

**SECOND AMENDMENT TO AGREEMENT  
BETWEEN THE COUNTY OF SAN MATEO AND  
CALIFORNIA PSYCHIATRIC TRANSITIONS**

THIS SECOND AMENDMENT TO THE AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and California Psychiatric Transitions, hereinafter called "Contractor";

**W I T N E S S E T H:**

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

WHEREAS, the parties entered into an agreement on July 30, 2015 for mental health rehabilitation services, in the amount of \$586,000 for the term July 1, 2015 through June 30, 2016; and

WHEREAS, on April 26, 2016 our Board approved an amendment to the Agreement to increase the maximum obligation by \$1,614,000 to a new maximum of \$2,200,000 and extend the term of the agreement to June 30, 2017.

WHEREAS, the parties wish to amend the Agreement to increase the maximum obligation of the agreement by \$1,400,000 to a new maximum of \$3,600,000 and extend the term of the agreement to June 30, 2018.

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

1. Section 2. Payments of the agreement is amended to read as follows:

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A2," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B2." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed THREE MILLION SIX HUNDRED THOUSAND DOLLARS (\$3,600,000).

2. Section 3. TERM of the agreement is amended to read as follows:

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2015 through June 30, 2018.

3. Exhibit A1 is hereby deleted and replaced with Exhibit A2 attached here to.
4. Exhibit B1 is hereby deleted and replaced with Exhibits B2 attached here to.
5. All other terms and conditions of the agreement dated July 30, 2015, between the County and Contractor shall remain in full force and effect.

Signature page follows

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
President, Board of Supervisors  
San Mateo County

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

ATTEST:

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

California Psychiatric Transitions

  
\_\_\_\_\_  
Contractor's Signature

Date: 6/20/17

EXHIBIT A2- SERVICES  
CALIFORNIA PSYCHIATRIC TRANSITIONS  
FY 2015-18

PROGRAM SERVICES

In full consideration of the payment herein provided for, Contractor shall provide the services described below in a manner consistent with the terms and provisions of this Agreement.

I. BEHAVIORAL HEALTH AND RECOVERY PROGRAM SERVICES

For the term of this Agreement as herein specified, Contractor shall provide to the Behavioral Health and Recovery Services (BHRS) Division bed space and services for San Mateo County residents who are seriously mentally ill and in need of mental health rehabilitation, treatment and long term care.

A. Admissions

All admissions shall be subject to screening procedures and standards mutually agreeable to Contractor and Chief of the Health System, subject to the provisions of Paragraph I.B. of this Exhibit A2.

The admission of all persons receiving services under this Agreement must receive the approval of the Chief of the Health System or designee. A signed authorization form shall indicate such approval.

The County will adhere to California Psychiatric Transitions admission agreement.

B. Patient Eligibility

All admissions are subject to prior authorization by County. The following individuals shall be considered acceptable for admission:

1. Individuals with a DSM-IV diagnosis in need of twenty-four (24) hour skilled nursing services; and
2. Individuals, who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms (such as combativeness, elopement risk, suicide risk, and excessive verbal abusiveness), which preclude them from being admitted into a lower level care facility.

Frequency of these behaviors is a determining factor to be negotiated on an individual patient basis between County and Contractor. County may grant individual exceptions to these admission criteria. It is agreed by County and Contractor that individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from developmental disability, mental retardation, or physical illnesses (without a psychiatric component), shall not be considered for admission.

C. MHRC Service Levels

Contractor shall provide the basic services for all clients in compliance with Title 22 of the California Code of Regulations, Section 72445, or Title 9 of the California Code of Regulations, which includes life skills training, money management, training on accessing community services, transitional programs, and discharge planning with County staff. Basic services provided by Contractor shall also include reasonable access to medical treatment and up-to-date psychopharmacology, reasonable transportation to needed off-site services, and bilingual/bicultural programming.

Reimbursement is determined by the rehabilitative services provided:

For the period July 1, 2015 through June 30, 2016

Service Level	Rate	Description
MHRC Level 1	\$350/day	Residents are integrated with only minor to moderate deviations from the structured program.
DBU	\$700/day	Disruptive Treatment Unit provides intensive services
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.
Diversion/Forensic	\$525/day	

For the period July 1, 2016 through June 30, 2017

Service Level	Rate	Description
<b>MHRC</b>		
Level 1	\$350/day	Residents are integrated with only minor to moderate deviations from the structured program.
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.
<b>DBU</b>		
Level 1	\$850/day	Disruptive Treatment Unit provides intensive services
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.
<b>DIVERSION</b>		
Level 4 (IST)	\$525/day	
Level 3	\$475/day	
Level 2	\$450/day	
Level 1	\$425/day	
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.

For the period July 1, 2017 through June 30, 2018

Service Level	Rate	Description
<b>MHRC</b>		
Level 1	\$350/day	Residents are integrated with only minor to moderate deviations from the structured program.
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.
<b>DBU</b>		
Level 1	\$850/day	Disruptive Treatment Unit provides intensive services
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.
<b>DIVERSION</b>		
Level 4 (IST)	\$525/day	
Level 3	\$475/day	
Level 2	\$450/day	
Level 1	\$425/day	
1:1 Monitoring	\$40/hour	Focused monitoring charged at an hourly rate in addition to the daily rate, preauthorized by County Program Manager.

The County shall review clients monthly. Service levels will be adjusted according to the level of care required. BHRS clients shall not be moved to a higher level of service without the approval of the Chief of the Health System or designee.

**D. Reporting**

1. The BHRS Division's Management Information System (MIS) unit will complete state-required Client Data System (CDS) reports. Contractor shall cooperate with County requests for information on patients placed under the terms of this contract.

2. Contractor shall provide on request reasonable information on medications prescribed and administered to patients placed under this Agreement.
3. Contractor will provide to the Chief of the Health System or designee a photocopy of each unusual occurrence report filed with the State Department of Health Services, as defined in Section 72541 of Division 5, Title 22, California Code of Regulations.
4. County shall have reasonable access to all areas of the facility during business hours and to such data as will allow for the meaningful evaluation and monitoring of quality of care.
5. Contractor shall provide a quarterly report on restraint/seclusion use on patients placed under this Agreement.

## II. ADMINISTRATIVE REQUIREMENTS

- A. Contractor shall submit a copy of any licensing report issued by a licensing agency to County BHRS Division Adult Services Deputy Director within ten (10) business days of Contractor's receipt of any such licensing report.
- B. 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 seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

### C. Administering Satisfaction Surveys

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

### D. 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 Health Equity Initiatives Manager (HEIM) at 650-573-2714 or [jafrica@smcgov.org](mailto:jafrica@smcgov.org)

Out of county contractors must attest to compliance with all of the pertinent cultural competence requirements in their host County contract. Out of county contractors shall submit to HEIM ([jafrica@smcgov.org](mailto:jafrica@smcgov.org)) by March 31<sup>st</sup>, documentation of their compliance.

- E. BHRS requires that contractors identify the eligibility status of employees, interns or volunteers prior to hiring and on an annual 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 using the following websites:
1. Contractor may not employ any persons deemed an Ineligible Person by the Office of the Inspector General in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who (1) is currently excluded, suspended, debarred or otherwise ineligible to participate in Federal health care programs, or (2) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment or ineligibility. Ineligibility may be verified by checking:  
[www.Exclusions.OIG.HHS.Gov](http://www.Exclusions.OIG.HHS.Gov).
  2. Contractors providing state funded health services may not employ any persons deemed an Ineligible Person by the California Department of Healthcare Services (DHCS) in the provision of services for the County through this agreement.

Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who has been (1) convicted of a crime involving fraud or abuse of the Medi-Cal program, or (2) suspended from the federal Medicare program for any reason. Ineligibility may be verified by checking: <http://files.medi-cal.ca.gov>, once there, type in "medi-cal suspended and ineligible provider list" in the search box.

F. Advance Directives

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

G. Beneficiary Rights

Contractor will comply with County policies and procedures relating to beneficiary /patient's rights and responsibilities as referenced in the agreement Section 10. Compliance with laws; payment of Permits/Licenses.

III. GOALS AND OBJECTIVES

Goal I: To modify clients' dysfunctional maladaptive behavioral patterns and develop daily living skills which will enable them to live in a less restrictive, more independent setting.

Objective I: At least fifty percent (50%) of all discharged clients will be discharged to a less restrictive, more independent level of care, which shall include all community-based supported housing.

Goal II: To minimize inappropriate or unnecessary state and psychiatric acute hospitalization to the extent clinically appropriate.

Objective 1: No more than ten percent (10%) of all admissions will be discharged to an acute psychiatric level of care.

Objective 2: At least sixty-six percent (66%) of clients will show a decrease in the number of acute hospital days compared to the year prior to their admission.

**EXHIBIT B2– RATES AND PAYMENTS  
CALIFORNIA PSYCHIATRIC TRANSITIONS  
FY 2015-17**

**I. PAYMENTS**

In full consideration of the services provided by Contractor pursuant to this Agreement, County shall pay Contractor in the manner described below, except that any and all such payments shall be subject to the conditions contained in this Agreement.

- A. For the period July 1, 2015 through June 30, 2016, Contractor shall be paid on a negotiated rate basis at the following rates:

<b>Service Level</b>	<b>Rate</b>
MHRC Level 1	\$350/day
DBU	\$700/day
1:1 Supervision	\$40/hour
<b>Diversion</b>	<b>Rate</b>
Level 4 (IST)	\$525/day
Level 3	\$475/day
Level 2	\$450/day
Level 1	\$425/day

For the period July 1, 2016 through June 30, 2017, Contractor shall be paid on a negotiated rate basis at the following rates:

<b>Service Level</b>	<b>Rate</b>
<b>MHRC</b>	
Level 1	\$350/day
1:1 Monitoring	\$40/hour
<b>DBU</b>	
Level 1	\$850/day
1:1 Monitoring	\$40/hour
<b>Diversion</b>	
Level 4 (IST)	\$525/day
Level 3	\$475/day
Level 2	\$450/day
Level 1	\$425/day
1:1 Monitoring	\$40/hour

For the period July 1, 2017 through June 30, 2018, Contractor shall be paid on a negotiated rate basis at the following rates:

<b>Service Level</b>	<b>Rate</b>
<b>MHRC</b>	
Level 1	\$350/day
1:1 Monitoring	\$40/hour
<b>DBU</b>	
Level 1	\$850/day
1:1 Monitoring	\$40/hour
<b>Diversion</b>	
Level 4 (IST)	\$525/day
Level 3	\$475/day
Level 2	\$450/day
Level 1	\$425/day
1:1 Monitoring	\$40/hour

1. County shall be responsible for collecting Share of Cost (SOC) and Supplemental Security Income (SSI) revenue, and any such collections shall be retained by County to offset the cost of providing these services. Contractor shall facilitate such collections and remit any revenue received to County.
2. San Mateo County residents who are eligible for reimbursement from the Veteran's Administration or other private resources are not billable under this contract.
3. Payment by County to Contractor shall be monthly. Contractor shall bill BHRS Division on or before the tenth (10th) working day of each month. All claims shall clearly reflect patient names, number of patient days, and daily negotiated rate. Non-billable clients referenced in Paragraph I.A.2. of this Schedule B1 must be included in the monthly claim with a daily rate of ZERO DOLLARS (\$0) and the source of reimbursement indicated. County reserves the right to change the claims instructions, and/or require the Contractor to modify their description of services as the County deems necessary.
4. County shall be responsible for property damage caused by clients up to \$2,000, after the client's first \$500 exposure. Any damage in excess of \$2,500 shall be covered by CPT insurance.

- B. Notwithstanding the method of payment set forth within, in no event shall County pay or be obliged to pay Contractor more than the sum of THREE MILLION SIX HUNDRED THOUSAND DOLLARS (\$3,600,000).
- C. In the event this Agreement is terminated prior to June 30, 2018, 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 the Health System.
- D. Per DMH letter #84-10, this negotiated rate contract will require no cost reconciliation.
- E. County anticipates the receipt of revenues from various sources to be used to fund services provided by Contractor through this Agreement. Should planned or actual revenues be less than the amounts anticipated at the time of the signing of this Agreement, the maximum payment obligation and/or payment obligations for specific services may be reduced at the discretion of the Chief of the Health System or designee.
- F. The Chief of the Health System 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. 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, and this Agreement may either be renegotiated, allowed to continue to end of term, or terminated pursuant to Paragraph 5 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.
- H. 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.

I. Monthly Invoice and Payment

1. Contractor shall bill County on or before the tenth (10<sup>th</sup>) working day of each month following the provision on services for the prior month. The invoice shall clearly summarize direct services 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.

2. Payment by County to Contractor shall be monthly. Claims that are received after the tenth (10<sup>th</sup>) 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  
225 37th Avenue, Third Floor  
San Mateo, CA 94403

J. Claims Certification and Program Integrity

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 the above 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 \_\_\_\_\_”