

**SECOND AMENDED  
AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR**

**THIS SECOND AMENDMENT** to the Agreement for Services of Independent Contractor, **BC #19-251** (hereafter Second Amended Agreement), is made by and between the **County of Santa Barbara** (County) and **PathPoint** (Contractor), for the continued provision of services specified herein.

**WHEREAS**, Contractor represents that it is specially trained, skilled, experienced, and competent to perform the special services required by County, and County desires to retain the services of Contractor pursuant to the terms, covenants, and conditions referenced herein;

**WHEREAS**, the County Board of Supervisors authorized the County to enter into a Board Contract for Services of Independent Contractor, referred to as BC 19-251, on June 18, 2019 for the provision of mental health and residential services, for the period of July, 1, 2019 to June 30, 2022 for a total Maximum Contract Amount not to exceed **\$7,153,716** inclusive of \$2,384,572 per fiscal year for FYs 2019-2022;

**WHEREAS**, the First Amended Agreement authorized by the Board on December 8, 2020 updated language for compliance with State and Federal Regulations to the Agreement, Exhibit A-1, General Provisions, Exhibit A-2 Residential Support Services, Exhibit A-3 Supportive Community Services south (Paths to Recovery), Exhibit A-4 Adult Housing Support; update the Exhibit B and the Exhibit B-1 Schedule of Rates and Contract Maximum to remove the Contract Maximum Allowable (CMA), with no changes to the overall contract amount of **\$7,153,716** inclusive of \$2,384,572 per fiscal year; delegated to the Director of Behavioral Wellness or her designee the authority to reallocate funds between funding sources at their discretion during the term of the agreements without altering the Maximum Contract Amount due to increased cost, to make immaterial changes to the agreement, amend the staffing requirements of a particular program; waive the CMA rate from MH agreements for Fiscal Year 2019-2020 and 2020-2021 as needed, and updated measures in Exhibit E, all without requiring a formal amendment to the agreement, subject to the Board's ability to rescind this delegated authority at any time; and incorporated the terms and conditions set forth in the Agreement as approved by the County Board of Supervisors in June 2019, except as modified in this First Amended Contract;

**WHEREAS**, this Second Amended Agreement is to update language in the Standard Terms and Conditions and Agreement and Exhibit A-1 General Provisions for compliance with State and Federal Regulations; add language to Exhibit A-2 Statement of Work MHS Residential Support Services and Exhibit A-3 Statement of Work Supportive Community Services South (SCS) to Supportive Community Services for the delivery of additional services if needed; update language in Exhibit A-3 to increase staffing; and update Exhibit B Financial Provisions, Exhibit B-1 Schedule of Rates and Contract Maximum, and Exhibit B-2 Entity Budget by Program to increase funding by **\$59,137** for FY 21-22 for the added SCS Program staff with the Maximum Contract Amount not to exceed **\$7,212,853**, inclusive of \$2,384,572 for FY 19-20, \$2,384,572 for FY 20-21, and \$2,443,709 for FY 21-22, for the period of July 1, 2019 through June 30, 2022; and delegate to the Director of the Department of Behavioral Wellness or designee the authority to suspend, delay, or interrupt the services under the Agreement for convenience per Section 20 of the Agreement, authorize additional services per Exhibits A-2, A-3, and A-4 of the Agreement, and adjust the provisional rate with discretion per Exhibit B of the Agreement, all without altering the Maximum Contract Amount and without requiring the Board's approval of an amendment to the Agreement, subject to the Boards ability to rescind this delegated authority at any time; and

**WHEREAS**, the Second Amended Agreement incorporates the terms and conditions set forth in the First Amended Agreement, approved by the County Board of Supervisors on December 8, 2020, and the Agreement, approved on June 18, 2019, except as modified in this Second Amended Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, County and Contractor agree as follows:

- I. Delete the Standard Terms and Conditions of the Agreement in its entirety and replace it with the following:**

**AGREEMENT  
FOR SERVICES OF INDEPENDENT CONTRACTOR**

**THIS AGREEMENT** is made by and between the County of Santa Barbara (hereafter County or Department), a political subdivision of the State of California, and **Pathpoint** (hereafter Contractor), a California nonprofit with an address at 315 W. Haley St., #102, Santa Barbara, CA 93101, wherein Contractor agrees to provide and County agrees to accept the services specified herein (hereafter Agreement).

**WHEREAS**, Contractor represents that it is specially trained, skilled, experienced, and competent to perform the special services required by County, and County desires to retain the services of Contractor pursuant to the terms, covenants, and conditions herein set forth.

**NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

**1. DESIGNATED REPRESENTATIVE.**

Director at phone number 805-681-5220 is the representative of County and will administer this Agreement for and on behalf of County. Harry Bruell at phone number 805-966-3310 is the authorized representative for Contractor. Changes in designated representatives shall be made only after advance written notice to the other party.

**2. NOTICES.**

Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To County:                    Director  
                                      County of Santa Barbara  
                                      Department of Behavioral Wellness  
                                      300 N. San Antonio Road  
                                      Santa Barbara, CA 93110  
                                      Fax: 805-681-5262

To Contractor:             Harry Bruell, President/CEO  
                                      Pathpoint  
                                      315 West Haley Street #102  
                                      Santa Barbara, CA 93101  
                                      Phone: 805-966-3310  
                                      Fax: 805-966-5582

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

### **3. SCOPE OF SERVICES.**

Contractor agrees to provide services to County in accordance with EXHIBIT A(s) attached hereto and incorporated herein by reference.

### **4. TERM.**

Contractor shall commence performance on **7/1/2019** and end performance upon completion, but no later than **6/30/2022** unless otherwise directed by County or unless earlier terminated.

### **5. COMPENSATION OF CONTRACTOR.**

In full consideration for Contractor's services, Contractor shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT B(s) attached hereto and incorporated herein by reference.

### **6. INDEPENDENT CONTRACTOR.**

It is mutually understood and agreed that Contractor (including any and all of its officers, agents, and employees), shall perform all of its services under this Agreement as an independent Contractor as to County and not as an officer, agent, servant, employee, joint venturer, partner, or associate of County. Furthermore, County shall have no right to control, supervise, or direct the manner or method by which Contractor shall perform its work and function. However, County shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions hereof. Contractor understands and acknowledges that it shall 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 shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Contractor shall be solely responsible and save County harmless from all matters relating to payment of Contractor's employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, Contractor may be providing services to others unrelated to the County or to this Agreement.

### **7. STANDARD OF PERFORMANCE.**

Contractor represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, Contractor shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which Contractor is engaged. All products of whatsoever nature, which Contractor delivers to County pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in Contractor's profession. Contractor shall correct or revise any errors or omissions, at County's request without additional compensation. Permits and/or licenses shall be obtained and maintained by Contractor without additional compensation.

**8. 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, including but not limited to exclusion from participation from federal health care programs under Sections 1128 or 1128A of the Social Security Act. Contractor certifies that it shall not contract with a subcontractor that is so debarred or suspended.

**9. TAXES.**

Contractor shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. County shall 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 paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

**10. CONFLICT OF INTEREST.**

Contractor covenants that Contractor presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by Contractor. Contractor must promptly disclose to the County, in writing, any potential conflict of interest. County retains the right to waive a conflict of interest disclosed by Contractor if County determines it to be immaterial, and such waiver is only effective if provided by County to Contractor in writing. Contractor acknowledges that state laws on conflict of interest apply to this Agreement including, but not limited to, the Political Reform Act of 1974 (Gov. Code, § 81000 et seq.), Public Contract Code Section 10365.5, and Government Code Section 1090.

**11. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY.**

County shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. Contractor shall not release any of such items to other parties except after prior written approval of County. Contractor shall be the legal owner and Custodian of Records for all County client files generated pursuant to this Agreement, and shall comply with all Federal and State confidentiality laws, including Welfare and Institutions Code (WIC) §5328; 42 United States Code (U.S.C.) § 290dd-2; and 45 Code of Federal Regulations (C.F.R.), Parts 160 – 164 setting forth the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Contractor shall inform all of its officers, employees, and agents of the confidentiality provision of said laws. Contractor further agrees to provide County with copies of all County client file documents resulting from this Agreement without requiring any further written release of information. Within HIPAA guidelines, County shall have the unrestricted authority to publish, disclose, distribute, and/or otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

Unless otherwise specified in Exhibit A(s), Contractor hereby assigns to County all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by Contractor pursuant to this Agreement (collectively referred to as “Copyrightable Works and Inventions”). County shall 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 Copyrightable Works and Inventions. Contractor agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. Contractor warrants that any Copyrightable Works and Inventions and other items provided under this Agreement 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 Copyrightable Works or Inventions or other 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. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of this Agreement.

**12. 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 the 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 the County or its projects, without obtaining the prior written approval of County.

**13. COUNTY PROPERTY AND INFORMATION.**

All of County’s property, documents, and information provided for Contractor’s use in connection with the services shall remain County’s property, and Contractor shall return any such items whenever requested by County and whenever required according to the Termination section of this Agreement. Contractor may use such items only in connection with providing the services. Contractor shall not disseminate any County property, documents, or information without County’s prior written consent.

**14. RECORDS, AUDIT, AND REVIEW.**

- A. Contractor shall make available for inspection, copying, evaluation, or audit, all of its premises; physical facilities, or such parts thereof as may be engaged in the performance of the Agreement; equipment; books; records, including but not limited to beneficiary records; prescription files; documents, working papers, reports, or other evidence; contracts; financial records and documents of account, computers; and other electronic devices, pertaining to any aspect of services and activities performed, or determination of amounts payable, under this Agreement (hereinafter referred to as “Records”), at any time by County, Department of Health Care Services (DHCS), Centers for Medicare & Medicaid Services (CMS), Department of General Services, Bureau of State Audits, Health and Human Services (HHS), Inspector General, U.S. Comptroller General, or other authorized federal or state agencies, or their designees (“Authorized Representative”) (hereinafter referred to as “Audit”).

- B.** Any such Audit shall occur at the Contractor's place of business, premises, or physical facilities during normal business hours, and to allow interviews of any employees who might reasonably have information related to such Records. Contractor shall maintain Records in accordance with the general standards applicable to such book or record keeping and shall follow accounting practices and procedures sufficient to evaluate the quality and quantity of services, accessibility and appropriateness of services, to ensure fiscal accountability, and to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. All records must be capable of verification by qualified auditors.
- C.** This Audit right will exist for 10 years from: the close of the State fiscal year in which the Agreement was in effect or if any litigation, claim, negotiation, Audit, or other action involving the Records has been started before the expiration of the 10-year period, the Records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 10-year period, whichever is later.
- D.** Contractor shall retain all records and documents originated or prepared pursuant to Contractor's or subcontractor's performance under this Agreement, including beneficiary grievance and appeal records identified in 42 C.F.R. § 438.416 and the data, information and documentation specified in 42 Code of Federal Regulations Sections 438.604, 438.606, 438.608, and 438.610 for the 10-year period as determined in Paragraph 14.C.
- E.** If this Agreement is completely or partially terminated, the Records, relating to the work terminated shall be preserved and made available for the 10-year period as determined in Paragraph 14.C.
- F.** Contractor shall ensure that each of its sites keep a record of the beneficiaries being treated at each site. Contractor shall keep and maintain records for each service rendered, to whom it was rendered, and the date of service, pursuant to Welfare & Institutions Code Section 14124.1 and 42 C.F.R. Sections 438.3(h) and 438.3(u). Contractor shall retain such records for the 10-year period as determined in Paragraph 14.C.
- G.** Contractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other data storage medium. Upon request by an Authorized Representative to inspect, audit or obtain copies of said records, the Contractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- H.** The Authorized Representatives may Audit Contractor at any time if there is a reasonable possibility of fraud or similar risk.
- I.** Contractor agrees to include a similar right of Authorized Representatives to audit records and interview staff in any subcontract related to performance of this Agreement.

- J.** 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. The provisions of the Records, Audit, and Review section shall survive any expiration or termination of this Agreement.

**15. INDEMNIFICATION AND INSURANCE.**

Contractor agrees to the indemnification and insurance provisions as set forth in EXHIBIT C – Standard Indemnification and Insurance Provisions attached hereto and incorporated herein by reference.

**16. NONDISCRIMINATION.**

County hereby notifies Contractor that County's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and Contractor agrees to comply with said ordinance. Contractor shall also comply with the nondiscrimination provisions set forth in EXHIBIT A–1 General Provisions: MHS to this Agreement.

**17. NONEXCLUSIVE AGREEMENT.**

Contractor understands that this is not an exclusive Agreement and that County shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by Contractor as the County desires.

**18. NON-ASSIGNMENT.**

Contractor shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of County and any attempt to so assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

**19. 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.

- i. 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.
  - ii. 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. 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.
  - iii. 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(s), 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.

**20. SUSPENSION FOR CONVENIENCE.**

County's Designated Representative may, at any time, order Contractor in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part for up to 120 days. County shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement.

**21. SECTION HEADINGS.**

The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

**22. 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 Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

**23. 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.

**24. TIME IS OF THE ESSENCE.**

Time is of the essence in this Agreement and each covenant and term is a condition herein.

**25. NO WAIVER OF DEFAULT.**

No delay or omission of County to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to County shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of County.

**26. 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 the Department of Behavioral Wellness. The Board of Supervisors of the County of Santa Barbara must approve all other amendments and modifications.

**27. SUCCESSORS AND ASSIGNS.**

All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

**28. 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.

**29. CALIFORNIA LAW AND JURISDICTION.**

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall 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.

**30. EXECUTION OF COUNTERPARTS.**

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

**31. AUTHORITY.**

All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Contractor hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which Contractor is obligated, which breach would have a material effect hereon.

**32. SURVIVAL.**

All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

**33. PRECEDENCE.**

In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

**34. 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.

**35. 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.

**36. MANDATORY DISCLOSURE.**

**A. Prohibited Affiliations.**

1. Contractor shall not knowingly have any prohibited types of relationships with the following:
  - i. An individual or entity that is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in nonprocurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549. (42 C.F.R. § 438.610(a)(1).)
  - ii. An individual or entity who is an affiliate, as defined in the Federal Acquisition Regulation at 48 C.F.R. Section 2.101, of a person described in this section. (42 C.F.R. § 438.610(a)(2).)
2. The Contractor and its subcontractors shall not have a relationship with an individual or entity that is excluded from participation in any Federal Health Care Program (as defined in Section 1128B(f) of the Social Security Act) under either Sections 1128, 1128A, 1156, or 18420(2) of the Social Security Act. (42 C.F.R. §§ 438.214(d)(1), 438.610(b), 42 U.S.C. § 1320c-5.)
3. The relationships described in paragraph A of this section, are as follows:
  - i. A director, officer, agent, managing employee, or partner of the Contractor. (42 U.S.C. § 1320a-7(b)(8)(A)(ii); 42 C.F.R. § 438.610(c)(1).)
  - ii. A subcontractor of the Contractor, as governed by 42 C.F.R. § 438.230. (42 C.F.R. § 438.610(c)(2).)
  - iii. A person with beneficial ownership of 5 percent or more of the Contractor's equity. (42 C.F.R. § 438.610(c)(3).)
  - iv. An individual convicted of crimes described in Section 1128(b)(8)(B) of the Social Security Act. (42 C.F.R. § 438.808(b)(2).)

- v. A network provider or person with an employment, consulting, or other arrangement with the Contractor for the provision of items and services that are significant and material to the Contractor's obligations under this Contract. (42 C.F.R. § 438.610(c)(4).)
- vi. The Contractor shall not employ or contract with, directly or indirectly, such individuals or entities for the furnishing of health care, utilization review, medical social work, administrative services, management, or provision of medical services (or the establishment of policies or provision of operational support for such services). (42 C.F.R. § 438.808(b)(3).)

**B. Written Disclosures.**

1. **Written Notice of Prohibited Affiliations.** The Contractor shall provide to County written disclosure of any Prohibited Affiliations identified by the Contractor or its subcontractors. (42 C.F.R. § 438.608(c)(1).)
2. **Ownership or Controlling Interests.** Pursuant to 42 C.F.R. § 455.104, Medicaid providers, other than an individual practitioner or group of practitioners; fiscal agents; and managed care entities (“Disclosing Entities”) must disclose certain information related to persons who have an “ownership or control interest” in the Disclosing Entity, as defined in 42 C.F.R. § 455.101. (For the purposes of this section “person with an ownership or control interest” means a person or corporation that – a. Has an ownership interest totaling five percent or more in a Disclosing Entity; b. Has an indirect ownership interest equal to five percent or more in a Disclosing Entity; c. Has a combination of direct and indirect ownership interests equal to five percent or more in a Disclosing Entity. d. Owns an interest of five percent or more in any mortgage, deed of trust, note, or other obligation secured by the Disclosing Entity if that interest equals at least five percent of the value of the property or assets of the Disclosing Entity.) The disclosure must include the following information:
  - i. The name, address, date of birth, and Social Security Number of any **managing employee**, as that term is defined in 42 C.F.R. § 455.101. For purposes of this disclosure, Contractor may use the business address for any member of its Board of Supervisors.
  - ii. The name and address **of any person (individual or corporation) with an ownership or control interest** in the Disclosing Entity. The address for corporate entities must include as applicable primary business address, every business location, and P.O. Box address.
  - iii. Date of birth and Social Security Number (in the case of an individual).
  - iv. Other tax identification number (in the case of a corporation) with an ownership or control interest in the Disclosing Entity (or fiscal agent or managed care entity) or in any subcontractor in which the Disclosing Entity (or fiscal agent or managed care entity) has a five percent or more interest.

- v. Whether the person (individual or corporation) with an ownership or control interest in the Disclosing Entity (or fiscal agent or managed care entity) is related to another person with ownership or control interest in the Disclosing Entity as a spouse, parent, child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the Disclosing has a five percent or more interest is related to another person with ownership or control interest in the Disclosing Entity as a spouse, parent, child, or sibling.
  - vi. The name of any other Disclosing Entity in which an owner of the Disclosing Entity has an ownership or control interest.
  - vii. Is an officer or director of a Disclosing Entity that is organized as a corporation.
  - viii. Is a partner in a Disclosing Entity that is organized as a partnership.
3. **Timing for Disclosure of Ownership and Controlling Interests.** Contractor shall complete a Disclosure of Ownership or Controlling Interest form provided by County upon submitting a provider application; before entering into or renewing its contract; annually, upon request during the re-validation of enrollment process under 42 C.F.R. Section 455.104; within 35 days after any change of ownership; or upon any person newly obtaining an interest of 5% or more of any mortgage, deed of trust, note or other obligation secured by Contractor, and that interest equals at least 5% of Contractor's property or assets.
4. **Business Transactions. (42 C.F.R. § 455.105).**
- i. Contractor agrees to furnish to County or the Secretary of DHCS on request, information related to business transactions. Contractor shall submit, within 35 days of the date on a request by County or the Secretary of DHCS full and complete information about:
    - a. The ownership of any subcontractor with whom the provider has had business transactions totaling more than \$25,000 during the 12-month period ending on the date of the request; and
    - b. Any significant business transactions between the provider and any wholly owned supplier, or between the provider and any subcontractor, during the 5-year period ending on the date of the request.
5. **Crimes.**
- i. **Violations of Criminal Law.** Contractor must disclose, in a timely manner, in writing to the County all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting this Agreement. Contractor is required to report certain civil, criminal, or administrative proceedings to the System for Award Management (SAM) located at [www.sam.gov](http://www.sam.gov). Failure to make required disclosures can result in any of the remedies for noncompliance described in 45 C.F.R. Section 75.371 and/or 2 C.F.R. § 200.338, including suspension or debarment. (See also 2 C.F.R. parts 180 and 376, and 31 U.S.C. § 3321.)

- ii. **Persons Convicted of Crimes Related to Federal Health Care Programs.** Contractor shall submit the following disclosures to County regarding its owners, persons with controlling interest, agents, and managing employee's criminal convictions prior to entering into this Agreement and at any time upon County's request:
  - a. The identity of any person who is a managing employee of the Contractor who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a)(1), (2).)
  - b. The identity of any person who is an agent of the Contractor who has been convicted of a crime related to federal health care programs. (42 C.F.R. § 455.106(a)(1), (2).) For this purpose, the word "agent" has the meaning described in 42 C.F.R. Section 455.101.
- iii. **Timing for Disclosures of Crimes.** The Contractor shall supply disclosures regarding crimes before entering into the contract and at any time upon the County or DHCS' request.

**C. Lobbying.** Contractor shall complete a Certification Regarding Lobbying as set forth in Exhibit D, Attachment 1, and, if applicable, a Lobbying Restrictions and Disclosure Certification as set forth in Exhibit D, Attachment 2, of this Agreement.

1. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
2. Contractor also agrees by signing this Agreement that he or she shall require that the language of this certification be included in all lower-tier subcontracts, which exceed \$100,000 and that all such sub recipients shall certify and disclose accordingly.
3. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

**D. Remedies.**

1. **Denial of Federal Financial Participation (FFP) for Failure to Provide Timely Disclosures.**
  - i. FFP is not available in expenditures for services furnished by Contractors who fail to comply with a request made by the County or Secretary of DHCS under this section Mandatory Disclosures, or under 42 C.F.R. § 420.205 (Medicare requirements for disclosure).

- ii. FFP will be denied in expenditures for services furnished during the period beginning on the day following the date the information was due to the County or the Secretary of DHCS and ending on the day before the date on which the information was supplied.
  - iii. A provider shall be required to reimburse those Medi-Cal funds received during any period for which material information was not reported, or reported falsely, to the County or DHCS (Welf. & Inst. Code § 14043.3).
2. **Other Remedies.** County or DHCS may pursue any remedies provided by law, including but not limited to, the right to withhold payments, disallow costs, or issue a CAP, pursuant to Cal. Health and Safety Code, Section 11817.8(h) for Contractor's failure to provide required disclosures.

### **37. PROCUREMENT OF RECOVERED MATERIALS.**

Contractor shall comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

### **38. DOMESTIC PREFERENCES FOR PROCUREMENTS.**

- A.** As appropriate and to the extent consistent with law, the CONTRACTOR should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subcontractor agreements.
- B.** For purposes of this section:
1. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
  2. "Manufactured products" means items and construction materials composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

### **39. CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT.**

Contractor shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and pursuant to the Federal Water Pollution Control Act, as amended (33 U.S.C. §§ 1251-1387). Contractor shall promptly disclose, in writing, to the COUNTY, the Federal Awarding Agency, and the Regional Office of the Environmental Protection Agency (EPA), whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder, the Contractor has credible evidence that Contractor itself, a principal, employee, agent, or subcontractor of the Contractor has committed a violation of the Clean Air Act

(42 U.S.C. §§ 7401-7671q) or the Federal Water Pollution Control Act, as amended (33 U.S.C. §§ 1251-1387).

**40. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS.**

The Contractor shall comply with the requirements of 2 C.F.R. Part 200 which are hereby incorporated by reference in this Agreement.

**41. PRIOR AGREEMENTS.**

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

**II. Delete Exhibit A-1 MHS General Provisions in its entirety and replace it with the following:**

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**EXHIBIT A-1- MHS  
GENERAL PROVISIONS**

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**The following provisions shall apply to all programs operated under this Agreement, included as Exhibits A-2 through A-4, as may be amended and as though separately set forth in the scope of work specific to each program.**

**1. PERFORMANCE.**

**A.** Contractor shall adhere to all applicable County, State, and Federal laws, including the applicable sections of the state Medicaid plan and waiver, in the performance of this Agreement, including but not limited to the statutes and regulations referenced therein and those set forth below. Contractor shall comply with any changes to these statutes and regulations that may occur during the Term of the Agreement and any new applicable statutes or regulations without the need for amendments to this Agreement. Contractor's performance shall be governed by and construed in accordance with, the following:

1. All laws and regulations, and all contractual obligations of the County under the County Mental Health Plan ("MHP") (Contract No. 17-94613) between the County Department of Behavioral Wellness (the Department) and the State Department of Health Care Services (DHCS), available at [www.countyofsb.org/behavioral-wellness](http://www.countyofsb.org/behavioral-wellness), including but not limited to subparagraphs C and F of the MHP, Exhibit E, Paragraph 7, and the applicable provisions of Exhibit D(F) to the MHP referenced in Paragraph 19.D of this Exhibit. Contractor shall comply with the MHP, Contract Number\_17-94613, which is incorporated by this reference, until such time as an amended or new MHP Agreement is entered into between the Department and DHCS, which the parties anticipate will be substantially similar to the MHP Agreement, Contract Number 17-94613. Once the amended or new MHP Agreement is received, the parties will review any changes and determine whether the amended or new MHP Agreement require amendments to this Agreement;
2. The Behavioral Wellness Steering Committee Vision and Guiding Principles, available at [www.countyofsb.org/behavioral-wellness](http://www.countyofsb.org/behavioral-wellness);



3. All applicable laws and regulations relating to patients' rights, including but not limited to Welfare and Institutions Code Section 5325, California Code of Regulations, Title 9, Sections 862 through 868, and 42 Code of Federal Regulations Section 438.100;
  4. All applicable Medicaid laws, regulations, including applicable sub-regulatory guidance and contract provisions;
  5. California's Mental Health Services Act;
  6. California Code of Regulations Title 9, Division 1; and
  7. 42 C.F.R. § 438.900 *et seq.* requiring provision of services to be delivered in compliance with federal regulatory requirements related to parity in mental health and substance use disorder benefits.
- B.** Contractor shall be at all times currently enrolled with the California Department of Health Care Services as a Medicaid provider, consistent with the provider disclosure, screening and enrollment requirements of 42 C.F.R. part 455, subparts B and E.

**2. STAFF.**

- A.** Contractor staff providing direct services to clients shall be trained and skilled at working with persons with serious mental illness (SMI), and shall adhere to professionally recognized evidence-based best practices for rehabilitation assessment, service planning, and service delivery. In addition, these staff shall receive Documentation Training in accordance with the *Behavioral Wellness Mandatory Trainings Policy and Procedure #5.008*, as may be amended, available at <https://www.countyofsb.org/behavioral-wellness/policies-procedures.sbc>.
- B.** Contractor shall ensure that any staff identified on the Centers for Medicare & Medicaid Services ("CMS") Exclusions List or other applicable list shall not provide services under this Agreement nor shall the cost of such staff be claimed to Medi-Cal. Contractor shall not employ or subcontract with providers excluded from participation in Federal health care programs under either sections 1128 or 1128A of the Social Security Act.
- C.** All staff performing services under this Agreement with access to the Behavioral Wellness electronic medical record shall be reviewed and approved by Behavioral Wellness Quality Care Management (QCM) Division, in accordance with *Behavioral Wellness Policy and Procedure #4.015, Staff Credentialing and Re-Credentialing*.
- D.** Contractor shall notify County of any staffing changes as part of the quarterly Staffing Report, in accordance with Section 4.A. (Staffing) below. Contractor shall notify County in writing at [bwelcontractsstaff@co.santa-barbara.ca.us](mailto:bwelcontractsstaff@co.santa-barbara.ca.us) within one business day for the unexpected termination of staff when staff separates from employment or is terminated from working under this Agreement, or within one week of the expected last day of employment or for staff planning a formal leave of absence.
- E.** At any time prior to or during the term of this Agreement, the County may require that Contractor staff performing work under this Agreement undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Agreement. 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.

- F. County may request that Contractor's staff be immediately removed from performing work under this Agreement for good cause during the term of the Agreement. Upon such request, Contractor shall remove such staff immediately.
- G. County may immediately deny or terminate County facility access, including all rights to County property, computer access, and access to County software, to Contractor's staff that does not pass such investigation(s) to the satisfaction of the County, or whose conduct is incompatible with County facility access.
- H. Disqualification, if any, of Contractor staff, pursuant to this Section regarding Staff or any other provision of law, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement.

**3. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATIONS.**

- A. Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certifications (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 to Behavioral Wellness QCM Division, upon request.
- B. In the event the license/certification status of any Contractor staff member cannot be confirmed, the staff member shall be prohibited from providing services under this Agreement.
- C. If Contractor is a participant in the Short-Doyle/Medi-Cal program, Contractor shall keep fully informed of and in compliance with all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal certification of all its facilities, and the requirements of *Department of Behavioral Wellness' Policy and Procedure #4.005 – Site Certification for Specialty Mental Health Services*.

**4. REPORTS.**

- A. **Staffing.** Contractor shall submit quarterly staffing reports to County. These staffing reports shall be on a form acceptable to, or provided by, County and shall report actual staff hours worked by position and shall include the employees' names, licensure status, bilingual and bicultural capabilities, budgeted monthly salary, actual salary, hire date, and, if applicable, termination date. The staffing reports shall be received by County no later than 25 calendar days following the end of the quarter being reported.
- B. **Programmatic.** Contractor shall submit quarterly programmatic reports to County, which shall be received by County no later than 25 calendar days following the end of the quarter being reported. Programmatic reports shall include the following:
  - 1. Contractor shall state whether it is or is not progressing satisfactorily in achieving all the terms of this Agreement and if not, shall specify what steps will be taken to achieve satisfactory progress;

2. Contractor shall include a narrative description of Contractor's progress in implementing the provisions of this Agreement, details of outreach activities and their results, any pertinent facts or interim findings, staff changes, status of Licenses and Certifications, changes in population served and reasons for any such changes;
3. The number of active cases and number of clients admitted/ discharged; and
4. The Measures described in Exhibit E, Program Goals, Outcomes and Measures, as applicable, or as otherwise agreed by Contractor and County. In addition, Contractor may include any other data that demonstrate the effectiveness of Contractor's programs.
  - i. Contractor and County may amend the program goals, outcomes, and/or measures described in Exhibit E by agreement. Amendments to Exhibit E shall be agreed to in writing by Contractor and the Director of the Department of Behavioral Wellness or designee. Such amendments do not alter the Maximum Contract Amount and do not require the approval of the County Board of Supervisors.

**C. Annual Mandatory Training Report.** Contractor shall submit evidence of completion of the Mandatory Trainings identified in the Section regarding Training Requirements on an annual basis to the County Systems Training Coordinator. Training materials, competency tests and sign-in sheets shall be submitted for each training no later than June 15th of each year unless requested earlier by County.

**D. Additional Reports.**

1. Contractor shall maintain records and make statistical reports as required by County and DHCS or other government agency, on forms provided by or acceptable to the requesting agency. In addition to reports required under this Agreement, 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.
2. As a condition of funding for Quality Assurance (QA) activities, Contractor QA staff shall provide a monthly report to QCM consisting of documentation reviews performed, associated findings, and corrective action. The QA reports shall be received by County no later than 25 calendar days following the end of the month being reported.

**5. BACKGROUND CHECKS.**

**A. Consent to Criminal Background Check, Fingerprinting (42 C.F.R. § 455.450, Welf. & Inst. Code § 14043.38).** Contractor consents to criminal background checks, including fingerprinting when required to do so by federal or state law. Within 30 days of a request from CMS or DHCS, Contractor, or any person with a 5% or more direct or indirect ownership interest in Contractor, shall submit a set of fingerprints in a form and manner determined by CMS or DHCS.

**B. Mandatory Termination.** As determined by DHCS, Contractor may be subject to mandatory termination from the Medi-Cal program for any of the following reasons:

1. Failure to cooperate with and provide accurate, timely information in response to all required Medi-Cal screening methods, including failure to submit fingerprints as required (42 C.F.R. § 455.416); or

2. Conviction of a criminal offense related to a person's involvement with Medi-care, Medi-Cal, or any other Title XX or XXI program in the last 10 years (42 C.F.R. § 455.416, 42 C.F.R. § 455.106).
6. **MEDI-CAL VERIFICATION.** Contractor shall be responsible for verifying client's Medi-Cal eligibility status and will take steps to reactivate or establish eligibility where none exists.
7. **SITE STANDARDS.**
  - A. Contractor agrees to comply with all Medi-Cal requirements, including, but not limited to those specified in the *Department of Behavioral Wellness' Policies and Procedures*, referenced in Section 17 (Additional Program Requirements), and be approved to provide Medi-Cal services based on Medi-Cal site certification, per *Department of Behavioral Wellness' Policy and Procedure #4.005- Site Certification for Specialty Mental Health Services*.
  - B. For programs located at Contractor's sites, Contractor shall develop and maintain a written disaster plan for the Program site and shall provide annual disaster training to staff that addresses, at a minimum: emergency staffing levels for the continuation of services under the Program, patient safety, facility safety, safety of medication storage and dispensing medication, and protection of client records, as required by this Agreement.
8. **CONFIDENTIALITY.**
  - A. Contractor, its employees, agents, or subcontractors agree to maintain the confidentiality of patient records pursuant to: Title 42 United State Code (USC) Section 290 dd-2; Title 42 Code of Federal Regulations (C.F.R.), Part 2; Title 42 C.F.R. Section 438.224; 45 C.F.R. Section 96.132(e), 45 C.F.R. Parts 160, 162, and 164; Title 22 California Code of Regulations (CCR) Section 51009; Welfare & Institutions Code (W&IC) Section 5328 et seq. and Section 14100.2; Health and Safety Code (HSC) Sections 11812 and 11845.5; Civil Code Sections 56 – 56.37, 1798.80 – 1798.82, and 1798.85; and Paragraph 34 (Compliance with HIPAA) of this Agreement, as applicable. Patient records must comply with all appropriate State and Federal requirements.
  - B. Contractor shall ensure that no list of persons receiving services under this Agreement is published, disclosed, or used for any purpose except for the direct administration of services under this Agreement or other uses authorized by law that are not in conflict with requirements for confidentiality contained in the preceding codes.
  - C. Contractor shall comply with Exhibit F to the MHP to the extent Contractor is provided Personal Health Information ("PHI"), Personal Information ("PI"), or Personally Identifiable Information as defined in Exhibit F of the MHP from County to perform functions, services, or activities specified in this Agreement.
  - D. Contractor shall make itself and any subcontractors, employees or agents assisting Contractor in the performance of its obligations under this Agreement, available to County or DHCS at no cost to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against County, DHCS, its directors, officers or employees based upon claimed violation of HIPAA, or the HIPAA regulations, which involves inactions or actions by Contractor, except where Contractor or its subcontractor, employee or agent is a named adverse party.

E. Upon termination or expiration of this Agreement for any reason, Contractor shall return or destroy all PHI, PI and PII accessed in a database maintained by County, received by Contractor from County, or acquired or created by Contractor in connection with performing functions, services, or activities specified in this Agreement on behalf of County that Contractor still maintains in any form, and shall retain no copies of such PHI, PI or PII. If return or destruction is not feasible, Contractor shall notify County of the conditions that make the return or destruction infeasible, and County and Contractor shall determine the terms and conditions under which Contractor may retain the PHI, PI or PII. Contractor shall continue to extend the protections of Exhibit F of the MHP to such PHI, PI and PII, and shall limit further use of such data to those purposes that make the return or destruction of such data infeasible. This paragraph shall also apply to Department PHI, PI and PII that is in the possession of subcontractors or agents of Contractor.

**9. CLIENT AND FAMILY MEMBER EMPOWERMENT.**

- A. Contractor agrees to support active involvement of clients and their families in treatment, recovery, and policy development.
- B. Contractor shall actively participate in the planning design, and execution of County's Quality Improvement Program as described in Cal. Code. Regs., Title 9, § 1810.440(a)(2)(A).
- C. Contractor shall adopt *Department of Behavioral Wellness' Policy and Procedures #4.020 Beneficiary Problem Resolution Process*, available at [www.countyofsb.org/behavioral-wellness](http://www.countyofsb.org/behavioral-wellness), to address client/family complaints in compliance with beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in 42 C.F.R. Section 438.400 through 42 C.F.R. Section 438.424.
- D. Contractor shall take a beneficiary's rights into account when providing services and comply with *Department of Behavioral Wellness' Policy and Procedure #3.000 Beneficiary Rights*.
- E. Contractor shall obtain and retain a written medication consent form signed by the beneficiary in accordance with *Department of Behavioral Wellness' Policy and Procedures #8.009 Psychiatric Medication Consent for Adults* to the extent Contractor is a "provider" as defined by the MHP.

**10. CULTURAL COMPETENCE.**

- A. **Report on Capacity.** 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 (as part of the quarterly staffing report), and the number of culturally diverse clients receiving Program services; and
  - 2. Efforts aimed at providing culturally competent services such as trainings provided to staff, changes or adaptations to service protocol, community education/outreach, etc.

- B. Communicate in Preferred Language.** At all times, the Contractor’s Program(s) shall be staffed with personnel who can communicate in the client preferred language, or Contractor shall provide interpretation services, including American Sign Language (ASL).
- C. Bilingual Staff for Direct Service Positions.** Contractor will strive to fill direct service positions with bilingual staff in County’s threshold language (Spanish) that is reflective of the specific needs of each region. Contractor percentage goals are calculated based on U.S. Census language data by region: Santa Barbara service area (including Goleta and Carpinteria) – 30%; Santa Maria service area (including Orcutt and Guadalupe) – 48%; and Lompoc service area (including Buellton and Solvang) – 33%.
- D. Cultural Considerations When Providing Services.** Contractor shall provide services that consider the culture of mental illness, as well as the ethnic and cultural diversity of clients and families served; materials provided to the public must also be printed in Spanish (threshold language).
- E. Services and Programs in Spanish.** Services and programs offered in English must also be made available in Spanish, if clients identify Spanish as their preferred language, as specified in subsection B above.
- F.** As applicable, a measurable and documented effort must be made to conduct outreach to and to serve the underserved and the non-served communities of Santa Barbara County.
- G.** 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 in the Spanish language.

**11. COMPLIANCE PROGRAM.**

- A.** If Contractor identifies an issue or receives notification of a complaint concerning an incident of potential fraud, waste or abuse, in addition to notifying County, Contractor shall conduct an internal investigation to determine the validity of the issue/complaint, and develop and implement corrective action, if needed.
- B.** County shall suspend payments to Contractor when it or the State determines there is a credible allegation of fraud. Contractor shall implement and maintain arrangements or procedures that include provision for the suspension of payments to independent contractors for which the State, or County, determines there is a credible allegation of fraud. (42 C.F.R. §§ 438.608(a), (a)(8) and 455.23.)
- C.** Contractor shall notify County within 30 calendar days when it has identified payments in excess of amounts specified for reimbursements of Medi-Cal services or when it has identified or recovered overpayments due to potential fraud. (42 C.F.R. § 438.608(a), (a)(2).) Contractor shall return any overpayments pursuant to Exhibit B, Section VI.H (Overpayments) of this Agreement.

**12. NOTIFICATION REQUIREMENTS.**

- A.** Contractor shall maintain and share, as appropriate, a beneficiary health record in accordance with professional standards. (42 C.F.R. § 438.208(b)(5).) Contractor shall ensure that, in the course of coordinating care, each beneficiary's privacy is protected in accordance with this Agreement all federal and state privacy laws, including but not limited to 45 C.F.R. parts 160 and 164, subparts A and E, to the extent that such provisions are applicable. (42 C.F.R. § 438.208(b)(6).)

- B.** Contractor shall immediately notify Behavioral Wellness Quality Care Management (“QCM”) Division at 805-681-5113 in the event of:
1. Known serious complaints against licensed/certified staff;
  2. Restrictions in practice or license/certification as stipulated by a State agency;
  3. Staff privileges restricted at a hospital;
  4. Other action instituted which affects staff license/certification or practice (for example, sexual harassment accusations); or
  5. Any event triggering Incident Reporting, as defined in *Behavioral Wellness Policy and Procedure #4.004, Unusual Occurrence Incident Reporting*.
- C.** Contractor shall immediately contact the Behavioral Wellness Compliance Hotline (805-884-6855) should any of the following occur:
1. Suspected or actual misappropriation of funds under Contractor’s control;
  2. Legal suits initiated specific to the Contractor’s practice;
  3. Initiation of criminal investigation of the Contractor; or
  4. HIPAA breach.
- D.** For clients receiving direct services from both Behavioral Wellness and Contractor staff, Contractor shall immediately notify the client’s Behavioral Wellness Case Manager or other Behavioral Wellness staff involved in the client’s care, or the applicable Regional Manager should any of the following occur:
1. Side effects requiring medical attention or observation;
  2. Behavioral symptoms presenting possible health problems; or
  3. Any behavioral symptom that may compromise the appropriateness of the placement.
- E.** Contractor may contact Behavioral Wellness Contracts Division at [bwelcontractsstaff@co.santa-barbara.ca.us](mailto:bwelcontractsstaff@co.santa-barbara.ca.us) for any contractual concerns or issues.
- F.** "Immediately" means as soon as possible but in no event more than twenty-four (24) hours after the triggering event. Contractor shall train all personnel in the use of the Behavioral Wellness Compliance Hotline (805-884-6855).

### **13. MONITORING.**

- A.** Contractor agrees to abide by the *Department of Behavioral Wellness’ Policies and Procedures* referenced in Section 17 (Additional Program Requirements) and to cooperate with the County’s utilization review process which ensures medical necessity, appropriateness and quality of care. This review may include clinical record review, client survey, and other utilization review program monitoring practices. Contractor shall cooperate with these programs, and will furnish necessary assessment and Client Service Plan information, subject to Federal or State confidentiality laws and provisions of this Agreement.
- B.** Contractor shall identify a senior staff member who will be the designated Behavioral Wellness QCM Division contact and will participate in any provider QCM meetings to review current and coming quality of care issues.

## 1. **Quality Assurance Requirements.**

Contractor is permitted up to 2% of Medi-Cal program costs for quality assurance (QA) type activities. Quality assurance type activities include reviewing for compliance with:

- i. Medi-Cal documentation standards as identified in California Code of Regulations Title 9, Chapter 11 and DHCS Mental Health and Substance Abuse Disorder Information Notices;
  - ii. Assessment guidelines as identified in the *Department of Behavioral Wellness Policy and Procedure #8.100 Mental Health Client Assessment*.
  - iii. Client treatment plan requirements as identified in the *Department of Behavioral Wellness Policy and Procedure #8.101 Mental Health Client Treatment Plans*.
  - iv. Progress note requirements in the *Department of Behavioral Wellness Policy and Procedure #8.102 Mental Health Progress Notes*.
- C. Contractor shall provide a corrective action plan if deficiencies in Contractor's compliance with the provisions of the MHP or this Agreement are identified by County.
- D. County shall monitor the performance of Contractor on an ongoing basis for compliance with the terms of this Agreement. 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, and provider recertification requirements. County's Care Coordinators, Quality Improvement staff, and the Program Managers or their designees shall conduct periodic on-site and/or electronic reviews of Contractor's clinical documentation.
- E. Contractor shall allow DHCS, CMS, the Office of the Inspector General, the Comptroller General of the United States, and other authorized federal and state agencies, or their duly authorized designees, to evaluate Contractor's, and its subcontractors', performance under this Agreement, including the quality, appropriateness, and timeliness of services provided. This right shall exist for 10 years from the term end date of this Agreement or in the event the Contractor has been notified that an audit or investigation of this Agreement has been commenced, until such time as the matter under audit or investigation has been resolved, including the exhaustion of all legal remedies, whichever is later. (See 42 C.F.R. § 438.3(h).) If monitoring activities identify areas of non-compliance, Contractor will be provided with recommendations and a corrective action plan. Contractor shall be liable to County for any penalties assessed against County for Contractor's failure to comply with the required corrective action.

## 14. **NONDISCRIMINATION.**

### A. **State Nondiscrimination Provisions.**

1. **No Denial of Benefits on the Basis of Protected Classification.** During the performance of this Agreement, Contractor and its subcontractors shall not deny this Agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or other protected category and will not use any policy or practice that has the effect of discriminating on such basis.



2. **No Discrimination on the Basis of Health or Protected Classification.** Consistent with the requirements of applicable federal law, such as 42 Code of Federal Regulations, sections 438.3(d)(3) and (4), and state law, the Contractor shall not, on the basis of health status or need for health care services, discriminate against Medi-Cal eligible individuals in Santa Barbara County who require an assessment or meet medical necessity criteria for specialty mental health services. Nor shall Contractor engage in any unlawful discriminatory practices in the admission of beneficiaries, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, gender identity, religion, marital status, national origin, age, sexual orientation, or mental or physical handicap or disability.
3. **No Discrimination against Handicapped Persons.** The Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Human Services, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.
4. **Determination of Medical Necessity.** Notwithstanding other provisions of this section, the Contractor may require a determination of medical necessity pursuant to California Code of Regulations, Title 9, Sections 1820.205, 1830.205 and/or 1830.210, prior to providing covered services to a beneficiary.
5. **No Discrimination under State Law.** Contractor shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, § 11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§ 11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, § 11105.)

**B. Federal Nondiscrimination Provisions.**

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of

- compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
2. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
  3. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  4. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.
  5. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
  6. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive

Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

7. The Contractor shall include the provisions of Paragraphs 14(B)(1) through 14(B)(7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or 38 U.S.C. Section 4212 of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHCS, the Contractor may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

**C. Subcontracts.** The Contractor shall include the nondiscrimination and compliance provisions of this Agreement (Sections 14 and 19, respectively) in all subcontracts to perform work under this Agreement.

## **15. COLLABORATIVE MEETINGS.**

- A. Behavioral Wellness shall conduct a Collaborative Meeting at least annually, and more frequently, if needed, with Contractor to collaboratively discuss programmatic, fiscal, and contract matters.
- B. As a condition of funding for Quality Assurance (QA) activities, Contractor QA staff shall attend monthly County Quality Improvement Committee (QIC) meetings.

## **16. TRAINING REQUIREMENTS.**

- A. Contractor shall ensure that all staff providing services under this Agreement complete mandatory trainings, including through attendance at County-sponsored training sessions as available. The following trainings must be completed at hire and annually thereafter:
  1. HIPAA Privacy and Security;
  2. Consumer and Family Culture;
  3. Behavioral Wellness Code of Conduct;
  4. Cultural Competency;

5. County Management Information System (MIS), including the Sharecare and Provider Upload Portal, for service staff who enter data into the system;
  6. MHSA Overview Training (only at hire, not annually); and
  7. Applicable evidence-based treatment models and programs as agreed between Contractor and County in writing.
- B.** Training Requirements for Mental Health Staff who provide direct service/document in Clinician’s Gateway. The following trainings must be completed at hire and annually thereafter:
1. Clinician’s Gateway (only at hire, not annually);
  2. Documentation;
  3. Assessment and Treatment Plan; and
  4. Child and Adolescent Needs and Strengths (CANS) assessment training and certification exam, if the service provider works with clients under the age of 21.

**17. ADDITIONAL PROGRAM REQUIREMENTS.**

- A. Beneficiary Handbook.** Contractor shall provide the County of Santa Barbara Beneficiary Handbook to each potential beneficiary and beneficiary in an approved method listed in the *Department of Behavioral Wellness’ Policy and Procedures #4.008 Beneficiary Information Materials* when first receiving Specialty Mental Health Services and upon request. Contractor shall document the date and method of delivery to the beneficiary in the beneficiary’s file. Contractor shall inform beneficiaries that information is available in alternate formats and how to access those formats. (1915(b) Medi-Cal Specialty Mental Health Services Waiver, § (2), subd. (d), at p. 26, attachments 3, 4; Cal. Code Regs., tit. 9, § 1810.360(e); 42 C.F.R. § 438.10.)
- B. Written Materials in English and Spanish.** Contractor shall provide all written materials for beneficiaries and potential beneficiaries, including provider directories, County of Santa Barbara Beneficiary Handbook, appeal and grievance notices, denial and termination notices, and Santa Barbara County’s mental health education materials, in English and Spanish as applicable. (42 C.F.R. § 438.10(d)(3).) Contractor shall maintain adequate supply of County-provided written materials and shall request additional written materials from County as needed.
- C. Maintain Provider Directory.** Contractor shall maintain a provider directory on its agency website listing licensed individuals employed by the provider to deliver [mental health] services; the provider directory must be updated at least monthly to include the following information:
1. Provider’s name;
  2. Provider's business address(es);
  3. Telephone number(s);
  4. Email address;
  5. Website as appropriate;

6. Specialty in terms of training, experience and specialization, including board certification (if any);
  7. Services/ modalities provided;
  8. Whether the provider accepts new beneficiaries;
  9. The provider's cultural capabilities;
  10. The provider's linguistic capabilities;
  11. Whether the provider's office has accommodations for people with physical disabilities;
  12. Type of practitioner;
  13. National Provider Identifier Number;
  14. California License number and type of license; and
  15. An indication of whether the provider has completed cultural competence training.
- D. Policy and Procedure #2.001.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #2.001 Network Adequacy Standards and Monitoring.*
- E. Policy and Procedure #3.000.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #3.000 Beneficiary Rights.*
- F. Policy and Procedure #3.004.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #3.004* on advance directives and the County's obligations for Physician Incentive Plans, as applicable.
- G. Policy and Procedure #4.000.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #4.000 Authorization of Outpatient Specialty Services.*
- H. Policy and Procedure #4.001.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #4.001 Authorization of Therapeutic Behavioral Services (TBS), applicable to providers providing children services.*
- I. Policy and Procedure #4.008.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #4.008 Beneficiary Information Materials.*
- J. Policy and Procedure #4.012.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #4.012 Contracted Provider Relations.*
- K. Policy and Procedure #4.014.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #4.014 Service Triage for Urgent and Emergency Conditions.*
- L. Policy and Procedure #5.008.** Mandatory Trainings Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #5.008 Mandatory Training.*
- M. Policy and Procedure #8.100.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #8.100 Mental Health Client Assessment.*
- N. Policy and Procedure #8.101.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #8.101 Mental Health Client Treatment Plans.*

- O. Policy and Procedure #8.102.** Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #8.102 Mental Health Progress Notes*.
- P. Accessibility.** Contractor shall ensure that it provides physical access, reasonable accommodations, and accessible equipment for Medi-Cal beneficiaries with physical or mental disabilities. (42 C.F.R. § 438.206(b)(1) and (c)(3).)
- Q. Hours of Operation.** Contractor shall maintain hours of operation during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation during which Contractor offers services to non-Medi-Cal beneficiaries. If Contractor only offers services to Medi-Cal beneficiaries, maintain hours of operation which are comparable to the hours Contractor makes available for Medi-Cal services not covered by County or another Mental Health Plan.
- R. Access to Routine Appointments.** Contractor shall provide access to routine appointments (1st appointment within 10 business days). When not feasible, Contractor shall give the client the option to re-contact the County's Access team toll free at (888) 868-1649 and request another provider who may be able to serve the client within the 10 business day standard.
- S. Hold Harmless.** Contractor agrees to hold harmless the State and beneficiaries in the event the County cannot or does not pay for services performed by the Contractor.
- T. Client Service Plan.** Contractor shall complete a Client Service Plan and assessment for each client receiving Program services in accordance with the Behavioral Wellness Clinical Documentation Manual <https://www.countyofsb.org/behavioral-wellness/asset.c/5670>.

**18. SIGNATURE PAD.**

- A.** County shall purchase one signature pad for the duration of the term of this Agreement for each physical address identified for Contractor in this Agreement. The signature pad will be compatible with the County's Electronic Health Record (EHR) Clinicians Gateway. Contractor shall use the electronic versions of the Client Assessment, Client Plan, and Medication Consent Form to ensure a complete client medical record exists within Clinicians Gateway. Contractor shall obtain client signatures on these electronic documents using the signature pads. Upon initial purchase, County shall install the signature pads on Contractor's hardware and provide a tutorial for Contractor's staff. Contractor shall be responsible for ongoing training of new staff.
- B.** In the event that Contractor damages or loses the signature pads provided by County, Contractor shall be responsible for purchasing a new Clinicians Gateway compatible signature pad as a replacement from the County inventory at the current cost of replacement. The expected life of a signature pad is a minimum of three years.

**19. STATE CONTRACT COMPLIANCE.**

- A.** This Agreement is subject to any additional statutes, restrictions, limitations, or conditions enacted by the Congress which may affect the provisions, terms, or funding of this Agreement in any manner. Either the County or Contractor may request consultation and discussion of new or changed statutes or regulations, including whether contract amendments may be necessary.

- B. To the extent there is a conflict between federal or state law or regulation and a provision in the MHP or this Agreement, County and Contractor shall comply with the federal or state law or regulation and the conflicting Agreement provision shall no longer be in effect pursuant to the MHP, #17-94613 Exhibit E, Paragraph 7(A).
- C. Contractor agrees that DHCS, through County, has the right to withhold payments until Contractor has submitted any required data and reports to DHCS, as identified in this Agreement and in accordance with any applicable statute.
- D. The following provisions of the MHP, Exhibit D(F) are hereby incorporated by reference into this Agreement: Paragraphs 5 Subcontract Requirements, 7 Audit and Record Retention, 10 Intellectual Property Rights, 11 Air and Water Pollution, 13 Confidentiality of Information, 17 Human Subjects Use, 19 Debarment and Suspension Certification, 20 Smoke-Free Workplace Certification, 24 Officials Not to Benefit, and 32 Lobbying Restrictions and Disclosure Certification.
- E. The DHCS may revoke this Agreement, in whole or in part, or may revoke the activities or obligations delegated to Contractor by the County, or pursue other remedies permitted by State or Federal law, if DHCS determines that Contractor has not performed satisfactorily. In such event, this Agreement shall be terminated in accordance with the Standard Terms and Conditions paragraph regarding Termination.

**III. Add Subsection K to Section 3 (Services) of Exhibit A-2 Statement of Work MHS Residential Support Services as follows:**

- K. Additional services may be provided if authorized by the Director of the Department of Behavioral Wellness or designee in writing. The authorization of additional services does not alter the Maximum Contract Amount and does not require an amendment to this Agreement.

**IV. Delete Section 1 (Program Summary), Section 8 (Staffing Requirements), and Subsection C (Staff to Client Caseload Ratios) of Section 9 (Service Intensity/Treatment Location/Staff Caseloads) of Exhibit A-3 Statement of Work: MHS Supportive Community Services South (Paths to Recovery) and replace them with the following:**

1. **PROGRAM SUMMARY.** The Supportive Community Services South Program (hereafter Program) shall provide individuals who are 18 years of age or older and in mental health crisis 24 hours, 7 days a week, 365 days a year response outpatient mental health services. The Program shall deliver treatment, rehabilitative and supportive services to clients "in vivo" in regular community settings (e.g., home, apartment, job site) through a full service partnership (FSP) model. Program clients have significant personal difficulties functioning in major life domains such as maintaining affordable safe and stable housing, meaningful daily pursuits such as employment and job placement as well as satisfying interpersonal relationships. The role of the Supportive Community Services Team, consisting of staff described in Section 8 (Staffing Requirements), is to address the rehabilitation needs of clients in these key domain areas so as to stabilize their housing and enhance the wellbeing of the clients. This Program requires a flexible approach to program delivery using a whatever-it-takes principle. The Program will be headquartered at:
  - A. 315 E. Haley Street, Suite 102, Santa Barbara, California.

## 8. STAFFING REQUIREMENTS.

A. Contractor shall adhere to the Program staffing requirements outlined below, unless otherwise approved by the Director of the Department of Behavioral Wellness or designee in writing. Amendments to these requirements do not alter the Maximum Contract Amount and do not require a formal amendment to this Agreement.

1. The Program shall include qualified bilingual and bicultural clinicians and staff able to meet the diverse needs represented in the local community. Hiring activities to meet this goal shall be a major operational priority of the Program. As needed, the Supportive Community Services Team shall have access to qualified interpreters and interpreter services, experienced in behavioral healthcare, appropriate to the needs of the clients served. In the event that the Program must seek translation services outside of the Supportive Community Services Team, Contractor shall maintain a list of qualified interpreters to assist in providing this service.
2. In hiring all positions for the Program, Contractor shall give strong consideration to qualified clients who are or have been recipients of mental health services.
3. Contractor shall hire the Supportive Community Services Team, consisting of the staff described below in Subsection 4 Staffing Definitions of Section 8 Staffing requirements, to work collaboratively with County Psychiatrist(s) to deliver necessary services.
4. Staffing Definitions:
  - i. **Licensed mental health professionals and waived/registered professionals.**
    - a. Licensed mental health professionals under 9 CCR Section 1810.223 to include:
      - 1) Licensed physicians;
      - 2) Licensed psychologists;
      - 3) Licensed clinical social workers;
      - 4) Licensed marriage and family therapists;
      - 5) Licensed psychiatric technicians;
      - 6) Registered Nurses; and
      - 7) Licensed Vocational Nurses.
    - b. Waivered/Registered Professional under Title 9 CCR Section 1810.254 includes an individual who has:
      - 1) A waiver of psychologist licensure issued by the Department or
      - 2) Registered with the corresponding state licensing authority for psychologists, marriage and family therapists, or clinical social workers to obtain supervised clinical hours for psychologist, marriage and family therapist, or clinical social worker licensure.



- ii. **Mental Health Support Worker (MHSW).** MHSWs shall have at minimum one year of experience working with individuals with serious mental illness and experience working in a community setting. MHSWs may only provide services under this contract with prior approval of the Behavioral Wellness Quality Care Management (QCM) Division, and Contractor shall ensure they comply with all standards/requirements established by the Behavioral Wellness QCM Division. These staff should have experience working with clients with serious mental illness or related training/work/life experience.
  - iii. **Qualified Mental Health Workers (QMHW).** QMHW is assigned to the job classification of Case Worker within the County and meets the education requirements as an “Other Qualified Provider.” The employment standards for a QMHW are set at the discretion of the County. A QMHW qualifies for the position by meeting one of the following employment standards:
    - a. Possession of a B.A. degree in social or behavioral sciences, including psychology, social work or sociology, and six (6) months of experience performing work on a full-time basis providing client care in a mental health setting; or
    - b. Possession of a high school diploma or equivalent degree and two (2) years of experience performing work on a full-time basis providing client care in a mental health setting and/or support services to mental health clients and their families.
  - iv. **Graduate Student Interns/Trainees and Interns/Trainees.** Contractor may utilize Graduate Student Interns/Trainees or Interns/Trainees as staff to provide services but only as is consistent with any and all applicable laws, regulations, and policies, as may be amended, and as follows:
    - a. Graduate Student Interns/Trainees under the direct supervision of Contractor’s licensed mental health professionals or waived/registered professionals; and
    - b. Interns/Trainees who have graduated and are in the 90-day period prior to obtaining their associate number if a Livescan is provided by the Contractor for the Interns/Trainees.
- B. Fiscal Year 2019-2021.** The Program shall include a combination of the staff described above in Subsection A of Section 8 (Staffing Requirements) and provide a direct services client-to-staff ratio of 1:14. Contractor shall provide staff 24 hours per day, 7 days per week, and 365 days per year for on call staff response. Contractor shall provide 10.30 full-time equivalent (FTE) staff as follows:
1. 1.0 FTE Team Leader who is the clinical and administrative supervisor of the Program. The Supportive Community Services Team Leader shall be a licensed mental health professional or waived/registered professional, as described in 9 CCR Sections 1810.223 and 1810.254. The Supportive Community Services Team Leader shall have at least two (2) years of direct experience treating adults with severe mental illness, including at least one (1) year of program management or supervisory experience in a mental health setting.

2. 1.0 FTE Office Manager who is responsible for coordinating, organizing, and monitoring all non-clinical operations of the Program, providing receptionist activities including triaging calls and coordinating communication between the Program staff and clients.
3. 8.30 FTE of the following categories of staff who will be able to address the needs of mental health clients with co-occurring psychiatric and addictions disorders:
  - i. Peer staff who are or have been recipients of mental health services for severe mental illness.
  - ii. Rehabilitation Specialists who shall be Qualified Mental Health Workers (QMHWs) with each staff having direct experience working with adults with mental illness or related training or life experiences. These staff will have responsibility for supporting each client's recovery process, helping individuals to restore competencies and gain successes in the major areas of community living. These include: permanent, affordable housing; successful daily life pursuits, particularly regular, competitive employment; and renewed relationships.

**C. Fiscal Year 2021-2022.** The Program shall include a combination of the staff described above in Subsection A of Section 8 (Staffing Requirements) and provide a direct services client-to-staff ratio of 1:12. Contract shall provide staff 24 hours per day, 7 days per week, and 365 days per year for on call staff response.

1. Contractor shall hire the Supportive Community Services Team consisting of 12.03 full-time equivalent (FTE) staff, described below, to work collaboratively with County Psychiatrist(s) to deliver necessary services.
  - i. 1.0 FTE Team Leader who is the clinical and administrative supervisor of the Program. The Supportive Community Services Team Leader shall be a licensed mental health professional or waived/registered professional, as described in 9 CCR Sections 1810.223 and 1810.254. The Supportive Community Services Team Leader shall have at least two (2) years of direct experience treating adults with severe mental illness, including at least one (1) year of program management or supervisory experience in a mental health setting.
  - ii. 1.0 FTE Office Manager who is responsible for coordinating, organizing, and monitoring all non-clinical operations of the Program, providing receptionist activities including triaging calls and coordinating communication between the Program staff and clients.
  - iii. 0.90 FTE Director of Program Services who will provide support and will be responsible for the overall Program and staff.
  - iv. 9.13 FTE of the following categories of staff who will be able to address the needs of mental health clients with co-occurring psychiatric and addictions disorders:
    - a. Peer staff who are or have been recipients of mental health services for severe mental illness.

- b. Rehabilitation Specialists who shall be Qualified Mental Health Workers (QMHWs) with each staff having direct experience working with adults with mental illness or related training or life experiences. These staff will have responsibility for supporting each client’s recovery process, helping individuals to restore competencies and gain successes in the major areas of community living. These include: permanent, affordable housing; successful daily life pursuits, particularly regular, competitive employment; and renewed relationships.

**9. SERVICE INTENSITY/ TREATMENT LOCATION/ STAFF CASELOADS.**

**C. Staff to Client Caseload Ratios:**

- 1. **Fiscal Year 2019-2021.** The Program shall operate with a staff-to-client ratio that does not exceed fourteen (14) to one (1) (14 clients per one full-time equivalent (1.0 FTE) Program staff member), excluding Administrative Staff. These staff will not carry an individual caseload. Caseloads of individual staff members will vary based upon their overall responsibilities within the team (for example, Team Leader will carry smaller caseloads).
- 2. **Fiscal Year 2021-2022.** The Program shall operate with a staff-to-client ratio that does not exceed twelve (12) to one (1) (12 clients per one full-time equivalent (1.0 FTE) Program staff member), excluding Administrative Staff. These staff will not carry an individual caseload. Caseloads of individual staff members will vary based upon their overall responsibilities within the team (for example, Team Leader will carry smaller caseloads).

**V. Add Subsection H to Section 3 (Services) of Exhibit A-4 Statement of Work: MHS Adult Housing Supports as follows:**

**H.** Additional services may be provided if authorized by Director of the Department of Behavioral Wellness or designee in writing. The authorization of additional services does not alter the Maximum Contract Amount and does not require an amendment to this Agreement.

**VI. Delete Exhibit B Financial Provisions MHS in its entirety and replace it with the following:**

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**EXHIBIT B**

**FINANCIAL PROVISIONS- MHS**

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(Applicable to programs described in Exhibit A2-A4)

(With attached Exhibit B-1 MHS, Schedule of Rates and Contract Maximum)

This Agreement provides for reimbursement for services up to the Maximum Contract Amount, reflected in Section II below and Exhibit B-1-MHS. For Medi-Cal and all other services provided under this Agreement, Contractor shall comply with all applicable requirements necessary for reimbursement in accordance with Welfare and Institutions Code (WIC) §§ 14705-14711, and other applicable Federal, State and local laws, regulations, rules, manuals, policies, guidelines and directives.

## I. PAYMENT FOR SERVICES.

- A. Performance of Services.** Contractor shall be compensated on a cost reimbursement basis, subject to the limitations described in this Agreement and all exhibits hereto, for provision of the Units of Service (UOS) or other deliverables as established in Exhibit B-1-MHS based on satisfactory performance of the services described in the Exhibit A(s).
- B. Medi-Cal Billable Services.** The services provided by Contractor's Program described in the Exhibit A(s) that are covered by the Medi-Cal Program will be reimbursed by County from Federal Financial Participation (FFP) and State and local matching funds as specified in Exhibit B-1-MHS and subject to Section I.F (Funding Sources) of this Exhibit B MHS.
- C. Non-Medi-Cal Billable Services.** County recognizes that some of the services provided by Contractor's Program, described in the Exhibit A(s), may not be reimbursable by Medi-Cal, and such services may be reimbursed by other County, State, and Federal funds to the extent specified in Exhibit B-1-MHS and pursuant to Section I.F (Funding Sources) of this Exhibit B MHS. 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. Medi-Cal Subsidy.** County may provide a subsidy to Contractor, as specified in Exhibit B-1-MHS for Non-Medi-Cal services provided in Medi-Cal programs. Subsidy shall not be used to reimburse disallowed costs including those in excess of budgeted amounts, improper costs, and any audit exceptions or adjustments. Reallocation of subsidy is at the discretion of the Behavioral Wellness Director or designee. Contractor shall make written application to Behavioral Wellness Director or designee, in advance and no later than April 1 of each Fiscal Year, to reallocate subsidy as outlined in Exhibit B-1-MHS between programs. Behavioral Wellness Director or designee reserves the right to approve a subsidy reallocation in the year-end cost settlement.
- E. 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(s) to this Agreement. Expenses shall comply with the requirements established in OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and all other applicable regulations. Violation of this provision or use of County funds for purposes other than those described in the Exhibit A(s) shall constitute a material breach of this Agreement.
- F. Funding Sources.** The Behavioral Wellness Director or designee may reallocate between funding sources with discretion, including to utilize and maximize any additional funding or FFP provided by local, State, or Federal law, regulation, policy, procedure, or program. The Behavioral Wellness Director or designee also reserves the right to reallocate between funding sources in the year end cost settlement. Reallocation of funding sources does not alter the Maximum Contract Amount and does not require an amendment to this Agreement.
- G. Beneficiary Liability for Payment.**
1. Contractor shall not submit a claim to, or demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this Agreement, except to collect other health insurance coverage, share of cost, and co-payments. (Cal. Code Regs., tit. 9, § 1810.365 (a).)

2. Contractor shall not hold beneficiaries liable for debts in the event that County becomes insolvent; for costs of covered services for which the State does not pay County; for costs of covered services for which the State or County does not pay to Contractor; for costs of covered services provided under a contract, referral or other arrangement rather than from the County; or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary. (42 C.F.R. § 438.106 and Cal. Code Regs. tit 9, § 1810.365(c).)
3. Contractor shall not bill beneficiaries, for covered services, any amount greater than would be owed if the Contractor provided the services directly. (42 C.F.R. § 483.106(c).)

**H.** DHCS assumes no responsibility for the payment to Contractor for services used in the performance of this Agreement. County accepts sole responsibility for the payment of Contractors in the performance of this Agreement per the terms of this Agreement.

## **II. MAXIMUM CONTRACT AMOUNT.**

The Maximum Contract Amount of this Agreement shall not exceed **\$7,212,853**, inclusive of \$2,384,572 for FY 19-20, \$2,384,572 for FY 20-21, and \$2,443,709 for FY 21-22, in Mental Health funding, and shall consist of County, State, and/or Federal funds as shown in Exhibit B-1-MHS and subject to the provisions in Section I (Payment for Services). 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. OPERATING BUDGET AND PROVISIONAL RATE.**

- A. Operating Budget.** Prior to the Effective Date of this Agreement, Contractor shall provide County with an Operating Budget on a format acceptable to, or provided by County, based on costs of net of revenues as described in this Exhibit B-MHS, Section IV (Accounting for Revenues). The approved Operating Budget shall be attached to this Agreement as Exhibit B-2. County may disallow any expenses in excess of the adopted operating budget. Contractor shall request, in advance, approval from County for any budgetary changes. Indirect costs are limited to 15% of direct costs for each program and must be allocated in accordance with a cost allocation plan that adheres with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- B. Provisional Rate.** County agrees to reimburse Contractor at a Provisional Rate (the "Provisional Rate") during the term of this Agreement. For recurring contracts, the Provisional Rate shall be established by using the historical data from prior fiscal periods. The Provisional Rate for all new contracts will be based on actual cost or the County Maximum Allowable rate. Quarterly, or at any time during the term of this Agreement, Behavioral Wellness Director or designee shall have the option to adjust the Provisional Rate to a rate based on allowable costs less all applicable revenues and the volume of services provided in prior quarters. Adjustment of the Provisional Rate does not alter the Maximum Contract Amount and does not require an amendment to this Agreement.

## **IV. ACCOUNTING FOR REVENUES.**

- A. Accounting for Revenues.** Contractor shall comply with all County, State, and Federal requirements and procedures, including, but not limited to, those described in California Welfare and Institutions Code (WIC) Sections 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 for 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. Grants, and any other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor shall also be accounted for in the Operating Budget. Contributions designated in Exhibit B-1-MHS shall be offset from invoices and the annual cost report, unless otherwise negotiated with the County and approved in writing.

**B. Internal Procedures.** Contractor shall maintain internal financial controls which adequately ensure proper billing and collection procedures. Contractor shall pursue payment from all potential sources in sequential order, with Medi-Cal 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 service units specified in the Exhibit A(s) to this Agreement.

**V. REALLOCATION OF PROGRAM FUNDING.**

Funding is limited by program to the amount specified in Exhibit B-1-MHS. Contractor cannot move funding between programs without explicit approval by Behavioral Wellness Director or designee. Contractor shall make written application to Behavioral Wellness Director or designee, in advance and no later than April 1 of each Fiscal Year, to reallocate funds as outlined in Exhibit B-1-MHS between programs, for the purpose of meeting specific program needs or for providing continuity of care to its clients. Contractor's application shall include a narrative specifying the purpose of the request, the amount of said funds to be reallocated, and the sustaining impact of the reallocation as may be applicable to future years. The Behavioral Wellness Director's or designee decision of whether to allow the reallocation of funds shall be in writing to Contractor prior to implementation by Contractor. The Behavioral Wellness Director or designee also reserves the right to reallocate between programs in the year end cost settlement and will notify Contractor of any reallocation during the cost settlement process.

**VI. BILLING AND PAYMENT PROCEDURES AND LIMITATIONS.**

**A. Submission of Claims and Invoices.**

1. Submission of Claims and Invoices for Medi-Cal Services. Services are to be entered into the Clinician's Gateway System based on timeframes prescribed in the Behavioral Wellness Clinical Documentation Manual. Late service data and claims may only be submitted in accordance with State and federal regulations. Behavioral Wellness shall provide to Contractor a report that: i) summarizes the Medi-Cal UOS approved to be claimed for the month, multiplied by the provisional rate in effect at the time of service, ii) states the amount owed by County, and iii) includes the Agreement number. Contractor shall review the report and indicate concurrence that the report will be the basis for Contractor's provisional payment for the month. Contractor shall indicate concurrence within two (2) business days electronically to the County designated representative or to:

[financecbo@co.santa-barbara.ca.us](mailto:financecbo@co.santa-barbara.ca.us)

Santa Barbara County Department of Behavioral Wellness  
ATTN: Accounts Payable  
429 North San Antonio Road  
Santa Barbara, CA 93110 –1316

Contractor agrees that it shall be solely liable and responsible for all data and information submitted to the County and submitted by the County to the State on behalf of Contractor.

2. Submission of Claims and Invoices for Non Medi-Cal Services. Contractor shall submit a written invoice within 15 calendar days of the end of the month in which non-Medi-Cal services are delivered that: i) depicts the actual costs of providing the services less any applicable revenues, including the provisional Medi-Cal payment as described in VI.A.1 (Submission of Claims and Invoices for Medi-Cal Services) of this Exhibit B MHS, as appropriate, ii) states the amount owed by County, and iii) includes the Agreement number and signature of Contractor's authorized representative. Invoices shall be delivered to the designated representative or address described in Section VI.A.1 (Submission of Claims and Invoices for Medi-Cal Services) of this Exhibit B MHS. Actual cost is the actual amount paid or incurred, including direct labor and costs supported by financial statements, time records, invoices, and receipts.
3. The Program Contract Maximums specified in Exhibit B-1-MHS and this Exhibit B MHS are intended to cover services during the entire term of the Agreement, unless otherwise specified in the Exhibit A(s) to this Agreement (such as time-limited or services tied to the school year). Under no circumstances shall Contractor cease services prior to June 30 due to an accelerated draw down of funds earlier in the Fiscal Year. Failure to provide services during the entire term of the Agreement may be considered a breach of contract and subject to the Termination provisions specified in the Agreement.

The Behavioral Wellness Director or designee shall review the monthly claim(s) and invoices to confirm accuracy of the data submitted. County shall make provisional payment for approved claims within thirty (30) calendar days of the generation of said claim(s) and invoice by County subject to the contractual limitations set forth in this Agreement and all exhibits hereto.

- B. Subsidy Payments.** This section applies to providers with programs that have subsidy funding allocations. For each program with subsidy funding comprising 5% or less of the total program funding allocation set forth in Exhibit B-1-MHS, payment of subsidy will occur at cost settlement after the year end cost report has been submitted and costs are determined to be in compliance with contract terms and State and Federal regulations. For providers with more than 5% total subsidy funding in any program, the final subsidy payment, or up to a maximum of 20% of total subsidy funding allocated for the given program in Exhibit B-1-MHS, will be withheld until the year end cost report has been submitted and costs are determined to be in compliance with contract terms and State and Federal regulations.

- C. Monthly Financial Statements.** Within 15 calendar days of the end of the month in which services are delivered, Contractor shall submit monthly financial statements reflecting the previous month's and cumulative year to date direct and indirect costs and other applicable revenues for Contractor's programs described in the Exhibit A(s). If a program has both Medi-Cal billable costs and Non-Medi-Cal billable costs, Contractor shall separately identify Non-Medi-Cal billable costs on their financial statements.
- D. Withholding of Payment for Non-submission of Service Data and Other Information.** If any required service data, invoice, financial statement or report is not submitted by Contractor to County within the time limits described in this Agreement or if any such information is incomplete, incorrect, or is not completed in accordance with the requirements of this Agreement, then payment shall be withheld until County is in receipt of complete and correct data and such data has been reviewed and approved by Behavioral Wellness Director or designee. Behavioral Wellness Director or designee shall review such submitted service data within sixty (60) calendar days of receipt.
- E. Withholding of Payment for Unsatisfactory Clinical Documentation.** Behavioral Wellness Director or designee shall have the option to deny payment for services when documentation of clinical services does not meet minimum Federal, State and County written standards. County may also deny payment for services that are provided without a current client service plan.
- F. Claims Submission Restrictions.**
1. **12-Month Billing Limit.** Unless otherwise determined by State or federal regulations (e.g. Medi-Medi cross-over), all original (or initial) claims for eligible individual persons under this Agreement must be received by County within 12 months from the month of service 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.
- G. Claims Certification and Program Integrity.** Contractor shall certify that all UOS entered by Contractor into MIS for any payor sources covered by this Agreement are true and accurate to the best of Contractor's knowledge.
- H. Overpayments.** If the Contractor discovers an overpayment, Contractor must notify the County in writing of the reason for the overpayment. Any overpayments of contractual amounts must be returned via direct payment within 30 days to the County. County may withhold amounts from future payments due to Contractor under this Agreement or any subsequent agreement if Contractor fails to make direct payment within the required timeframe.



## VII. COST REPORT.

- A. Submission of Cost Report.** Within three weeks of the release of the cost report template by the Department of Health Care Services (DHCS) but no sooner than 30 days after the end of the fiscal year, Contractor shall provide County with an accurate and complete Annual Cost Report (original cost report) with a statement of expenses and revenue and other supporting schedules for the applicable prior fiscal year. The Annual Cost Report shall be prepared by Contractor in accordance with all applicable Federal, State and County requirements and generally accepted accounting principles. Contractor shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice. All revenues received by Contractor shall be reported in its annual Cost Report, and shall be used to offset gross cost. Contractor shall maintain source documentation to support the claimed costs, revenues and allocations which shall be available at any time to Behavioral Wellness Director or designee upon reasonable notice. A final (reconciled) cost report is also due approximately 1 to 2 years after submission of the original cost report. The specific deadline for the final cost report is determined by the State. Contractor shall submit a final (reconciled) cost report within three weeks of the County's formal request.
- B. Cost Report to be Used for Settlement.** The Cost Report shall be the financial and statistical report submitted by Contractor to County, and shall serve as the basis for settlement with Contractor as set forth in Section VIII (Pre-audit Cost Report Settlements) below. Contractor shall document that costs are reasonable and allowable and directly or indirectly related to the services to be provided hereunder.
- C. Penalties.** Failure of Contractor to submit accurate and complete Annual Cost Report(s) within 45 days after the due date set in Section VII.A (Submission of Cost Report) above or the expiration or termination date of this Agreement shall result in:
1. A Late Penalty of ONE HUNDRED DOLLARS (\$100) for each day that the accurate and complete Annual Cost Report(s) are not submitted. The Late Penalty shall be assessed separately on each outstanding Annual Cost Report. The Late Penalty shall commence on the forty-sixth (46<sup>th</sup>) day after the deadline or the expiration or termination date of this Agreement. The late fee will be invoiced separately or deducted from future payments due to Contractor under this Agreement or a subsequent agreement.
  2. In the event that Contractor does not submit accurate and complete Annual Cost Report(s) by the one-hundred and fifth (105<sup>th</sup>) day after the due date set in Section VII.A (Submission of Cost Report) or the expiration or termination date of this Agreement, then all amounts paid by County to Contractor in the Fiscal Year for which the Annual Cost Report(s) are outstanding shall be repaid by Contractor to County within 90 days. Further, County may terminate any current contracts entered into with Contractor for programs covered by the outstanding Annual Cost Reports.
  3. In addition, County may withhold payments of additional funds owed to Contractor until the cost report that is due has been submitted if Contractor does not submit the cost report by the reporting deadline.

- D. **Audited Financial Reports.** Contractor is required to obtain an annual financial statement audit and 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.
- E. **Single Audit Report.** If Contractor is required to perform a single audit and/or program specific audit, per the requirements of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards, Contractor shall submit a copy of such single audit to County within thirty (30) days of receipt.

## VIII. PRE-AUDIT COST REPORT SETTLEMENTS.

- A. **Pre-audit Cost Report Settlements.** Based on the original and final/reconciled Annual Cost Report(s) submitted pursuant to this Exhibit B MHS Section VII (Cost Report) and State approved UOS, at the end of each Fiscal Year or portion thereof that this Agreement is in effect, the County will perform pre-audit cost report settlement(s). Such settlements will be subject to the terms and conditions of this Agreement and any other applicable State and/or Federal statutes, regulations, policies and procedures, or requirements pertaining to cost reporting and settlements for applicable Federal and/or State programs. In no event shall the settlement exceed the maximum amount of this Agreement. Settlement for services shall be adjusted to the lower of:
  - 1. Contractor's published charge(s) to the general public, as approved by the Contractor's governing board; unless the Contractor is a Nominal Fee Provider. This federal published charges rule is applicable only for the outpatient, rehabilitative, case management and 24-hour services.
  - 2. The Contractor's actual costs.
  - 3. The County Maximum Allowable rate, unless Director or designee approves in writing in the year end cost settlement, that use of the County Maximum Allowable rate was waived for settlement purposes.
- B. **Issuance of Findings.** County's issuance of its pre-audit cost report settlement findings shall take place no later than one-hundred-twenty (120) calendar days after Contractor's submission of the original and final/reconciled cost reports.
- C. **Payment.** In the event that Contractor adjustments based on any of the above methods indicate an amount due the County, Contractor shall pay County by direct payment within thirty (30) days or from deductions or withholding of future payments due to Contractor under this Agreement or a subsequent agreement, if any, at the sole discretion of the Behavioral Wellness Director or designee.

## IX. AUDITS, AUDIT APPEALS AND POST-AUDIT 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 WIC Section 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 under this Agreement.

- 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 Medi-Cal audit, the State and County will perform a post-audit 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. If an audit adjustment is appealed then the County may, at its own discretion, notify Contractor but stay collection of amounts due until resolution of the State administrative appeals process.
  - C. Invoice for Amounts Due.** County shall issue an invoice to Contractor for any amount due to the 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.
  - D. Appeal.** Contractor may appeal any such audit findings in accordance with the audit appeal process established by the Responsible Auditing Party performing the audit.
- VII. Delete Exhibit B-1 MHS Schedule of Rates and Contract Maximum FY 21-22 in its entirety and replace it with the following:**

**EXHIBIT B-1- MHS**  
**SCHEDULE OF RATES AND CONTRACT MAXIMUM FY 21-22**  
 (Applicable to programs described in Exhibit A2-A4)

**EXHIBIT B-1 MH**  
**DEPARTMENT OF BEHAVIORAL WELLNESS**  
**SCHEDULE OF RATES AND CONTRACT MAXIMUM**

CONTRACTOR NAME:

PathPoint

FISCAL YEAR: 2021-2022

Contracted Services(1)	Service Type	Mode	Service Description	Unit of Service	Service Function Code	County Maximum Allowable Rate (4)
Medi-Cal Billable Services	Outpatient Services	15	Targeted Case Management	Minutes	01	\$2.64
			Collateral	Minutes	10	\$3.41
			*MHS- Assessment	Minutes	30	\$3.41
			MHS - Plan Development	Minutes	31	\$3.41
			*MHS- Therapy (Individual)	Minutes	40	\$3.41
			MHS - Rehab (Family, Individual, Group)	Minutes	12, 41, 51	\$3.41
			Medication Support Services	Minutes	61, 62	\$6.29
Non-Medi-Cal Billable Services	Outreach Services	45	Crisis Intervention	Minutes	70	\$5.06
			Community Client Services	N/A	20	Actual Cost

	PROGRAM					TOTAL
	Supportive Community Services (Paths to Recovery)	Residential Support Services	Phoenix House Supportive Services	Mountain House Supportive Services		
GROSS COST:	\$ 1,072,000	\$ 182,845	\$ 732,594	\$ 755,620		\$2,743,059
LESS REVENUES COLLECTED BY CONTRACTOR:						
PATIENT FEES			\$ 138,162	\$ 161,188		\$ 299,350
CONTRIBUTIONS						\$ -
OTHER (LIST):						\$ -
TOTAL CONTRACTOR REVENUES	\$ -	\$ -	\$ 138,162	\$ 161,188		\$299,350
MAXIMUM ANNUAL CONTRACT AMOUNT PAYABLE:	\$ 1,072,000	\$ 182,845	\$ 594,432	\$ 594,432	\$ -	\$ 2,443,709

SOURCES OF FUNDING FOR MAXIMUM ANNUAL CONTRACT AMOUNT (2)						
MEDI-CAL (3)	\$ 964,800	\$ 140,452	\$ 520,128	\$ 520,128		\$ 2,145,508
NON-MEDI-CAL						\$ -
SUBSIDY	\$ 107,200	\$ 42,393	\$ 74,304	\$ 74,304		\$ 298,201
OTHER (LIST):						\$ -
TOTAL SOURCES OF FUNDING	\$ 1,072,000	\$ 182,845	\$ 594,432	\$ 594,432		\$ 2,443,709

CONTRACTOR SIGNATURE: \_\_\_\_\_

FISCAL SERVICES SIGNATURE: \_\_\_\_\_

- (1) Additional services may be provided if authorized by Director of the Department of Behavioral Wellness or designee in writing. The authorization of additional services does not alter the Maximum Contract Amount and does not require an amendment to this Agreement.
- (2) The Director or designee may reallocate between funding sources at his/her discretion during the term of the contract, including to utilize and maximize any additional funding or FFP provided by local, State, or Federal law, regulation, policy, procedure, or program. The Director or designee also reserves the right to reallocate between funding sources in the year end cost settlement. Reallocation of funding sources does not alter the Maximum Contract Amount and does not require an amendment to the contract.
- (3) Source of Medi-Cal match is State and Local Funds including but not limited to Realignment, MHSA, General Fund, Grants, Other Departmental and SB 163.
- (4) Director or designee may increase or remove the CMA based on operating needs. Modifications to the CMA do not alter the Maximum Contract Amount and do not require an amendment to the contract.
- \*MHS Assessment and MHS Therapy services may only be provided by licensed, registered or waived Mental Health clinicians, or graduate student interns under direct supervision of a licensed, registered or waived Mental Health clinician. Interns/Trainees who have graduated and are in the 90-day period prior to obtaining their associate number are eligible to provide assessment and therapy services if a Livescan is provided by the Contractor for the Intern/Trainee.

VIII. Add Exhibit B-2 Entity Budget by Program FY 21-22 as follows:

EXHIBIT B-2

ENTITY BUDGET BY PROGRAM FY 21-22

Santa Barbara County  
 Department of Behavioral Wellness  
 Contract Budget Packet  
 Entity Budget By Program

AGENCY NAME: PathPoint

COUNTY FISCAL YEAR: 2021-2022

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LINE #	COLUMN #	1	2	3	4	5	6
	I. REVENUE SOURCES:		COUNTY BEHAVIORAL WELLNESS PROGRAMS TOTALS	Supportive Community Services (formerly PTR)	Residential Supportive Services (RSS)	Phoenix House Supportive Services (PHSS)	Mountain House Supportive Services (MHSS)
1	Contributions		\$ -				
2	Miscellaneous Revenue		\$ -				
3	Behavioral Wellness Funding		\$ 2,443,709	\$ 1,072,000	\$ 182,845	\$ 594,432	\$ 594,432
4	Total Other Revenue		\$ 2,443,709	\$ 1,072,000	\$ 182,845	\$ 594,432	\$ 594,432
	II. Client and Third Party Revenues:						
5	SSI		\$ 299,350			\$ 138,162	\$ 161,188
6	Total Client and Third Party Revenues		\$ 299,350	\$ -	\$ -	\$ 138,162	\$ 161,188
7	GROSS PROGRAM REVENUE BUDGET		\$ 2,743,059	\$ 1,072,000	\$ 182,845	\$ 732,594	\$ 755,620

	III. DIRECT COSTS	COUNTY BEHAVIORAL WELLNESS PROGRAMS TOTALS	Supportive Community Services (formerly PTR)	Residential Supportive Services (RSS)	Phoenix House Supportive Services (PHSS)	Mountain House Supportive Services (MHSS)
	III.A. Salaries and Benefits Object Level					
8	Salaries (Complete Staffing Schedule)	\$ 1,414,719	\$ 548,066	\$ 117,833	\$ 378,892	\$ 369,928
9	Employee Benefits	\$ 238,041	\$ 86,338	\$ 23,108	\$ 59,260	\$ 69,335
10	Payroll Taxes & Wrks Comp	\$ 162,676	\$ 63,672	\$ 11,766	\$ 44,141	\$ 43,097
11	Contract Employees	\$ 131,090	\$ 131,090	\$ -	\$ -	\$ -
12	Residential Program Salaries & Benefits	\$ 64,278			\$ 32,139	\$ 32,139
13	Salaries and Benefits Subtotal	\$ 2,010,804	\$ 829,166	\$ 152,707	\$ 514,432	\$ 514,499
	III.B Services and Supplies Object Level					
14	Equipment Rental/Maintenance	\$ 1,010	\$ 142	\$ 118	\$ 375	\$ 375
15	Equipment Purchase	\$ 2,371	\$ 2,096	\$ 275	\$ -	\$ -
16	Computer Maintenance	\$ 1,596	\$ 279	\$ 173	\$ 572	\$ 572
17	Vehicle Expense	\$ 23,967	\$ 18,143	\$ -	\$ 2,912	\$ 2,912
18	Use Allowance	\$ 44,166	\$ 43,341	\$ 275	\$ 275	\$ 275
19	Facility Maintenance	\$ 1,050	\$ 1,050	\$ -	\$ -	\$ -
20	Janitorial	\$ 1,908	\$ 1,560	\$ -	\$ 174	\$ 174
21	Communication	\$ 35,918	\$ 12,397	\$ 2,477	\$ 10,522	\$ 10,522
22	Office Supplies	\$ 7,384	\$ 5,522	\$ 596	\$ 633	\$ 633
23	Program/Household Supplies	\$ 4,917	\$ 704	\$ 200	\$ 2,006	\$ 2,006
24	Insurance	\$ 6,817	\$ 1,600	\$ 152	\$ 2,532	\$ 2,532
25	Payroll Processing	\$ 6,609	\$ 1,706	\$ 438	\$ 2,259	\$ 2,206
26	Depreciation	\$ 16,460	\$ 1,883	\$ 78	\$ 7,249	\$ 7,250
27	Mileage	\$ 6,834	\$ 5,400	\$ 159	\$ 638	\$ 638
28	Staff/Participant Training	\$ 3,429	\$ 1,328	\$ 282	\$ 918	\$ 901
29	Membership Dues	\$ 6,032	\$ 1,850	\$ 788	\$ 1,697	\$ 1,697
30	Printing/Publications	\$ 1,436	\$ 1,043	\$ 43	\$ 175	\$ 175
31	Licensing	\$ 2,200	\$ 1,200	\$ -	\$ 500	\$ 500
32	Personnel Recruitment	\$ 2,881	\$ 735	\$ 236	\$ 955	\$ 955
33	Bank charges	\$ 30	\$ 30			
34	Consultants	\$ 1,000	\$ 1,000			
35	Subscriptions	\$ 424		\$ -	\$ 212	\$ 212
36	Residential Program Services & Supplies	\$ 196,028	\$ -	\$ -	\$ 88,002	\$ 108,026
37	Services and Supplies Subtotal	\$ 374,466	\$ 103,008	\$ 6,289	\$ 122,606	\$ 142,562
38	III.C. Client Expense Object Level Total (Not Medi-Cal Reimbursable)	\$ -	\$ -	\$ -	\$ -	\$ -
39		\$ -				
40	SUBTOTAL DIRECT COSTS	\$ 2,385,269	\$ 932,174	\$ 158,996	\$ 637,038	\$ 657,061
41	IV. INDIRECT COSTS					
42	Administrative Indirect Costs (Reimbursement limited to 15%)	\$ 357,790	\$ 139,826	\$ 23,849	\$ 95,556	\$ 98,559
43	GROSS DIRECT AND INDIRECT COSTS	\$ 2,743,059	\$ 1,072,000	\$ 182,845	\$ 732,594	\$ 755,620

**IX.** This Second Amended Agreement incorporates the terms and conditions set forth in the First Amended Agreement, approved by the County Board of Supervisors on December 8, 2020, and the Agreement, approved on June 18, 2019, except as modified in this Second Amended Agreement. **All other terms and conditions remain in full force and effect.**

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SIGNATURE PAGE FOLLOWS

**SIGNATURE PAGE**

Second Amended Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **PathPoint**.

**IN WITNESS WHEREOF**, the parties have executed this Second Amended Agreement to be effective July 1, 2021.

**COUNTY OF SANTA BARBARA:**

By: \_\_\_\_\_  
BOB NELSON, CHAIR  
BOARD OF SUPERVISORS

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

**ATTEST:**

MONA MIYASATO  
COUNTY EXECUTIVE OFFICER  
CLERK OF THE BOARD

By: \_\_\_\_\_  
Deputy Clerk

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

**CONTRACTOR:  
PATHPOINT**

By: \_\_\_\_\_  
Authorized Representative

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**APPROVED AS TO FORM:**

RACHEL VAN MULLEM  
COUNTY COUNSEL

By: \_\_\_\_\_  
Deputy County Counsel

**APPROVED AS TO ACCOUNTING FORM:**

BETSY M. SCHAFFER, CPA  
AUDITOR-CONTROLLER

By: \_\_\_\_\_  
Deputy

**RECOMMENDED FOR APPROVAL:**

PAMELA FISHER, PSY.D.,  
ACTING DIRECTOR  
DEPARTMENT OF BEHAVIORAL  
WELLNESS

By: \_\_\_\_\_  
Acting Director

**APPROVED AS TO INSURANCE FORM:**

RAY AROMATORIO, RISK MANAGER  
DEPARTMENT OF RISK MANAGEMENT

By: \_\_\_\_\_  
Risk Manager