

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND
MILLS-PENINSULA HOSPITAL**

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 MILLS-PENINSULA HOSPITAL 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 providing psychiatric hospital services

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

1. Exhibits and Attachments

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

Exhibit A—Services

Exhibit B—Payments and Rates

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.

2. 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 TWO MILLION DOLLARS (\$2,000,000). In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination or expiration.

3. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2016 through June 30, 2018.

4. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief of the Health System, 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

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:

<input checked="" type="checkbox"/> Comprehensive General Liability...	\$1,000,000
<input type="checkbox"/> Motor Vehicle Liability Insurance...	\$1,000,000
<input checked="" type="checkbox"/> 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

With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a

domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:

- ☒ Contractor complies with Chapter 2.84 by offering the same benefits to its employees with spouses and its employees with domestic partners.
- ☐ Contractor complies with Chapter 2.84 by offering, in the case where the same benefits are not offered to its employees with spouses and its employees with domestic partners, a cash payment to an employee with a domestic partner that is equal to Contractor's cost of providing the benefit to an employee with a spouse.
- ☐ Contractor is exempt from having to comply with Chapter 2.84 because it has no employees or does not provide benefits to employees' spouses.
- ☐ Contractor does not comply with Chapter 2.84, and a waiver must be sought.

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 must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:

- ☒ No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.
- ☐ Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide County with a written explanation of the outcome(s) or remedy for the discrimination.

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 Section 12, above. Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, 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.

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 Section 3, above, 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: Dr. Bob Cabaj
Address: 225 37th Ave, San Mateo, CA 94403
E-Mail: BCabaj@smcgov.org
Telephone: 650-372-8586
Fax: 650-573-2841

In the case of Contractor, to:

Name/Title: Mills-Peninsula Hospital
Address: 100 S. San Mateo Dr., San Mateo CA 94401
Telephone: 650-696-4551

18. Electronic Signature

If 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, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

For County: ☐ If this box is checked by County, County consents to the use of electronic signatures in relation to this Agreement.

For Contractor: ☐ If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to 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

MILLS-PENINSULA HOSPITAL

 _____

Contractor's Signature

Date: May 27, 2016

(April 1, 2015 CCC issued contract template version)

EXHIBIT A - SERVICES
MILLS-PENINSULA HOSPITALS
FY 2016-2018

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

I. Description of Services

A. Program Services

In full consideration of the payments herein provided for, Contractor shall provide psychiatric inpatient hospital services in a manner consistent with the terms and provisions of the Agreement, and consistent with the San Mateo County Mental Health Plan Inpatient Manual (hereinafter "MHP Inpatient Manual"), which is incorporated by reference herein.

B. Authorization

1. Psychiatric Inpatient Hospital Services

County is responsible for authorization for payment of medically necessary, acute psychiatric inpatient hospital services and associated administrative days for Medi-Cal beneficiaries, and uninsured clients who are referred by San Mateo Medical Center (SMMC) Psychiatric Emergency Services (PES). Uninsured individuals who present directly to the hospital may be authorized for payment by County if they are already receiving services through the County. Contractor shall communicate with PES to determine if client is already open to County, and submit notifications and other documentation in accordance with the MHP Inpatient Manual. All inpatient services are retrospectively reviewed for medical necessity and payment by the County.

2. Transitional Services

County is responsible for authorization of payment for transitional services provided within Contractor's emergency room solely under the conditions described in Exhibit B and the Transitional Services Protocol, described in Exhibit A, II, Section F. Payment for transitional services will not include ancillary services. Contractor shall communicate with PES and submit notifications and other documentation as described in Exhibit B.

II. Administrative Services

A. Quality Management and Utilization Review

Contractor shall comply with policies established in the MHP Inpatient Manual including utilization controls, Department of Mental Health Letters and Notices, and relevant state and federal codes and regulations governing inpatient practice in California.

Contractor shall comply with existing federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify problems with quality of care. Composition of the committee shall meet minimum federal requirements.

Contractor shall provide a brief statement, hereafter identified as Contractor's Quality Management Plan, to the Mental Health Plan, which describes how Contractor will conduct Utilization Review, clinical Peer Review, and Medication Monitoring for services provided to Mental Health Plan beneficiaries.

B. Records

Paragraph 14 of the Agreement and paragraph O.3 of Exhibit B 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 (18th) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

C. Assurances

Individual physicians and other mental health professionals will render professional services to eligible voluntary or involuntary clients on the same basis as they care for other clients in Contractor's facility and will not discriminate against these clients in any manner, including admission practices, placement in special wings or rooms, or provision of special or separate meals.

Attending psychiatrists and psychologists shall be members of the medical staff of Contractor, be subject to the rules and regulations of said staff, and shall also be active contractors with the County. Duration and limitation of services will be under the control of the attending psychiatrist or psychologist but will at all times meet broadly accepted community standards of quality of care and be subject to Contractor utilization review decisions.

D. Outcome Objectives

1. For completed episodes, there will be no more than ten percent (10%) recidivism of clients within thirty (30) days following discharge.
2. For completed episodes, Contractor will maintain or reduce the 2016-2018 combined average length of stay.

Contractor will make best efforts to meet such goals, but failure to meet any or all of these goals does not constitute a breach, material, or otherwise of the Agreement. County's payment obligation is in no way contingent on meeting any of the stated goals.

E. Definitions

The following definitions apply to this Agreement:

1. Acute Psychiatric Inpatient Hospital Services: Those routine hospital services and hospital-based ancillary services provided by a hospital to eligible beneficiaries for whom the facilities, services and equipment are medically necessary for diagnosis or treatment of a mental disorder.
2. Administrative Days: Those services provided to a beneficiary who has been admitted to the hospital for acute psychiatric inpatient services, and the beneficiary's stay at the hospital must be continued beyond the beneficiary's need for acute psychiatric inpatient hospital services due to a temporary lack of residential placement options at appropriate, non-acute treatment facilities.
3. Hospital-based Ancillary Services: Those services including but not limited to prescription drugs, laboratory services, x-ray, electroconvulsive therapy (ECT) and magnetic resonance imaging (MRI), that are received by a beneficiary admitted to a hospital, other than routine hospital services.

4. Medi-Cal Beneficiary: Any person certified as eligible for Medi-Cal in San Mateo County according to Section 51001, Title 22, Code of California Regulations and as indicated by a number 41 County code in their Medi-Cal identification number.
5. Transitional Services: Services lasting less than twenty-four (24) hours to a client for a condition, which require more timely response than a regularly scheduled visit. Service activities may include, but are not limited to, assessment.

F. Transitional Services Protocol

1. All services claimed shall be provided in Contractor's Emergency Room.
2. For beneficiaries admitted into a psychiatric bed at Mills-Peninsula Hospital, no transitional services may be claimed.
3. For beneficiaries assessed at Contractor's Emergency Room and discharged for whatever reason without admission into an inpatient bed, no transitional services may be claimed.
4. Medical Necessity for Inpatient Hospitalization shall be assessed by Contractor's staff. When a client meets medical necessity criteria but is capable of transport (not an emergency admission):

San Mateo County Psychiatric Emergency Services (PES) shall be informed by a notification form within three (3) hours of beneficiary admission to Contractor's Emergency Service; PES determines where admission should occur.

- a. If at Mills-Peninsula (and Contractor agrees), client is admitted and no transitional services is claimed.
- b. If at SMMC (or other hospital), Contractor's Emergency Service's will be informed that client will be transported.
5. Contractor's Emergency Services documents time of agreement to transport by PES on notification form.
6. Contractor's Emergency Services notes time of ambulance arrival on notification form and documents it in the medical chart.

7. In the situation where PES wishes to assess a client but requests a delayed transport, the same notification form verification process will occur.
8. For clients to be transferred, claims will be paid for the elapsed time, from Contractor's call to PES, which results in an ambulance dispatch, to time of ambulance arrival at Contractor's Emergency Services, rounded to the nearest hour, except that claim for less than one (1) hour may round up to one (1) hour.
9. Any claim for transitional services must be accompanied by a notification form indicating elapsed time.
10. In the case of disagreements with allowed claims, MHP Quality Improvement staff will review notification form and chart notes in an effort to reconcile the discrepancy. Contractor may appeal the findings of this review to the BHRS Director. Since these services are not claimed to Medi-Cal, no state appeal process may be applied.

G. Licensing

Contractor shall submit a copy of any licensing report issued by a licensing agency to County BHRS Division Children and Youth Services Deputy Director/Adult Services Deputy Director within 10 business days of Contractor's receipt of any such licensing report.

H. Medi-Cal Reimbursement

Contractor shall provide all pertinent documentation required for federal Medi-Cal reimbursement.

I. Beneficiary Rights

Contractor will comply with County policies and procedures relating to beneficiary's rights and responsibilities.

J. Physician Incentive Plans

Contractor shall obtain approval from County prior to implementing a Physician Incentive Plan as described by Title 42, CFR, Section 438.6(h). The County will submit the Physician Incentive Plan to the State for approval. The State shall approve the Contractor's request for a Physician Incentive Plan only if the proposed Physician Plan complies with all applicable federal and state regulations.

K. 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.

L. Compliance Plan and Code of Conduct

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

M. Employees

Contractors providing federally funded health services 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.

Contractors providing state funded health services may not employ any persons deemed an Ineligible Person by the California Department of Health Services (CDHS) 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/pubsdoco/publications/bulletins/part1/part1bull_1.asp.

N. Beneficiary Brochure and Provider Lists

Contractor agrees to provide Medi-Cal clients who are new to the Mental Health System with a brochure (an original of which shall be provided by County) when a client first receives a specialty mental health service from the Contractor. Such brochure shall contain a description of County services available; a description of the process for obtaining County services, including the County's state-wide toll-free telephone number; a list of the County's providers; a description of the County's beneficiary problem resolution process, including the complaint resolution and grievance processes; and a description of the beneficiary's right to request a fair hearing at any time before, during or within 90 days after the completion of the beneficiary problem resolution process.

EXHIBIT B – RATES AND PAYMENTS
MILLS-PENINSULA HOSPITALS
FY 2016-2018

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

PAYMENTS

- A. The following negotiated rates in accordance with State Department of Mental Health Letter No. 84-10 shall apply:

	FY 2016 - 2018 Rate Per Diem
1. Acute Psychiatric Inpatient Hospital Services – Adult. Medi-Cal (Hospital Inpatient Uniform Billing Codes 134, 204, 114, 124 or 154).	\$831.60
2. Acute Psychiatric Inpatient Hospital Services – Adolescent Medi-Cal (Hospital Inpatient Uniform Billing Code 097)	\$865.70
3. Acute Psychiatric Inpatient Hospital Services – Adult Uninsured. (Hospital Inpatient Uniform Billing Code 999)	\$836.00
4. Acute Psychiatric Inpatient Hospital Services – Adolescent Uninsured. (Hospital Inpatient Uniform Billing Code 888)	\$861.30
5. Administrative Day – Adult & Adolescent. (Hospital Inpatient Uniform Billing Code 169)	\$563.04
6. Transitional Services (Adult)	\$79.20/hour with a cap of \$621.86
7. Transitional Services (Adolescent)	\$79.20/hour with a cap of \$649.00
8. Electroconvulsive Therapy (ECT) Services – Uninsured. (Hospital Uniform Billing Code 901)	\$805.20 per procedure

9. In no event shall the County's total fiscal obligation under this Agreement, collectively with all other hospitals that have contracted with the County of San Mateo Health Department/Mental Health Services for the provision of psychiatric inpatient hospital services, exceed ONE MILLION DOLLARS (\$1,000,000) each fiscal year, FY 2016-17 and FY 2017-18 for a contract maximum of TWO MILLION DOLLARS (\$2,000,000).
- B. 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.
- C. 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 or designee.
- D. The rates set forth in Sections A1 and A2 of this Exhibit B are inclusive of all psychiatric inpatient hospital services including routine services and hospital-based ancillary services as defined in Exhibit A, but do not include physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rates set forth in A3 and A4 of this Exhibit B are inclusive of all psychiatric routine services, hospital-based ancillary services, but do not include psychiatrist or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A5 of this Exhibit B is based on the rate established by the Department of Mental Health Services as defined in Exhibit A, and is inclusive of all psychiatric routine services, hospital-based ancillary services, but does not include psychiatrist or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rates set forth in A6 and A7 of this Exhibit B are consistent with the descriptions in Exhibit A. The rate set forth in A8 of the Exhibit B does not include beneficiary's anesthesiologist or anesthesiologist services, psychiatrist services rendered to beneficiaries or transportation services.
- E. The services provided must be authorized in the prescribed manner by the San Mateo County BHRS staff. County indigents who present at Contractor's facility without being authorized in the prescribed manner are expressly excluded from the terms of this Agreement.

- F. Contractor shall bill its customary charges and submit claims to the State Department of Health Services fiscal intermediary (EDS – Electronic Data Systems) for claims payment for all Medi-Cal psychiatric inpatient services rendered in accordance with existing Medi-Cal billing requirements as evidenced in Title 22, MHP Inpatient Manual and MHP Bulletins. Contractor shall submit claims directly to the County for uninsured Acute Psychiatric Inpatient Hospital Services—Adult & Adolescent, uninsured Administrative Day – Adult & Adolescent, uninsured Transitional Services-Adult & Adolescent, and uninsured Electroconvulsive Therapy (ECT) Services.
- G. County may refer County indigent clients to Contractor, and in this event all terms of this Agreement pertain except that the client is not required to be a Medi-Cal beneficiary.
- H. Contractor shall bill any third party payor financially responsible for a client's health care services. County shall only bear financial responsibility for the negotiated rates set forth in Section A of this Exhibit less third-party payments, and to the extent that County inadvertently makes payments to Contractor above this level, County shall be entitled to recoup such reimbursement.
- I. It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the policies and procedures specified in the MHP Inpatient Manual. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in Section 9 of this Agreement.
- J. It is understood that any payments received from County or third party insurers for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to the client for reimbursement for the units of service provided under this Agreement, except as provided for under Medi-Cal Share of Cost regulations.
- K. County and/or its appropriate audit agency or any other authorized state or federal agency shall have the right to inspect all records to evaluate the cost, quality, appropriateness, and timeliness of services. When an audit discloses that Contractor has been overpaid under this Agreement, any such overpayment or excess payments over liability may be recouped by the state and/or County by withholding the amount due from future payments or by cash payment by Contractor. Contractor has the right to appeal audit findings according to applicable procedural requirements of the regulations adopted pursuant to Sections 5775, et seq. and 14680, et seq. of the Welfare and Institutions Code.

- L. An inpatient day of service shall be billed for each beneficiary who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the facilities of Contractor. However, a day of service may be billed if the beneficiary is admitted and discharged during the same day provided that such admission and discharge is not within twenty-four (24) hours of a prior discharge.
- M. County will perform eligibility and financial determinations, in accordance with State Department of Mental Health Uniform Method of Determining Ability to pay, for all clients.
- 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. Claims Certification and Program Integrity. Contractor shall comply with the following requirements in the provision of mental health services.
 - 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. Contractor certifies the following to the County, in writing under penalty of perjury, for each claim submitted to the County for reimbursement 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 Medi-Cal services 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.
- 3. Except as provided in Exhibit A, II, Paragraph B, 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, or the County.

P. 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.

Q. County May Withhold Payment

Contractor shall provide all pertinent documentation required for federal Medi-Cal reimbursement (including initial and quarterly notices, 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 the San Mateo County Behavioral Health and Recovery Services Division of the Health Department.

R. Inadequate Performance

If County of 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.