



COUNTY OF SANTA BARBARA

PURCHASING AGENT
105 EAST ANAPAMU ST. RM. 304
SANTA BARBARA, CA 93101

ORDER	
CN21045	
Page No. 1 of 1	PO Date JUL01/2017

REFER INQUIRIES TO BUYER:

GLORIA NESS
Phone: 805-568-2691
Fax: 805-568-2705

SHIP-TO: ADMHS - AS DIRECTED

SUPPLIER: Attn.
AURORA LAS ENCINAS HOSPITAL
2900 EASTDEL MAR BLVD
PASADENA
CA 91107

BILL TO: ADMHS - FISCAL
429 N. SAN ANTONIO RD
SANTA BARBARA, CA 93110
Phone: 805/681-5168

Phone: 800-792-2345
Fax: 626-792-2919

TERMS	F.O.B.	SUPPLIER CODE	DELIVERY DATE	REQUESTED BY	REQ. NO.
NET 30	N/A	23739	JUN/30/2018	D MORALES	CN19822

LN	QUANTITY	G/L ACCOUNT DESCRIPTION	PRICE/UNIT	EXTENSION
1	1 LOT	0044+043+7462+3550+0000+0000	70,000.00 /LOT	70,000.00

Aurora Las Encinas Hospital - Vendor #23739 - Mental Health Services / SERVICE CONTRACT/ RENEWAL
GENERAL CONTRACTOR to provide independent **CONTRACTOR SERVICES** as an acute hospital for clients with co-occurring disorders due to unavailability with existing facilities within the County as provided in the Standard Terms and Agreement, Additional Terms and Agreements, original Exhibits A MH, Exhibit A.1, Attachment A, Exhibit B MH, and Exhibit X B-1 MH, and attached EXHIBIT B-1.
CONTRACT PERIOD: July 1, 2017 through June 30, 2018.
LIMITATIONS: Total expenditure for the period shall not exceed \$100,000.00. Any increase or decrease in this total amount may be authorized only upon written notice from the County Purchasing Manager.
STANDARD TERMS & CONDITIONS FOR INDEPENDENT CONTRACTORS attached.
 Insurance documents already on file in Purchasing Division.
THIS CONTRACT IS NOT VALID FOR AMOUNTS IN EXCESS OF ONE HUNDRED THOUSAND DOLLARS (\$100,000)
NOTE TO CONTRACTOR: No payment will be due or payable unless this contract is properly executed and returned to the County Purchasing Office. Do not commence performance until you have executed this contract and returned it to the County of Santa Barbara Purchasing Division, 105 E. Anapamu St. RM 304, Santa Barbara, CA 93101

Accepted By: (X) *[Signature]*
 Print Name/Title: Thomas MATHIE Date: 7-18-17
 Applicable License # (Medical/Contractor/Etc): _____

Tax 1	0.00
Tax 2	0.00
Total:	70,000.00

- (1) The order number and Bill to dept. name shown above must appear on all invoices, shipping papers, packages and correspondence.
- (2) Mail invoices to the "bill to" address
- (3) All duty and/or taxes must be shown separately on invoice where applicable.
- (4) This order is subject to the terms and conditions stated, including non-discrimination in employment, hazardous chemicals and equipment safety standards, that are available for viewing at www.countyofsb.org

[Signature]
 COUNTY OF SANTA BARBARA

Supplier



STANDARD TERMS & CONDITIONS FOR INDEPENDENT CONTRACTORS

THESE TERMS & CONDITIONS apply to the Contract established between the County of Santa Barbara, a political subdivision of the State of California ("COUNTY") by its Purchasing Division ("Purchasing"), and the individual or entity identified on the Contract form to which this document is attached ("CONTRACTOR"), including CONTRACTOR's agents, employees or sub-contractors. **CONTRACTOR's signature on the Contract form means CONTRACTOR has read and accepted these terms and conditions.**

1. **SCOPE OF SERVICES / COMPENSATION.** CONTRACTOR agrees to provide services to COUNTY, and COUNTY agrees to pay CONTRACTOR, according to the attached Statement of Work. (The term "Statement of Work" refers to all attached language describing the services to be performed and the compensation to be paid, whether found in a Proposal, Estimate, Quote, correspondence, and/or any other attached document, and includes the narrative text appearing on the Contract form, plus any subsequent amendment.) All work is to be performed under the direction of the "Designee" (that is, the person designated by the department identified in the Ship-To box on the Contract form). Payment will be subject to satisfactory performance as determined by the Designee. CONTRACTOR will be entitled to reimbursement for only those expenses specifically identified in the Statement of Work.
2. **STATUS AS INDEPENDENT CONTRACTOR.** CONTRACTOR will perform all of CONTRACTOR's services under this Contract as an independent contractor and not as COUNTY's employee. CONTRACTOR understands and acknowledges that CONTRACTOR will not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. CONTRACTOR warrants that CONTRACTOR is authorized by law to perform all work contemplated in this Contract, and CONTRACTOR agrees to submit, upon request, verification of licensure or registration, or other applicable evidence of official sanction.
3. **BILLING & PAYMENT.** CONTRACTOR must submit CONTRACTOR invoice(s), which **must include the contract number** COUNTY assigns (see Contract form), to the Bill-To address on the Contract form, following completion of the increments identified in the Statement of Work. Unless otherwise specified in the Contract, COUNTY will pay CONTRACTOR within thirty (30) days from presentation of invoice.
4. **TAXES.** COUNTY will not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse COUNTY for the full value of such taxes paid plus interest and penalty assessed, if any. These taxes include, but are not limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance. Notwithstanding the foregoing, if CONTRACTOR is using a non-California address or a California P.O. Box address for conducting its business with COUNTY, CONTRACTOR will be subject to required nonresident withholding for services that CONTRACTOR provides in California for COUNTY, unless CONTRACTOR is a government entity or unless CONTRACTOR provides COUNTY with a California withholding form that shows CONTRACTOR is exempt from withholding.
5. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no employment or interest and will not acquire any employment or interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. CONTRACTOR further covenants that in the performance of this Contract, CONTRACTOR will employ no person having any such interest. CONTRACTOR must promptly disclose to COUNTY, in writing, any potential conflict of interest.
6. **OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY.** COUNTY will be the owner of the following items incidental to this Contract, upon production and whether or not completed: all data collected, all documents of any type whatsoever (paper or electronic), and any material necessary for the practical use of the data and/or documents from the time of collection and/or production, whether or not performance under this Contract is completed or terminated prior to completion. CONTRACTOR will not release any materials under this paragraph except after COUNTY's prior written approval.
 - A. No materials, inventions or data produced in whole or in part under this Contract will be subject to copyright or other intellectual property rights in the United States or in any other country except as determined at COUNTY's sole discretion.
 - B. COUNTY will have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Contract. CONTRACTOR agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights provided hereunder. CONTRACTOR warrants that any items provided under this Contract will not infringe upon any intellectual property or proprietary rights of any third party. CONTRACTOR at its own expense shall defend, indemnify, and hold harmless COUNTY against any claim that any items provided by CONTRACTOR hereunder infringe upon intellectual or other proprietary rights of a third party, and CONTRACTOR shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by COUNTY in connection with any such claims.
 - C. These Ownership of Documents and Intellectual Property and Copyright and Intellectual Property provisions (Section 6, including subdivisions A-C) shall survive any termination of this Contract.
7. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR must keep such business records pursuant to this Contract as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession, and will maintain those records for at least four (4) years following the termination of this Contract. All accounting records must be kept in accordance with generally accepted accounting practices. COUNTY will have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice. In addition, if this Contract exceeds ten thousand dollars (\$10,000.00), CONTRACTOR shall be subject to the examination and audit of the California State Auditor, at the request of the COUNTY or as part of any audit of the COUNTY, for a period of three (3) years after final payment under the Contract (Cal. Govt. Code Section 8546.7). CONTRACTOR shall participate in any audits and reviews, whether by COUNTY or the State, at no charge to COUNTY. If federal, state or COUNTY audit exceptions are made relating to this CONTRACT, CONTRACTOR shall reimburse all costs incurred by federal, state, and/or COUNTY governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from COUNTY, CONTRACTOR shall reimburse the amount of audit exceptions and any other related costs directly to COUNTY as specified by COUNTY in the notification.
8. **INSURANCE AND INDEMNIFICATION.** CONTRACTOR agrees to the indemnification and insurance provisions as set forth in Exhibit X attached hereto and incorporated herein by reference.
9. **NONDISCRIMINATION.** The County's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Contract and is incorporated into the Contract by this reference with the same force and effect as if the ordinance were specifically set out herein, and CONTRACTOR agrees to comply with that ordinance.
10. **NONEXCLUSIVE AGREEMENT.** CONTRACTOR understands that this is not an exclusive Contract and that COUNTY has the right to negotiate with and enter into contracts with others providing the same or similar services as those CONTRACTOR provides.
11. **NON-ASSIGNMENT.** CONTRACTOR will not assign any of CONTRACTOR's rights nor transfer any of CONTRACTOR's obligations under this Contract without COUNTY's prior written consent, and any attempt to do so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.
12. **TERMINATION.**
 - A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Contract in whole or in part at any time, whether for COUNTY's convenience, for nonappropriation of funds, or because of the failure of CONTRACTOR to fulfill the obligations herein.

1. **For Convenience.** COUNTY may terminate this Contract in whole or in part upon thirty (30) days written notice. During the thirty (30) day period CONTRACTOR shall, as directed by COUNTY, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on COUNTY from such winding down and cessation of services.
 2. **For Nonappropriation of Funds.** Notwithstanding any other provision of this Contract, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or COUNTY governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Contract, then COUNTY will notify CONTRACTOR of such occurrence and COUNTY may terminate or suspend this Contract in whole or in part, with or without a prior notice period. Subsequent to termination of this Contract under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.
 3. **For Cause.** Should CONTRACTOR default in the performance of this Contract or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate or suspend this Contract in whole or in part by written notice. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services affected (unless the notice directs otherwise) and notify COUNTY as to the status of its performance. The date of termination shall be the date the notice is received by CONTRACTOR, unless the notice directs otherwise.
- B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this Contract if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.
- C. Upon termination, CONTRACTOR shall deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Contract, whether completed or in process, except such items as COUNTY may, by written permission, permit CONTRACTOR to retain. Notwithstanding any other payment provision of this Contract, COUNTY shall pay CONTRACTOR for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Contract nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not affect any right or remedy which COUNTY may have in law or equity.
13. **NOTICE.** From CONTRACTOR: CONTRACTOR must send or deliver any required notice to both the Designee and to Purchasing at the addresses appearing on the Contract form. From COUNTY: Either Designee or Purchasing must send or deliver any required notice to CONTRACTOR at the address last known to the sender. *Effective Date:* Notices mailed by US Postal Service first-class, receipt of which is unacknowledged, are effective three days from date of mailing. Other notices are effective upon delivery by hand, proof of delivery by common carrier, or acknowledgement of receipt, whichever is earlier.
14. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Contract, including its attachments, contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Contract may be altered, amended or modified only by an instrument in writing (executed by Purchasing) and by no other means. Each party waives their future right to claim, contest or assert that this Contract was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.
15. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY is a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.
16. **CALIFORNIA LAW.** This Contract is governed by the laws of the State of California. Any litigation regarding this Contract or its contents must be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.
17. **PRECEDENCE.** In the event of conflict between the provisions contained in these numbered paragraphs and the provisions contained in the Statement of Work, the provisions of this document shall prevail unless 1) otherwise specified on the Contract form to which this document is attached, or 2) waived by amendment hereon with dated initials of Purchasing staff.
18. **DEBARMENT AND SUSPENSION.** CONTRACTOR certifies to COUNTY that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for participation in federal, state, or county government contracts. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.
19. **NO PUBLICITY OR ENDORSEMENT.** CONTRACTOR shall not use COUNTY's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. CONTRACTOR shall not use COUNTY's name or logo in any manner that would give the appearance that COUNTY is endorsing CONTRACTOR. CONTRACTOR shall not in any way contract on behalf of or in the name of COUNTY. CONTRACTOR shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning COUNTY or its projects, without obtaining the prior written approval of COUNTY.
20. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
21. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.
22. **SURVIVAL.** All provisions of this Contract which by their nature are intended to survive the termination or expiration of this Contract shall survive such termination or expiration.

ADDITIONAL TERMS AND CONDITIONS

FOR SERVICES OF INDEPENDENT CONTRACTOR

1. RECORDS, AUDIT, AND REVIEW

Contractor shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of Contractor's profession and shall maintain all records until such time that the State Department of Health Care Services completes all actions associated with the final audit, including appeals, for the fiscal year(s) covered by this Agreement, or not less than four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting principles. County shall have the right to audit and review all such documents and records at any time during Contractor's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), Contractor shall be subject to the examination and audit of the California State Auditor, at the request of the County or as part of any audit of the County, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). Contractor shall participate in any audits and reviews, whether by County or the State, at no charge to County.

If federal, state or County audit exceptions are made relating to this Agreement, Contractor shall reimburse all costs incurred by federal, state, and/or County governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from County, Contractor shall reimburse the amount of the audit exceptions and any other related costs directly to County as specified by County in the notification.

2. TERMINATION

A. By County. County may, by written notice to Contractor, terminate this Agreement in whole or in part at any time, whether for County's convenience, for nonappropriation of funds, or because of the failure of Contractor to fulfill the obligations herein.

1. **For Convenience.** County may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, Contractor shall, as directed by County, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on County from such winding down and cessation of services.

2. **For Nonappropriation of Funds.**

a. The parties acknowledge and agree that this Agreement is dependent upon the availability of County, State, and/or federal funding. If funding to make payments in accordance with the provisions of this Agreement is not forthcoming from the County, State and/or federal governments for the Agreement, or is not allocated or allotted to County by the County, State and/or federal governments for this Agreement for periodic payment in the current or any future fiscal period, then the obligations of County to make payments after the effective date of such non-allocation or non-funding, as provided in the notice, will cease and terminate.

ADDITIONAL TERMS AND CONDITIONS

- b. As permitted by applicable State and Federal laws regarding funding sources, if funding to make payments in accordance with the provisions of this Agreement is delayed or is reduced from the County, State, and/or federal governments for the Agreement, or is not allocated or allotted in full to County by the County, State, and/or federal governments for this Agreement for periodic payment in the current or any future fiscal period, then the obligations of County to make payments will be delayed or be reduced accordingly or County shall have the right to terminate the Agreement as provided in Section 17. If such funding is reduced, County in its sole discretion shall determine which aspects of the Agreement shall proceed and which Services shall be performed. In these situations, County will pay Contractor for Services and Deliverables and certain of its costs. Any obligation to pay by County will not extend beyond the end of County's then-current funding period.
- c. Contractor expressly agrees that no penalty or damages shall be applied to, or shall accrue to, County in the event that the necessary funding to pay under the terms of this Agreement is not available, not allocated, not allotted, delayed or reduced.
3. **For Cause.** Should Contractor default in the performance of this Agreement or materially breach any of its provisions, County may, at County's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, Contractor shall immediately discontinue all services affected (unless the notice directs otherwise) and notify County as to the status of its performance. The date of termination shall be the date the notice is received by Contractor, unless the notice directs otherwise.
- B. By Contractor. Should County fail to pay Contractor all or any part of the payment set forth in EXHIBIT B, Contractor may, at Contractor's option terminate this Agreement if such failure is not remedied by County within thirty (30) days of written notice to County of such late payment.
- C. Upon termination, Contractor shall deliver to County all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by Contractor in performing this Agreement, whether completed or in process, except such items as County may, by written permission, permit Contractor to retain. Notwithstanding any other payment provision of this Agreement, County shall pay Contractor for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall Contractor be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. Contractor shall furnish to County such financial information as in the judgment of County is necessary to determine the reasonable value of the services rendered by Contractor. In the event of a dispute as to the reasonable value of the services rendered by Contractor, the decision of County shall be final. The foregoing is cumulative and shall not affect any right or remedy which County may have in law or equity.

ADDITIONAL TERMS AND CONDITIONS

3. **COMMUNICATION.**

Contractor shall acknowledge in any public announcement regarding the program that is the subject of this Agreement that Santa Barbara County Alcohol, Drug, and Mental Health Department provides all or some of the funding for the program.

4. **ENTIRE AGREEMENT AND AMENDMENT**

In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel. Requests for changes to the terms and conditions of this agreement after April 1 of the Fiscal Year for which the change would be applicable shall not be considered. All requests for changes shall be in writing. Changes shall be made by an amendment pursuant to this Section. Any amendments or modifications that do not materially change the terms of this Agreement (such as changes to the Designated Representative or Contractor's address for purposes of Notice) may be approved by the director of Alcohol, Drug & Mental Health Services. The Board of Supervisors of the County of Santa Barbara must approve all other amendments and modifications.

5. **COMPLIANCE WITH HIPAA.**

Contractor is expected to adhere to Health Insurance Portability and Accountability Act (HIPAA) regulations and to develop and maintain comprehensive patient confidentiality policies and procedures, provide annual training of all staff regarding those policies and procedures, and demonstrate reasonable effort to secure written and/or electronic data. The parties should anticipate that this Agreement will be modified as necessary for full compliance with HIPAA.

6. **COURT APPEARANCES.**

Upon request, Contractor shall cooperate with County in making available necessary witnesses for court hearings and trials, including Contractor's staff that have provided treatment to a client referred by County who is the subject of a court proceeding. County shall issue Subpoenas for the required witnesses upon request of Contractor.

7. **PRIOR AGREEMENTS.**

Upon execution, this Agreement supersedes all prior agreements between County and Contractor related to the scope of work contained in this Agreement.

EXHIBIT A
STATEMENT OF WORK
Aurora Las Encinas Hospital

1. **PROGRAM SUMMARY.** Aurora Las Encinas Hospital (Contractor) shall provide Psychiatric Inpatient Hospital Services to Santa Barbara County residents with serious mental illness (SMI), serious emotional disturbances (SED), chemical dependency or co-occurring disorders. These services shall include routine hospital services and all hospital-based ancillary services. The Program shall be licensed as a freestanding psychiatric hospital. The Program is located at 2900 E. Del Mar Blvd, Pasadena, CA 91107.
2. **SERVICES.** Contractor shall provide the following services:
 - A. "Psychiatric Inpatient Hospital Services" which includes both acute psychiatric inpatient hospital services, chemical dependency, co-occurring disorders and administrative day services provided in a general acute psychiatric inpatient hospital, or a free-standing psychiatric hospital which are certified by:
 1. Department of Health Services to be Medicare and Medi-Cal providers;
 2. Psychiatric health facility that is licensed by the Department;
 3. Certified by the Department of Health Services as a Medi-Cal provider of hospital services or;
 4. Certified by the State of California of Alcohol and Drug Programs.
 - B. "Routine Services" which includes bed, board and all medical, nursing and other support services usually provided to an individual by a psychiatric inpatient hospital. Routine services do not include hospital-based ancillary services or psychiatrist or psychologist services.
 - C. "Hospital-Based Ancillary Services" are services that are received by an individual admitted to a Psychiatric Inpatient Hospital, other than routine services.
 - D. Transportation of individuals to and from Contractor's facility will be provided by or arranged by County.
 - E. Excluded Services.
 1. County is not responsible for the payment of Psychiatric Inpatient Hospital Services when services are not billed to an allowable psychiatric accommodation code, pursuant to Exhibit B-1.
 2. County shall not reimburse Contractor for payment of physician consultations for either psychiatric or medical inpatient professional services.
3. **CLIENTS.** The services described in Section 2 shall be provided to individuals with SMI, SED or co-occurring disorders who meet medical necessity criteria for Psychiatric Inpatient Hospital Services, as described in California Code of Regulations (CCR) Title 9, Section 1820.205, and are:

EXHIBIT A
STATEMENT OF WORK
Aurora Las Encinas Hospital

A. Medi-Cal beneficiaries, as described in CCR Title 22, Division 3, Subdivision 1, Chapter 2, Article 5, and Article 7. Psychiatric Inpatient Hospital Services provided by Contractor to Medi-Cal beneficiaries are covered by Medi-Cal, as specified in CCR Title 9, §1840.210 and §1840.312, under the following conditions:

1. The beneficiary is 65 years of age or older, or
2. The beneficiary is under 21 years of age, or
3. The beneficiary was receiving such services prior to his/her twenty-first birthday and the services are rendered without interruption until no longer required or his/her twenty-second birthday, whichever is earlier.
4. Reimbursement for covered services to these Medi-Cal beneficiaries shall be provided to Contractor directly by the State's fiscal intermediary, as described in Exhibit B;

AND

B. Uninsured individuals who are referred and authorized by Santa Barbara County to receive Program services. Reimbursement for these services will be the responsibility of the County, as described in Exhibit B.

4. **REFERRALS.** Contractor shall provide the services described in Section 2 to all individuals who are referred by the County (hereafter "clients") unless compelling clinical circumstances exist that contraindicate admission, subject to the admission and authorization criteria described in Section 5.

5. **ADMISSION PROCESS.**

A. Admission of clients to Contractor's facility and authorization for continued stay shall be subject to approval of Santa Barbara County's Point of Authorization.

B. Point of Authorization. The designated Point of Authorization (POA) for County is:

Quality Assurance/Utilization Review (QA/UR)
Santa Barbara County
Alcohol, Drug, and Mental Health Services
315 Camino del Remedio #257
Santa Barbara, CA 93110

Telephone: 805-681-5113
Facsimile: 805-681-5117

C. Within 10 days of the date of any admission of a County client, Contractor shall notify County that the admission has occurred.

EXHIBIT A
STATEMENT OF WORK
Aurora Las Encinas Hospital

- D. Submission of Treatment Authorization Request. For Medi-Cal covered Psychiatric Inpatient Hospital Services provided to Medi-Cal beneficiaries as described in Section 3.A, Contractor shall submit the following documentation to QA/UR prior to submitting claims for payment, pursuant to CCR, Title 9 §1820.220, as described in Exhibit B:
1. Treatment Authorization Request (“TAR”), and
 2. Copy of documentation for involuntary admission pursuant to Welfare and Institutions Code (WIC) §5150, as applicable, and
 3. Client’s medical records for payment authorization review for Medi-Cal covered Psychiatric Inpatient Hospital stays in each of the following circumstances:
 - a. The pre-authorized admission of a Medi-Cal covered client;
 - b. For hospital stays that exceed ninety-nine (99) calendar days of continuous service;
 - c. Upon client discharge from the hospital;
 - d. When the services provided qualify for Medical Assistance Pending Fair Hearing (Aid Paid Pending);
 - e. When the attending psychiatrist orders administrative day services for a client on the order sheet of the medical record.
 4. TAR Submission Timeliness. Contractor shall submit each TAR to QA/UR for payment authorization for covered Psychiatric Inpatient Hospital Services no later than:
 - a. Prior to a planned admission, as defined in CCR Title 9 § 1771;
 - b. Within fourteen (14) calendar days after:
 - (i) A hospital stay that exceeds ninety-nine (99) calendar days of continuous service;
 - (ii) Client discharge from the hospital;
 - (iii) The date that a client qualified for Medical Assistance Pending Fair Hearing (Aid Paid Pending); or
 - (iv) The date Contractor is notified that the patient has been granted retro-active Medi-Cal status.
 5. Contractor shall submit claims for covered services rendered to Medi-Cal clients, as described in Exhibit B, only after receiving approval from QA/UR.

EXHIBIT A
STATEMENT OF WORK
Aurora Las Encinas Hospital

E. Authorization for Emergency Admissions. An Emergency Admission is an admission to Contractor's facility due to an individual's emergency psychiatric condition.

1. For Medi-Cal covered Psychiatric Inpatient Hospital Services:

- a. Prior to admission, Contractor shall ensure that the client meets the criteria for medical necessity in CCR Title 9 §1820.205 and due to a mental disorder, is:
 - (i) A danger to self or others, or
 - (ii) Immediately unable to provide for, or utilize food, shelter or clothing,
- b. Contractor shall notify County within 10 days from the client's presentation for emergency services. TARs may be denied for failure of timely notification if the notification is provided more than 10 calendar days from the presentation for emergency services.
- c. Contractor shall provide County with written documentation certifying that the client met the criteria specified in this Section 5.E at the time of admission and on the day of admission (CCR Title 9 §1820.225).

2. For non-Medi-Cal covered Psychiatric Inpatient Hospital Services:

- a. Contractor shall obtain prior authorization for an emergency admission from the designated County staff, described in Section 4.B.
- b. Prior to admission, Contractor shall ensure that the client meets the criteria for medical necessity in CCR Title 9 §1820.205 and due to a mental disorder, is:
 - (i) A danger to self or others, or
 - (ii) Immediately unable to provide for, or utilize food, shelter or clothing,
- c. Contractor shall notify County within 10 days from the client's presentation for emergency services. Authorization for payment may be denied for failure of timely notification if the notification is provided more than 10 calendar days from the presentation for emergency services.
- d. Contractor shall provide County with written documentation certifying that the client met the criteria specified in this Section 5.E at the time of admission and on the day of admission (CCR Title 9 §1820.225).

F. Continued Stay Services. Continued Stay Services are Psychiatric Inpatient Hospital Services which occur after admission. Contractor shall provide County with written documentation of the following circumstances in order to obtain authorization for client's continued stay:

EXHIBIT A
STATEMENT OF WORK
Aurora Las Encinas Hospital

1. Authorization for Continued Stay Services.

- a. Continued presence of impairments that meet the medical necessity criteria described in CCR Title 9 §1820.205(a);
- b. Serious adverse reaction to medication, procedures, or therapies requiring continued hospitalization;
- c. Presence of new impairments that meet the medical necessity criteria described in CCR Title 9 §1820.205(a);
- d. Need for continued medical evaluation or treatment that can only be provided if the client remains in a Psychiatric Inpatient Hospital unit.

- 2. Certification for Continued Treatment.** Contractor and County agree that in order to safeguard individual rights, Contractor will provide prompt evaluation and review of individuals' need for continued treatment of a serious mental disorder. For clients detained pursuant to WIC 5150 that need continued intensive treatment beyond 72 hours, Contractor shall ensure a psychiatrist issues a certification for continuing treatment within 72 hours of written application for the 5150 hold. Contractor shall ensure a certification review hearing is scheduled as soon as possible, on the next available hearing day after the 5250 certification is written, as determined by the Court. Only the Court may postpone a hearing and, in such cases, the hearing will be rescheduled as permitted in WIC Section 5250 et sec. When any postponements occur, Contractor will provide a report of the reason for postponement to County as part of Contractor's regular reports.

G. Authorization for Administrative Day Services. Administrative Day Services are those authorized by QA/UR for an individual residing in a Psychiatric Inpatient Hospital when, due to a lack of residential placement options at appropriate, non-acute treatment facilities as identified by County, the individual's stay at the Psychiatric Inpatient Hospital must be continued beyond the individual's need for Psychiatric Inpatient Hospital Services. To ensure proper payment authorization for Administrative Day Services, Contractor shall provide County with 24-hours advance notice and written documentation of the following:

1. During the hospital stay, the client has met medical necessity criteria for reimbursement of Psychiatric Inpatient Hospital Services;
2. An order by the attending psychiatrist placing the patient on administrative status on the order sheet of the medical record;
3. There is no appropriate non-acute facility in a reasonable geographic area and Contractor documents contacts with a minimum of five (5) appropriate facilities per week. QA/UR may waive the requirements if there are less than five (5) appropriate, non-acute treatment facilities available as placement options for the client. In no case shall there be less than one (1) contact per week. The documentation must include the status of the placement option, the date of contact, and the signature of the person making the contact, and an order by the attending physician.

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H. Authorization for Planned Admissions. A Planned Admission is an admission to Contractor's facility for the purpose of providing medically necessary treatment that cannot be provided in another setting or a lower level of care and is not an emergency admission. To ensure proper payment authorization for Planned Admissions, Contractor, shall provide County with 24-hours advance notice, timely notification, and written documentation of the following:

1. The client requires medically necessary treatment that cannot be provided in another setting at a lower level of care but which does not constitute an emergency admission;
2. Pre-authorization by County through submission of a TAR or County authorization form demonstrating medical necessity that is approved by County's Utilization Review Staff for the first 24 hours of admission;
3. Authorization for payment for the remaining hospital stay shall be determined retroactively by QA/UR.

6. **DISCHARGE PLANNING.** Contractor's treatment and discharge planning shall be coordinated with and include the input of client, Contractor's hospital staff, County and significant other(s), including family members and other treating professional staff. Upon discharge, Contractor agrees to provide all County clients with 1) a seven (7) day supply and a prescription for a 30 day supply of all medications prescribed to client at time of discharge; 2) information on the process of obtaining future medications from the appropriate health care facility or provider; and 3) instruction on medication management.

7. **LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES.**

- A. Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are provided hereunder), as required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Agreement. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of such documentation shall be provided, in duplicate, to ADMHS QA/UR.
- B. Contractor shall ensure that all staff providing services under this contract retain active licensure. In the event license status cannot be confirmed, the staff member shall be prohibited from providing services under this contract.

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C. If Contractor is a participant in the Short-Doyle/Medi-Cal program, Contractor shall keep fully informed of all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal certification of all its facilities.

D. REGULATORY COMPLIANCE.

1. Contractor shall comply with all applicable Federal Medicaid laws, regulations, and guidelines, and all applicable State statutes and regulations as related to the provision of Psychiatric Inpatient Hospital Services. Contractor shall adhere to 42 U.S.C. §1395b-2. Contractor shall sign and maintain a Medi-Cal provider agreement with the State Department of Health Services. Contractor shall maintain Medi-Cal and Medicare certification, State licensure, and Joint Commission on the Accreditation of Healthcare Organizations (JCAHO) accreditation. Contractor shall post in a conspicuous place a copy of "Notice to All Medi-Cal Beneficiaries in Need of Psychiatric Inpatient Services" as required by the State of California Department of Mental Health. Contractor shall achieve and maintain all requirements pertaining to WIC § 5150, 5250, and 5350. Contractor agrees to adhere to ethical principles established by JCAHO.
2. Contractor is expected to adhere to 45 CFR Parts 160 – 164 [privacy and security rules related to Health Insurance Portability and Accountability Act (HIPAA)].

8. NOTIFICATION REQUIREMENTS

- A. Contractor shall notify County immediately in the event of any suspected or actual misappropriation of funds under Contractor's control; known serious complaints against licensed staff; restrictions in practice or license as stipulated by the State Bureau of Medical Quality Assurance, Community Care Licensing Division of the Department of Social Services of the State, or other State agency; staff privileges restricted at a hospital; legal suits initiated specific to the Contractor's practice; initiation of criminal investigation of the Contractor; or other action instituted which affects Contractor's license or practice (for example, sexual harassment accusations). "Immediately" means as soon as possible but in no event more than twenty-four (24) hours after the event. Contractor shall train all personnel in the use of the ADMHS Compliance Hotline.
- B. Contractor shall immediately notify the County Liaison in the event a Client with a case file (episode) open to the County presents any of the following Client indices: suicidal risk factors, homicidal risk factors, assaultive risk factors, side effects requiring medical attention or observation, behavioral symptoms presenting possible health problems, or any behavioral symptom that may compromise the appropriateness of the placement.
- C. Contractor shall notify the County ADMHS Director or designee, regardless of whether the Client has a case file (episode) open with the County, should any of the following events occur: death, fire setting, police involvement, media contact, any behavior

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leading to potential liability, any behavioral symptom that may compromise the appropriateness of the placement.

9. **UTILIZATION REVIEW.** Contractor agrees to abide by County Quality Management standards and cooperate with the County's utilization review process which ensures medical necessity, appropriateness and quality of care. This review may include clinical record peer review, Client survey, and other utilization review program monitoring practices. Contractor will cooperate with these programs, and will furnish necessary assessment and treatment plan information, subject to Federal or State confidentiality laws, and provisions of this agreement.
10. **PERIODIC REVIEW.** County shall assign senior management staff as contract monitors to coordinate periodic review meetings with Contractor's staff regarding quality of clinical services, fiscal and overall performance activity. The Care Coordinators, Quality Improvement staff, and the Program Managers or their designees shall conduct periodic on-site reviews of Contractor's patient charting.
11. **DOCUMENTATION REQUIREMENTS.** Contractor shall complete a treatment plan, signed by a physician, for each client receiving Program services. The treatment plan shall include:
 - A. Client's strengths and personal recovery goals or recovery vision, which guides the service delivery process;
 - B. Goals/Objectives which clearly address the mental health condition for which the client is being treated;
 - C. Goals/Objectives which are observable and/or measureable and which are designed to increase specific skills or behaviors and/or ameliorate the impairments caused by the condition;
 - D. Interventions planned to help the client reach their goals.
12. **POLICIES AND PROCEDURES.** The Program shall maintain written policies and procedures to set expectations for Program staff and establish consistency of effort and shall provide a copy to County upon request. The written policies and procedures should be consistent with all applicable State, Federal and County requirements.
13. **STAFF.**
 - A. **TRAINING.**
 - a) Staff shall be trained and skilled at working with persons with SMI, shall adhere to professionally recognized best practices for rehabilitation assessment, service planning, and service delivery, and shall become proficient in the principles and practices of Integrated Dual Disorders Treatment.

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- b) Within 30 days of the date of hire, Contractor shall provide training relevant to working with high risk mental health clients.
 - c) Contractor staff performing services under this Contract shall receive formal training on the Medi-Cal documentation process prior to providing any services under this Contract.
- B. Staff hired to work directly with clients shall have competence and experience in working with clients at high risk for acute inpatient or long-term residential care.
- C. Contractor shall conduct a check of all clinical and support staff against CMS Exclusions List and staff found to be on this list shall not provide services under this contract nor shall the cost of such staff be claimed to Medi-Cal. County shall review Contractor's staff and only staff approved by County shall provide services under this contract.
- D. At any time prior to or during the term of this Contract, the County may require that Contractor staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.
- E. Disqualification, if any, of Contractor staff, pursuant to this Section, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

14. REPORTS.

- A. **SERVICE LEVEL REPORTS.** Contractor shall track required data elements, which include: units of service, the number of clients admitted to the Program, unique clients served, total number of clients discharged and number of clients discharged to a lower/higher level of care, and provide summary reports from other Contractor data sources, upon request from County.
- B. **ADDITIONAL REPORTS.** Contractor shall maintain records and make statistical reports as required by County and the California State Department of Health Care Services or other applicable State agency, on forms acceptable to or provided by either agency. Upon County's request, Contractor shall make additional reports as required by County concerning Contractor's activities as they affect the services hereunder. County will be specific as to the nature of information requested and allow thirty (30) days for Contractor to respond.

15. **PERFORMANCE.** Contractor shall adhere to all County requirements, all relevant provisions of the California Code of Regulations Title 9, Chapter 14 and all relevant provisions of applicable law that are now in force or which may hereafter be in force.

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16. **MEDI-CAL VERIFICATION.** Contractor shall be responsible for verifying Client's Medi-Cal eligibility status and ensuring claims for reimbursement of services are submitted to the appropriate entity as described in Exhibit B.

17. **STANDARDS**

- A. Contractor agrees to comply with Medi-Cal requirements and be approved to provide Medi-Cal services based on Medi-Cal site certification, per Exhibit D, Organizational Service Provider Site Certification.
- B. Contractor shall make its service protocols and outcome measures data available to County and to Medi-Cal site certification reviewers.
- C. Contractor shall develop and maintain a written disaster plan for the Program site and shall provide annual disaster training to staff.

18. **CONFIDENTIALITY.** Contractor agrees to maintain the confidentiality of patient records pursuant to 45 CFR §205.50 (requires patient, or patient representative, authorization specific to psychiatric treatment prior to release of information or a judge signed court order if patient authorization unavailable) and Section 13 of this Agreement. Patient records must comply with all appropriate State and Federal requirements.

19. **CULTURAL COMPETENCE.**

- A. Contractor shall report on its capacity to provide culturally competent services to culturally diverse clients and their families upon request from County, including:
 - 1. The number of Bilingual and Bicultural staff, and the number of culturally diverse clients receiving Program services;
 - 2. Efforts aimed at providing culturally competent services such as training provided to staff, changes or adaptations to service protocol, community education/Outreach, etc.;
- B. Contractor shall provide services that consider the culture of mental illness, as well as the ethnic and cultural diversity of clients and families served.

SANTA BARBARA COUNTY MENTAL HEALTH PLAN,
QUALITY MANAGEMENT STANDARDS

The Santa Barbara County Alcohol, Drug and Mental Health Services Department is Santa Barbara County's Medi-Cal Mental Health Plan (MHP) and has established the following standards for all organizational, individual, and group providers furnishing Specialty Mental Health Services.

1. Assessment

- A. Initial Assessment: Each individual anticipated to be served for 60 days or more shall have a comprehensive assessment performed and documented by the 61st day of service. To allow time for review and correction, Contractors should complete the assessment by the 45th day of service. This assessment shall address areas detailed in the MHP's Agreement with the California Department of Health Care Services. The Assessment must be completed in the format designated by the MHP and must be completed and signed by a Licensed Practitioner of the Healing Arts (LPHA) (i.e. physician, psychologist, Licensed Clinical Social Worker, Licensed Marriage and Family Therapist, or Registered Nurse) and the client and/or guardian.
- B. Assessment Update: A reevaluation/reassessment of key indicators will be performed and documented within the chart on an annual basis with reassessment of required clinical symptoms, impairments and functioning. The time frame for this update is within 60 days prior to the anniversary date of the previous assessment.

2. Plan of Care

- A. Client Service Plan (CSP): The plan of care shall be completed by the Contractor when designated by the MHP. Contractor will coordinate with the MHP Clinic Team to determine responsibility for development of the CSP.
- B. Frequency: The CSP shall be completed by the 61st day in all cases in which services will exceed 60 days. At minimum, the CSP must be updated annually, within 60 days prior to the anniversary date of the previous CSP.
- C. Content of CSPs:
 - 1. Specific, observable or quantifiable goals.
 - 2. Proposed type(s) of intervention to address each of the functional impairments identified in the Assessment.
 - 3. Proposed duration of intervention(s).
 - 4. Documentation of the client's participation in and agreement with the plan. This includes client signature on the plan and/or reference to client's participation and agreement in progress notes.
- D. Signature (or electronic equivalent) by a LPHA (the LPHA must be a physician for Medicare clients) and the client. CSPs shall be consistent with the diagnoses and the focus of intervention will be consistent with the CSP goals.
- E. Contractor will offer a copy of the CSP to the client and will document such on the client plan.

ATTACHMENT A

3. Progress Notes and Billing Records. Services must meet the following criteria, as specified in the MHP's Agreement with the California Department of Health Care Services:
 - A. All service entries will include the date services were provided.
 - B. The client record will contain timely documentation of care. Services delivered will be recorded in the client record as expeditiously as possible, but no later than 72 hours after service delivery.
 - C. Contractor will document client encounters, and relevant aspects of client care, including relevant clinical decisions and interventions, in the client record.
 - D. All entries will include the exact number of minutes of service provided and the type of service, the reason for the service, the corresponding client plan goal, the clinical intervention provided, the signature of the person providing the service (or electronic equivalent); the person's professional degree, licensure or job title; and the relevant identification number.
 - E. The record will be legible.
 - F. The client record will document referrals to community resources and other agencies, when appropriate.
 - G. The client record will document follow-up care or, as appropriate, a discharge summary.
 - H. Timeliness/Frequency of Progress Notes
 1. Progress Notes shall be prepared for every Service Contact including:
 - a) Mental Health Services (Assessment, Evaluation, Collateral, Individual/ Group/Family Therapy, Individual/Group/Family Rehabilitation);
 - b) Medication Support Services;
 - c) Crisis Intervention;
 - d) Targeted Case Management (billable or non-billable).
 2. Progress Notes shall be prepared daily for clients in the following treatment settings:
 - a) Crisis Residential;
 - b) Crisis Stabilization (1x/23hr);
 - c) Day Treatment Intensive.
 3. Progress Notes shall be prepared weekly for clients in the following treatment settings:
 - a) Day Treatment Intensive for Clinical Summary;
 - b) Day Rehabilitation;
 - c) Adult Residential.
 4. Progress notes shall be prepared at each shift change for Acute Psychiatric Inpatient and other inpatient settings.
4. Additional Requirements
 - A. Contractor shall display Medi-Cal Member Services Brochures in English and Spanish in their offices. In addition, Contractors shall post grievance and appeal process notices in a visible location in their waiting rooms along with copies of English and Spanish grievance and appeal forms with MHP self-addressed envelopes to be used to send grievances or appeals to ADMHS Quality Assurance department.

ATTACHMENT A

- B. Contractor shall be knowledgeable of and adhere to MHP policies on Beneficiary Rights as outlined in the Medi-Cal Member Services Brochures.
- C. Contractor shall ensure that direct service staff attend two cultural competency trainings per fiscal year and shall retain evidence of attendance for the purpose of reporting to the Cultural Competency Coordinator.
- D. Contractor staff performing services under this Agreement shall receive formal training on the Medi-Cal documentation process prior to providing any services under this Agreement. Contractor shall ensure that each staff member providing clinical services under this contract receives initial and annual training as specified in the ADMHS Mandatory Trainings Policy and Procedure #31.
- E. Contractor shall establish a process by which Spanish speaking staff who provide direct services in Spanish or interpretive services are tested for proficiency in speaking, reading, and writing Spanish language.
- F. Contractor shall provide timely access to care and service delivery in the following areas as required by the State MHP standards:
 - 1. Where applicable, 24 hours per day, 7 days per week access to “urgent” services (within 24 hours) and “emergency” services (same day);
 - 2. Access to routine appointments (1st appointment within 10 business days. When not feasible, Contractor shall give the client the option to re-contact the Access team and request another provider who may be able to serve the beneficiary within the 10 business day standard).
 - 3. The MHP Quality Assurance/Utilization Management team of Santa Barbara County shall monitor clinical documentation and timeliness of service delivery.
- G. Contractor shall not create, support or otherwise sanction any policies or procedures that discriminate against Medi-Cal beneficiaries. Contractor shall offer hours of operation that are no less than the hours of operation offered to commercial beneficiaries or, in the alternative, Contractor shall offer hours of operation that are comparable to those hours offered to Medicaid fee-for-service clients, if the provider serves only Medicaid beneficiaries.
- H. Contractor shall be notified of possible corrective actions to be taken when the Contractor does not adhere to MHP established standards or respond to corrective actions. The process for ensuring compliance and implementing corrective actions is as follows, as described in ADMHS’ Policy and Procedure #24:
 - 1. If Contractor is identified as operating outside of the compliance standards, Contractor shall be notified of lack of compliance with Federal and State standards and shall be asked to rectify the areas in which they have been out of compliance. A copy of this notification shall be placed in the provider file. Contractors are expected to complete all corrections within 90 calendar days from the date of notice. This will be considered the Period of Review. The specific nature of the documentation to show evidence of compliance will be based on the infraction.
 - 2. Following the 90 day Period of Review, should Contractor be unable to fulfill contractual obligations regarding compliance, Contractor shall meet with the Quality Assurance Manager within 30 calendar days to identify barriers to compliance. If an agreement is reached, the Contractor shall have not more than 30 calendar days to provide proof of compliance. If an agreement is not forthcoming, the issue will be referred to the Executive Management Team which will review the issue and make a determination of appropriate action. Such action may include, but are not limited to: suspension of referrals to the

ATTACHMENT A

individual or organizational provider, decision to de-certify or termination of Agreement, or other measures.

Reference: Service and Documentation Standards of the State of California, Department of Health Care Services.

EXHIBIT B

Financial Provisions

This Agreement provides for reimbursement for Psychiatric Inpatient Hospital Services up to a Maximum Contract Amount. For all services provided under this Agreement, Contractor will comply with all applicable requirements necessary for reimbursement in accordance with Welfare and Institutions Code §§5704-5724, and other applicable Federal, State and local laws, rules, manuals, policies, guidelines and directives.

I. PAYMENT FOR SERVICES

- A. Performance of Services. Contractor shall be compensated for provision of the Units of Service (UOS) established in Exhibit B-1 based on satisfactory provision of the Psychiatric Inpatient Hospital Services described in Exhibit A.
- B. Medi-Cal Services. The services provided by Contractor's Program described in Exhibit A may be covered by the Medi-Cal Program and will be reimbursed directly by the California State fiscal intermediary, Electronic Data Systems (hereafter "EDS") subject to the limitations described in Exhibit A and this Exhibit B. Funds for these services are not included within the Maximum Contract Amount.
- C. Non-Medi-Cal Services. County recognizes that the services provided by Contractor's Program described in Exhibit A may not be covered by Medi-Cal or may be provided to individuals who are not Medi-Cal eligible and such services will be reimbursed by County funds only to the extent specified in Exhibit B-1. Funds for these services are included within the Maximum Contract Amount, and are subject to the same requirements as funds for services provided pursuant to the Medi-Cal program.
- D. Limitations on Use of Funds Received Pursuant to this Agreement. Contractor shall use the funds provided by County exclusively for the purposes of performing the services described in Exhibit A to this Agreement. Expenses shall comply with the requirements established in OMB A-87 and applicable regulations. Violation of this provision or use of County funds for purposes other than those described in Exhibit A shall constitute a material breach of this Agreement.

II. MAXIMUM CONTRACT AMOUNT

The Maximum Contract Amount has been calculated based on the total UOS to be provided pursuant to this Agreement as set forth in Exhibit B-1 and shall not exceed **\$100,000**. The Maximum Contract Amount shall consist of County, State, and/or Federal funds as shown in Exhibit B-1. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder without a properly executed amendment.

III. PER DIEM RATE

County agrees to reimburse Contractor at a Per Diem Rate during the term of this

EXHIBIT B

Agreement. "Per Diem Rate" means a daily rate paid for reimbursable Psychiatric Inpatient Hospital Services for a client for the day of admission and each day that services are provided excluding the day of discharge. The Per Diem Rate shall be inclusive of all services defined in this Agreement as Psychiatric Inpatient Hospital Services, except for transportation services required in providing Psychiatric Inpatient Hospital Services.

Contractor shall be reimbursed for a day of service, at the Per Diem rate, when the client meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements, as described in Exhibit A, and occupies a psychiatric inpatient hospital bed at 12:00 midnight. A day of service may also be reimbursed by County if the client is admitted and discharged during the same 24-hour period provided that such admission and discharge is not within 24 hours of a prior discharge, as approved by County.

IV. OTHER REVENUES

- A. Third Party Revenues. Contractor shall comply with all County, State, and Federal requirements and procedures, as described in WIC §§ 5709, 5710 and 14710, relating to: (1) the determination and collection of patient/client fees for services hereunder based on Uniform Method for Determining Ability to Pay (UMDAP) (2) the eligibility of patients/clients Medi-Cal, Medicare, private insurance, or other third party revenue, and (3) the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder.
- B. Internal Procedures. Contractor shall maintain internal financial controls which adequately ensure proper billing and collection procedures. Contractor's procedures shall specifically provide for the identification of delinquent accounts and methods for pursuing such accounts. Contractor shall pursue payment from all potential sources in sequential order, with County as payor of last resort. All fees paid by or on behalf of patients/clients receiving services under this Agreement shall be utilized by Contractor only for the delivery of mental health service units specified in this Agreement.

V. BILLING AND PAYMENT PROCEDURES AND LIMITATIONS:

- A. Submission of Claims. Contractor shall submit a UB92 form (hereafter claim) within 14 calendar days of the date of discharge that: i) summarizes the UOS provided during the admission, ii) states the amount owed by County, and iii) includes the Agreement number and signature of Contractor's authorized representative. Claims shall be delivered to the County designated representative:

Quality Assurance/Utilization Review (QA/UR)
Santa Barbara County
Alcohol, Drug, and Mental Health Services
315 Camino del Remedio #257
Santa Barbara, CA 93110

EXHIBIT B

Contractor shall submit the client's medical chart along with the claim. Under extenuating circumstances in which the client's medical chart is not available by the 14th day after discharge, Contractor shall provide County with notice and subsequently provide the client's medical chart as soon as possible, but no later than 30 days from the date of discharge. County expects that such circumstances will be infrequent and that the client's medical chart and claim will be submitted simultaneously.

Contractor agrees that it shall be solely liable and responsible for all data and information submitted by Contractor.

Contractor shall submit a claim for services to County only after exhausting all other reimbursement mechanisms, as described in Section IV.

Contractor shall ensure that claims are submitted in chronological order according to admission date, in cases where a client has multiple admissions within a 14-day period.

QA/UR shall review all service utilization and claims for payment submitted by Contractor for compliance with the terms of this agreement and State, Federal and local requirements. County staff responsible for making payment determinations shall be licensed mental health or waived/registered professionals. Approvals and denials of payment will be reviewed by the QA/UR psychiatrist and will be documented by QA/UR in writing. County shall make provisional payment for approved claims within thirty (30) calendar days of the receipt of said claim(s) and client's medical chart by County subject to the contractual limitations set forth below.

B. Withholding Of Payment for Unsatisfactory Clinical Documentation. Director or designee shall have the option to deny payment for services when documentation of clinical services does not meet minimum State and County standards.

C. Claims Submission Restrictions.

1. Billing Limit. Unless otherwise determined by State or federal regulations (e.g. Medi-Medi cross-over), all original (or initial) claims and client's medical chart for eligible individual persons under this Agreement must be received by County within 14 days from the date of discharge to avoid denial for late billing.
2. No Payment for Services Provided Following Expiration/ Termination of Agreement. Contractor shall have no claim against County for payment of any funds or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

EXHIBIT B

3. Payment in Full.

- a. For Medi-Cal covered Psychiatric Inpatient Hospital Services, Contractor agrees to accept as payment in full payments made by EDS, irrespective of whether the cost of services provided to the client and related administrative expenses exceeded the payment obligation of Medi-Cal.
 - b. For Psychiatric Inpatient Hospital Services not covered by Medi-Cal, Contractor agrees to accept as payment in full payments made by County, pursuant to this Exhibit B and Exhibit B-1, irrespective of whether the cost of services provided to the client and related administrative expenses exceeded the payment obligation of County.
 - c. Contractor shall not submit a claim to demand, or otherwise collect reimbursement from the client or persons acting on behalf of the client for services provided except to collect other third party revenue as described in Section IV.
- D. Claims Certification and Program Integrity. Contractor shall certify that all UOS submitted to County for any payor sources covered by this Agreement are true and accurate to the best of Contractor's knowledge.
- E. Tracking of Expenses. Contractor shall inform County when seventy-five percent (75%) of the Maximum Contract Amount has been incurred based upon Contractor's own billing records. Contractor shall send such notice to those persons and addresses which are set forth in the Agreement, Section 2 (NOTICES).

VI. FINANCIAL REPORTS.

- A. Audited Financial Reports: Each year of the Agreement, the Contractor shall submit to County a copy of their audited annual financial statement, including management comments. This report shall be submitted within thirty (30) days after the report is received by Contractor.
- B. Single Audit Report: If Contractor is required to perform a single audit, per the requirements of OMB circular A-133, Contractor shall submit a copy of such single audit to County within thirty (30) days of receipt.

VII. AUDITS, AUDIT APPEALS AND POST-AUDIT EPSDT/MEDI-CAL FINAL SETTLEMENT

- A. Audit by Responsible Auditing Party. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with State and federal law including but not limited to the WIC § 14170 et. seq., authorized representatives from the County, State or Federal governments (Responsible Auditing Party) may conduct an audit or site review of Contractor regarding the mental health services/activities provided hereunder.

EXHIBIT B

- B. Settlement. Settlement of the audit findings will be conducted according to the Responsible Auditing Party's procedures in place. In the case of a State EPSDT/Medi-Cal audit, the State and County will perform a post-audit EPSDT/Medi-Cal settlement that is based on State audit findings. Such settlement will take place when the State initiates its settlement action which customarily is after the issuance of the audit report by the State and before the State's audit appeal process. However, if the Responsible Auditing Party stays its collection of any amounts due or payable because of the audit findings, County will also stay its settlement of the same amounts due or payable until the Responsible Auditing Party initiates its settlement action with County.
- C. Invoice for Amounts Due. County shall issue an invoice to Contractor for any amount due County after the Responsible Auditing Party issues an audit report. The amount on the County invoice is due by Contractor to County thirty (30) calendar days from the date of the invoice.

Appeal. Contractor may appeal any such audit findings in accordance with the audit appeal process established by the party performing

EXHIBIT B-1

**FY 2013-14
SCHEDULE OF RATES**

Accommodation Code/Service	Rate
Adult Mental Health Inpatient Room and Board, Psychiatric Mental Health, dual and substance abuse.	\$1,195 daily rate Inclusive of all Psychiatrist, Board and Care, Physician and medication services for both co-occurring and mental health services.
Transportation ADMS will provide transportation for the client unless arrangements have been made in advance with Contractor to provide this service.	\$150 per patient

Total Contract Maximum Value

\$100,000

EXHIBIT D

ORGANIZATIONAL SERVICE PROVIDER SITE CERTIFICATION

COMPLIANCE REQUIREMENTS

1. In order to obtain site certification as a Medi-Cal provider, Contractor must be able to demonstrate compliance with the following requirements:
 - A. Contractor is currently, and for the duration of this Agreement shall remain, licensed in accordance with all local, State, and Federal licensure requirements as a provider of its kind.
 - B. The space owned, leased, or operated by the Contractor and used for services or staff meets all local fire codes. Contractor shall provide a copy of fire clearance to Quality Assurance/Utilization Management.
 - C. The physical plant of the site owned, occupied, or leased by the Contractor and used for services or staff is clean, sanitary, and in good repair.
 - D. Contractor establishes and implements maintenance policies for the site owned, occupied, or leased by the Contractor and used for services or staff, to ensure the safety and well-being of clients and staff.
 - E. Contractor has a current administrative manual which includes: personnel policies and procedures, general operating procedures, service delivery policies, and procedures for reporting unusual occurrences relating to health and safety issues.
 - F. The Contractor maintains client records in a manner that meets the requirements of the County pursuant to the latest edition of the California State Mental Health Plan, and applicable state and federal standards.
 - G. Contractor has staffing adequate to allow the County to claim federal financial participation for the services the Contractor delivers to beneficiaries.
 - H. Contractor has written procedures for referring individuals to a psychiatrist when necessary, or to a physician, if a psychiatrist is not available.
 - I. Contractor has, as a head of service, a licensed mental health professional or rehabilitation specialist.
 - J. For Contractors that provide or store medications, the Contractor stores and dispenses medications in compliance with all pertinent State and Federal standards, specifically:
 1. All drugs obtained by prescription are labeled in compliance with Federal and State laws. Prescription labels may be altered only by authorized personnel.
 2. Drugs intended for external use only or food stuffs are stored separately from drugs for internal use.

EXHIBIT D

3. All drugs are stored at proper temperatures. Room temperature drugs should be stored at 59 – 86 degrees Fahrenheit, and refrigerated drugs must be stored at 36 – 46 degrees Fahrenheit.
 4. Drugs are stored in a locked area with access limited only to those medical personnel authorized to prescribe, dispense, or administer medication.
 5. Drugs are not retained after the expiration date. IM (Intramuscular) multi-dose vials are to be dated and initialed when opened.
 6. A drug log is to be maintained to ensure the Contractor disposes of expired, contaminated, deteriorated, and abandoned drugs in a manner consistent with State and Federal laws.
 7. Contractor's Policies and Procedures manual addresses the issues of dispensing, administration and storage of all medications.
2. **CERTIFICATION** - On-site certification is required every three (3) years. Additional certification reviews may be necessary if:
- A. The Contractor makes major staffing changes.
 - B. The Contractor makes organizational and/or corporate structural changes (i.e., conversion from non-profit status).
 - C. The Contractor adds Day Treatment or Medication Support services requiring medications to be administered or dispensed from Contractor's site.
 - D. There are significant changes in the physical plant of the provider site (some physical plant changes could require new fire clearance).
 - E. There is a change of ownership or location.
 - F. There are complaints regarding the Contractor.
 - G. There are unusual events, accidents, or injuries requiring medical treatment for clients, staff or members of the community.
 - H. On-site certification is not required for hospital outpatient departments which are operating under the license of the hospital. Services provided by hospital outpatient departments may be provided either on the premises or offsite.

**EXHIBIT B-1
SCHEDULE OF RATES**

Services	Rate
Adult Psychiatric Inpatient Hospital Services	* \$870 daily rate * Inclusive of all Psychiatrist, Board and Care, Physician and Medication Services for both co-occurring and mental health services.
Transportation The Department of Behavioral Wellness will provide transportation for the client unless arrangements have been made in advance with Contractor to provide this service.	\$150 per patient
Maximum Contract Amount Not to Exceed	\$70,000