

TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

This Third Amendment to the Agreement for Services of Independent Contractor (here after “Third Amended Contract”), referenced as **BC18-074** by and between the **County of Santa Barbara** (County) and **Psynergy Programs, Inc.** (Contractor), a California corporation (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, County anticipates that Contractor will provide, at the request of the County, a greater number of services in FYs 18-19 and 19-20 and will incur expenses beyond the value of the Agreement and First and Second Amendments. This Third Amended Contract adds funds in the amount of \$600,000 for FY 18-19 to the prior FY 18-19 contract maximum of \$1,000,000 and \$1,100,000 for FY 19-20 to the prior FY 19-20 contract maximum of \$500,000 so as to compensate Contractor for additional services to be rendered under the Agreement and Amendments.

Whereas, this Third Amended Contract incorporates new terms and conditions applied only to FYs 18-19 and 19-20 in addition to the terms set forth in the contract approved by the County Board of Supervisors in June 2017, the First Amendment approved by the County Board of Supervisors in May 2018 and the Second Amendment approved by the County Board of Supervisors in January 2019 (hereinafter collectively referred to as the “Agreement”).

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

I. Delete Section 8. Debarment and Suspension from Agreement and replace with the following:

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 section 1128 or 1128A of the Social Security Act. Contractor certifies that it shall not contract with a subcontractor that is so debarred or suspended.

II. Delete Section 10. Conflict of Interest from Agreement and replace with the following:

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.

III. Delete Section 14. Records, Audits, and Review from Agreement and replace with the following:

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, DHCS, CMS, Department of General Services, Bureau of State Audits, 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 CFR § 438.416 and the data, information and documentation specified in 42 Code of Federal Regulations parts 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 CFR 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 to 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.

IV. Delete Section 16. Nondiscrimination from Agreement and replace with the following:

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 - Statement of Work to this Agreement.

V. Delete Section 36. Mandatory Disclosure from Agreement and replace with the following:

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 CFR 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 Section 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. § 438.61 O(c)(3).)
 - iv. An individual convicted of crimes described in section 1128(b)(8)(B) of the 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
 - vi. and services that are significant and material to the Contractor's obligations under this Contract. (42 C.F.R. § 438.610(c)(4).)
 - vii. 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 CFR 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 CFR 455.105).**

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:

- i. 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
- ii. 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. 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 CFR §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 Code of Federal Regulations part 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, Attachments 1, and, if applicable, a Lobbying Restrictions and Disclosure Certification as set forth in Exhibit D, Attachments 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.

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 CFR §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.

VI. Add Section 37. Procurement of Recovered Materials to Agreement as follows:

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 CFR 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.

VII. Delete Exhibit A – Mental Health – Statement of Work from Exhibit A and replace with the following:

1. **PROGRAM SUMMARY.** Contractor provides a Modified Therapeutic Community, hereafter, the Program, consisting of four program phases. The first phase consists of assessment, engagement, and orientation, and is usually provided prior to the client arriving at Contractor's campus. The second phase, Nueva Vista, located in Morgan Hill and Sacramento, California, is licensed as an Adult Residential Facility by the State Department of Social Services, Community Care Licensing Division (CCLD), and provides treatment aimed at helping clients adjust to a non-institutional setting. The third phase, Cielo Vista, located in Greenfield, California, is licensed as an Adult Residential Facility by CCLD, but provides a lower level of treatment services than Nueva Vista, and is aimed at preparing clients for independent living. The last stage, Tres Vista Apartments located in Morgan Hill, provides clients an independent living environment, with continued mental health supports to ensure client success. After successful completion of all four phases, it is anticipated that clients would transition back to the community.
2. **PROGRAM GOALS.**
 - A. Maintain the client's residential placement at the lowest appropriate level, and/or enable client to successfully move to a lower level of care;
 - B. Connect clients to social services and community resources;
 - C. Assist clients to develop independent living skills and psychological and social skills necessary for recovery;
 - D. Assist clients to manage symptoms;
 - E. Successfully engage and stabilize clients transitioning from Institutes for Mental Diseases (IMDs), Acute Care Facilities or other residential settings;
 - F. Provide clients with 24/7 in-person supports to manage crisis.
3. **SERVICES.** Contractor shall provide twenty-four (24) hour per day, seven (7) days per week psychiatric rehabilitation, residential care and room and board for clients placed at the Program as described in Section 6, Referrals.

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Contractor's Program shall include, but not be limited to, the interventions listed below. These interventions may be billable to Medi-Cal, in accordance with Medi-Cal rules and regulations, under the services listed in Section 3.A. Non-billable services may be reimbursed within the supplemental daily rates in Exhibit B-1, incorporated herein by reference.

A. Contractor shall provide the following mental health services, as needed and indicated on the Client Service Plan, to Program clients:

1. **Crisis Intervention.** Crisis intervention is a service lasting less than 24 hours, to or on behalf of a client for a condition that requires a more timely response than a regularly scheduled visit, as defined in Title 9 CCR Section 1810.209. Service activities include, but are not limited to: assessment, collateral and therapy. Crisis intervention is distinguished from crisis stabilization by being delivered by providers who do not meet the crisis stabilization contact, site and staffing requirements as defined in Sections 1840.338 and 1840.348 (CCR). Contractor shall be available 24 hours per day, 7 days per week to provide crisis intervention services.
 - a. When clients have an emergent need while at the Program, Contractor shall work to manage the client's needs to prevent crisis. If crisis assistance is needed, Contractor will work directly with Behavioral Wellness Department crisis service teams and/or mental health clinic staff to engage in a supported response to the client's needs.
 - b. Contractor shall ensure availability of telephone and face-to-face contact with clients 24 hours per day, seven days per week to respond to requests by Behavioral Wellness in the event that specialized knowledge from the Program is required. Response to Behavioral Wellness may be by both telephone and in person. If a physical response is required, staff shall arrive no later than 30 minutes from the time of the call.
2. **Therapy.** Therapy is a service activity that is a therapeutic intervention that focuses primarily on symptom reduction as a means to improve functional impairments, as defined in Title 9 CCR Section 1810.250. Therapy may be delivered to an individual and may include family therapy at which the client is present.
3. **Rehabilitation.** Rehabilitation is defined as a service activity that includes but is not limited to, assistance in improving, maintaining or restoring a client's or a group of clients' functional skills, daily living skills, social and leisure skills, grooming and personal hygiene skills, meal preparation skills, support resources, and/or medication education, as defined in 9 CCR Section 1810.243.
4. **Collateral.** Collateral services are delivered to a client's significant support person(s) for the purpose of meeting the needs of the client and achieving the goals of the client's Client Service Plan, as defined in Title 9 CCR Section 1810.206. A significant support person is a person who has or could have a significant role in the successful outcome of treatment, including but not limited to parents of a client, legal guardians or representatives of a client, a person living in the same household as the client, the client's spouse, and the relatives of the client. Collateral may include, but is not limited to, family counseling with the significant support person(s), consultation and training of the significant support person(s) to assist in better utilization of specialty mental health services by the client, and consultation and training of the significant support person(s) to assist in better understanding of mental illness. The client need not be present for this service activity. Consultation with other service providers is not considered a Collateral service.

5. **Assessment.** Assessment is designed to evaluate the current status of a client's mental, emotional or behavioral health. Assessment includes, but is not limited to, one or more of the following: mental status determination, analysis of the client's clinical history; analysis of relevant cultural issues and history; diagnosis; and use of testing procedures, as defined in 9 CCR Section 1810.204.
6. **Plan Development.** Plan development consists of developing client plans, approving client plans, and/or monitoring the client's progress, as defined in 9 CCR Section 1810.232.
7. **Activities of Daily Living.** Contractor shall provide Activities of Daily Living (ADL) support, including:
 - a. Assisting clients in developing and maintaining knowledge of medications, skills in self administration of medication and compliance with medication treatment;
 - b. Accessing and using laundry facilities (both in-home and coin-operated facilities);
 - c. Maintaining clean and well-kept living quarters. This shall include assigning household chores to be completed weekly;
 - d. Practicing good personal hygiene; including physical health, such as hygiene, prevention and management of medical condition(s);
 - e. Scheduling and keeping appointments;
 - f. Learning and practicing psychosocial skills, such as effective interpersonal communication and conflict resolution; and
 - g. Contractor shall provide a copy of the individualized plan with specific rehabilitation goals the Contractor is working on with the client to the client's Behavioral Wellness Treatment Team. The individualized plan will be developed collaboratively with Contractor, Behavioral Wellness Treatment Team, and client.
8. **Skill Building.** Contractor shall provide skill building in Social and Recreational Activities, including:
 - a. Providing structured direction so clients learn how to engage in group activities that can provide meaningful social connections with others;
 - b. Providing structured direction so clients learn how to engage in community activities to prepare for more independent living;
 - c. Assisting clients to:
 - i. Identify, access and independently participate in social and/or recreational activities in the community with the goal of encouraging and promoting positive interaction with others, physical exercise and participating in health-related activities;
 - ii. Develop conversational skills; and
 - iii. Access activities that are cost-appropriate to the client's budget.
 - d. Instructing clients how to access necessary services for routine, urgent, or emergency needs. Contractor shall assist clients in learning how to access community services for on-going supports (i.e. alcohol and drug programs, outpatient mental health treatment services, routine medical services, etc.),

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CARES for psychological emergencies, and hospital emergency rooms for medical emergencies;

- e. Assist clients in developing skills to use natural supports for transportation and community recreational resources (e.g. YMCA, Adult Education, etc.) which afford clients opportunities to practice the skills they are developing and/or learning;
 - f. Contractor shall provide family psychoeducational activities such as education to the family regarding mental illness, medications, and recognizing symptoms; and
 - g. Contractor shall provide work-related support services to help clients who want to find and maintain employment in community-based job sites as well as educational supports to help clients who wish to pursue the educational programs necessary for securing a desired vocation;
 - i. Program staff shall assist clients in finding employment that is part- or full-time, temporary or permanent, based on the unique interests and needs of each client. As often as possible, however, employment should be in real life, independent integrated settings with competitive wages.
 - ii. Services shall include but not be limited to:
 - 1. Assessment of the effect of the client's mental illness on employment or educational learning, with identification of specific behaviors that interfere with the client's work or learning performance and development of interventions to reduce or eliminate those behaviors;
 - 2. Development of an ongoing supportive educational or employment rehabilitation plan to help each client establish the skills necessary to find and maintain a job or to remain in an educational setting;
 - 3. Individual supportive therapy to assist clients to identify and cope with symptoms of mental illness that may interfere with work performance or learning; and
 - 4. Work-related supportive services, such as assistance with grooming or personal hygiene, securing of appropriate clothing, wake-up calls, transportation, etc.
9. **Support Services.** Contractor shall assist clients to access needed community resources, including, but not limited to:
- a. Medical and dental services (e.g. having and effectively using a personal physician and dentist);
 - b. Financial entitlements;
 - c. Social services; and
 - d. Legal advocacy and representation.
10. **Medication Support Services.** Medication support services are services that include prescribing, administering, dispensing and monitoring psychiatric medications or biologicals that are necessary to alleviate the symptoms of mental illness. Service activities include but are not limited to, evaluation of the need for medication; evaluation of clinical effectiveness and side effects; the obtaining of informed consent; instruction in the use, risks and benefits of and alternatives for

medication; and collateral and plan development related to the delivery of the service and/or assessment of the client, as defined in 9 CCR Section 1810.225.

11. **Vocational Skills.** Contractor shall assist clients in improving and enhancing their vocational skills, such as:
 - a. Accessing and using public transportation;
 - b. Accessing and using public libraries; and
 - c. Accessing and using educational and vocational resources (i.e. community colleges, Vocational Rehabilitation, etc.)

12. **Budgeting.** Contractor shall assist client with developing individual budgets based on income and expenses and assist clients with managing finances, including bill-paying and living on fixed incomes.

13. **Cooking and Meal Planning.** Contractor shall assist clients in developing skills related to cooking and meal planning, including:
 - a. Learning and developing healthy eating habits;
 - b. Learning to maintain a safe and sanitary kitchen; and
 - c. Shopping for and preparing meals with the assistance of Program staff.

4. **CLIENTS.** Contractor shall be reimbursed through this Agreement for the provision of the services described in Section 3 to a caseload of ten (10) County clients, at Psynergy Programs Inc. or as otherwise approved by the Department of Behavioral Wellness in writing. The Program is designed for individuals with Serious Mental Illness (SMI) whose symptoms of mental illness cause the most substantial levels of disability and functional impairment. Due to the severity of their symptoms and functional issues, individuals who receive these services are in the greatest need of rehabilitative services in order to live successfully in the community and achieve their personal recovery goals. Multiple barriers to successful functioning are common in this group and may include: co-occurring substance abuse or dependence, homelessness, unemployment, out-of-control illness management, frequent and persistent use of hospital emergency departments and inpatient psychiatric treatment, and problems with the legal system. Priority of the population served will include individuals with SMI who are transitioning from or at risk of placement at Institutions for Mental Disease (IMDs), Acute Inpatient facility settings or other residential living settings.
 - A. County shall be responsible to open Mental Health Services Act (MHSA)-funded clients to Full Service Partnership programs concurrently with placement in Contractor's program, as applicable.
 - B. Program clients should have symptoms that seriously impair their functioning in independent living community settings. Because of mental illness, the client has substantial disability and functional impairment as indicated by client's assessment and previous treatment history).
 - C. Priority should be given to clients with long term psychiatric disabilities such as schizophrenia, other psychotic disorders, and bipolar disorders.

5. LENGTH OF STAY/SERVICE INTENSITY.

- A. Duration of service at Psynergy Programs Inc. will be coordinated with County and will be authorized for up to six (6) month intervals, up to a maximum of 18 months;
- B. Contractor shall work with County to develop and attain goals for assisting clients to move to lower levels of supportive housing or community support.

6. REFERRALS.

- A. Contractor shall admit clients seven (7) days per week;
- B. Contractor shall admit and provide services to clients referred by County treatment teams in order for those services to be reimbursed by County.

1. ADMISSION PROCESS.

- a. Contractor shall notify County that a program slot has been vacated as described in Section 8 (Discharge Plan).
- b. County Regional Manager shall review open cases to determine those appropriate for placement. County Clinical Liaison shall send the Referral Packet, described in Section 6.B.2, for the selected client to Contractor.
- c. Contractor shall respond to referrals within five (5) days from the date of receipt of the referral.
- d. Contractor shall interview client referred by County. Referrals may also require CCLD approval if there is an exception needed for admission for residential treatment.
- e. In the event a referral is not accepted per Section 6.B.3 (Exclusion Criteria), Contractor shall notify County of the reason for not accepting the referral.

2. REFERRAL PACKET. Contractor shall maintain a referral packet for each client referred and treated. Any items that are available in the Behavioral Wellness Medical Record system shall be shredded by Contractor upon opening the client to the Program. The referral packet shall include:

- a. A copy of the County referral form;
- b. A client face sheet listing all of the County programs that the client has been admitted to over time, and is currently admitted to, including hospitalizations;
- c. A copy of the most recent comprehensive assessment and/or assessment update;
- d. A copy of the most recent medication record and health questionnaire;
- e. The Department of Behavioral Wellness will update the Client Service Plan (CSP) indicating the goals for client enrollment in the Program and which names Contractor as service provider, prior to client's admission to the Program;

- f. Client's Medi-Cal Eligibility Database Sheet (MEDS) file printout will be in the initial Referral Packet. Thereafter, it will be Contractor's responsibility to verify continued Medi-Cal eligibility; and
- g. Other documents as reasonably requested by County or Contractor.

3. **EXCLUSION CRITERIA AND PROCESS.** Individuals with restricted health conditions as defined by CCLD and those who are not classified as "ambulatory" will be excluded from Program participation in accordance with licensing requirements. On a case-by-case basis, the following may be cause for client exclusion from the Program, subject to approval by the Department of Behavioral Wellness Regional Manager or other designee in collaboration with Contractor: individual's recent history (within six (6) months) of, or facing charges of, violent crime or sexual predation; or individuals with Anti-Social Personality Disorder.

7. **DOCUMENTATION REQUIREMENTS.**

A. **Behavioral Wellness Client Service Plan.** The Behavioral Wellness Clinical Team shall complete a Client Service Plan (CSP) in collaboration with Contractor for each client receiving Program services in accordance with the Behavioral Wellness Documentation Manual. Contractor shall verify the presence of a current, valid, active CSP and ensure that the services provided by Contractor are authorized by the CSP.

B. Contractor shall provide services as determined by each client's CSP and Action Plan. The Action Plan shall be completed within 30 days of enrollment into the Program and shall align with the overall goals of the client's CSP. Copies of clients' Action Plans shall be provided to County upon completion and upon any further updates or revisions, as applicable.

8. **DISCHARGE PLAN.** The Behavioral Wellness Treatment Team shall work closely with each client and with Program staff to establish a written discharge plan that is responsive to the client's needs and personal goals.

A. County shall participate in the development of discharge plans, and shall provide assistance to clients in completion of their plan. Contractor and County shall collaborate in planning for discharge and transition;

B. Clients and their families shall be involved as much as possible in the discharge and graduation process;

C. Contractor shall notify County immediately of any decision to discharge or evict;

D. The discharge plan shall be documented in the Behavioral Wellness MIS system;

E. Contractor shall notify County of final discharge date immediately; and

F. Residential clients may be discharged by Contractor according to CCLD requirements.

9. **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 17-94613) between the County Department of Behavioral Wellness and the State Department of Health Care Services (DHCS), available at www.countyofsb.org/behavioral-wellness; 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;
2. The Behavioral Wellness Steering Committee Vision and Guiding Principles, available at www.countyofsb.org/behavioralwellnessbehavioral-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.

10. STAFF.

- A. Contractor shall abide by CCLD staffing requirements for 24/7 coverage with on-call staff as necessary for emergency situations.
 1. Contractor shall administer a risk assessment prior to clients' admission to ensure that they meet licensing requirements.
- B. Program 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 evidenced-based best practices for rehabilitation assessment, service planning, and service delivery, and shall become proficient in the principles and practices of Integrated Dual Disorders Treatment. In addition, these staff shall receive Documentation Training in accordance with Behavioral Wellness Mandatory Trainings Policy and Procedure #5.008, as may be amended, available at www.countyofsb.org/behavioal-wellness.
- C. Contractor shall ensure that 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.
- D. 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 Licensing.
- E. Contractor shall notify County of any staffing changes as part of the quarterly Staffing Report, in accordance with Section 12 Reports herein. Contractor shall notify

bwelcontractsstaff@co.santa-barbara.ca.us within one business day for unexpected termination when staff separates from employment or is terminated from working under this Agreement, or within one week of expected last day of employment or for staff planning a formal leave of absence.

- F. 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.
- G. 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.
- H. 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.
- I. Disqualification, if any, of Contractor staff, pursuant to this Section or any provisions of law, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement.

11. 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 certificates (including, but not limited to, certification as a Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/Medi-Cal services are provided hereunder), as required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Agreement. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of such documentation shall be provided to Behavioral Wellness Quality Care Management (QCM) Division, upon request.
- B. In the event the license status of any Contractor staff 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*.

12. REPORTS.

- A. **Staffing.** Contractor shall submit quarterly staffing reports to County. These 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 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:
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 Behavioral Wellness. Amendments to Exhibit E do not require a formal amendment to this Agreement, but shall be agreed to in writing by the Designated Representatives or Designees. In addition, Contractor may include any other data that demonstrates the effectiveness of Contractor's programs.
- C. **Annual Mandatory Training Report.** Contractor shall submit evidence of completion of the Mandatory Trainings identified in Section 23 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.
- D. **Additional Reports.** Contractor shall maintain records and make statistical reports as required by County and the State Department of Health Care Services or other applicable 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.

13. BACKGROUND CHECKS.

- A. **Consent to Criminal Background Check, Fingerprinting (42 CFR 455.106, Welf. & Inst. Code § 14043.38).** Contractor consents to criminal background checks, including fingerprinting when required to do so by 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 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 CFR 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 CFR 455.416, 42 CFR 455.106).

14. 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.

15. 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 25 (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 offices, 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.

16. 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 (CFR), Part 2; Title 42 CFR Section 438.224; 45 CFR Section 96.132(e), 45 CFR Parts 160, 162, and 164; Title 22 California Code of Regulations (CCR) Section 51009; Welfare & Institutions Code (W&IC) 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 the Compliance with HIPAA section of this Agreement. 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 the program 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.

17. 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 Client Problem Resolution Process*, available at www.countyofsb.org/behavioral-wellness, to address client/family satisfaction complaints. in compliance with beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in 42 CFR 438.400 through 42 CFR 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* to the extent Contractor is a "provider" as defined by the MHP.

18. CULTURAL COMPETENCE.

- A. Contractor shall report on its capacity to provide culturally competent services to culturally diverse clients and their families upon request from County, including:
 - i. 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
 - ii. Efforts aimed at providing culturally competent services such as trainings provided to staff, changes or adaptations to service protocol, community education/outreach, etc.

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- B. 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. 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.
- D. 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 offered in English must also be made available in Spanish if clients identify Spanish as their preferred language, as specified in Section 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 Spanish language.

19. 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 over payments 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.

20. 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. § 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 QCM Division at 805-681-5113 in the event of:
 - 1. Known serious complaints against licensed/certified staff;

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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 triggering Incident Reporting, as defined in *Behavioral Wellness Policy and Procedure #28, Unusual Occurrences Incident Report*.
- 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: side effects requiring medical attention or observation, behavioral symptoms presenting possible health problems, or any behavioral symptom that may compromise the appropriateness of the placement.
- E. Contractor may contact bwellcontractsstaff@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 (Phone number: 805-884-6855).

21. MONITORING

- A. Contractor agrees to abide by County Quality Management standards, provided in Department of Behavioral Wellness' Policy and Procedure referenced in Section 25 (Additional Provisions), 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.**

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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 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. In addition to Paragraph 14 Records, Audit and Review of the Agreement, 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.

22. 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, part 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 insure 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 the 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

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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 CFR 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 CFR 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 CFR 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 22(B)(1) through 22(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 CFR 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. 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 in all subcontracts to perform work under this Agreement.

23. 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.

24. 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. Code of Conduct
 2. Consumer and Family Culture
 3. Cultural Competency
 4. HIPAA Privacy and Security

5. Clinician's Gateway
6. County Management Information System (MIS), including the California Outcomes Measurement System (CalOMS) Treatment, for service staff who enter data into the system
7. Applicable evidence-based treatment models and programs as agreed between Contractor and County in writing.

25. ADDITIONAL PROVISIONS.

- a. 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 # 2.002 Beneficiary Informing 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. 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. 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. 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.
- e. Policy and Procedure # 2.001. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 2.001 Network Adequacy Standards and Monitoring*.
- f. Policy and Procedure # 2.002. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 2.002 Beneficiary Informing Materials*.
- g. Policy and Procedure # 3.000. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #3.000 Beneficiary Rights*.
- h. Policy and Procedure # 4.012. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 4.012 Contracted Provider Relations*.
- i. Policy and Procedure # 5.008. Mandatory Trainings. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 5.008 Mandatory Training*.
- j. Policy and Procedure # 8.100. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 8.100 Mental Health Client Assessment*.
- k. Policy and Procedure # 8.101. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 8.101 Client Treatment Plans*.
- l. Policy and Procedure # 8.102. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures # 8.102Mental Health Progress Notes*.
- m. Policy and Procedure # 9. Contractor shall comply with *Department of Behavioral Wellness' Policy and Procedures #9 Service Triage for Urgent and Emergency Conditions*.
- n. 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).)
- o. 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.

26. 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 Welf. Inst. Code § 14712(e) or other 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.

VIII. Delete Attachment A. Santa Barbara County Mental Health Plan, Quality Management Standards for Exhibit A.

IX. Delete Attachment D. Organizational Service Provider Site Certification from Exhibit A.

X. Delete Section II, Maximum Contract Amount, from Exhibit B, Financial Provisions, and replace with the following:

II. MAXIMUM CONTRACT AMOUNT.

The Maximum Contract Amount of this Agreement shall not exceed **\$921,549** for FY 17-18, **\$1,600,000** for FY 18-19, and **\$1,600,000** for FY 19-20, for a total contract amount not to exceed **\$4,121,549** during the term of this Agreement. 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.

XI. Delete Exhibit B-1, Schedule of Rates and Contract Maximum, and replace with the following:

Third Amendment FY 17-20

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

CONTRACTOR NAME: Psynergy Programs, Inc. FISCAL YEAR: 2017-2020

Contracted Services	Service Type	Mode	Service Description	Unit of Service	Service Function Code	County Maximum Allowable Rate 17-18	County Maximum Allowable Rate 18-19	County Maximum Allowable Rate 19-20
Medi-Cal Billable Services	Outpatient Services	15	Targeted Case Management	Minutes	01	\$2.02	\$2.46	\$2.51
			Collateral	Minutes	10	\$2.61	\$3.18	\$3.25
			(1) MHS- Assessment	Minutes	30	\$2.61	\$3.18	\$3.25
			MHS - Plan Development	Minutes	31	\$2.61	\$3.18	\$3.25
			(1) MHS- Therapy (Family, Individual, Group)	Minutes	40	\$2.61	\$3.18	\$3.25
			MHS - Rehab (Family, Individual, Group)	Minutes	41, 51	\$2.61	\$3.18	\$3.25
			Medication Support and Training	Minutes	60, 61, 62	\$4.82	\$5.87	\$5.99
			Crisis Intervention	Minutes	70	\$3.88	\$4.73	\$4.82
Non - Medi-Cal Billable Services	24-Hour Services	5	Licensed Facilities* - Mild Complexity-clients w/ benefits	Bed Day	65	\$70.00	\$70.00	\$72.10
			Licensed Facilities* - Moderate Complexity-clients w/ benefits	Bed Day	65	\$100.00	\$100.00	\$103.00
			Licensed Facilities* - Severe Complexity-clients w/ benefits	Bed Day	65	\$130.00	\$130.00	\$133.90
			Licensed Facilities* - Mild Complexity-clients w/o benefits	Bed Day	65	\$111.00	\$111.00	\$114.33
			Licensed Facilities* - Moderate Complexity-clients w/o benefits	Bed Day	65	\$141.00	\$141.00	\$145.23
			Licensed Facilities* - Severe Complexity-clients w/o benefits	Bed Day	65	\$176.00	\$176.00	\$181.28
			RCFE Patch rate-clients with benefits	Bed Day	65	N/A	N/A	\$200.00
			RCFE Patch rate-clients w/o benefits	Bed Day	65	N/A	N/A	\$242.75
			Unlicensed Facilities** - clients w/ benefits	Bed Day	65	\$35.00	\$35.00	\$36.05
			Unlicensed Facilities** - clients w/o benefits	Bed Day	65	\$65.00	\$65.00	\$66.95
			Enhanced Support and Supervision ***	Per Hour (15 min increments)	n/a	\$40.00	\$40.00	\$40.00
			Transportation	Per Hour (15 min increments)	n/a	\$50.00	\$50.00	\$50.00

*Licensed facilities include Nueva Vista, Cielo Vista, Nueva Vista Sacramento, and other Adult Residential Facilities opened by Contractor during the term of this agreement.
 **Unlicensed facilities include Tres Vista Supported Accommodations and Independent Living
 ***Enhanced Support and Supervision and Client transportation require prior County QCM Authorization

	PROGRAM				TOTAL
	17-18 Psynergy programs	18-19 Psynergy programs	19-20 Psynergy programs		
GROSS COST:	\$ 921,549	\$ 1,600,000	\$ 1,600,000		\$4,121,549
LESS REVENUES COLLECTED BY CONTRACTOR:					
PATIENT FEES					\$ -
CONTRIBUTIONS					\$ -
OTHER (LIST):					\$ -
TOTAL CONTRACTOR REVENUES	\$ -	\$ -	\$ -	\$ -	\$0
MAXIMUM CONTRACT AMOUNT PAYABLE FY 17-18:	\$ 921,549	\$ -	\$ -	\$ -	\$ 921,549
MAXIMUM CONTRACT AMOUNT PAYABLE FY 18-19:	\$ -	\$ 1,600,000	\$ -	\$ -	\$ 1,600,000
MAXIMUM CONTRACT AMOUNT PAYABLE FY 19-20:	\$ -	\$ -	\$ 1,600,000	\$ -	\$ 1,600,000

SOURCES OF FUNDING FOR MAXIMUM ANNUAL CONTRACT AMOUNT (2)							
MEDI-CAL (3)	\$ 372,162	\$ 797,392	\$ 797,392				\$ 1,966,946
NON-MEDI-CAL	\$ 529,800	\$ 760,640	\$ 760,640				\$ 2,051,080
SUBSIDY	\$ 19,587	\$ 41,968	\$ 41,968				\$ 103,523
OTHER (LIST):							\$ -
TOTAL (SOURCES OF FUNDING)	\$ 921,549	\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ 4,121,549

- (1) 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.
- (2) The Director 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 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) MHA funding may be offset by additional Medi-Cal funding.

XII. All other terms remain in full force and effect.

SIGNATURE PAGE

Third Amendment to Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Psynergy Programs, Inc.**

IN WITNESS WHEREOF, the parties have executed this Third Amendment to be effective on the date executed by County.

COUNTY OF SANTA BARBARA:

By: _____
STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS

Date: _____

CONTRACTOR:

PSYNERGY PROGRAMS, INC.

ATTEST:

MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____
Deputy Clerk

Date: _____

By: _____
Authorized Representative

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
COUNTY COUNSEL

By: _____
Deputy County Counsel

RECOMMENDED FOR APPROVAL:

ALICE GLEGHORN, PH.D., DIRECTOR
DEPARTMENT OF BEHAVIORAL
WELLNESS

By: _____
Director

APPROVED AS TO ACCOUNTING FORM:

BETSY M. SCHAFFER, CPA
AUDITOR-CONTROLLER

By: _____
Deputy

APPROVED AS TO INSURANCE FORM:

RAY AROMATORIO
RISK MANAGEMENT

By: _____
Risk Management