

# **ATTACHMENT B**



**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

**1. INVOICING AND PAYMENT**

- A. Contractor shall submit invoices not more frequently than monthly in arrears.
- B. For services satisfactorily rendered, upon the first Patient Inmate admission and upon receipt and approval of invoices submitted as described herein, the DSH agrees to compensate Contractor in accordance with the rates specified in section 5, Budget Detail.
- C. Contractor shall submit invoices for any and all program replenishment costs associated with and pertaining to the items in Exhibit A. Scope of Work, Section 6, "Program Replenishment Funds". The total program replenishment costs invoiced shall not exceed \$10,000 annually.
- D. The DSH is not responsible for services performed by Contractor outside of this Agreement, or for services performed other than as outlined in Exhibit A, Scope of Work and Exhibit A-1, Program Elements.
- E. The DSH makes no guarantee, either written or implied, as to the actual amount of funds that will be expended under this Agreement.
- F. Contractor shall not bill or seek reimbursement from DSH for any goods or services if Contractor received or will receive reimbursement or funding for such goods or services under any federal program, such as the CAREs Act or FEMA disaster relief, except when Contractor has billed Medicare and seeks the difference between the Medicare payment and the DSH contract price.

**2. INSTRUCTIONS TO CONTRACTOR:**

- A. To expedite the processing of invoices submitted to the DSH for payment, all invoice(s) shall be submitted to the DSH for review and approval at either:

Department of State Hospitals  
Attention: Accounting Office  
1215 O Street, MS-2  
Sacramento, CA 95814

OR

DSHSAC.AccountsPayable@dsh.ca.gov

- B. Contractor shall submit one original and three copies of each invoice, unless emailed.
- C. Contractor shall type, not handwrite, each invoice on company letterhead. The DSH may provide an invoice template, if requested, which may be used in lieu of company letterhead.
- D. Contractor shall clearly note Contractor's name and address on each invoice. The name on the invoice must match the Payee Data Record (Std. 204) and the name listed on this Agreement.
- E. Contractor shall list and itemize, in accordance with section 5, Budget Detail, all services or deliverables provided on each invoice.

- F. Contractor shall include the following on each submitted invoice:
- i. Date(s) during which the services or deliverables were provided and the date in which the invoice was generated.
  - ii. Agreement number, which can be found on the Standard Agreement Form (Std. 213).
  - iii. Small Business certification number, if applicable.
  - iv. Professional license number, if applicable.
  - v. Invoice total.
  - vi. Written proof of DSH's approval as required by this Agreement for those services requiring pre-approval.

**3. BUDGET CONTINGENCY CLAUSE:**

- A. It is mutually agreed that, if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall no longer be in full force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any Fiscal Year (FY) is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State or offer an Agreement amendment to Contractor to reflect the reduced amount.
- C. If this Agreement overlaps Federal and State FY's, should funds not be appropriated by Congress or approved by the Legislature for the FY in which this Agreement was entered into, and/or any subsequent years covered under this Agreement, the State may exercise its option to cancel this Agreement.
- D. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by Congress or the Legislature which may affect the provisions or terms of funding of this Agreement in any manner.

**4. PROMPT PAYMENT CLAUSE:**

- A. Payment will be made in accordance with, and within the time specified in, Government Code section 927, et seq.

**5. BUDGET DETAIL:**

- A. The amount of this Agreement shall not exceed \$1,805,523.00 at rates listed in this Agreement.
- B. Upon contract execution as well as receipt and approval of the submitted invoices, the DSH shall compensate Contractor for program replenishment costs that shall not exceed \$10,000 annually.
- C. Upon the first Patient Inmate admission, the per diem rate shall be \$490.58 per bed, totaling \$3,924.64 per day for all eight *Allocated Beds*. Upon invoicing, Contractor shall clearly identify the number of days in the month that services were provided.
- D. The per diem rate for the *Non-Allocated Beds* shall be \$490.58 per Patient Inmate, per each day of treatment. Upon invoicing, Contractor shall clearly identify the number of Patient Inmates multiplied by the number of actual treatment days in the month that services were provided.

- E. Beginning 90 days from the first Patient Inmate admission, if, over the course of each quarter period during the term of this Agreement, a 90 percent occupancy rate is not maintained, the DSH and Contractor shall execute an amendment to this Agreement upon jointly developing a plan to reduce the minimum number of beds provided and the budget amount accordingly. This provision shall correspond to the standard quarter periods commencing annually on July 1.
- F. At the sole discretion of the DSH and for the purposes of accounting, the DSH may adjust the total proposed expenditure for each fiscal year as needed. In no event will this change the contract price for the services actually rendered.
- G. Contractor must submit all invoices within a reasonable time, but no later than twelve (12) months from the date that services were provided. If Contractor fails to provide invoices within twelve (12) months of the date services are rendered, the DSH may elect to reject the invoices for payment as untimely and Contractor will be deemed to have waived any right to payment of the late invoices.



**EXHIBIT B-1  
 SAMPLE INVOICE**

[Insert Contractor's Department company logo/address]

**INVOICE**

DATE	INVOICE #

Department of State Hospitals  
 Attn: Accounting Office  
 1215 O Street, MS-2  
 Sacramento, CA 95814

PERIOD OF SERVICE	AGREEMENT #
[insert date range of month being invoiced]	

Allocated – 8-Bed Maximum					
Per Diem Rate		Days in Treatment			Total for [insert month being invoiced]
\$3,924.64	X	[Insert number of days in the month being invoiced]		=	\$ _____
<i>*Per Diem Rate of \$490.58 per bed</i>					
Non-Allocated – Additional Beds (list one Patient Inmate per row; insert additional rows as needed)					
Per Diem Rate		Total Patient Inmates		Days in Treatment	Total for [insert month being invoiced]
\$490.58	X	1	X	[Insert actual number of days in treatment for the month being invoiced]	= \$ _____
\$490.58	X	1	X	[Insert actual number of days in treatment for the month being invoiced]	= \$ _____

<b>Invoice Total for</b> [insert month being invoiced]:	\$ _____
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PLEASE MAKE REMITTANCE PAYABLE TO:  
 [Insert Contractor's Department billing contact/address]

Prepared By: [Signature here] \_\_\_\_\_  
 [Insert name/title here]

