractor certifies that it and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware. Accordingly, Contractor shall not use any non-recyclable plastic disposable food service ware when providing prepared food on property owned or leased by the County and instead shall use biodegradable, compostable, reusable, or recyclable plastic food service ware on property owned or leased by the County.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

12. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Compliance with County's Equal Benefits Ordinance

Contractor shall comply with all laws relating to the provision of benefits to its employees and their spouses or domestic partners, including, but not limited to, such laws prohibiting discrimination in the provision of such benefits on the basis that the spouse or domestic partner of the Contractor's employee is of the same or opposite sex as the employee.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Contractor certifies that no finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other investigative entity. If any finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or other investigative entity, Contractor shall provide County with a written explanation of the outcome(s) or remedy for the discrimination prior to execution of this Agreement. Failure to comply with this Section shall constitute a material breach of this Agreement and subjects the Agreement to immediate termination at the sole option of the County.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the County Manager the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or the Section titled "Compliance with Laws". Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to the following:

- i. termination of this Agreement;
- ii. disqualification of the Contractor from being considered for or being awarded a County contract for a period of up to 3 years;
- iii. liquidated damages of \$2,500 per violation; and/or
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this Section, the County Manager shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and County.

h. Compliance with Living Wage Ordinance

As required by Chapter 2.88 of the San Mateo County Ordinance Code, Contractor certifies all contractor(s) and subcontractor(s) obligated under this contract shall fully comply with the provisions of the County of San Mateo Living Wage Ordinance, including, but not limited to, paying all Covered Employees the current Living Wage and providing notice to all Covered Employees and Subcontractors as required under the Ordinance.

13. Compliance with County Employee Jury Service Ordinance

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Contractor shall have and adhere to a written policy providing that its employees, to the extent they are full-time employees and live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no full-time employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code." The requirements of Chapter 2.85 do not apply if this Agreement's total value listed in the Section titled "Payments", is less than one-hundred thousand dollars (\$100,000), but Contractor acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value meets or exceeds that threshold amount.

14. Retention of Records; Right to Monitor and Audit

(a) Contractor shall maintain all required records relating to services provided under this Agreement for three (3) years after County makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit by County, a Federal grantor agency, and the State of California.

(b) Contractor shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by County.

(c) Contractor agrees upon reasonable notice to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representative, and/or to any of their respective audit agencies access to and the right

to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

15. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

16. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

17. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of County, to:

Name/Title: Janet Gard, Deputy Director of BHRS
Address: 2000 Alameda de las Pulgas, Suite 240.
San Mateo, CA 94403
Telephone: (650) 207-1961
Email: jgard@smcgov.org

In the case of Contractor, to:

Name/Title: Gabriel Smith
Address: 7400 E McDonald Dr, Ste #101
Scottsdale, AZ, 85250
Telephone: 480-588-2499
Email: Gabe.smith@optumas.com

18. Electronic Signature

Both County and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative Memo. Any party to this Agreement may revoke such agreement to permit electronic signatures at any time in relation to all future documents by providing notice pursuant to this Agreement.

19. Payment of Permits/Licenses

Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

* * *


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

COUNTY OF SAN MATEO


By:  Resolution No. 081166
President, Board of Supervisors, San Mateo County

Date: May 20, 2025

ATTEST:

By: 
Clerk of Said Board

CBIZ OPTUMAS


Signed by:
29EFB47AE71949E...

Contractor's Signature

04/16/2025
Date: _____

Exhibit A
CBIZ Optumas, LLC
FY 2025-2027

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

I. **DESCRIPTION OF SERVICES TO BE PERFORMED BY CONTRACTOR**

The Contractor will develop a comprehensive rate-setting strategy for Behavioral Health Medi-Cal services in San Mateo County, focusing on Mental Health Outpatient Services and Substance Use Disorder (SUD) Outpatient and 24-hour Residential treatment services. The strategy aims to ensure fair reimbursement aligned with productivity and local economic conditions while maintaining operational sustainability.

A. Rate Calculation Framework:

1. Develop a standardized methodology for calculating hourly reimbursement rates based on various inputs:
2. Base Wage Rate: Utilize data from Bureau of Labor Statistics (BLS) to establish a baseline.
3. Regional Adjustment: Factor in cost-of-living differences for San Mateo County California counties.
4. Benefits and Support Costs: Include costs for benefits, leadership, and indirect operating expenses.
5. Inflation Adjustment: Account for economic inflation over specified periods.
6. Vacancy Rate Adjustment: Incorporate impact of staff vacancies on overall costs.
7. Productivity Estimate: Estimate billable hours versus total work time to determine rate adjustments.

B. Template Development:

1. Review and modify existing data templates OR design and implement structured templates for data collection from Behavioral Health providers.

2. Ensure templates are clear, detailed, and restrictive to prevent unauthorized modifications.
 3. Include instructions for accurate data entry to minimize errors and enhance data quality.
- C. Data Collection and Analysis:
1. Conduct supplemental data collection from providers and/or BHRS provider contract budgets to refine assumptions on wages, benefits, and revenue streams.
 2. Analyze collected data to validate rate-setting assumptions and identify outliers for further investigation.
 3. Utilize County EHR data and provider association analyses to supplement rate-setting insights.
- D. Rate Setting and Adjustment:
1. Apply developed methodology to calculate initial and proposed reimbursement rates.
 2. Conduct sensitivity testing on proposed rates to assess financial impacts under varying scenarios (e.g., productivity changes, inflation adjustments).
 3. Provide at least two (2) possible rate methodologies such as tiered rates based on provider types and service settings (e.g., telehealth, fieldwork, rural/urban, level of intensity, etc.), tiered rates based on provider capacity/size, or other viable rate structure.
 4. Rate methodologies must balance financial sustainability and service incentives on a system-wide basis.
- E. Negotiation Strategy:
1. Develop a negotiation strategy based on provider criticality, economies of scale, and business disruption tolerance.
 2. Ensure fair distribution of payments aligned with provider risk and operational efficiencies.
 3. Engage in discussions with individual providers and associations, if feasible, to gather feedback and refine rate-setting approach.
- F. Documentation and Reporting:

1. Document all methodologies, data sources, and calculations used in rate setting for transparency and auditability.
 2. Prepare comprehensive reports summarizing rate-setting outcomes, adjustments, and recommendations for future cycles.
 3. Present findings and recommendations to stakeholders, including county officials, provider associations, and regulatory bodies.
- G. Technical Assistance and Training:
1. Provide technical assistance to healthcare providers to enhance operational efficiencies.
 2. Offer training sessions on template usage, data collection protocols, and rate-setting methodologies.
 3. Collaborate with BHRS staff to provide resources to support providers in adapting to fee-for-service models and improving financial viability
- H. Research and Analysis for Capitated Rates
1. Research capitated payment models
 2. Evaluate historical claims costs & utilization
 3. Create model to test various scenarios for probable conversion to capitated rate methodology (conversion to capitated rates anticipated in 3-5 years) using current claims data
 4. Train staff on use of model
 5. Make recommendations on steps to take in current years to provide best position for capitated rates.
- I. Timeline
1. Phase 1 (Month 1-3): Develop rate calculation framework and template design.
 2. Phase 2 (Month 4-5): Implement data collection and analysis; Finalize rate-setting adjustments;
 3. Phase 3 (Months 6-7); provide technical assistance and training if needed
 4. Phase 4 (Months: TBD): Document and report on rate-setting outcomes; present to stakeholders.

5. Phase 5: (Months: TBD): Capitated rate research, data analysis, modeling, and recommendations
- J. Budget Allocation
1. Allocate resources for personnel, consultant fees (if applicable), data collection tools, and training sessions.
 2. Ensure budget supports thorough data analysis, template development, and ongoing technical support.
- K. Evaluation and Monitoring
1. Conduct regular evaluations to assess the effectiveness of rate-setting strategies and adjust methodologies as needed.
 2. Monitor provider feedback and data quality to refine future rate-setting processes.
- L. Meetings
1. Conduct kick-off meeting with BHRS team
 2. Conduct weekly meetings with designated BHRS staff to discuss status, progress on milestones, problem-solve, and other relevant topics
 3. Conduct kick-off meeting with BHRS team and providers regarding data collection and process for rate development
 4. Conduct “office hours” that provide technical assistance on filling out data collection template, 3-4 sessions
- M. Health Order Compliance Requirements

Comply with employer requirements established by Cal-OSHA through the COVID -19 Prevention Non-Emergency Regulations which are chaptered in the California Code of Regulations, Title 8-Cal/OSHA, Chapter 4 Division of Industrial Safety, Subchapter 7 General Industry Safety Orders, Section 3205 COVID-19 Prevention.

This section applies to all employees and places of employment with the exception of locations with one employee that does not have contact with other persons, employees working from home, or employees teleworking from a location of the employee’s choice, which is not under the control of the employer.

Employers can comply with this section by either maintaining a COVID-19 Plan that was required by previous contract conditions or as part of the required Injury and Illness Prevention Program required by Section 3203.

Employers are required to comply with COVID-19 Prevention requirements of Cal/OSHA.

More information, including access to the text of the regulations, COVID-19 Prevention Plan Templates, Frequently Asked Questions, and Fact Sheets can be found at https://www.dir.ca.gov/dosh/coronavirus/Non_Emergency_Regulations/.

II. ADMINISTRATIVE REQUIREMENTS

A. Compliance with Health Information Privacy and Accountability Act (HIPAA), Confidentiality Laws, and PHI Security

Contractor must implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Protected Health Information (PHI), including electronic PHI, that it creates, receives, maintains, uses or transmits, in compliance with 45 C.F.R and to prevent use or disclosure of PHI other than as provided for by this Agreement. Contractor shall implement reasonable and appropriate policies and procedures to comply with the standards. Contractor is required to report any security incident or breach of confidential PHI to BHRS Quality Management within twenty – four (24) hours.

Contractor will develop and maintain written information Privacy and Security Program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities.

Contractor agrees to comply with the provisions of 42 C.F.R. Part 2 as described below if records contain or contract possesses any PHI covered under 42 C.F.R Part 2:

1. Acknowledge that in receiving, storing, processing, or otherwise using any information from BHRS about the clients in the program, it is fully bound by the provisions of the federal regulations governing Confidentiality of Behavioral Health and Recovery Services Patient Records, 42 C.F.R. Part 2;
2. Undertake to resist in judicial proceedings any effort to obtain access to information pertaining to clients otherwise than as

expressly provided for in the federal confidentiality regulations, 42 C.F.R. Part 2; and

3. Agree to use appropriate safeguards to prevent the unauthorized use or disclosure of the protected information.

Confidentiality Training:

Contractor is required to conduct, complete and maintain record of annual confidentiality training by all staff serving or accessing PHI of BHRS clients. Contractor may utilize the County of San Mateo BHRS Confidentiality trainings located at <http://smchealth.org/bhrs/providers/ontrain>

B. Compliance Plan and Code of Conduct

Contractor shall read and be knowledgeable of the compliance principles contained in the BHRS Compliance Plan and Code of Conduct. In addition, Contractor shall assure that Contractor's workforce is aware of compliance mandates and are informed of the existence and how to use the Compliance Improvement Hotline Telephone Number (650) 573-2695.

III. GOALS AND OBJECTIVES

Contractor shall ensure that the following outcome objectives are pursued throughout the term of this Agreement:

Goal 1: Provide timely consultation services to BHRS.

Objective 1: 100% of activities and deliverables will be produced by the agreed upon deadlines as stated in Exhibit C, "Timelines, Deliverables, & Budget."

*** END OF EXHIBIT A ***

Exhibit B
CBIZ Optumas

FY 2025-2027

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, County shall pay Contractor based on the following fee schedule and terms:

A. Rates and Method of Payment

1. 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 THREE HUNDRED SIXTY DOLLARS THOUSAND DOLLARS (\$360,000)

2. Rates

For the term of July 1, 2025 through June 30, 2026, Contractor shall be paid at the rates of:

- Art Pelberg. M.D., \$395.00 per hour.
- Gabe Smith, Director, FSA, MAAA, \$395.00 per hour.
- Consultant, \$285.00 per hour.
- Analyst, \$235.00 per hour.

B. 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. The invoice shall clearly summarize services delivered for which claim/invoice is made.

Payment by County to Contractor shall be monthly. Invoices 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.

Invoices are to be sent to:

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

C. County Revenue Sources

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 obligation and/or payment obligations for specific services may be reduced at the discretion of the Chief of the Health System or designee.

D. Early Termination

In the event this Agreement is terminated prior to June 30, 2027, the Contractor shall be paid for services provided up to the date of termination pursuant to this Agreement.

E. Inadequate Performance

Should the County or Contractor find that performance is inadequate, at the County's discretion, a meeting may be called to discuss the causes for the performance problem, and this Agreement may either 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.

F. Invoice Certification

Anytime Contractor submits an invoice to the County for reimbursement for services provided under Exhibit A of this Agreement, Contractor shall certify by signature that the invoice is true and accurate by stating the invoice is submitted under the penalty of perjury under the laws of the State of California.

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

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

Executed at _____ California, on _____, 202_

Signed _____ Title _____

Agency _____"

*** END OF EXHIBIT B ***

Fee Proposal (4.2.6)

Below, we have presented our proposed fees in a hybrid deliverable-based/hourly contract. The goals of the engagement are:

- Evaluate emerging provider experience and determine what, if any, rate adjustments would be warranted.
- Help San Mateo County BHRS to set outpatient (OP) behavioral health (BH) and residential rates for the support access, promote efficiency, and are financially sustainable for the County.
- Provide BHRS with rate modeling and training on how to use the modeling to support their continued needs.

DELIVERABLE	Begin	End	Director Hours*
Strategy Kick-Off Conference Call and Follow-Up Strategy Meetings	6/1/25	6/30/25	28.0
Discuss background and current context.			
Discuss desired structure of contractor rates and method of evaluation of emerging experience.			
Discuss usage of future guardrails and rate differentiation for balance between contractor expenses and productivity.			
Review current county rate-setting materials.			
Request and receive contractor data (claims, eligibility, cost, full-time equivalent, profit and loss).			
Deliverable: One-page summary of proposed review of providers' state fiscal year (SFY) 24 financial health and SFY25 rate setting			
Weekly Meetings: Financial, Programmatic, and Operational Discussions	Engagement Start	Engagement End	40.0
Deliverable: Provide Weekly Meeting Summaries to BHRS			
Data Validation & Preparation	7/1/25	8/31/25	40.0
Review contractor claims data and benchmark to test for consistency.			

DELIVERABLE

Review contractor cost data to assess clinical productivity and support and overhead.

Map contractor's historical experience.

Deliverable: Summary Excel file demonstrating data quality and benchmarking results

Evaluate SFY24-25 Financial Health of Providers (mental health [MH]OP, substance use disorder [SUD] OP, SUD Residential)

Evaluate available data and determine what additional information is needed.

Work with providers to produce surveys and collect necessary information.

Combine provider-reported data, emerging experience and unsubmitted claims.

Review/evaluate provider-performed financial analyses

Distinguish temporary and persistent factors to predict the financial performance for the remainder of SFY24-25.

Review results with providers.

Develop Summary Excel file demonstrating metrics (e.g., productivity, overhead, etc.) by provider that drive financials.

Deliverable: Summary Excel file demonstrating metrics (e.g., productivity, overhead, etc.) by provider that drive financials

Model Rates by Contractor and Program (MH OP, SUD OP, SUD Residential)

Work with BHRS leadership to determine desired structure and variables upon which to vary rates.

Begin	End	Director Hours*
7/15/25	9/31/25	80.0
9/13/25	10/30/25	90.0

DELIVERABLE

Build model.
 Develop assumptions.
 Incorporate desired payment structure.
 Model guardrail scenarios and collect feedback from BHRS.
 Meet with BHRS to discuss reimbursement strategy, programmatic goals and operational constraints.
 Present reimbursement model options to BHRS and collect feedback.
Deliverable: Rate Model & Methodology Letter
Deliverable: Train BHRS staff on Rate Model

Total

Begin	End	Director Hours*
		278.0

HOURLY

Negotiations Strategy and Support***

Develop negotiation strategy that ensures fair distribution of payments.
 Support BHRS in communicating and defending proposals to providers.
 Help BHRS respond to counterproposals and ad hoc contractor requests.

Begin	End	Director Hours*
10/1/25	12/31/25	40.0

Develop exhibits/summaries and support BHRS in discussions with California's Department of Health Care Services (DHCS) to advocate for higher rates as needed.				
Capitated Rates Support***	11/1/25	3/31/26	60.0	
Research capitated models and evaluate historical data.				
Develop model and structure to convert to capitated rates over time.				
Potential Deliverables (TBD): Financial Model, Report/Methodology Memo, Summary Report and Next Steps				

Deliverable + Hourly Total	378.0	
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*The Director hourly rate for Gabe Smith, FSA, MAAA, is \$395.00 per hour.

**The Analyst hourly rate is \$235.00 per hour.

***Estimated Hours (Optumas will bill hours as they are incurred).

Fees for Technical Assistance (TA)

The goal for technical assistance is to help San Mateo County BHRS providers become more efficient, promote care, achieve better outcomes, and improve fiscal oversight and responsibility. Cost is figured on a per-clinic basis. Based on our understanding with similar projects, other counties have provided TA for somewhere between 3-6 clinics. Below is our per-clinic fee for technical assistance.

	Duration	MD Hours*	Director Hours**	Consultant Hours***	Annual Fee
1. Operations Technical Assistance	3-4 months	4.0	3.0	25.0	
Review of Intake (I), Assignment (A), Service Planning (SP), and Discharge Planning (DP) Process and Compare to Best Practices Develop simplified process maps for I, A, SP, and DP to identify opportunities to improve productivity and speed to right services. Review provider staffing levels and staff qualifications for roles identified in process maps. Review internal provider agency policies to support I/A/SP/DP continuum. Make recommendations, if appropriate for potential improvements.					
2. Administration Technical Assistance	3-4 months	4.0	3.0	25.0	
Review of Administrative and Overhead Structure and Compare to Best Practices Review provider agency's roles and responsibilities for administrative and overhead staffing. Review management tools and reporting for agency oversight. Make recommendations, if appropriate for potential improvements.					

	Duration	MD Hours*	Director Hours**	Consultant Hours***	Analyst Hours****
3. Finance Technical Assistance	3-4 months	2.0	3.0	5.0	
Review of Financial Management & Oversight Capabilities					
Review of provider agency financial systems and reporting capabilities.					
Train provider on template usage, data collection protocols, and rate setting methodologies.					
Collaborate with BHRS staff to support providers in adapting to FFS model and improving financial performance and viability.					
Total		10.0	9.0	55.0	

*The MD hourly rate for Art Pelberg is \$395.00 per hour.

** The Director hourly rate for Gabe Smith, FSA, MAAA, is \$395.00 per hour.

*** The Consultant hourly rate is \$285.00 per hour.

**** The Analyst hourly rate is \$235.00 per hour.

Attachment H

Health Insurance Portability and Accountability Act (HIPAA) Business Associate Requirements

DEFINITIONS

Terms used, but not otherwise defined, in this Schedule shall have the same meaning as those terms are defined in 45 Code of Federal Regulations (CFR) sections 160.103, 164.304, and 164.501. All regulatory references in this Schedule are to Title 45 of the Code of Federal Regulations unless otherwise specified.

- a. **Business Associate.** "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the parties to this agreement shall mean Contractor.
- b. **Covered Entity.** "Covered entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this agreement shall mean County.
- c. **HIPAA Rules.** "HIPAA rules" shall mean the Privacy, Security, Breach Notification and Enforcement Rules at 45 CFR part 160 and part 164, as amended and supplemented by Subtitle D of the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009.
- d. **Designated Record Set.** "Designated Record Set" shall have the same meaning as the term "designated record set" in Section 164.501.
- e. **Electronic Protected Health Information.** "Electronic Protected Health Information" (EPHI) means individually identifiable health information that is transmitted or maintained in electronic media; it is limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.
- f. **Individual.** "Individual" shall have the same meaning as the term "individual" in Section 164.501 and shall include a person who qualifies as a personal representative in accordance with Section 164.502(g).
- g. **Privacy Rule.** "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.
- h. **Protected Health Information.** "Protected Health Information" (PHI) shall have the same meaning as the term "protected health information" in Section 160.103 and is limited to the information created or received by Business Associate from or on behalf of County.
- i. **Required By Law.** "Required by law" shall have the same meaning as the term "required by law" in Section 164.103.
- j. **Secretary.** "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.
- k. **Breach.** The acquisition, access, use, or disclosure of PHI in violation of the Privacy Rule that compromises the security or privacy of the PHI and subject to the exclusions set forth in Section 164.402. Unless an exception applies, an impermissible use or disclosure of PHI *is presumed* to be a breach, unless it can be demonstrated there is a low

probability that the PHI has been compromised based upon, at minimum, a four-part risk assessment:

1. Nature and extent of PHI included, identifiers and likelihood of re-identification;
 2. Identity of the unauthorized person or to whom impermissible disclosure was made;
 3. Whether PHI was actually viewed or only the opportunity to do so existed;
 4. The extent to which the risk has been mitigated.
- l. **Security Rule.** "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.
- m. **Unsecured PHI.** "Unsecured PHI" is protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary in relevant HHS guidance.
- n. **Security Incident.** "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system. "Security Incident" includes all incidents that constitute breaches of unsecured protected health information.

OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE

- a. Business Associate agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
- b. Business Associate agrees to use appropriate safeguards to comply with Subpart C of 45 CFR part 164 with respect to EPHI and PHI, and to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. Business Associate agrees to make uses and disclosures requests for Protected Health Information consistent with minimum necessary policy and procedures.
- d. Business Associate may not use or disclose protected health information in a manner that would violate subpart E of 45 CFR part 164.504 if used or disclosed by Covered Entity.
- e. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- f. Business Associate agrees to report to County any use or disclosure of Protected Health Information not authorized by this Agreement.
- g. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by Business Associate on behalf of County, agrees to adhere to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- h. If Business Associate has Protected Health Information in a Designated Record Set, Business Associate agrees to provide access, at the request of County, and in the time and manner designated by County, to Protected Health Information in a Designated Record Set, to County or, as directed by County, to an Individual in order to meet the requirements under Section 164.524.

- i. If Business Associate has Protected Health Information in a Designated Record Set, Business Associate agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the County directs or agrees to make pursuant to Section 164.526 at the request of County or an Individual, and in the time and manner designed by County.
- j. Business Associate agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of County, available to the County at the request of County or the Secretary, in a time and manner designated by the County or the Secretary, for purposes of the Secretary determining County's compliance with the Privacy Rule.
- k. Business Associate agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- l. Business Associate agrees to provide to County or an Individual in the time and manner designated by County, information collected in accordance with Section (k) of this Schedule, in order to permit County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.
- m. Business Associate shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Business Associate creates, receives, maintains, or transmits on behalf of County.
- n. Business Associate shall conform to generally accepted system security principles and the requirements of the final HIPAA rule pertaining to the security of health information.
- o. Business Associate shall ensure that any agent to whom it provides EPHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such EPHI.
- p. Business Associate shall report to County any Security Incident within three (3) business days of becoming aware of such incident. Business Associate shall also facilitate breach notification(s) to the appropriate governing body (i.e. HHS, OCR, etc.) as required by law. As appropriate and after consulting with County, Business Associate shall also notify affected individuals and the media of a qualifying breach.
- q. Business Associate understands that it is directly liable under the HIPAA rules and subject to civil and, in some cases, criminal penalties for making uses and disclosures of Protected Health Information that are not authorized by this Attachment, the underlying contract as or required by law.

PERMITTED USES AND DISCLOSURES BY CONTRACTOR AS BUSINESS ASSOCIATE

Except as otherwise limited in this Schedule, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement; provided that such use or disclosure would not violate the Privacy Rule if done by County.

OBLIGATIONS OF COUNTY

- a. County shall provide Business Associate with the notice of privacy practices that County produces in accordance with Section 164.520, as well as any changes to such notice.
- b. County shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.
- c. County shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that County has agreed to in accordance with Section 164.522.

PERMISSIBLE REQUESTS BY COUNTY

County shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if so requested by County, unless the Business Associate will use or disclose Protected Health Information for, and if the Agreement provides for, data aggregation or management and administrative activities of Business Associate.

DUTIES UPON TERMINATION OF AGREEMENT

- a. Upon termination of the Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from County, or created, maintained, or received by Business Associate on behalf of County, that Business Associate still maintains in any form. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- b. In the event that Business Associate determines that returning or destroying Protected Health Information is infeasible, Business Associate shall provide to County notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is infeasible, Business Associate shall extend the protections of the Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

MISCELLANEOUS

- a. **Regulatory References.** A reference in this Schedule to a section in the HIPAA Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- b. **Amendment.** The Parties agree to take such action as is necessary to amend this Schedule from time to time as is necessary for County to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act, Public Law 104-191.

- c. **Survival.** The respective rights and obligations of Business Associate under this Schedule shall survive the termination of the Agreement.
- d. **Interpretation.** Any ambiguity in this Schedule shall be resolved in favor of a meaning that permits County to comply with the Privacy Rule.
- e. **Reservation of Right to Monitor Activities.** County reserves the right to monitor the security policies and procedures of Business Associate.

Attachment IP – Intellectual Property Rights

1. The County of San Mateo (“County”), shall and does own all titles, rights and interests in all Work Products created by Contractor and its subcontractors (collectively “Vendors”) for the County under this Agreement. Contractor may not sell, transfer, or permit the use of any Work Products without the express written consent of the County.
2. “Work Products” are defined as all materials, tangible or not, created in whatever medium pursuant to this Agreement, including without limitation publications, promotional or educational materials, reports, manuals, specifications, drawings and sketches, computer programs, software and databases, schematics, marks, logos, graphic designs, notes, matters and combinations thereof, and all forms of intellectual property.
3. Contractor shall not dispute or contest, directly or indirectly, the County’s exclusive right and title to the Work Products nor the validity of the intellectual property embodied therein. Contractor hereby assigns, and if later required by the County, shall assign to the County all titles, rights and interests in all Work Products. Contractor shall cooperate and cause subcontractors to cooperate in perfecting County’s titles, rights or interests in any Work Product, including prompt execution of documents as presented by the County.
4. To the extent any of the Work Products may be protected by U.S. Copyright laws, Parties agree that the County commissions Vendors to create the copyrightable Work Products, which are intended to be work-made-for-hire for the sole benefit of the County and the copyright of which is vested in the County.
5. In the event that the title, rights, and/or interests in any Work Products are deemed not to be “work-made-for-hire” or not owned by the County, Contractor hereby assigns and shall require all persons performing work pursuant to this Agreement, including its subcontractors, to assign to the County all titles, rights, interests, and/or copyrights in such Work Product. Should such assignment and/or transfer become necessary or if at any time the County requests cooperation of Contractor to perfect the County’s titles, rights or interests in any Work Product, Contractor agrees to promptly execute and to obtain execution of any documents (including assignments) required to perfect the titles, rights, and interests of the County in the Work Products with no additional charges to the County beyond that identified in this Agreement or subsequent change orders. The County, however, shall pay all filing fees required for the assignment, transfer, recording, and/or application.
6. Contractor agrees that before commencement of any subcontract work it will incorporate this Attachment IP to contractually bind or otherwise oblige its subcontractors and personnel performing work under this Agreement such that the County’s titles, rights, and interests in Work Products are preserved and protected as intended herein.