

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND TELECARE CORPORATION FOR THE TERM OF MAY 1, 2022 THROUGH JUNE 30, 2023**

This Agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County," and Telecare Corporation, 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 operating a behavioral health crisis residential facility.

**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—License for Use of Real Property
- Exhibit D—Contractor's Budget
- Exhibit E—Inventory List of Property
- Attachment C—Election of Third-Party Billing
- Attachment D—Payor Financial Form
- Attachment E—Fingerprinting Certification
- Attachment I—§ 504 Compliance

**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 MILLION FOUR HUNDRED EIGHTY-NINE THOUSAND FIVE HUNDRED SEVENTY-SIX DOLLARS (\$3,489,576). 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 May 1, 2022 through June 30, 2023.

#### **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: Talisha Racy/Clinical Services Manager II  
Address: 2000 Alameda de las Pulgas, Suite 240.  
San Mateo, CA 94403  
Telephone: (650) 573-3615  
Facsimile:  
Email: [TRacy@smcgov.org](mailto:TRacy@smcgov.org)

In the case of Contractor, to:

Name/Title: Dawan Utecht  
Address: 1080 Marina Village Parkway, Suite 100  
Alameda, CA 94501  
Telephone: (510) 337-7950  
Email: [dutecht@telecarecorp.com](mailto:dutecht@telecarecorp.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: \_\_\_\_\_  
President, Board of Supervisors, San Mateo County

Date: \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

TELECARE CORPORATION

  
Dawan Utecht (Apr 25, 2022 17:29 PDT)  
\_\_\_\_\_  
Contractor's Signature

Date: 04/25/22

EXHIBIT A – SERVICES  
TELECARE CORPORATION  
FY 2021 – 2023

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

A. Introduction

Telecare is an employee- and family-owned corporation headquartered in Alameda, California. They currently operate more than 140 programs in California, Arizona, Nebraska, Oregon, and Washington through which we serve approximately 31,700 individuals per year. Our expanding array of programs and services includes inpatient acute and sub-acute facilities; 23-hour crisis stabilization units; crisis and transitional residential programs; and community-based Assertive Community Treatment/Full-Service Partnership case management, care coordination, and prevention and early intervention services. Telecare has more than 50 years of experience providing services for people with severe mental illnesses in a spectrum of facility and community-based settings. Our programs exist to help individuals with severe mental illness thrive in the least restrictive clinically appropriate setting. Telecare’s mission is *to deliver excellent and effective behavioral health services that engage individuals with complex needs in recovering their health, hopes, and dreams.*

Telecare operates 10 Crises Residential Treatment (CRT) programs in Alameda, Contra Costa, Orange, Riverside, San Bernardino, San Joaquin, Santa Barbara, and Santa Clara counties representing 135 beds. In addition, they are partnering with Los Angeles County to open three additional CRT programs this year. Telecare also operates five crisis walk-in/mental health urgent care centers, the oldest of which has been in continuous operation since 2002. Current programs include our Mental Health Urgent Care Center in Long Beach (Los Angeles County), Mental Health Urgent Care Center in Perris (Riverside County), Ridgecrest CSU (Kern County), Merrill Crisis Walk-In Center (San Bernardino County), and Windsor Crisis Walk-In Center (San Bernardino County). Each CRT program is DHCS-certified as a Short-Term Crisis Residential Treatment Facility and Short-Doyle Medi-Cal-certified by their respective County Mental Health Plan. Their CRTs have continuously maintained their DHCS and Medi-Cal certification as well as their Community Care Licensing (CCL) as Social Rehabilitation Facilities. Further, all Telecare CRTs are accredited by CARF International, independent nonprofit accreditation organization dedicated to advancing the quality of health and human services worldwide.

## B. Overview

The San Mateo County Behavioral Health and Recovery Services (BHRS) Serenity House Crisis Residential (SHCR) is an alternative to hospitalization and incarceration for adults experiencing an acute psychiatric episode. These services may also be used for clients who are deteriorating in their current environment, and who would benefit from a respite stay. The respite stay is short-term, designed to stabilize and return clients to their current living situation if appropriate, or an alternative stable environment. SHCR services may also be utilized for clients who are psychiatrically de-stabilized as a result of loss of housing, placement or support system. Telecare shall deliver short term SHCR services twenty-four (24) hours a day, seven (7) days a week for up to thirteen (13) adult clients with psychiatric disabilities eighteen (18) years and over, and who are voluntarily admitted to the program. The SHCR will be staffed twenty-four (24) hours a day, seven (7) days per week, with qualified staff as required by applicable standards and regulations and as agreed upon by the County. The SHCR shall provide a variety of support and stabilization services within a clean and sober environment.

## C. Program Design-General

### 1. Property Acquisition

Telecare, in collaboration with BHRS, shall operate a Respite Center located at 3701 Hacienda Street, San Mateo California that will accommodate up to thirteen (13) clients at a time. This facility will become available to Telecare after all necessary renovations are completed and have passed all building codes and inspections. Telecare will lease the building for ONE DOLLAR (\$1) per month, per year, and will pay utilities, janitorial service and be responsible for basic maintenance. Department of Public Works will invoice Telecare for PG and E and Water. Contractor agrees to the terms and conditions as specified in Exhibit C-License for Use of Real Property, attached hereto and incorporated by reference. BHRS will be responsible for capital repairs and improvements. Telecare will be responsible for furnishings, purchase of linens, and administrative overhead. If start up monies are utilized to purchase furnishings, the furnishings will become County property. Upon contract termination, any County owned property will need to be turned over to the County. Please refer to Exhibit E for further details.

## 2. Rehabilitation of Facility

- a. Contractor's Responsibilities: Provide consultant input on the type of renovations that would best suit the services to be delivered at the facility.
- b. County's Responsibilities: Final decision on required repairs and renovations: select, contract and pay for all County approved renovation projects.

## 3. Licensing/Operations/Services

### a. Licensing and Certification

Prior to the opening of the facility, contractor shall obtain and maintain all relevant licenses and certifications necessary to operate a crisis residential facility from the California Department of Social Services, Community Care Licensing Division.

Contractor is responsible to comply with all documentation standards and requirements as set forth by the California Department of Social Services, Community Care Licensing Division.

Contractor will meet and maintain all requirements for Medi-Cal certification and comply with all pertinent documentation required for Medi-Cal, Medicare, and any other federal or state regulation applicable to reimbursement.

### b. Hours of Operation

SHCR will be staffed twenty-four (24) hours a day, seven (7) days per week, with qualified staff as required by applicable standards and regulations and as agreed upon by the County. Additionally, there will be overnight clinical coverage. The overnight therapist's clinical duties include: conduct intake mental health assessments; determine appropriateness of clients coming to Serenity House, complete phone referral forms, schedule intake, complete intake paperwork, support clients and para-professional staff through the night, conduct therapy as needed with clients, address any clinical crisis during their shift, support clients in going to higher level of care if needed, transport client when safe, otherwise write a 5150 and seek transportation from first responders.

c. Staffing

The staff shall have demonstrated knowledge about the ethnic and cultural diversity of the clients served. Additionally, staff will include a mix of consumers, family members of consumers, licensed clinical staff, non-licensed staff, nurses, psychiatric coverage students, interns of various kinds. Contractor shall provide a staffing pattern that includes appropriate clinical and administrative staff as described in contractors' proposal.

d. Admission/Discharge

1. Referrals will come from a variety of sources including: Self-referral, or by family members, the Family Assertive Support Team, Psychiatric Emergency Services, Law enforcement, BHRS, and contract providers.
2. Discharge will be based on specific behavioral/psychiatric criteria in collaboration with the referral source, and/or affiliated program/services.

D. Program Services

Contractor will incorporate a full array of evidence-based and promising practices for adults experiencing mental health crisis.

**Brief Solution-Focused Therapy** builds on the individual's own strengths, resources, and supports to solve the crisis and prevent it from recurring. Using this framework, staff will work with the individual to fully understand the circumstances of the crisis, support the individual in arriving at their own solutions to the current crisis and related problems, and affirm the strengths, relationships and coping mechanisms that individuals may already have in place. Consistent with the federal Substance Abuse and Mental Health Services Administration's (SAMHSA) Practice Guidelines: Core Elements for Responding to Mental Health Crises.

**Peer Professional Support**

Robust peer support will be offered seven days a week and will connect clients "with a supportive circle of people who have shared experiences—an option that may have particular relevance given feelings of isolation and fear that may accompany a mental health crisis."

**Wellness Recovery Action Planning (WRAP)**

Peer professional staff will work with clients on crisis planning and prevention using elements of Wellness Recovery Action Planning (WRAP). Recognized by SAMHSA as an evidence-based practice, WRAP offers self-help techniques for monitoring and responding to symptoms so that they can achieve the highest possible levels of wellness, stability, and quality of life. In peer staff-facilitated WRAP groups, clients will develop a self-designed plan for staying well, including a personalized crisis plan.

### **Trauma Informed Care**

Staff will be sensitive and responsive to the vulnerabilities of trauma survivors and deliver trauma-informed care to avoid inadvertent re-traumatization while empowering clients to collaborate on these services. Consistent with our trauma-informed approach, we will incorporate Seeking Safety groups geared to the needs of individuals with histories of PTSD and substance use disorders. These groups focus on psychoeducation (understanding the connection between substance use and trauma) and skills. Describe the services here:

**Motivational Interviewing**, which is a SAMHSA-recognized evidence-based practice will be utilized to promote positive behavioral change. Motivational Interviewing uses an open and neutral style of inquiry and active/reflective listening to explore the discrepancy between current behaviors and desired outcomes.

**Cognitive Behavioral Therapy (CBT)** will also be employed to address observed mistakes in thinking (thought disturbance, delusions, and hallucinations). The client will be coached in how to become aware of one's thoughts or beliefs (catching the thought), test the accuracy of a thought or belief (checking the thought), and think about something in a more helpful manner (changing the thought).

### **Dialectical Behavioral Therapy (DBT)**

Techniques from Dialectical Behavioral Therapy (DBT) will also be employed to address observed emotional dysregulation and pervasive patterns of destructive interpersonal interaction. Clinical staff will help clients use thoughts and feelings in combination to apply a "wise-minded" approach to deciding how to behave in different scenarios. DBT will be provided in group settings to support with building coping skills for individuals during their short stays.

### **Recovery-Centered Clinical System**

Telecare's signature Recovery-Centered Clinical System (RCCS), which is based on the premise that every person can recover from mental illness, is woven into every aspect of our programs. In contrast to more traditional CRT providers that focus primarily on symptom control and behavior management, we integrate our recovery philosophy into every aspect of our

CRT services—from assessments and interventions, to the physical environment, the selection of staff, and the program culture. This approach has proven highly effective in engaging clients who may enter the program with a diminished sense of hope—motivating them to participate in program services, follow through with their ongoing care once they are discharged, and ultimately move toward greater self-determination.

### **Serving Individuals with Alcohol and Drug Problems**

Clients will be admitted with substance use issues that factored into their mental health crisis. Program staff will have substance use training and expertise to provide specialized services and interventions related to co-occurring substance use issues. This includes Telecare’s Motivational Interviewing (MI) and Screening, Brief Intervention, Referral to Treatment (SBIRT) protocol and Co-Occurring Education Group (COEG). MI-SBIRT includes scripted tools staff can use with clients to better understand the type and severity of substance use issues present, provide education, and enhance motivation to change substance use patterns. As a complement to MI-SBIRT, we will also offer COEG, a manualized, psychoeducational approach developed by Telecare that incorporates materials from our RCCS framework and SAMHSA. COEG fits well within the CRT setting by targeting individuals in the Pre-Contemplative to Contemplative Stages of Change.

### **Serving Individuals with Co-Occurring Physical Health Disorders**

Telecare has extensive experience working with clients who have critical health conditions such as diabetes, asthma, COPD, high blood pressure, etc. All Contractor’s direct service staff and program clinical leadership will receive Whole Person Care training to ensure that all direct care staff are prepared to promote conversations about overall health and wellness.

The Brief Negotiated Interview (BNI) intervention will be used to help clients address chronic health conditions and improve their overall health and wellness. Originally developed for medical settings, BNI uses MI techniques to enhance motivation for a variety of positive behavior changes in a brief period of time, making it especially relevant for our short stay CRT setting. Using scripted tools, our staff will use BNI to explore behavior change with clients in a respectful, non-judgmental way, eliciting reasons for change and action steps from the client. Telecare’s Clinical Training Department has developed a number of BNI trainings addressing such physical health issues as diabetes, high cholesterol, and weight management which we can leverage at our CRT.

### **Working with Families of those Served**

With the client’s consent and agreement, Serenity House staff will engage family, family of choice, other supports, and external providers to gain insight into issues important to the client and to collaborate on how service

delivery can best integrate the needs and interests of the family. As part of intake and unless clinically contraindicated, staff will ask the client to sign a release that will allow staff to include family members in the service planning process. This will ensure that planning for the client's discharge and ongoing recovery takes into account the full resources and strengths of the family, helps family members to identify early warning signs of illness, and includes family members in proactively planning for potential crises. It can also help the client build social and communication skills that improve family relationships and develop family members as critical natural supports. Family members will be provided assistance with coping skills, education around mental illness and the system of care, and connections to grassroots family support and advocacy groups such as NAMI and local community-based providers. Connections to such resources at the time of admission will enable family members to learn how to work in partnership with the client's recovery process during their time at the CRT and after discharge.

### **Meals and Nutrition**

On-site program staff will order the food (for example from Costco) and oversee the provision of meals and snacks, typically led by the Residential Counselor. Breakfast and lunch will consist of items appropriate for assembly/preparation by clients (e.g. cereal, oatmeal, sandwiches), and dinner preparation will be a group activity coordinated by staff with the full involvement and participation of clients. This not only provides sustenance and gives the opportunity to build skills related to food preparation, but it serves to foster a sense of community within the program. Meal times, in particular dinner, will be used to support socialization skills and build rapport between the clients. Both the opportunity to participate in meal preparation and the high quality of the food are frequently cited in positive feedback that clients provide about their experience at our crisis residential programs.

Information about clients' dietary restrictions and preferences will be taken upon intake to SCHR. Staff will ensure that the available food meets any special dietary needs including ensuring that vegetarian and vegan options are available. Food that reflects cultural preferences will be made available. The intake of fruits and vegetables will be encouraged and fruit readily available as a healthy snack option throughout the day. Supplies of non-perishable foods will be maintained on site. In-service trainings will be conducted for staff regarding nutrition and healthy eating in order to further enhance the health benefits of the food service provided.

### **Transportation Post-Discharge**

The program will ensure that each client completing treatment is discharged safely with a warm handoff to their next destination. We anticipate that this will often include providing transport or escort to step-down resources like substance use disorder treatment, ongoing mental health services, and other community services.

### **Hiring, Staffing, and Use of Peer Professionals**

Contractor's Start-Up Team will work closely with their corporate Human Resources Department to conduct recruitment, interviewing, and staff onboarding for all new programs. Upon contract award, Contractor will finalize all job announcements for the program and post positions promptly. An assigned Talent Acquisition Specialist will craft a recruitment strategy document that takes into account the unique staffing needs of the program and local recruitment conditions.

Staff hired will have experience working with persons that have a mental illness, substance use issues, and trauma histories. In addition, staff will reflect the diverse cultural, ethnic and linguistic needs of this population.

### **Collaborating with San Mateo County Psychiatric Emergency Services**

To ensure smooth delivery of services Serenity House program staff will work closely with San Mateo Psychiatric Emergency Services (PES). PES will serve as a resource to divert clients who might otherwise be headed to an acute stay in the hospital. The program location on the hospital campus provides a unique opportunity for a very close working relationship. In addition, Serenity House program staff will develop collaborative relationships with other departments within the health system (i.e. Aging and Adult Services, Bridges to Wellness, Psychiatric Emergency Response Team), and community (i.e. FAST, mobile support, NAMI).

Key components of the Serenity House crisis residential program will include the following:

1. Quick response to the challenges posed by a client's crisis state.
2. Emphasis on building rapport and trust with the individual in crisis.
3. Ability to quickly assess or screen individuals using a mental status exam format to assess an individual's mental health status and his/her lethality and medical condition.
4. Process to arrange transportation to an appropriate medical facility (e.g. psychiatric hospital) for client when condition is determined to be too severe to be safely treated at respite center.
5. Contractor shall provide the following program services to include, but not be limited to the following:
  - a. Screening of appropriate referral before entering the program.

- b. Crisis intervention and assessment shall be conducted on Day 1 upon admission and include the following:
  - i. Intake and assessment;
  - ii. Documentation of symptoms and behaviors;
  - iii. Mental status exam;
  - iv. Review clinical history;
  - v. Appropriate clearances;
  - vi. Documentation and releases;
  - vii. Identify family and social support system and as applicable participation release;
  - viii. Develop service plan with client; and
  - ix. Identify appropriate interventions.
  
- c. Services designed to stabilize clients/reduce symptoms on a daily basis as needed by each client, including the following:
  - i. Individual/group counseling;
  - ii. Discharge planning;
  - iii. Medication Adherence Therapy;
  - iv. Behavioral Analysis;
  - v. Coping with stress and triggers;
  - vi. Cognitive behavioral therapy;
  - vii. Dialectical behavior therapy;
  - viii. Seeking Safety;
  - ix. Motivational Interviewing; and
  - x. Strength-based case management.
  
- d. Medication services shall be provided daily and include the following:
  - i. Psychiatric MD/psychiatric Nurse Practitioner consultation/management services;
  - ii. Monitor and assist with client self-medication;
  - iii. Coordinate changes in medication orders; and
  - iv. Train staff in medication management, administration, and adherence therapy; and
  - v. Medication review.
  
- e. Independent living skills shall be provided daily and include:
  - i. Case management linkage as needed; and
  - ii. Financial counseling for benefits.
  
- f. Housing and linkage referral support shall be provided daily and include:
  - i. Case management; and  
Assist in acquiring or maintaining stable community living and housing referrals; transportation to support linkage to community resources/supports.

- g. Consumer and family participation shall include but not be limited to the following:
  - i. Hire peer professional staff with “lived experience” to help engage clients and foster a welcoming environment.
  - ii. Peer professional staff will serve as champions of recovery and role models.
  - iii. Peer professional staff will provide support, and psychoeducation for family/significant others to support client’s stability.
  - iv. Peer professional staff will co facilitate support groups for clients and/or family members and connect clients to community resources.

h. Length of Stay

The length of stay may vary but will range from one (1) day to a ten (10) day maximum. Longer stays must be approved by the BHRS Facilities Utilization Management Team (FUM). Stays over 14 days will require approval from the BHRS FUM Manager.

E. Admission/Assessment

Admission

For clients that meet the criteria for crisis residential stabilization services, Contractor will begin the full admission and assessment process. Contractor will coordinate with BHRS and other providers from the time of admission to ensure an effective service delivery is provided at the respite center.

Assessment Process

Clients will receive the level of care that is determined through an assessment of resource intensity necessary for meeting the client’s needs. The assessment will include a review of the following:

- a. capacity of the facility,
- b. clinical services,
- c. support services, and
- d. crisis stabilization services.

Interview Phase

During the assessment process, the client will be interviewed, collateral information collected, and previous mental health and substance use history and treatment reviewed. If a family or significant support persons are available, collateral information will be obtained with the client's consent. If client's information is in Avatar, Contractor will review clinical and diagnostic information, including diagnosis, risks, treatment history, medication history and adherence, psychiatric evaluation. If the client is conserved the Contractor will make every effort to get consent from the conservator prior to client's admission.

All admissions to SHCR will require a residential authorization by BHRS Facilities Utilization Management Team (FUM). Contractor agrees to send all authorizations to FUM within 24 hours for approval. If the contractor denies any medical beneficiary services, they will provide a written explanation to FUM, and send a NOA to the client.

#### Biopsychosocial Phase

A licensed or license eligible clinician will conduct a thorough biopsychosocial assessment, which will include, the following:

- a. client's environmental supports and stressors,
- b. medical needs and medications,
- c. current use of drugs and alcohol and
- d. internal and external coping methods and resources

#### Motivational Interviewing Phase

A clinician skilled in Motivational interviewing will work with the client to conduct a behavior analysis that unfolds the client's story with a focus on the present issue(s). A core strategy Dialectical Behavior Therapy will identify the exact chain of internal or external events that led to the crisis. Events can include actions, body sensations, cognitions (thoughts, assumptions, beliefs) environmental events (external to the client or other people) and feelings. The clinician will work with the staff to identify problem behavior, precipitating event (s), vulnerability factors, what led to the behavior, consequences, solutions, prevention strategy, and repair strategy. The goal is to help the client identify coping skills that can help minimize similar behavior or crisis in the future. The behavior analysis will lay the foundation for the client's overall treatment plan.

#### Psychiatric Evaluation

The psychiatric evaluation will be conducted within 24 hours after the conclusion of the assessment process. The psychiatric evaluation will be

performed by a licensed psychiatrist will be conducted face to face with the client.

When the client has an established relationship with a system of care psychiatrist, the program will coordinate medication issues. If a client is in need of an urgent psychiatric appointment or has no established psychiatric services, the client will be evaluated by the program's psychiatrist. The program psychiatrist will conduct medication follow up activities as needed during the clients' residential stay and refer for ongoing services as needed.

#### Exit/Discharge Planning

Clinicians will work with the client to identify his/her resources including family/significant others and systems of care that the client can draw on following discharge. Clinicians will continuously reassess the client and document his/her mental health status in progress notes. Psychiatrists will provide additional evaluations as needed. Clinicians will work closely with each client's existing treatment team and psychiatrist to ensure clients receive assistance with keeping regular appointments.

Discharge planning will begin promptly, and include identifying and reconnecting the client to needed services such as housing, food, primary care, recovery resources, psychiatric services, etc. Discharge planning will be provided daily and include the following:

- a. Creation of an aftercare plan,
- b. Linkage to follow-up services,
- c. Facilitate communication and engagement with community agencies,
- d. Make arrangements for next phase of treatment, referrals and appointments for ongoing care and
- e. Follow-up with client following discharge from SHCR

## **F. Description of Services:**

### **1. Case Management**

Contractor will provide strength-based case management services. Contractor will provide each client with an assigned Clinician or Case Manager. The Clinician or Case Manager will involve the client in developing a treatment plan with an emphasis on the crisis intervention services necessary to stabilize and restore the client to a level of functioning that requires a less restrictive level of care. The treatment

plan will be based on individual needs and goals. Goals for each identified issue will be tailored to the client's readiness to address that issue. The client will be involved in their plan of care from identifying goals and objectives to selecting from available respite center services. The clinical assessment will help identify each client's motivation and assess any skills that need further development.

## 2. Treatment Environment

The treatment environment will offer an individual with co-occurring disorders a place where they can be physically safe and removed from the environments that have contributed to the crisis. The client can detoxify from alcohol and drugs and gain insight and skills to change addictive patterns of thinking and behavior. After receiving assurance that survival needs will be met, they will be invited to become an active participant of a healing community. The level of activity will vary initially for newly admitted clients. Daily living tasks will include, but are not limited to making the bed, helping with chores and meal preparation and have therapeutic value in providing structure to the day and skills for future self-management. There will be daily opportunities for "teachable moments" where they will get the chance to practice new skills, develop supportive relationships, resolve conflicts with others in pro-social ways, and reduce the sense of alienation often felt from others.

## 3. Crisis Intervention and Stabilization Services

The Serenity House crisis residential program will employ a flexible social rehabilitation model that shall provide an array of intervention services to meet the needs of each client, in a time of crisis. The respite center will "emphasize the mastery of daily living skills and social development using a strength-based approach that supports recovery and wellness in a homelike environment. It will provide a continuum of care with links to community resource centers and supports that ease the transition into independent living. Treatment plans and available interventions will be tailored to meet clients' therapeutic and immediate needs. The level of programming will be tailored to the client's level of functioning.

A clinician will work with each client to develop an individualized Coping With Stress and Triggers plan that will help the client understand key concepts of recovery (hope, personal responsibility, education, self-advocacy, and support) that are responsive to the needs of his/her daily life. Each client's plan will include a list of wellness tools that he/she can employ to cope with stress or other mental health difficulties. Once a client stabilizes at the crisis residential, Contractor shall encourage him/her to also develop a crisis plan with directives for family/significant

others when he/she can no longer take appropriate actions on his/her own behalf. The plan will also help with post residential transition and maintenance of recovery and wellness. Participation in groups will be part of most clients' treatment plan. Groups will be co-facilitated by trained clinicians and peer counselors. The curriculum will be adapted to meet each client's short-term respite stay and his/her most pressing needs.

### Medication Adherence Therapy

Clients in need of acute psychiatric crisis residential care will be individuals who have discontinued their psychotropic medication regimen, at which time Contractor will employ Adherence Therapy, an evidence-based approach to medication adherence. Key elements of adherence therapy include:

- a. A structured assessment
- b. Dealing with resistance
- c. Exchanging information
- d. The five key skills of: problem solving, looking back, exploring ambivalence, talking about beliefs about medication, and looking forward.

Adherence therapy is a collaborative, structured, and practical approach and is based on motivational interviewing, cognitive behavioral therapy, and compliance therapy. Contractor will work closely with each client's existing health care practitioners and psychiatrists to document the client's resistance, including side effects, and provide psychiatric evaluations that review the current medication regimen and mental health diagnosis. As necessary, Contractor's psychiatrist will provide prescriptions for psychotropic medication or consult with other providers who may already be prescribing medications for the client. These services will work to achieve continuity of care with clients' existing medical providers. The clinician will closely monitor client behavior and document in progress notes observed changes potentially linked to medication.

Contractor will offer psychoeducation groups on medication adherence. Topics will include, but not be limited to:

- a. how to raise questions and concerns with a physician; and
- b. how to manage a medication regimen.

Contractor will also facilitate psychoeducation groups for family members/significant others about how to support their loved one's medication adherence.

Contractor will establish medication procedures that will include medication storage, administration, disbursement, and destruction in accordance with County policy and Community Care Licensing regulations. A licensed psychiatrist or nurse practitioner will administer injectables to clients who need them. The psychiatrist or nurse practitioner will train and consult with all clinical staff on medication policies and procedures.

#### 5. Group Therapy

All clients in the program have the opportunity for at least one (1) group therapy session per day. Sessions will cover skills, such as: mindfulness, distress tolerance, emotional regulation, coping with triggers and interpersonal effectiveness. Contractor will also deliver evidence-based models such as *Seeking Safety*, helping people attain safety from traumatic experiences and understand and cope with triggers. Other groups will include substance abuse psychoeducation and treatment (e.g., relapse prevention), symptoms management, expressive arts therapy, and pro-social activities (e.g., yoga, walks, etc.).

#### 6. Individual Therapy

At minimum, a client will receive one-on-one therapy from an assigned clinician. Therapy goals will focus on symptom management, managing urges to use alcohol and drugs, increase coping skills, utilizing social support, and achieve medication adherence. Motivational Interviewing as a clinical approach, to match counseling strategies to an individual's stage of change, will be critical to achieving goals in a brief treatment episode.

#### 7. Transportation

Contractor will make available one (1) van to transport clients to appointments and link them to community services that will support their stabilization following discharge from the SHCR.

### F. County Owned Property

Prior to the opening of the Behavioral Health Crisis Residential, County and Contractor conducted a facility walk-through. At that time an itemized list of County's personal property was identified and included by reference in Schedule E. Contractor may use County's personal property itemized in Schedule E to the Agreement in connection with providing services under the Agreement. Contractor shall be responsible for the maintenance, repair, and replacement of said personal property. Upon termination or expiration

of this License, Contractor shall return to County said personal property in good condition, reasonable wear and tear excepted.

G. Health Order Compliance

1. Health Order Compliance Requirements

Contractor shall comply with all current health orders issued by the State Department of Health and the County Health Officer until such orders are lifted or deemed no longer necessary for health reasons by the State Department of Health and/or the San Mateo County Health Officer. Current health orders can be found at: <https://covid19.ca.gov/> and at <https://covid19.ca.gov/safer-economy/> for statewide information and at: <https://www.smchealth.org/health-officer-updates/orders-health-officer-quarantine-isolation> for County information.

At a minimum, Contractor will ensure the following:

- a. All clients, staff and volunteers are required to wear face coverings, exceptions can be made for the children served as allowed under state and County health guidelines.
- b. Contractor will create and implement protocols for personal protective equipment (PPE) use, handwashing, isolation for clients who test positive for COVID-19, and visitor protocols (if allowed under the current health order and in compliance with health order requirements (mass testing, which can be met by participating in the BHRS Surveillance Program).
- c. The requirements and protocols mentioned in items a and b above, as well as all the identified strategies related to the pandemic, should be organized into a basic COVID-19 Plan. The plan should identify what impacts and hazards the pandemic poses for your organization, your response to mitigate these impacts and hazards, thresholds that balance workforce location between telework to in office to face to face services for clients, for example. This simple, living document, should reflect what is important to your organization and how you will manage during the pandemic,

2. Service Delivery During Health Order Restrictions

Contractor will create and implement alternate options for service delivery; such as using the telephone and/or online sessions via a virtual platform (such as Zoom, Teams, etc.), in the event that services cannot be performed face-to-face. The virtual platform selected by the

Contractor must have security protocols that ensure health information and the identity of clients is protected.

In the event that the Contractor cannot transition from face-to-face services to a virtual format, or other contracted work cannot be performed, Contractor will notify the BHRS Program Manager to develop alternatives to providing deliverables and/or cancelation of services if a solution cannot be reached. In the event that services are canceled or cannot be performed, funding shall be reduced commiserate with the reduction of services.

## II. ADMINISTRATIVE REQUIREMENTS

### A. Disaster and Emergency Response Plans

CONTRACTOR will develop and maintain a Disaster and Emergency Response Plan (“Emergency Plan”) that includes all of the elements set forth in this Section, as well as any additional elements reasonably requested by the County. The Emergency Plan will also include site-Specific emergency response plan(s) for each of the sites at which CONTRACTOR provides services pursuant to this Agreement (“Site Plans”). The Emergency Plan and associated Site Plans will address CONTRACTOR preparations to effectively respond in the immediate aftermath of a national, state or local disaster or emergency (“Emergency Response”) and plans for the ongoing continuation of Services under the Agreement during and after a disaster or emergency (“Continuity of Operations”).

CONTRACTOR shall submit the Emergency Plan to the County within ninety (90) days after the beginning of the Term of the Agreement and no later than September 30<sup>th</sup>. The Emergency Plan will follow the template provided in Attachment T: Sample Template for Disaster and Emergency Response Plan as a guide when developing the plan, adding any categories or items as needed for the Contractor’s unique situation. The submitted Emergency Plan will be subject to the reasonable approval of the County. CONTRACTOR shall respond reasonably promptly to any comments or requests for revisions that the County provides to CONTRACTOR regarding the Emergency Plan. CONTRACTOR will update the Emergency Plan and associated Site Plans as circumstances warrant and shall provide County with copies of such updated plans. CONTRACTOR shall train employees on the Emergency Plan and the Emergency Plan will include a description of how employees will be trained.

The Emergency Plan will indicate, in as much detail as reasonably possible, the categories of additional staff, supplies, and services that CONTRACTOR projects would be necessary for effective Emergency Response and Continuity of Operations and the costs that the

CONTRACTOR projects it would incur for such additional staff, supplies and services. CONTRACTOR shall recognize and adhere to the disaster medical health emergency operations structure, including cooperating with, and following direction provided by, the County's Medical Health Operational Area Coordinator (MHOAC). In the event that the CONTRACTOR is required to implement the Emergency Plan during the term of the Agreement, the parties will confer in good faith regarding the additional staff, supplies and services needed to ensure Emergency Response and/or Continuity of Operations owing to the particular nature of the emergency, as well as whether the circumstances warrant additional compensation by the County for additional staff, supplies and services needed for such Emergency Response and/or Continuity of Operations.

CONTRACTOR shall reasonably cooperate with the County in complying with processes and requirements that may be imposed by State and Federal agencies (including, but not limited to the California Governor's Office of Emergency Services and the Federal Emergency Management Agency) in connection with reimbursement for emergency/disaster related expenditures.

In a declared national, state or local disaster or emergency, CONTRACTOR and its employees will be expected to perform services as set forth in the Agreement, including in the area of Emergency Response and Continuity of Operations, as set forth in the Emergency Plan and each Site Plan. CONTRACTOR shall ensure that all of its employees are notified, in writing, that they will be expected to perform services consistent with the Emergency Plan and each Site Plan.

B. Quality Management and Compliance

1. Quality Management Program and Quality Improvement Plan

Contractor must have a Quality Management Program and submit a Quality Improvement Plan to Behavioral Health and Recovery Services (BHRS) Quality Management (QM) annually by June 30. The Quality Improvement Plan should address 1) how the Contractor will comply with all elements of this Agreement, 2) the Contractor will maintain an audit disallowance rate of less than five percent (5%), and 3) first appointment will be within fourteen (14) days of referral or request of service. BHRS QM will provide feedback if the submitted plan is missing critical components related to San Mateo County requirements. Additional feedback may be available if requested prior to the submission date.

2. Referring Individuals to Psychiatrist

Contractor will have written procedures for referring individuals to a psychiatrist or physician when necessary, if a psychiatrist is not available.

3. Medication Support Services

For Contractors that provide or store medications: Contractor will store and dispense medications in compliance with all pertinent state and federal standards. Policies and procedures must be in place for dispensing, administering and storing medications consistent with BHRS Policy 99-03, Medication Room Management and BHRS Policy 04-08 Medication Monitoring located at [www.smchealth.org/bhrs-documents](http://www.smchealth.org/bhrs-documents). In particular:

- a. Medications are logged in, verified, counted and added to inventory sheets.
- b. All medications obtained by prescription are labeled in compliance with federal and state laws. Prescription labels are altered only by persons legally authorized to do so.
- c. Medications intended for external use only are stored separately from medications intended for internal use; food and blood samples are stored in separate refrigerators.
- d. All medications are stored at proper temperatures: room temperature drugs at 59-86 degrees Fahrenheit and refrigerated drugs at 36-46 degrees Fahrenheit.
- e. Medications are stored in a locked area with access limited to those medical personnel authorized to prescribe, dispense or administer medication.
- f. Medications are disposed of after the expiration date and recorded.
- g. Injectable multi-dose vials are dated and initialed when opened.
- h. A medications log is maintained to ensure that expired, contaminated, deteriorated and abandoned medications are disposed in a manner consistent with state and federal laws.
- i. "Stock" medications that are not prescribed by the client's physician may not be used (for example, Tylenol).

4. Timely Access to Services

The Contractor shall ensure compliance with the timely access requirements as referenced in 42 C.F.R. § 438.206(c)(1)(iv).

- a. Contractor shall return phone calls to an authorized client within **one (1) business day**. Contractor shall offer an available initial visit with an authorized client within **five (5) business days of the client's request for an appointment**. The client must be seen within **ten (10) business days** of the request for an appointment.
- b. The County shall monitor Contractor regularly to determine compliance with timely access requirements. (42 C.F.R. § 438.206(c)(1)(v).
- c. The County shall work with the Contractor to improve timely access and/or take corrective action if there is a failure to comply with timely access requirements. (42 C.F.R. § 438.206(c)(1)(vi).

5. Record Retention

Paragraph 14 of the Agreement notwithstanding, Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of ten (10) years, except the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until ten (10) years beyond the person's eighteenth (18th) birthday or b) for a period of ten (10) years beyond the date of discharge, whichever is later. This rule does not supersede professional standards. Contractor may maintain records for a longer period of time if required by other regulations or licenses.

5. Documentation of Services

Contractor shall provide all pertinent documentation required for state and federal reimbursement including but not limited to Consent Forms, assessments, treatment plans, and progress notes. Contractor agencies must submit, via fax to Quality Management at 650-525-1762, their version of these forms for approval before the forms are to be used. Special attention must be paid to documentation requirements for residential treatment facilities. Documentation shall be completed in compliance with the BHRS Policies & Documentation Manuals (as defined in Paragraph II. of this Exhibit). Contractor agencies are required to provide and maintain record of regular documentation training to staff providing

direct services. Proof of trainings including attendance by staff may be requested at any time during the term of this Agreement.

System of Care (SOC) Mental Health Providers shall document in accordance with the BHRS Documentation Manual located online at: <http://www.smchealth.org/sites/default/files/docs/BHRS/BHRSDocManual.pdf>.

SOC contractor will utilize either documentation forms located on <http://smchealth.org/SOCMHContractors> or contractor's own forms that have been pre-approved.

Substance Use provider services shall be in compliance with the Alcohol and Other Drug Services Policy and Procedure Manual which is located online at <http://smchealth.org/bhrs/aod/policy>.

6. Audits

Behavioral Health and Recovery Services QM will conduct regular chart audits of Contractors. Contractor is required to provide either the original or copies of charts, including all documentation upon request. The Department of Health Care Services and other regulatory agencies conduct regular audits of the clinical services provided by BHRS and Contractors requiring submission of charts as requested. Contractor is required to provide all necessary documentation for external audits and reviews within the stated timeline.

7. Client Rights and Satisfaction Surveys

a. Administering Satisfaction Surveys

Contractor agrees to administer/utilize any and all survey instruments as directed by BHRS, including outcomes and satisfaction measurement instruments.

b. Beneficiary/Patient's Rights

Contractor will comply with County policies and procedures relating to beneficiary/patient's rights and responsibilities as referenced in the Agreement.

c. Advance Directives

Contractor will comply with County policies and procedures relating to advance directives.

8. Beneficiary Brochure and Provider Lists

Contractor must provide Medi-Cal beneficiaries new to BHRS with a beneficiary brochure at the time of their first mental health service from the Contractor. Contractors are required to be aware of and make available to BHRS Medi-Cal clients all mandatory postings listed at this website <http://www.smchealth.org/bhrs/providers/mandpost>.

9. Licensing Reports

Contractor shall submit a copy of any licensing complaint or corrective report issued by a licensing agency to BHRS Quality Management, BHRS Deputy Director of Youth Services, BHRS Deputy Director of Adult and Older Adult Services, or the Manager of SU Services or their designee, within ten (10) business days of Contractor's receipt of any such licensing report.

10. Compliance with HIPAA, Confidentiality Laws, and PHI Security

- a. 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.
- b. Contractor will develop and maintain a written 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.
- c. 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.

d. 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 BHRS Confidentiality trainings located at <http://smchealth.org/bhrs/providers/ontrain>.

11. Site Certification

- a. Contractor will comply with all site certification requirements. Contractor shall maintain all applicable certifications through San Mateo County to provide any of the following reimbursable services: Short-Doyle Medi-Cal, MediCal, Medicare, or Drug MediCal.
- b. Contractor is required to inform BHRS Quality Management, in advance, of the following major changes:
  - 1) Major leadership or staffing changes.
  - 2) Major organizational and/or corporate structure changes (example: conversion to non-profit status).
  - 3) Any changes in the types of services being provided at that location; day treatment or medication support services when medications are administered or dispensed from the provider site.
  - 4) Significant changes in the physical plant of the provider site (some physical plant changes could require a new fire or zoning clearance).
  - 5) Change of ownership or location.
  - 6) Complaints regarding the provider.

12. Other Required Training

Contractor will complete and maintain a record of annual required trainings. The following trainings must be completed on an initial and then annual basis:

- a. Confidentiality & HIPAA for BHRS Mental Health and AOD: All New Staff HIPAA
- b. Compliance Training for BHRS New Staff
- c. Fraud, Waste, & Abuse Training for BHRS: All New Staff
- d. Critical Incident Management for BHRS
- e. Cultural Humility
- f. Interpreter training (if using interpreter services)

Trainings may be offered through the County's Learning Management System (LMS) located at: [https://sanmateocounty.csod.com/LMS/catalog/Welcome.aspx?tab\\_page\\_id=-67](https://sanmateocounty.csod.com/LMS/catalog/Welcome.aspx?tab_page_id=-67).

Contractor must register on the LMS site to access the training modules. The link to register for a LMS new account is:

<https://sanmateocounty.csod.com/selfreg/register.aspx?c=bhrscp01>

. Proof of training, such as certificate of completion, may be requested at any time during the term of this Agreement.

13. Site Certification

- a. Contractor will comply with all site certification requirements. Contractor shall maintain all applicable certifications through San Mateo County to provide any of the following reimbursable services: Short-Doyle Medi-Cal, MediCal, Medicare, or Drug MediCal.
- b. Contractor is required to inform BHRS Quality Management, in advance, of the following major changes:
  - 1) Major leadership or staffing changes.
  - 2) Major organizational and/or corporate structure changes (example: conversion to non-profit status).
  - 3) Any changes in the types of services being provided at that location; day treatment or medication support services when medications are administered or dispensed from the provider site.
  - 4) Significant changes in the physical plant of the provider site (some physical plant changes could require a new fire or zoning clearance).
  - 5) Change of ownership or location.

6) Complaints regarding the provider.

14. Critical Incident Reporting

Contractor is required to submit Critical Incident reports to BHRS Quality Management (via fax # 650-525-1762) when there are unusual events, accidents, errors, violence or significant injuries requiring medical treatment for clients, staff or members of the community. (Policy #93-11 and 45 C.F.R. § 164, subpart C, in compliance with 45 C.F.R. § 164.316.)

13. Ineligible Employees

Behavioral Health and Recovery Services (BHRS) requires that contractors comply with Federal requirements as outlined in 42 CFR (438.608) Managed Care Regulations. Contractors must identify the eligibility of employees, interns, or volunteers prior to hiring and on a monthly basis thereafter. Results of the eligibility screenings are to be maintained in the employee files. This process is meant to ensure that any person delivering services to clients of BHRS are not currently excluded, suspended, debarred or have been convicted of a criminal offense as described below. The Contractor must notify BHRS Quality Management (by completing the BHRS Critical Incident Reporting Form, Policy#93-11) should a current employee, intern, or volunteer be identified as ineligible. Contractors are required to screen for ineligible employees, interns, and volunteers by following procedures included in BHRS Policy # 19-08, which can be found online at: <https://www.smchealth.org/bhrs-policies/credentialing-and-re-credentialing-providers-19-08>. BHRS Quality Management must be notified within twenty-four (24) hours of any violations. Contractor must notify BHRS Quality Management if an employee's license is not current or is not in good standing and must submit a plan to correct to address the matter.

a. Credentialing Check – Initial

During the initial contract process, BHRS will send a packet of contract documents that are to be completed by the Contractor and returned to BHRS. Attachment F – Agency/Group Credentialing Information will be included in the contract packet. Contractor must complete Attachment F and return it along with all other contract forms.

b. Credentialing Check – Monthly

Contractor will complete Attachment F – Agency/Group Credentialing Information each month and submit the completed form to BHRS Quality Management via email at: [HS\\_BHRS\\_QM@smcgov.org](mailto:HS_BHRS_QM@smcgov.org) or via a secure electronic format.

14. Compliance Plan and Code of Conduct

Contractor will annually read and be knowledgeable of the compliance principles contained in the BHRS Compliance Plan and Code of Conduct located at <http://smchealth.org/bhrs-documents>. In addition, Contractor will assure that Contractor's workforce is aware of compliance mandates and informed of the existence and use of the BHRS Compliance Improvement Hotline (650) 573-2695.

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

15. Fingerprint Compliance

Contractor certifies that its employees, trainees, and/or its subcontractors, assignees, volunteers, and any other persons who provide services under this agreement, who have direct contact with any client will be fingerprinted in order to determine whether they have a criminal history which would compromise the safety of individuals with whom the Contractor's employees, trainees and/or its subcontractors, assignees, or volunteers have contact. Contractor shall have a screening process in place to ensure that employees who have positive fingerprints shall:

- a. Adhere to CCR Title 9 Section 13060 (Code of Conduct) when providing services to individuals with whom they have contact as a part of their employment with the contractor; OR
- b. Obtain an exemption from Community Care Licensing allowing the employee to provide services to individuals with whom they have contact as a part of their employment with the contractor.

A certificate of fingerprinting certification is attached hereto and incorporated by reference herein as Attachment E.

16. Staff Termination

Contractor shall inform BHRS, in a timely fashion, when staff have been terminated. BHRS Quality Management requires prompt notification to be able to terminate computer access and to safeguard access to electronic medical records by completing the BHRS Credentialing form.

17. Minimum Staffing Requirements

Contractor shall have on file job descriptions (including minimum qualifications for employment and duties performed) for all personnel whose salaries, wages, and benefits are reimbursable in whole or in part under this Agreement. Contractor agrees to submit any material changes in such duties or minimum qualifications to County prior to implementing such changes or employing persons who do not meet the minimum qualifications currently on file. Contractor service personnel shall be direct employees, contractors, volunteers, or training status persons.

B. Cultural Competency

Implementations of these guidelines are based on the National Culturally and Linguistically Accessible Services (CLAS) Standards issued by the Department of Health and Human Services. For more information about these standards, please contact the Office of Diversity & Equity (ODE) at 650- 573-2714 or [ode@smcgov.org](mailto:ode@smcgov.org).

1. Contractor will submit an annual cultural competence plan that details on-going and future efforts to address the diverse needs of clients, families and the workforce. This plan will be submitted to the BHRS Analyst/Program Manager and the Office of Diversity & Equity (ODE) by September 30<sup>th</sup> of the fiscal year.

The annual cultural competence plan will include, but is not limited to the following:

- a. Implementation of policies and practices that are related to promoting diversity and cultural competence, such as ongoing organizational assessments on disparities and needs, client's rights to receive language assistance.
- b. Contractor forum for discussing relevant and appropriate cultural competence-related issues (such as a cultural competence committee, grievance, or conflict resolution committee).

- c. Ongoing collection of client cultural demographic information, including race, ethnicity, primary language, gender and sexual orientation in health records to improve service provision and help in planning and implementing CLAS standards.
  - d. Staffing objectives that reflect the cultural and linguistic diversity of the clients. (Contractor will recruit, hire and retain clinical staff members who can provide services in a culturally and linguistically appropriate manner.)
  - e. Contractor will ensure that all program staff receive at least 8 hours of external training per year (i.e. sponsored by BHRS or other agencies) on how to provide culturally and linguistically appropriate services including the CLAS and use of interpreters.
2. Contractor will actively participate in at least one cultural competence effort within BHRS and/or to send a representative to attend a Health Equity Initiative (HEI), including but not limited to the Diversity & Equity Council (DEC), for the term of the Agreement. Participation in an HEI/DEC allows for the dissemination of CLAS as well as ongoing collaborations with diverse stakeholders. Contractor shall submit to BHRS Office of Diversity and Equity (ODE) by March 31st, a list of staff who have participated in these efforts. For more information about the HEI/DEC, and other cultural competence efforts within BHRS, contact ODE or visit <https://www.smchealth.org/health-equity-initiatives>.
3. Contractor will establish the appropriate infrastructure to provide services in County identified threshold languages. Currently the threshold languages are: Spanish, Tagalog and Chinese (Mandarin and Cantonese). If Contractor is unable to provide services in those languages, Contractor is expected to contact Access Call Center or their BHRS Analyst/Program Manager for consultation. If additional language resources are needed, please contact ODE.
4. Contractor will translate relevant and appropriate behavioral health-related materials (such as forms, signage, etc.) in County identified threshold languages in a culturally and linguistically appropriate manner. BHRS strongly encourages its contractors to use BHRS-sponsored forms in an effort to create uniformity within the system of care. Contractor shall submit to ODE by March 31st, copies of Contractor's health-related materials in English and as translated.
5. Should Contractor be unable to comply with the cultural competence requirements, Contractor will meet with the BHRS Analyst/Program

Manager and ODE ([ode@smcgov.org](mailto:ode@smcgov.org)) to plan for appropriate technical assistance.

C. Availability and Accessibility of Service

Contractor shall offer hours of operation that are no less than the hours of operation offered to commercial enrollees, if the Contractor also serves enrollees of a commercial plan, or that are comparable to the hours the Contractor makes available for Medi-Cal services that are not covered by the County or another Mental Health Plan, if the Contractor serves only Medi-Cal clients.

D. Surety Bond

Contractor shall retain and show proof of a bond issued by a surety company in accordance with Community Care Licensing's regulations for a licensee who may be entrusted with care and/or control of client's cash resources.

III. GOALS AND OBJECTIVES

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

Goal 1: Provide a safe and supportive living environment for clients with severe mental illness and co-occurring substance use issues, and ensure programming is reflective of the clients' cultural needs (i.e. linguistic, racial, ethnic, religious, and sexual orientation).

Objective 1: 100% of Assessments, treatment plans will be individualized to address client's specific cultural needs.

Goal 2: Successfully initiate and engage clients in community services upon discharge from behavioral health crisis residential services.

Objective 1: At least ninety percent (90%) of clients will be referred/linked/re-established to services in the community following discharge.

Goal 3: Engage clients who demonstrate behavioral changes for which there may be an underlying illness.

Objective 1: At least ninety percent (90%) of clients will not be discharged to a higher level of care while in the program as measured by tracking sheet submitted monthly to BHRS.

- Objective 2: At least eighty percent (80%) of clients will develop a wellness tool kit as part of their recovery stay at SHCR.
- Goal 4: Contractor will promote the SHCR program
- Objective 1: Contractor will provide presentations about SHCR services within the health system and the community at least 4 times per month within the first 3 months of opening, and thereafter at least 3 presentations per quarter for the term of the contract.
- Goal 5: Build and maintain collaborative relationships within San Mateo health system and community.
- Objective 1: Meet with the designated BHRS contract monitor at least monthly and meet weekly to bi-weekly with Facilities Utilization Management team.
- Objective 2: Contractor will attend the San Mateo Medical Center PES discharge huddle to discuss prospective referrals, and other meetings as identified by the BHRS contract monitor for the purpose of improving the delivery of services.
- Objective 3: Participate in discharge planning meetings and case conferences to support clients stabilization and connection to community resources.

EXHIBIT B – PAYMENTS AND RATES  
TELECARE CORPORATION  
FY 2021 – 2023

In consideration of the services provided by Contractor in Exhibit A, 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 THREE MILLION FOUR HUNDRED EIGHTY-NINE THOUSAND FIVE HUNDRED SEVENTY-SIX DOLLARS (\$3,489,576).

B. Serenity House Respite Center

1. Start-Up Costs

The maximum amount that County shall be obligated to pay for start-up costs rendered under this agreement shall not exceed FOUR HUNDRED FIFTEEN THOUSAND EIGHT HUNDRED SEVENTY DOLLARS (\$415,870).

a. Contractor shall submit monthly invoices for reimbursement of start-up costs in arrears. Invoices shall include an itemized list of expenses and are subject to approval by the BHRS Manager.

2. Services

Contractor shall be paid a maximum amount of THREE MILLION SEVENTY-THREE THOUSAND SEVEN HUNDRED SIX DOLLARS

(\$3,073,706) for Serenity House Respite Center services as described in Exhibit A, Section I. of this agreement.

a. FY 2021-2022

For May 2022, Contractor shall be paid for the maximum amount of ONE HUNDRED SEVEN THOUSAND EIGHT HUNDRED ELEVEN DOLLARS (\$107,811)

For June 2022 Contractor shall be paid for the maximum amount of TWO HUNDRED FOURTEEN THOUSAND THREE HUNDRED DOLLARS (\$214,300)

b. FY 2022-2023

From July 1, 2022 through June 2023, Contractor shall be paid one-twelfth (1/12<sup>th</sup>) the maximum amount per month or TWO HUNDRED TWENTY-NINE THOUSAND THREE HUNDRED DOLLARS (\$229,300), not to exceed TWO MILLION SEVEN HUNDRED FIFTY-ONE THOUSAND FIVE HUNDRED NINETY-FIVE DOLLARS (\$2,751,595).

c. Contractor shall be reimbursed for the actual costs expended by Contractor for services delivered, up to the Net Contract Amount, unless otherwise limited by other provisions in this Exhibit B. There will be no reimbursement for any costs that are disallowed or denied by the County audit process or through the California DHCS audit process.

Contractor payments shall be reconciled to actual costs for each fiscal year. If fiscal year payments exceed fiscal year actual costs, Contractor shall reimburse the payment amount in excess of actual costs to the County with the submission of the annual cost report.

d. Contractor's annual FY 2021-2022 budget is attached and incorporated into this Agreement as Exhibit C.

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 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, 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.
- 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. Contractor shall submit to County a year-end cost report for Medi-Cal funded services no later than ninety (90) days after the end of each applicable fiscal year (June 30). 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.

**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:

County of San Mateo  
Behavioral Health and Recovery Services  
Contract 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. 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 Quality Improvement Manager of San Mateo County BHRS.

- p. 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.

- q. 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.

- 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 R of this Exhibit B. 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 R of this Exhibit B. 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. Cost Report/Unspent Funds – for contracts that include Third party billing and for those contracts where a cost report is required

1. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the end of the fiscal year. Cost reports shall include accounting for all services provided through the Agreement for each applicable period, and separate accountings for 1) FSP services, 2) one-time expenditures, and 3) flexible funds, as applicable. Cost reports 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.

As applicable, Contractor shall also submit to County a year-end Single Audit report with the Cost Report.

2. 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 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 "unspent funds" may be retained by Contractor and expended the following year, provided that these funds are expended for SUD services approved by County and are retained in accordance with the following procedures.

- a. 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. With the summary calculation Contractor shall return the amount of the savings.
- b. 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 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.
- c. 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.
- d. 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.

- e. 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.

u. 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 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 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 V.A. of Exhibit A 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.

\*\*\* END OF EXHIBIT B \*\*\*

**EXHIBIT C  
OF THE AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
TELECARE CORPORATION**

**LICENSE FOR USE OF REAL PROPERTY**

**BETWEEN**

**COUNTY OF SAN MATEO**

**AND**

**TELECARE CORPORATION**

**GRANTING A REVOCABLE LICENSE FOR THE USE OF**

**3701 HACIENDA STREET  
SAN MATEO, CALIFORNIA**

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**EXHIBIT C**

**REVOCABLE LICENSE TO ENTER AND USE REAL PROPERTY  
BY AND BETWEEN THE COUNTY OF SAN MATEO AND  
TELECARE**

THIS REVOCABLE LICENSE TO ENTER AND USE REAL PROPERTY (this "License"), dated for reference purposes only as of July 1, 2020, is by and between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Licensor"), and TELECARE, a California non-profit ("Licensee" or "Contractor").

**RECITALS**

This License is made with reference to the following facts:

- a. County and Contractor are parties to that certain agreement for professional services to which this License is attached as Exhibit C, and which is titled *Agreement Between the County of San Mateo and Telecare* and dated for reference purposes only as of May 1, 2022, (the "Agreement"). This License is incorporated as part of the Agreement and sets forth the rights and obligations of the parties in relation to the use of certain real property, which use is necessary for the performance of the Agreement;
- b. Licensee's use and occupancy of the Premises as set forth in Section 5, hereof, shall be on the terms and conditions set forth herein.

**AGREEMENT**

Therefore, for good and valuable consideration as set forth in the Agreement, the receipt and sufficiency of which are hereby acknowledged, the County grants to Licensee and Licensee accepts from the County the revocable rights set forth in this License.

**1. Basic License Information**

The following is a summary of basic license information (the "Basic License Information"). Each item below shall be deemed to incorporate all of the terms in this License pertaining to such item. In the event of any conflict between the information in this Section 1 and any more specific provision of this License, the more specific provision shall control.

|                                      |   |
|--------------------------------------|---|
| License Reference Date:              | May 1, 2022   |
| Licensor:                            | COUNTY OF SAN MATEO   |
| Licensee:<br>Building (Section 2.1): | TELECARE<br>That certain respite center facility located at 3701 Hacienda Street, San Mateo, California, and commonly known as Serenity House Crisis Residential (the "Building")         |
| Premises (Section 2.1):              | All of that certain portion of San Mateo Assessor's Parcel 042-130-040 as more particularly described in the attached Exhibit 1, together with the improvements thereon (the "Premises"). |
| Term (Section 3.1):                  | Commencement date: May 1, 2022  |

|  |  |
|--|--|
| Expiration date:                               | Upon termination of the Agreement or as otherwise set forth herein.  |
| Base Fee (Section 4.1):                        | Consideration for the use of the Premises under this License is included in the terms of the Agreement. Additional Charges and other amounts due from Licensee shall be referred to herein as Fee.         |
| Use (Section 5.1):                             | Licensee shall use the Premises solely for the purpose of providing professional services as set forth in the Agreement, and for no other purpose without the prior expressed written consent of Licensor. |
| Licensee Improvements:<br>(Section 7.1)        | None   |
| Utilities and Services<br>(Section 10.1):      | Provided by the Licensee at its sole cost and expense.   |
| Security                                       | Licensee shall be solely responsible for the security of the Premises. No measure shall be established which in any way interferes with County's security at its surrounding facilities.                   |
| Notice Address of County<br>(Section 27.1):    | Fax No.: (650) 363-4832<br><br>County of San Mateo<br>Real Property Services<br>555 County Center, 4 <sup>th</sup> Floor<br>Redwood City, California 94063   |
| Telephone No.:                                 | (650) 599-1388   |
| Notice Address for Licensee<br>(Section 26.1): | Daniel Beckerman, Contracts Analyst<br>Telecare Corporation<br>1080 Marina Village Parkway, Suite 100<br>Alameda, CA 94501<br>(510) 337-7950   |
| Key Contact for Licensee:                      | Daniel Beckerman   |
| Telephone No.:                                 | (510) 717-2107   |
| Email Address:                                 | ccoltharp@telecarecorp.com   |
| Brokers (Section 26.8):                        | None   |

## **2. PREMISES; AS IS CONDITION**

2.1. License Premises. County confers to Licensee a revocable, personal, unassignable, non-exclusive and non-possessory privilege to enter upon and use the Premises identified in the Basic License Information and shown on Exhibit 1 attached, for the limited purposes provided in Section 5 below and subject to the terms, conditions and restrictions set forth herein. This License gives Licensee a license only, revocable at any time at the will of County, and notwithstanding anything to the contrary herein, this License does not constitute a grant by County to Contractor of any ownership, leasehold, easement or other property interest or estate whatsoever in the Premises, or any portion thereof. The Premises, including the land upon which the Building is located and all other improvements on and appurtenances to such land are referred to collectively as the "Property."

2.2. As Is Condition. LICENSEE ACKNOWLEDGES AND AGREES THAT THE PREMISES ARE BEING LICENSED AND ACCEPTED IN THEIR "AS IS" CONDITION, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND SUBJECT TO ALL APPLICABLE LAWS, RULES AND ORDINANCES GOVERNING THEIR USE, OCCUPANCY AND POSSESSION. LICENSEE REPRESENTS AND WARRANTS TO COUNTY THAT LICENSEE HAS INVESTIGATED AND INSPECTED, EITHER INDEPENDENTLY OR THROUGH AGENTS OF LICENSEE'S OWN CHOOSING, THE CONDITION OF THE PREMISES AND THE SUITABILITY OF THE PREMISES FOR LICENSEE'S INTENDED USE. LICENSEE HAS DETERMINED, BASED SOLELY ON ITS OWN INVESTIGATION, THAT THE PREMISES ARE SUITABLE FOR LICENSEE'S BUSINESS AND INTENDED USE.

## **3. TERM**

3.1 License Term. The privilege granted to Licensee pursuant to this License is temporary only and for a term (the "Term") that shall commence on the Commencement May 1, 2022 , and shall expire upon termination of the Agreement unless earlier terminated under this License. Without limiting any of its rights hereunder, County may at its sole option freely revoke this License at any time, without cause and without any obligation to pay any consideration to Licensee. County shall deliver the Premises to Licensee on the Commencement Date in its then existing "as-is" condition as further provided above, with no alterations being made by County.

3.2 Confirmation of Commencement Date. The dates on which the Term commences and terminates pursuant hereto are referred to respectively as the "Commencement Date" and the "Expiration Date."

## **4. FEE**

4.1 Fee. This License is granted in consideration of the professional services required to be provided by Licensee under the terms of the Agreement. Throughout the Term, beginning on the Commencement Date, Licensee shall pay all financial obligations set forth in this License ("Additional Charges") as such obligations become due. As used in this License, the term "Fee" shall include the Additional Charges and any other amounts Licensee is obligated to pay hereunder, whether or not any such amounts are specifically characterized as a fee.

4.2 Default Interest. Any Fee due to Licensor, if not paid within five (5) days following the due date, shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under the law. However, interest shall not be payable on late charges incurred by Licensee nor on any amounts on which late charges are paid by Licensee to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Licensee.

## **5. USE**

5.1 Permitted Use. Licensee shall use and continuously occupy the Premises during the Term solely for the purposes set forth in the Agreement as necessary to meet its obligations under the Agreement and for no other purpose.

5.2 No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Licensee shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Licensee shall take all precautions to eliminate any nuisances or hazards relating to its activities on or about the Premises. Licensee shall not conduct any business, place any sales display, or advertise in any manner in areas outside the Premises or on or about the Property.

## **6. NOT USED**

## **7. ALTERATIONS**

7.1 Licensee's Alterations. Licensee shall not make or permit any alterations to the Premises, Building, or to the heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical, communications systems in the Building or on the Premises ("Building Systems"), and shall not make or permit any alterations, installations, additions or improvements, structural or otherwise (collectively, "Alterations"), in, on or about the Premises, without County's prior written consent in each and every instance. All Alterations shall be done in accordance with plans and specifications approved by County, only by duly licensed and bonded contractors or mechanics approved by County, and subject to any conditions that County may reasonably impose. Prior to commencing any alterations to the Building or Premises, Licensee shall obtain any and all approvals and permits from all governmental and regulatory agencies having jurisdiction over the Premises.

7.2 Title to Improvements. Except for Licensee's Personal Property (as described in the next section), or as may be specifically provided for by County in writing to the contrary in approved Plans, all appurtenances, fixtures, improvements, equipment, additions, and other property attached or affixed to or installed in the Premises as of the Commencement Date or during the Term, including, without limitation, any Alterations shall, at County's sole discretion, remain County's property or be removed at the termination of this License. Licensee may not remove any such property at any time during or after the Term unless County so requests as further provided in Section 23 [Surrender of Premises], below.

7.3 Licensee's Personal Property. All furniture, trade fixtures, office equipment and articles of movable personal property installed in the Premises by or for the Licensee, at Licensee's sole cost and effort, and that can be removed without structural or other damage to the Premises (collectively, "Licensee's Personal Property") shall be and remain Licensee's property. Licensee may remove its Personal Property at any time during the Term, subject to the provisions of Section 23 [Surrender of Premises], below. Licensee shall pay any taxes or other impositions levied or assessed upon Licensee's Personal Property, at least ten (10) days prior to delinquency, and shall deliver satisfactory evidence of such payment to County upon request.

7.4 County's Personal Property. Licensee may use County's personal property itemized in Schedule H to the Agreement in connection with providing services required by the Agreement. Licensee shall be responsible for the maintenance, repair, and replacement of said personal property. Upon termination or expiration of this License, Licensee shall return to County said personal property in good condition, reasonable wear and tear excepted. Any County personal property that is damaged beyond reasonable wear and tear shall be repaired or replaced in accordance with Section 8.2 herein.

7.5 County's Alterations of the Building and Building Systems. County reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the Building or the Building Systems, provided that any such alterations or additions shall not permanently materially adversely affect the functional utilization of the Premises for the Permitted Use set forth in Section 5 herein.

## **8. REPAIRS AND MAINTENANCE**

8.1 County's Repairs. Except for damage arising from the willful or negligent act of Licensee, or any of Licensee's Agents or Invitees, County shall, at its cost and effort, repair and maintain the structural portions of the Premises, including the Building Systems and the common areas; provided, however, Licensee shall reimburse County for any damage, excluding normal wear and tear, caused by any act or omission of Licensee, its Agents or Invitees. For the purpose of making any such repairs, County may stage structures and supplies in the Premises where reasonably required by the character of the work to be performed, provided that such work shall not block the main entrance to the parking lot or Building nor unreasonably interfere with Licensee's business. Licensee waives any claim for damages for any injury or inconvenience to or interference with Licensee's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned thereby. County will maintain the Building in a manner that will reasonably minimize breakdowns and loss of use of the Premises by Licensee as a result of deferred or inadequate maintenance. The County specifically agrees, during the Term of this License, to provide the following repairs, maintenance and services:

- (a) landscaping;
- (b) carpentry, plumbing, and electrical services;
- (c) maintenance of boilers, radiators, sump pumps, domestic water tanks, hot water tanks, heating and cooling, locks, and all related building systems and equipment;
- (d) maintenance of parking lot and exterior grounds;
- (e) maintenance of storm drains, culverts and sanitary sewers;
- (f) maintenance of fire and smoke detection systems;
- (g) maintenance of window frames and walls (excluding glass and doors), roof, gutters and downspouts;
- (h) painting of interior and exterior portions of the Premises, as such is determined, in the sole discretion of the County, to be necessary, provided that touch-ups and phasing of such work shall be at the sole election of the County.
- (i) Licensee shall report in writing in a timely manner to the Director of Behavioral Health & Recovery Services, with a copy to the Director of Public Works, any need for repair and maintenance services called for herein, and failure to do so will relieve the County of any liability for failure to make such repairs or provide such maintenance services. If repairs are needed, Contractor shall notify the contract monitor. Contract monitor reviews and submits request to the Director of Public Works. Decisions regarding the scheduling of maintenance, repair and replacement as set forth herein shall otherwise be at the sole discretion of the Director of Public Works.

8.2 Licensee's Repairs. Except as provided hereinabove, Licensee shall, at its sole cost and effort, maintain the Premises in good repair and working order and in a clean, secure, safe and sanitary condition. Licensee shall maintain, without limitation, all of County's personal property, signs, plate glass, windows, floors, built-in furniture, fixtures, equipment and furnishings as part of the Premises, and shall at all times maintain Licensee's personal property in the Premises in good condition and repair. Licensee shall promptly make all required repairs and replacements: (a) at its sole expense, (b) through the County per the terms of the Agreement or by licensed contractors or qualified mechanics approved by County, (c) so that the repaired item(s) shall be at least equal in quality, value and utility to the original work or installation, (d) in a manner and using equipment and materials that will not interfere with or impair the operations, use or occupation of the Premises or the Building Systems, and (e) in accordance with all applicable laws, rules and regulations. Licensee hereby waives all rights to make repairs at County's expense under Sections 1941 and 1942 of the California Civil Code or under any similar law, statute or ordinance now or hereafter in effect.

## **9. LIENS AND ENCUMBRANCES**

9.1 Liens. Licensee shall keep the Premises free from any liens arising out of any work performed, material furnished or obligations incurred by or for Licensee. In the event Licensee does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, County shall have, in addition to all other remedies, the right, but not the obligation, to cause the lien to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by County and all expenses incurred by it in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to County by Licensee upon demand. County shall have the right to post on the Premises any notices that County may deem proper for the protection of County, the Premises, and the Building, from mechanics' and materialmen's liens. Licensee shall give to County at least fifteen (15) days' prior written notice of commencement of any repair or construction on the Premises.

9.2 Encumbrances. Licensee shall not create, permit or suffer any liens or encumbrances affecting any portion of the Premises, the Property or County's interest therein or under this License.

## **10. UTILITIES AND SERVICES**

10.1 Utilities and Services. Licensee shall, at its sole cost, make arrangements for service and provide all utilities and services to the Premises including, without limitation, gas, electricity, water, sewer, telephone service, janitorial service, pest control, trash collection, and all connection charges. If the County allows the use of any part of the Building by an occupant other than Licensee, County and Licensee shall agree on an equitable reimbursement to Licensee of the cost of such Utilities and Services. Such reimbursement shall be computed based on the ratio of the floor area of the Building occupied by others as compared to the total floor area of the Building.

10.2 Mandatory or Voluntary Restrictions. In the event any law, ordinance, code or governmental or regulatory guideline imposes mandatory or voluntary controls on County or the Premises or any part thereof, relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions, or the provision of any other utility or service provided with respect to this License, or in the event County is required or elects to make alterations to any part of the Premises in order to comply with such mandatory or voluntary controls or guidelines, such compliance and the making of such alterations shall in no event entitle Licensee to any damages, relieve Licensee of the obligation to pay the Additional Charges reserved hereunder or to perform each of its other covenants hereunder or constitute or be construed as a constructive or other eviction of Licensee.

10.3 Floor Load. Without County's prior written consent, which County may give or refuse in its sole discretion, Licensee shall not place or install in the Premises any equipment that weighs in excess of the normal load-bearing capacity of the floors of the Building. If County consents to the placement or installation of any such machine or equipment in the Premises, County shall reinforce the floor of the Premises, at Licensee's expense, prior to the installation of such machine or equipment.

## **11. COMPLIANCE WITH LAWS AND RISK MANAGEMENT REQUIREMENTS**

11.1 Compliance with Laws. Licensee shall promptly comply, at its sole expense, with all present or future laws, orders, regulations and requirements of all governmental authorities relating to the Premises or the use or occupancy thereof, whether in effect at the time of the execution of this License or adopted at any time thereafter and whether or not within the present contemplation of the parties. Licensee further understands and agrees that it is Licensee's obligation, at its sole cost and effort, to cause the Premises and Licensee's uses thereof to be conducted in compliance with the Americans With Disabilities Act. Licensee is also aware that the County of San Mateo Ordinance Code, Chapter 4.96, prohibits smoking in all County facilities whether owned or leased. Permittee understands that said Ordinance authorizes County to enforce the provisions contained therein and Licensee agrees to enforce the provisions of said ordinance on the Premises.

11.2 Regulatory Approvals.

(a) Responsible Party. Licensee understands and agrees that Licensee's use, alteration, improvement, or repair of the Premises may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Licensee shall be solely responsible for obtaining any and all such regulatory approvals. Licensee shall not seek any regulatory approval without first obtaining the written consent of County. Licensee shall bear all costs associated with applying for and obtaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Licensee's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Licensee, and County shall have no liability, monetary or otherwise, for any such fines or penalties. Licensee shall Indemnify County and the other Indemnified Parties hereunder against all Losses arising in connection with Licensee's failure to obtain or comply with the terms and conditions of any regulatory approval.

(b) County Acting as Owner of Real Property. Licensee further understands and agrees that County is entering into this License in its capacity as a property owner, and not as a regulatory agency. Nothing in this License shall limit in any way Licensee's obligation to obtain any required approvals from County departments, boards or commissions having jurisdiction over the Premises. By entering into this License, County is in no way modifying or limiting Licensee's obligation to cause the Premises to be used and occupied in accordance with all applicable laws, as provided further above.

11.3 Compliance with County's Risk Management Requirements. Licensee shall not do anything, or permit anything to be done, in or about the Premises which would be prohibited by or increase the rates under a standard form fire insurance policy or subject County to potential premises liability. Licensee shall faithfully observe, at its expense, any and all requirements of County's Risk Manager with respect to Licensee's use and occupancy of the Premises, so long as such requirements do not unreasonably interfere with Licensee's use of the Premises.

11.4 Security. Licensee shall be solely responsible for the security of the Premises.

## **12. SUBORDINATION**

This License is and shall be subordinate to any reciprocal easement agreement, ground lease, facilities lease or other underlying leases or licenses and the lien of any mortgage or deed of trust, that may now exist or hereafter be executed affecting the Property, or any part thereof, or County's interest therein. Notwithstanding the foregoing, County or the holder shall have the right to subordinate any such interests to this License. If any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Licensee shall attorn to the successor-in-interest to County, at the option of such successor-in-interest. The provisions of this Article shall be self-operative and no further instrument shall be required. Licensee agrees, however, to execute and deliver, upon demand by County and in the form requested by County, any additional documents evidencing the priority or subordination of this License.

## **13. INABILITY TO PERFORM**

If County is unable to perform or is delayed in performing any of County's obligations under this License, by reason of acts of God, accidents, breakage, repairs, strikes, lockouts, other labor disputes, protests, riots, demonstrations, inability to obtain utilities or materials or by any other reason beyond County's reasonable control, no such inability or delay shall constitute an actual or constructive eviction, in whole or in part, or entitle Licensee to any abatement or diminution of fee or relieve Licensee from any of its obligations under this License, or impose any liability upon County or its Agents by reason of inconvenience, annoyance, interruption, injury or loss to or interference with Licensee's business or use and occupancy or quiet enjoyment of the Premises or any loss or damage occasioned thereby.

## **14. DAMAGE AND DESTRUCTION**

14.1 Damage and Destruction. If the Premises or the Building is damaged by fire or other casualty County shall have no obligation to repair the Premises or Building. County shall use reasonable efforts to promptly notify Licensee whether or not such damage can be repaired. In no event shall County be required to repair or compensate Licensee for any damage to Licensee's Personal Property or any interior or exterior finishes or fixtures such as paneling, decorations, railings, floor coverings, or any Licensee Alterations installed or made on the Premises by or at the expense of Licensee.

14.2 Licensee Waiver. County and Licensee intend that the provisions of this Section govern fully in the event of any damage or destruction and accordingly, County and Licensee each hereby waives the provisions of Section 1932, subdivision 2, and Section 1933, subdivision 4, of the Civil Code of California or under any similar law, statute or ordinance now or hereafter in effect.

## 15. ASSIGNMENT

Restriction on Assignment. Licensee shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Licensee), voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer (collectively, "Assignment") any part of its interest in or rights granted pursuant to this License, or permit any portion of the Premises to be occupied by anyone other than itself, or license any portion of the Premises, without County's prior written consent in each instance, which consent shall be granted or denied at the sole discretion of the County.

## 16. DEFAULT; REMEDIES

16.1 Events of Default. Any of the following shall constitute an event of default by Licensee hereunder:

(a) a failure to pay any Fee when due, and such failure continues for three (3) days after the date of written notice by County.

(b) a failure to comply with any other covenant, condition or representation made under this License and such failure continues for fifteen (15) days after the date of written notice by County, provided that if such default is not capable of cure within such 15-day period, Licensee shall have a reasonable period to complete such cure if Licensee promptly undertakes action to cure such default within such 15-day period and thereafter diligently prosecutes the same to completion within sixty (60) days after the receipt of notice of default from County. County shall not be required to provide such notice more than twice in any twelve (12) month period and after the second notice in any calendar year, any subsequent failure by Licensee during such 12-month period shall constitute an event of default hereunder;

(c) a vacation or abandonment of the Premises for a continuous period in excess of five (5) business days; or

(d) an appointment of a receiver to take possession of all or substantially all of the assets of Licensee, or an assignment by Licensee for the benefit of creditors, or any action taken or suffered by Licensee under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated within sixty (60) days.

16.2 Remedies. Upon the occurrence of an event of default by Licensee, County shall have the right to terminate the License in addition to all other rights and remedies available to County at law or in equity:

16.3 County's Right to Cure Licensee's Defaults. If Licensee defaults in the performance of any of its obligations under this License, then County may, at its sole option, remedy such default for Licensee's account and at Licensee's expense by providing Licensee with three (3) days' prior written or

oral notice of County's intention to cure such default (except that no such prior notice shall be required in the event of an emergency as determined by County). Such action by County shall not be construed as a waiver of such default or any rights or remedies of County, and nothing herein shall imply any duty of County to do any act that Licensee is obligated to perform. Licensee shall pay to County upon demand, as additional fee, all costs, damages, expenses or liabilities incurred by County, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such default. Licensee's obligations under this Section shall survive the termination of this License.

## **17. WAIVER OF CLAIMS; INDEMNIFICATION**

17.1 Limitation on County's Liability; Waiver of Claims. County shall not be responsible for or liable to Licensee, and Licensee hereby assumes the risk of, and waives and releases County and its Agents from all Claims (as defined below) for, any injury, loss or damage to any person or property in or about the Premises by or from any cause whatsoever including, without limitation, (i) any act or omission of persons occupying adjoining premises or any part of the Building adjacent to or connected with the Premises; (ii) theft; (iii) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination; (iv) stopped, leaking or defective Building Systems; (v) Building defects; and (vi) any other acts, omissions or causes. Nothing herein shall relieve County from liability caused solely and directly by the gross negligence or willful misconduct of County or its Agents, but County shall not be liable under any circumstances for any consequential, incidental or punitive damages.

### 17.2 Indemnification

INDEMNIFICATION BY SUBLESSEE: SUBLESSEE shall indemnify, defend and hold COUNTY, its agents, officers and employees, harmless from and against all claims, damages, losses, causes of action and expenses, including attorneys' fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law, ordinance or constitutional provision, or other cause which arise out of, relate to or result from the activities or omissions, negligent or otherwise, under this Sublease by SUBLESSEE, its officers, agents and employees.

INDEMNIFICATION BY SUBLESSOR: SUBLESSOR shall indemnify, defend and hold SUBLESSEE, its agents, officers and employees, harmless from and against all claims, damages, losses, causes of action and expenses, including attorneys' fees, for any personal injury, bodily injury, loss of life or damage to property, violation of any federal, state or municipal law, ordinance or constitutional provision, or other cause which arise out of, relate to or result from the activities or omissions, negligent or otherwise, under this Sublease of SUBLESSOR, and SUBLESSEE's officers, agents and employees.

NOTIFICATION: Each party shall give the other prompt notification when it first learns of an incident or occurrence covered, or likely to be covered, under the terms of this section, as well as prompt notification if a claim is made or suit is brought against a party based on an incident or occurrence covered, or likely to be covered, by the terms hereof.

NO AGENCY: Except as otherwise specified herein, for the purposes of this section, SUBLESSOR shall not be deemed to be SUBLESSEE's agent and SUBLESSEE shall not be deemed to be SUBLESSOR'S agent.

To the extent that SUBLESSEE has agreed to indemnify, defend and hold harmless SUBLESSOR, its officers, agents and employees under this Sublease, said obligations shall continue to exist during the term of this Sublease and subsequent to this Sublease for those acts or omissions giving rise to liability which occurred during this Sublease. To the extent that SUBLESSOR has agreed to indemnify, defend and hold harmless SUBLESSEE, its officers, agents and employees under this Sublease, said obligations shall continue to exist during the term of this Sublease and subsequent to this Sublease for those acts or omissions giving rise to liability which occurred during this Sublease.

Either party may purchase commercial insurance to cover their exposure hereunder, in whole or in part.

## **18. INSURANCE**

18.1 Licensee's Insurance. Licensee, at its sole cost, shall procure and keep in effect at all times during the Term insurance for the Premises in the form and amounts and under the terms and conditions specified in the Agreement and in compliance with County Risk Management guidelines.

18.2 Licensee's Personal Property. Licensee shall be responsible, at its expense, for separately insuring Licensee's Personal Property.

18.3 County's Self Insurance. Licensee acknowledges that County self-insures against casualty, property damage and public liability risks and agrees that County may at its sole election, but shall not be required to, carry any third party insurance with respect to the Building, the Premises or otherwise.

18.4 Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, County and Licensee each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Building or the contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Building or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Licensee does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Licensee shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against County or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

## **19. ACCESS BY COUNTY**

County reserves for itself and any of its designated Agents, the right to enter the Premises as follows: (i) on a regular basis without advance notice to supply any necessary or agreed-upon service to be provided by County hereunder; (ii) on an occasional basis, at all reasonable times after giving Licensee reasonable advance written or oral notice, to show the Premises to prospective Licensees or other interested parties, to post notices of non-responsibility, to conduct any environmental audit of Licensee's use of the Premises, to repair, alter or improve any part of the Building, Building Systems or the Premises, and for any other lawful purpose; and (iii) on an emergency basis without notice whenever County believes that emergency access is required. County shall have the right to use any means that it deems proper to open doors in an emergency in order to obtain access to any part of the Premises, and any such entry shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of, the Premises, or an eviction, actual or constructive, of Licensee from the Premises or any portion thereof. Licensee shall not alter any lock or install any new or additional locking devices without the prior written consent of County. All locks installed in the Premises (excluding Licensee's vaults, safes or special security areas, if any, designated by Licensee in writing to County) shall be by keyed to the Building master key system, and County shall at all times have a key with which to unlock all such doors.

## **20. LICENSEE'S CERTIFICATES**

Licensee, at any time and from time to time upon not less than ten (10) days' prior notice from County, shall execute and deliver to County or to any party designated by County a certificate stating: (a) that Licensee has accepted the Premises, (b) the Commencement Date and Expiration Date of this License, (c) that this License is unmodified and in full force and effect (or, if there have been modifications, that the License is in full force and effect as modified and stating the modifications), (d) whether or not there are then existing any defenses against the enforcement of any of Licensee's obligations hereunder (and if so, specifying the same), (e) whether or not there are any defaults then existing under this License (and if so specifying the same), (f) the dates, if any, to which the Base Fee and Additional Charges have been paid, and (g) any other information that may be required.

## **21. NOT USED**

**22. NOT USED**

**23. SURRENDER OF PREMISES**

Upon the Expiration Date or termination of this License as permitted herein, Licensee shall immediately and peaceably quit and surrender to County the Premises together with all Alterations approved by County in good order and condition, except for normal wear and tear and after Licensee having made the last necessary repair required on its part under this License, and further except for any portion of the Premises condemned and any damage and destruction for which Licensee is not responsible hereunder. The Premises shall be surrendered free and clear of all liens and encumbrances other than liens and encumbrances existing as of the Commencement Date and any other encumbrances created by County. Immediately before the Expiration Date or termination of this License, Licensee shall remove all of Licensee's Personal Property as provided in this License, and repair any damage resulting from the removal. Notwithstanding anything to the contrary in this License, County can elect at any time prior to the Expiration Date or within thirty (30) days after termination of this License, to require Licensee to remove, at Licensee's sole expense, all or part of the Alterations or other improvements or equipment constructed or installed by or at the expense of Licensee. Licensee shall promptly remove such items and shall repair, at its sole cost and effort, any damage to the Premises or the Building resulting from such removal. Licensee's obligations under this Section shall survive the Expiration Date or termination of this License. Any items of Licensee's Personal Property remaining in the Premises after the Expiration Date or sooner termination of this License may, at County's option, be deemed abandoned and disposed of in accordance with Section 1980 et seq. of the California Civil Code or in any other manner allowed by law.

**24. HAZARDOUS MATERIALS**

24.1 Definitions. As used herein, the following terms shall have the meanings set forth below:

(a) "Environmental Laws," "Hazardous Material," and "Investigate and Remediate" shall have the meanings provided in Section 11.1 of the Contractor Services Agreement.

(b) "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Premises, or in, on, under or about any other part of the Property or into the environment.

24.2 No Hazardous Materials. Licensee covenants and agrees that neither Licensee nor any of its Agents or Invitees shall cause or permit any hazardous material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises, or transported to or from the Premises, with the sole exception that Licensee may keep and use such substances on the Premises in such reasonably limited amounts as are customary for the use authorized in Section 5 hereof so long as such use is in compliance with all applicable Environmental Laws at all times and all such hazardous materials are completely removed upon termination or conclusion of this License. Licensee shall give immediate written notice to County of: (a) any action, proceeding or inquiry by any governmental authority (including, without limitation, the California State Department of Health Services, the State or any Regional Water Quality Control Board, the Bay Area Air Quality Management district or any local governmental entity) against Licensee with respect to the presence or release or suspected presence or release of hazardous material on the Premises or the migration thereof from or to other property; (b) all demands or claims made or threatened by any third party against Licensee relating to any loss or injury resulting from any hazardous materials on the Premises; (c) any release of hazardous material on or about the Premises has occurred that may require any investigation or remediation; and (d) all matters of which Licensee is required to give notice pursuant to Section 25359.7 of the California Health and Safety Code.

24.3 Licensee's Environmental Indemnity. If Licensee breaches any of its obligations contained in this Article, or, if any act or omission of Licensee, its Agents or Invitees, results in any

Release of Hazardous Material in, on, under or about the Premises or any other part of the Property, then, without limiting Licensee's Indemnity contained in Section 18.2, Licensee shall, on behalf of itself and its successors and assigns, Indemnify the Indemnified Parties, and each of them, from and against all Claims (including, without limitation, damages for decrease in value of the Premises or the Property, the loss or restriction of the use of rentable or usable space or of any amenity of the Premises or the Property and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term of this License and relating to such Release. The foregoing Indemnity includes, without limitation, costs incurred in connection with activities undertaken to Investigate and Remediate Hazardous Material and to restore the Property to its prior condition, fines and penalties imposed by regulatory agencies, and any natural resource damages. Without limiting the foregoing, if Licensee or any of its Agents or Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or any other part of the Property or adjacent County-Owned Property, Licensee shall immediately and at no expense to County take any and all appropriate actions to return the Premises or the Property affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. Licensee shall afford County a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

## **25. GENERAL PROVISIONS**

25.1 Notices. Any notice given under this License shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail or certified mail with a return receipt requested or by overnight courier, return receipt requested, with postage prepaid, to: (a) Licensee (i) at Licensee's address set forth in the Basic License Information, if sent prior to Licensee's taking possession of the Premises, or (ii) at the Premises if sent on or subsequent to Licensee's taking possession of the Premises, or (iii) at any place where Licensee or any Agent of Licensee may be found if sent subsequent to Licensee's vacating, abandoning or surrendering the Premises; or (b) County at County's address set forth in the Basic License Information; or (c) to such other address as either County or Licensee may designate as its new address for such purpose by notice given to the other in accordance with the provisions of this Section at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by telefacsimile to the telephone number set forth in the Basic License Information or such other number as may be provided from time to time; however, neither party may give official or binding notice by facsimile.

25.2 No Implied Waiver. No failure by County to insist upon the strict performance of any obligation of Licensee under this License or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial Fee or Additional Charges during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of County, shall constitute a waiver of such breach or of County's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this License. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. Any consent by County hereunder shall not relieve Licensee of any obligation to secure the consent of County in any other or future instance under the terms of this License.

25.3 Authority. If Licensee signs as a corporation or a partnership, each of the persons executing this License on behalf of Licensee does hereby covenant and warrant that Licensee is a duly authorized and existing entity, that Licensee has and is qualified to do business in California, that Licensee has full right and authority to enter into this License, and that each and all of the persons signing

on behalf of Licensee are authorized to do so. Upon County's request, Licensee shall provide County with evidence reasonably satisfactory to County confirming the foregoing representations and warranties.

25.4 Parties and Their Agents; Approvals. The words "County" and "Licensee" as used herein shall include the plural as well as the singular. If there is more than one Licensee, the obligations and liabilities under this License imposed on Licensee shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party, and the term "Invitees" when used with respect to Licensee shall include the clients, customers, invitees, guests, licensees, assignees or sublicensees of Licensee. All approvals, consents or other determinations permitted or required by County hereunder shall be made by or through County's Manager of Real Property Services unless otherwise provided in this License, subject to applicable law.

25.5 Interpretation of License. The captions preceding the articles and sections of this License and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this License. This License has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this License. Provisions in this License relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or County holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this License, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

25.6 Successors and Assigns. Subject to the provisions of this License relating to Assignment, the terms, covenants and conditions contained in this License shall bind and inure to the benefit of County and Licensee and, except as otherwise provided herein, their personal representatives and successors and assigns, if any; provided, however, that upon any sale, assignment or transfer by County named herein (or by any subsequent Licensor) of its interest in the Building as owner or lessee, including any transfer by operation of law, County (or any subsequent Licensor) shall be relieved from all subsequent obligations and liabilities arising under this License subsequent to such sale, assignment or transfer.

25.7 Brokers. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the License contemplated herein except as identified in the Basic License Information, whose commission, if any is due, shall be paid pursuant to a separate written agreement between such broker and the party through which such broker contracted. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall indemnify the other party from any and all Claims incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this License.

25.8 Severability. If any provision of this License or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this License, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this License shall be valid and be enforceable to the fullest extent permitted by law.

25.9 Governing Law and Venue. This License shall be construed and enforced in accordance with the laws of the State of California. The venue for any court action to interpret or enforce this License or to litigate any claim arising out of this License shall be had in the California State Superior Court of the County of San Mateo.

25.10 Entire Agreement. The Agreement together with this instrument, including the exhibits hereto, which are made a part of this License, contain the entire agreement between the parties and all prior written or oral negotiations, understandings and agreements are merged herein. The parties further intend that this License shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this License. Licensee hereby acknowledges that neither County nor County's Agents have made any representations or warranties with respect to the Premises, the Building or this License except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Licensee by implication or otherwise unless expressly set forth herein.

25.11 Time of Essence. Time is of the essence with respect to all provisions of this License in which a definite time for performance is specified.

25.12 Cumulative Remedies. All rights and remedies of either party hereto set forth in this License shall be cumulative, except as may otherwise be provided herein.

25.13 Survival of Indemnities. Termination of this License shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this License, nor shall it affect any provision of this License that expressly states it shall survive termination hereof.

25.14 Signs. Licensee agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Building or from the exterior of the Premises, without County's prior written consent, which County may withhold or grant in its sole discretion.

25.15 Relationship of the Parties. County is not, and none of the provisions in this License shall be deemed to render County, a partner in Licensee's business, or joint venturer or member in any joint enterprise with Licensee. Neither party shall act as the agent of the other party in any respect hereunder. This License is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

25.16 Taxes, Assessments, Licenses, Permit Fees and Liens. (a) Licensee recognizes and understands that this License may create a possessory interest subject to property taxation and that Licensee may be subject to the payment of property taxes levied on such interest. (b) Licensee agrees to pay taxes of any kind, including possessory interest taxes, that may be lawfully assessed on the interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Licensee's usage of the Premises that may be imposed upon Licensee by law, all of which shall be paid when the same become due and payable and before delinquency. (c) Licensee agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Licensee, if so desiring, may have reasonable opportunity to contest the validity of the same.

25.17 Non-Liability of County Officials, Employees and Agents. No elective or appointive board, commission, member, officer, employee or other Agent of County shall be personally liable to Licensee, its successors and assigns, in the event of any default or breach by County or for any amount which may become due to Licensee, its successors and assigns, or for any obligation of County under this Agreement.

25.18 No Relocation Assistance; Waiver of Claims. Licensee acknowledges that it will not be a displaced person at the time this License is terminated or expires by its own terms, and Licensee fully RELEASES, WAIVES AND DISCHARGES forever any and all Claims against, and covenants not to sue, County, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for

relocation benefits or assistance from County under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260 et seq.), except as otherwise specifically provided in this License with respect to a Taking.

25.19 Amendments. Except as expressly amended as provided herein, the Agreement shall continue unmodified and remain in full force and effect. The Agreement as amended by this License constitutes the entire agreement between County and Contractor and may not be modified except by an instrument in writing signed by the party to be charged. In relation to issues effecting real property, in the event of any conflict between the terms of the Agreement and the terms of this License, the terms of this License shall control.

25.20 Further Instruments. The parties hereto agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this License.

25.21 Reasonableness and Good Faith. Except as limited elsewhere in this License, whenever this License requires County or Licensee to give its consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld or delayed.

**Attachment C**  
**Election of Third Party Billing Process**

Effective July 1, 2005, San Mateo County Behavioral Health and Recovery Services (SMCBHRS) will be required to bill all other insurance (including Medicare) before billing Medi-Cal for beneficiaries who have other coverage in addition to Medi-Cal. This is called "serial billing." All claims sent to Medi-Cal without evidence of other insurance having been billed first will be denied.

In order to comply with the serial billing requirement, you must elect which of the two following options to use in our contract with you. In either case, you will need to establish the eligibility of your clients through the completion of the standard form (Payor Financial Form) used to collect this information. Please select and complete one of the two options below:

Option One

Our agency will bill other insurance and provide SMCBHRS with a copy of the Explanation of Benefits provided by that insurance plan before billing SMCBHRS for the remainder.

We Telecare Corporation elect option one.

\_\_\_\_\_  
Signature of authorized agent

\_\_\_\_\_  
Name of authorized agent

\_\_\_\_\_  
Telephone number

Option Two

Our agency will provide information to San Mateo County Behavioral Health and Recovery Services (SMCBHRS) so that SMCBHRS may bill other insurance before billing Medi-Cal on our agency's behalf. This will include completing the attached client Payor Financial Form and providing it to the SMCBHRS Billing Office with the completed "assignment" that indicates the client's permission for SMCBHRS to bill their insurance.

We Telecare Corporation elect option two.

Leslie J. Davis

Leslie J. Davis (Nov 15, 2021 09:52 PST)

\_\_\_\_\_  
Signature of authorized agent

Leslie J. Davis

\_\_\_\_\_  
Name of authorized agent

\_\_\_\_\_  
Telephone number

Please note if your agency already bills private insurance including Medicare for services you provide, then you must elect Option One. This is to prevent double billing. Please return this completed form to:

Doreen Avery, Revenue and Reimbursement Manager  
Behavioral Health and Recovery Services  
2000 Alameda de las Pulgas, Suite 280  
San Mateo, CA 94403  
(650) 573-2284

**Attachment D – Agency Payor Financial**

|   |   |   |
|---|---|---|
| <b>Client ID (Do name search):</b> _____  | <b>Client Date of Birth (Required):</b> _____ | <b>SSN (Required):</b> _____  |
| <b>Last Name:</b> _____   | <b>First Name:</b> _____                      | <b>M.I.</b> _____   |
| <b>Alias or other names used:</b> _____   |   | <b>Undocumented?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>Does Client have Medi-Cal?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Share of Cost Medi-Cal?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No<br><b>Client's Medi-Cal Number (CIN Number)?</b> _____<br><i>Please attach copy of MEDS screen. If client has Full Scope Medi-Cal and no other insurance coverage, skip the remaining sections of this form and fax to MIS/Billing Unit (650) 573-2110.</i>  |   |   |
| <b>Is client potentially eligible for Medi-Cal benefits?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Client referred to Medi-Cal?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No<br><b>Date of Referral:</b> _____ <b>Is this a Court-ordered Placement?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No<br><b>Does Client have Medicare?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No<br><b>If yes, please check all that apply</b> ___Part A    ___Part B    ___Part D<br><b>What is the Client's Medicare Number (HIC Number)?</b> _____<br><b>Signed Assignment of Benefits?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Please attach copy of Medicare card</b>                 |   |   |
| <b>Responsible Party's Information (Guarantor):</b>   |   |   |
| <b>Name:</b> _____  |   | <b>Phone:</b> _____   |
| <b>Relationship to Client:</b> _____  |   | <input type="checkbox"/> Self   |
| <b>Address:</b> _____   |   | <b>City:</b> _____  |
| <b>State:</b> _____   |   | <b>Zip Code:</b> _____  |
| <input type="checkbox"/> <b>Refused to provide Financial Information and will be charged full cost of service.</b>  |   |   |
| <b>3<sup>rd</sup> Party Health Insurance Information</b>  |   |   |
| <b>Health Plan or Insurance Company (Not employer)</b>  |   |   |
| <b>Company Name:</b> _____  |   | <b>Policy Number:</b> _____   |
| <b>Street Address:</b> _____  |   | <b>Group Number:</b> _____  |
| <b>City:</b> _____  |   | <b>Name of Insured Person:</b> _____  |
| <b>State:</b> _____ <b>Zip:</b> _____   |   | <b>Relationship to Client:</b> _____  |
| <b>Insurance Co. phone number:</b> _____  |   | <b>SSN of Insured Person (if other than client):</b> _____                    |
| <b>Please attach copy of insurance card (front &amp; back)</b> <b>Signed Assignment of Benefits?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No   |   |   |
| <b>Does the client have Healthy Kids Insurance?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If Yes, please attach copy of insurance card (front &amp; back)</i>   |   |   |
| <b>Does the client has HealthWorx Insurance?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If Yes, please attach copy of insurance card (front &amp; back)</i>  |   |   |
| <b>Client Authorization</b>   |   |   |
| <p>I affirm that the statements made herein are true and correct. I understand that I am responsible for paying the UMDAP liability amount or cost of treatment received by myself or by members of my household during each 1-year period. If the cost of service is more that the UMDAP liability amount, I will pay the lesser amount. It is my responsibility and I agree to provide verification of income, assets and expenses. If I do not authorize, I will be billed in full for services received. I authorize San Mateo County Mental Health to bill all applicable mental health services to Medi-Care and/or my insurance plan, including any services provided un 26.5. I authorize payment of healthcare benefits to San Mateo County Mental Health.</p> |   |   |
| <b>Signature of Client or Authorized Person</b> _____   |   | <b>Date</b> _____   |
| <b>Client refused to sign Authorization:</b> <input type="checkbox"/> Please check, if applicable <b>Date:</b> _____ <b>Reason:</b> _____<br><b>Name of Interviewer:</b> _____ <b>Phone Number:</b> _____ <b>Best time to contact:</b> _____<br><b>Fax completed copy to: MIS/Billing Unit (650) 573-2110</b>   |   |   |

ATTACHMENT E

FINGERPRINTING CERTIFICATION

Contractor hereby certifies that its employees, trainees, and/or its subcontractors, assignees, volunteers, and any other persons who provide services under this agreement, who have direct contact with any client will be fingerprinted in order to determine whether they have a criminal history which would compromise the safety of individuals with whom the Contractor's employees, trainees and/or its subcontractors, assignees, or volunteers have contact. Additionally, Contractor's employees, volunteers, consultants, agents, and any other persons who provide services under this Agreement and who has/will have supervisory or disciplinary power over a child (Penal Code Section 11105.3) (the "Applicant") shall be fingerprinted in order to determine whether each such Applicant has a criminal history which would compromise the safety of children with whom each such Applicant has/will have contact.

Contractor's employees, volunteers, consultants, agents, and any other persons who provide services under this Agreement will be fingerprinted and: (check a or b)

- X a. do NOT exercise supervisory or disciplinary power over children (Penal 11105.3).
b. do exercise supervisory or disciplinary power over children (Penal 11105.3).

Telecare Corporation
Name of Contractor

Leslie J. Davis
Signature of Authorized Official

Leslie J. Davis
Name (please print)

SVP and CFO
Title (please print)

11/15/21
Date

## ATTACHMENT I

### Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a. Employs fewer than 15 persons.
- b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Name of 504 Person: Leslie J. Davis

Name of Contractor(s): Telecare Corporation

Street Address or P.O. Box: 1080 Marina Village Parkway, Suite 100

City, State, Zip Code: Alameda, CA 94501

I certify that the above information is complete and correct to the best of my knowledge

Signature: Leslie J. Davis  
Leslie J. Davis (Nov 15, 2021 09:52 PST)

Title of Authorized Official: SVP and CFO

Date: 11/15/21

\*Exception: DHHS regulations state that: "If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations) other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

## EXHIBIT D CONTRACTOR'S BUDGET

**San Mateo Serenity House  
Contract Budget Revisions  
April 22, 2022**

| Description                                  | Initial<br>Budget | Utilities<br>Plus Indirect | Budget<br>Revised<br>With Utilities | Additional<br>Request | Figures For<br>Final Contract<br>Request |  |
|--|-------------------|----------------------------|-------------------------------------|-----------------------|--|--|
| Total (Annual Services Budget)               | 2,519,066         | 46,968                     | 2,566,034                           | 185,561               | 2,751,595                                | FY22/23 Services Max                                   |
| May-June FY21/22 (2 Months)                  | 419,844           | 7,828                      | 427,672                             | (105,561)             | 322,111                                  | May 22 Payment = \$107,811 June 22 Payment = \$214,300 |
| Startup Budget                               | 415,870           | -                          | 415,870                             | -                     | 415,870                                  | Flexible to have some in FY22/23, billed at cost       |
| Total Contract - Maximum Obligation          | 3,354,780         | 54,796                     | 3,409,576                           | 80,000                | 3,489,576                                |  |
| Total Operating Services (14 Months)         | 2,938,910         | 54,796                     | 2,993,706                           | 80,000                | 3,073,706                                | Services - 14 Months                                   |
| Maximum Obligation (14 Months Ops + Startup) | 3,354,780         | 54,796                     | 3,409,576                           | 80,000                | 3,489,576                                | Contract Max   |
| Increase in the Total Contract Max           | -                 | 54,796                     | 54,796                              | 80,000                | 134,796                                  |  |
| Monthly (1/12th)                             | 209,922           | 3,914                      | 213,836                             | 15,463                | 229,300                                  | (1/12th Payment FY22/23)                               |

**EXHIBIT E**  
**TELECARE - SERENITY HOUSE**

| Furniture                 | Quantity | Property Owned By | Start up Monies used | Notes              |
|---------------------------|----------|-------------------|----------------------|--------------------|
| <b>Front Yard</b>         |          |                   |                      |                    |
| Patio Tables              | 2        | SMH               |                      |                    |
| Patio End Tables          | 6        | SMH               |                      |                    |
| Umbrellas                 | 2        | SMH               |                      |                    |
| Lounger Swing             | 1        | SMH               |                      |                    |
| Patio Chairs              | 6        | SMH               |                      |                    |
| Patio Wicker Chairs       | 6        | SMH               |                      |                    |
| Cushions for Chairs       | 7        | SMH               |                      |                    |
| <b>Counselor Office</b>   |          |                   |                      |                    |
| Desks                     | 2        | SMH               |                      | Sit/Stand Electric |
| Mini fridge               | 1        | SMH               |                      |                    |
| Large White Board Mounted | 1        | SMH               |                      |                    |
| Small file cabinets       | 2        | SMH               |                      |                    |
| <b>Med Room</b>           |          |                   |                      |                    |
| Desk                      |          |                   |                      |                    |
| File Cabinets             |          |                   |                      |                    |
| <b>Kitchen</b>            |          |                   |                      |                    |
| Tables (Square)           | 5        | SMH               |                      | Wood               |
| Dining Chairs             | 18       | SMH               |                      | Wood               |
| Freezer                   | 1        | SMH               |                      |                    |
| Fridge                    |          |                   |                      |                    |
| Stove/oven                | 1        | SMH               |                      |                    |
| Industrial Coffee Maker   | 1        | SMH               |                      |                    |
| Microwave                 | 1        | SMH               |                      |                    |
| Toaster                   | 1        | SMH               |                      |                    |
| <b>Living Room</b>        |          |                   |                      |                    |

**EXHIBIT E**  
**TELECARE - SERENITY HOUSE**

| Furniture                     | Quantity | Property Owned By | Start up Monies used | Notes                       |
|-------------------------------|----------|-------------------|----------------------|-----------------------------|
| Couches                       | 1        | SMH               |                      | Brown                       |
| Chairs                        | 1        | SMH               |                      |                             |
| Bookshelves                   | 2        | SMH               |                      | 1 small black/1 large Brown |
| Vizio TV                      | 1        | SMH               |                      |                             |
| Desk                          | 1        | SMH               |                      | Mounted over fireplace      |
| <b>Bedrooms</b>               |          |                   |                      |                             |
| Black Metal bed frame         | 13       | SMH               |                      |                             |
| Mattress                      |          |                   |                      |                             |
| Wardrobe Unit                 |          |                   |                      |                             |
| End Tables                    | 13       | SMH               |                      |                             |
| <b>Laundry Room</b>           |          |                   |                      |                             |
| Large Wire Storage Rack       | 1        | SMH               |                      |                             |
| Large White Folding Table     | 1        | SMH               |                      |                             |
| <b>Downstairs Client Area</b> |          |                   |                      |                             |
| Large Mobile White board      | 1        | SMH               |                      |                             |
| Large Mounted White board     | 1        | SMH               |                      |                             |
| DVR's                         | 2        | SMH               |                      | Old not worth anything      |
| 2 Seat Chaise Lounge          | 2        | SMH               |                      |                             |
| Plastic Chairs                | 12       | SMH               |                      |                             |
| Large Table                   | 1        | SMH               |                      |                             |
| Desk                          | 1        | SMH               |                      |                             |
| Keyboard                      | 1        | SMH               |                      |                             |
| Small File Cabinet            | 1        | SMH               |                      |                             |
| <b>Business Office</b>        |          |                   |                      |                             |
| Printer                       | 1        | SMH               |                      |                             |
| Bookshelves                   | 1        | SMH               |                      |                             |
| Electronic Sit Stand Desks    | 2        | SMH               |                      |                             |
| fabric Living Room Chair      | 1        | SMH               |                      |                             |

**EXHIBIT E**  
**TELECARE - SERENITY HOUSE**

| Furniture                       | Quantity | Property Owned By | Start up Monies used | Notes   |
|---------------------------------|----------|-------------------|----------------------|---|
| Large File Cabinet              | 1        | SMH               |                      |   |
| Metal Safe                      | 1        | SMH               |                      |   |
| Lockbox for keys                | 1        | SMH               |                      |   |
| Metal Dolly                     | 1        | SMH               |                      | Rusty   |
| Min fridge                      | 1        | SMH               |                      |   |
| Credenza (Wood)                 | 1        | SMH               |                      |   |
| Small file cabinet              | 1        | SMH               |                      |   |
|                                 |          |                   |                      |   |
| <b>Vehicle</b>                  | 1        | SMH               |                      |   |
| 8 Pass.van. Ford Transit Sienna |          |                   |                      | Scratches/Dent on passenger side /5,444 miles |
|                                 |          |                   |                      |   |
|                                 |          |                   |                      |   |
|                                 |          |                   |                      |   |