

**FIRST AMENDMENT TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
7TH AVENUE CENTER, LLC**

THIS FIRST AMENDMENT is entered into this ____ day of _____,
20____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and
7TH AVENUE CENTER, LLC. hereinafter called "Contractor";

WITNESSETH:

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, on May 13, 2011, your Board approved an agreement with 7th Avenue Center, LLC, for the provision of locked psychiatric care services for the term of July 1, 2011 through June 30, 2014, for an amount not to exceed \$1,457,680; and

WHEREAS, it is now necessary and the mutual desire and intent of the parties hereto to amend the Agreement for the first time increasing the purchase of more beds and increasing the maximum obligation by \$217,648 to a new maximum of \$1,675,328. There is no change to the term of the agreement.

WHEREAS, the parties wish to amend and extend that Original Agreement.

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

1. Paragraph 3. Payments is hereby deleted and replaced with the paragraph 3. Payments below:

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." 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 ONE MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND THREE HUNDRED TWENTY-EIGHT DOLLARS (\$1,675,328).

This Agreement may be terminated by Contractor, the Chief of the Health System or his/her designee at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. 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 portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

2. Exhibit A is hereby deleted and replaced with the Exhibit A-1 attached hereto.
3. Exhibit B is hereby deleted and replaced with the Exhibit B-1 attached hereto.
4. All other terms and conditions of the Agreement between the County and Contractor shall remain in full force and effect.

Signature Page to Follow.

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

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors
San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

7TH AVENUE CENTER, LLC



Contractor's Signature

Date: 12/11/13

**EXHIBIT A – 1 SERVICES
7TH AVENUE CENTER, LLC
2011-2014**

In consideration of the payments set forth in Exhibit "B-1", Contractor shall provide the following services:

I. MENTAL HEALTH PROGRAM SERVICES

For the term of this Agreement as herein specified, Contractor shall provide to the County Behavioral Health and Recovery Services Division (BHRS) up to ten (10) beds for San Mateo County clients who are seriously and persistently mentally ill and in need of mental health rehabilitation, treatment and long term care.

A. Admissions

All admissions are subject to prior authorization by the County. The admission of all persons receiving services under this Agreement must receive the approval of the Deputy Director of BHRS or designee. A signed "Authorization for Admission to IMD/State Hospital Placement" form shall indicate such approval.

B. Patient Eligibility

Contractor shall admit clients with a DSM-IV diagnosis. Individuals in need of twenty-four (24) hour skilled nursing services, clients 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, shall be considered acceptable for admission. Contractor 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 dementia, developmental disability, mental retardation, or physical illness (without a psychiatric component), shall not be considered for admission.

C. MHRC Service Levels

1. Basic Services

Contractor shall provide basic service level that fully complies 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 shall also include reasonable access to medical treatment and up-to-date psychopharmacology including Clozapine, reasonable transportation to needed off-site services, and bilingual/bicultural programming.

2. Enhanced Services

Contractor shall provide enhanced services such as experienced clinical and rehabilitative staff such as, but not limited to, psychiatric technicians, vocational and rehabilitative counselors and recreational therapists. Programs shall target enhanced services delivery for those clients whose mental health symptoms become so severe that they are at high risk of being discharged from the facility.

D. Patient Discharge Planning and Placement

Contractor shall keep a County-designated person fully informed of discharge plans and shall collaborate in pre-discharge program planning. County shall designate a facility liaison who shall be responsible for arranging community support necessary for patient discharge.

E. Reporting

1. Upon request Contractor shall provide information on medications prescribed and administered to clients placed under this Agreement.
2. Contractor will provide to the Chief of the Health 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 clients placed under this Agreement.

II. ADMINISTRATIVE REQUIREMENTS

A. Record Retention

Paragraph 13 of the Agreement and Paragraph Q.4. 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 minimum 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. This rule does not supersede professional standards (Contractor is allowed to maintain records for a longer period of time if required by other regulations or licenses).

B. Administering Satisfaction Surveys

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

C. 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

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) by March 31st, documentation of their compliance.

Technical Assistance -- Contractors who are not able to comply with the cultural competence requirements will be asked to meet with the Program Manager and HEIM (jafrica@smcgov.org) to plan for appropriate technical assistance.

D. Licensing Reports

Contractor shall submit a copy of any licensing report issued by a licensing agency to BHRS Deputy Director of Adult and Older Adult Services, or designee, within ten (10) business days of Contractor's receipt of any such licensing report.

E. 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 Section 10. Compliance with laws; payment of Permits/Licenses.

F. Compliance Plan and Code of Conduct

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

G. 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.

H. Ineligible Employees

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. Office Of Inspector General

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

2. California Department of Healthcare Services (DHCS)

Contractors providing state funded health services may not employ any persons deemed an Ineligible Person by the California Department of Health Care 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 "medi-cal suspended and ineligible provider list in the search box.

I. Advances Directives

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

J. Fingerprint Compliance

At County's sole discretion, Contractor certifies that its employees and/or its subcontractors, assignees, and volunteers who, during the course of performing services under this Agreement, have contact with children or any person under his or her care will be fingerprinted in order to determine whether they have a criminal history which would compromise the safety of children or individuals with whom Contractor's employees and/or its subcontractors, assignees, or volunteers have contact. If said employees and/or subcontractors, assignees, and volunteers have such a criminal history, they shall not have contact with children or others who receive services through this agreement. Fingerprint information received from the Department of Justice (DOJ) shall be retained or disposed of pursuant to DOJ directive. A certificate of fingerprinting certification is attached hereto and incorporated by reference herein as Attachment E.

I. 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.

III. GOALS AND OBJECTIVES

Goal 1: To minimize inappropriate or unnecessary state and local 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.
Data to be collected by County in cooperation with Contractor.

Objective 2: At least sixty-six percent (66%) of clients will show a decrease in the percentage of hospital days compared to the year prior to their admission.
Data to be collected by County in cooperation with Contractor.

- Goal 2: 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 1: At least sixty-eight percent (68%) of all discharged clients will be discharged to a less restrictive, more independent level of care, which shall include all community-based supported housing.
Data to be collected by County in cooperation with Contractor.
- Goal 3: To maintain or improve clients' level of functioning.
- Objective 1: At least eighty percent (80%) of clients will improve or maintain their level of functioning as measured by a standardized outcome instrument designated by the State.
Data to be collected by County in cooperation with Contractor.
- Goal 4: To enhance clients' satisfaction with the services provided.
- Objective 1: At least ninety percent (90%) of customer survey respondents will rate services as good or better.
Data to be collected by County in cooperation with Contractor.
- Objective 2: At least eighty-five percent (85%) of customer survey respondents will rate access to mental health services as good or better.
Data to be collected by County in cooperation with Contractor.

**EXHIBIT B – 1 PAYMENTS AND RATES
7TH AVENUE CENTER, LLC
2011-2014**

I. PAYMENTS

In full consideration of the services provided by Contractor pursuant to this Agreement, and subject to Paragraph 3 ("Payments") of 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. Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of ONE MILLION SIX HUNDRED SEVENTY-FIVE THOUSAND THREE HUNDRED TWENTY-EIGHT DOLLARS (\$1,675,328) for services provided under Exhibit A-1, of this Agreement for the term July 1, 2011 through June 30, 2014.

B. Payment Terms

1. MHRC Program Services

- a. Subject to adjustment by the State Department of Health Care Services, for the period July 1, 2011, through June 30, 2014, Contractor shall be paid at the negotiated rate of: ONE HUNDRED NINETY DOLLARS (\$190) per bed per day for MHRC Services.
- b. Rates for Enhanced Services as described in paragraph I.C. of Exhibit A shall be an additional THIRTY-FIVE DOLLARS to TWO HUNDRED DOLLARS (\$35 to \$200) per client per day over and above the basic daily rate of ONE HUNDRED NINETY DOLLARS (\$190). Enhanced Services must be authorized by County in advance. Should a client require one-on-one supervision for longer than twenty-four (24) hours while awaiting return to his/her home community, there will be an additional charge of TWO HUNDRED DOLLARS (\$200) per day for a period not to exceed five (5) days.

- c. Under the terms of Title 22, Division 5, Section 72520, California Code of Regulations, Contractor shall be reimbursed for bed-hold days. The bed-hold rate shall be equal to the negotiated rate minus Department of Health Care Services food cost rate.
 - d. County shall be responsible for billing and 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 clients who are eligible for reimbursement from the Veteran's Administration or other private resources are not billable under this contract.
- 3. The Contractor shall not hold beneficiaries liable for debts in the event that the County becomes insolvent, for costs of covered services provided under this or other contracts, referral or other arrangement rather than from the County.

C. Monthly Reporting

- 1. Payment by County to Contractor shall be monthly. Contractor shall bill County on or before the tenth (10th) working day of each month for the prior month. The invoice shall include a summary of services and charges for the month of service. All claims shall clearly reflect patient names, number of patient days, and daily negotiated rate. Non-billable clients referenced in Paragraph B.6. of this Exhibit B must be included in the monthly claim with a daily rate of ZERO DOLLARS (\$0) and the source of reimbursement indicated. In addition contractor shall provide back-up to the invoice. Such back-up shall be in the form of:
 - a. County provided service reporting form(s) ("Service Reporting Form(s)") completed by Contractor according to the instructions accompanying the Service Reporting Form(s), or

- b. County approved form(s) which provide detailed description of services provided including but not limited to: client name, mental health ID#, service date, type of service provided (Ex: enhanced rate, one-to-one supervision, etc.), and duration of service (hour/minute format).
- 2. 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.
- D. 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.
- E. 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 4 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.
- F. 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.

Documentation shall be maintained in compliance with the BHRS Documentation Manual, which is included by reference herein.

- G. 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 Director of Health or designee.

H. In the event this Agreement is terminated prior to June 30, 2014, the Contractor shall be paid for services already provided pursuant to this Agreement.

I. Claims Certification and Program Integrity

Anytime Contractor submits a claim to the County for reimbursement for services provided under Schedule 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 _____”

SAN MATEO COUNTY
HEALTH SYSTEM

DECLARATION OF NOTICE OF CONFIDENTIALITY

As an employee, contractor, or associate of San Mateo County Health System, I agree to the following as evidenced by my signature affixed below:

I will not disclose or otherwise discuss Health System patients or clients, their conditions, treatments or status, even if they are known to me personally, with anyone, except to carry out my assigned duties associated with their proper care or treatment.

I will not release information to anyone concerning the financial, medical, or social status of Health System patients or clients which has not first been authorized according to written Health System policies, federal or state regulation, or otherwise properly ordered by legal authorities.

I will not, at any time or under any circumstances, disclose or share any Health System assigned computer system User Identification or password to anyone.

I will not tamper with any Health System computer system to gain unauthorized access to the network or information contained there.

I will take all reasonable care to prevent the unauthorized use, disclosure or availability of confidential and/or proprietary information through unattended screen displays or by mishandling of system generated output, regardless of its form.

I acknowledge that the Health System retains the right to monitor and/or review, at any time and without cause, any access to the Health System computer services for evidence of tampering or misuse, and may, at its sole discretion, suspend or terminate the Health System computer privileges pending administrative review.

I agree to adhere to policies concerning the Health System's computer services and understand that any misconduct and/or breaches of confidentiality expressly described herein may be grounds for immediate suspension of computer privileges. In addition, Health System's administrative actions, up to and including termination of employment or contract may result. Additionally, violation of any applicable civil or criminal statutes by the disclosure of confidential material or information or other misuse of the computer system will be prosecuted to the fullest extent of the law.

Amy Buttl
Employee or Contractor Signature

Ann Marie Butler
Print Employee or Contractor
First Name, Middle Name, and Last Name

Member / Owner
Employee or Contractor Title

December 13, 2013
Date Signed

N/A
Supervisor Signature

7th Avenue Center, LLC
Location/Contract Agency

ATTACHMENT E

FINGERPRINTING CERTIFICATION

Contractor hereby certifies that 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: (check a or b)

- ☒ 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).

7th Avenue Center, LLC
Name of Contractor

Ann Butler
Signature of Authorized Official

Ann M. Butler
Name (please print)

Member / Owner
Title (please print)

December 13, 2013
Date

ATTACHMENT I

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

The undersigned (hereinafter called the "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 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.

Kathy Champlin - Director
Name of 504 Person - Type or Print

7th Avenue Center, LLC
Name of Contractor(s) - Type or Print

1171 7th Avenue
Street Address or P.O. Box

Santa Cruz, California 95962
City, State, Zip Code

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

Amy Buttl
Signature

Member/Owner
Title of Authorized Official

December 13, 2013
Date

*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."