

FIFTH AMENDMENT 2009-10

TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

This is an amendment (hereafter referred to as the "Fifth Amended Contract") to the Agreement for Services of Independent Contractor, number **BC 05-055**, by and between the **County of Santa Barbara (County)** and **Seneca Residential and Day Treatment Center, Inc. (Contractor)**, for the continued provision of **Youth Placement & Treatment**

Whereas, this Fifth Amended Contract incorporates the terms and conditions set forth in the contract approved by the **COUNTY** Board of Supervisors in August 2004, the First Amendment approved by the **COUNTY** Board of Supervisors in July 2005, the Second Amendment approved by the **COUNTY** Board of Supervisors in April 2007, the Third Amendment approved by the **COUNTY** Board of Supervisors in June 2007, the Fourth Amendment approved by the **COUNTY** Board of Supervisors in June 2008 except as modified by this Fifth Amended Contract.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, County and Contractor agree as follows:

I. Delete Item 4, Term, of the Agreement and replace with the following:

- 4. TERM.** Contractor shall commence performance on July 1, 2009, and end performance upon completion, but no later than June 30, 2010, unless otherwise directed by County or unless earlier terminated.

II. Delete Exhibit B, Payment Arrangements, and replace with the following:

FIFTH AMENDMENT 2009-10

EXHIBIT B FINANCIAL PROVISIONS

This Agreement provides for reimbursement for children's residential mental health services up to a Maximum Contract Amount. For Title 19 California Code of Regulations (CCR) Early Periodic Screening Diagnosis and Treatment Medi-Cal (EPSDT), Title 21 CCR Healthy Families, and all other services provided under this Agreement, Contractor will comply with all applicable requirements necessary for reimbursement in accordance with Welfare and Institutions Code §§5704-5724, and other applicable Federal, State and local laws, rules, manuals, policies, guidelines and directives.

I. PAYMENT FOR SERVICES

- A. Performance of Services. Contractor shall be compensated for provision of the Units of Service (UOS) established in Exhibit B-1 based on satisfactory performance of the children's mental health services described in Exhibit A.
- B. Medi-Cal Services. The services provided by Contractor's Program described in Exhibit A are covered by the Medi-Cal Program and will be reimbursed by County from Federal Financial Participation (FFP), State share (EPSDT), and local share, as specified in Exhibit B-1.
- C. Healthy Families. The services provided by Contractor's Program described in Exhibit A may be covered by the Healthy Families Program and, as such, will be reimbursed by County from Federal Financial Participation (FFP) and local share, only to the extent specified in Exhibit B-1 and only when Contractor has obtained prior authorization from ADMHS to provide services to any Healthy Families participant. Funds for these services are included within the Maximum Contract Amount, and are subject to the same requirements as funds for services provided pursuant to the Medi-Cal program.
- D. Non-Medi-Cal Services. County recognizes that the services provided by Contractor's Program described in Exhibit A may be provided to individuals who are not Medi-Cal eligible and such services will be reimbursed by other County funds only to the extent specified in Exhibit B-1. Funds for these services are included within the Maximum Contract Amount, and are subject to the same requirements as funds for services provided pursuant to the Medi-Cal program.
- E. Limitations on Use of Funds Received Pursuant to this Agreement. Contractor shall use the funds provided by County exclusively for the purposes of performing the services described in Exhibit A to this Agreement. Expenses shall comply with the requirements established in OMB A-87 and applicable regulations. Violation of this provision or use of County funds for purposes other than those described in Exhibit A shall constitute a material breach of this Agreement.

FIFTH AMENDMENT 2009-10

II. MAXIMUM CONTRACT AMOUNT

The Maximum Contract Amount has been calculated based on the total UOS to be provided pursuant to this Agreement as set forth in Exhibit B-1 and shall not exceed **\$145000**. The Maximum Contract Amount shall consist of County, State, and/or Federal funds as shown in Exhibit B-1. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder without a properly executed amendment.

III. ACCOUNTING FOR REVENUES

- A. Accounting for Revenues. Contractor shall comply with all County, State, and Federal requirements and procedures, as described in WIC Sections 5709, 5710 and 5721, relating to: (1) the determination and collection of patient/client fees for services hereunder based on Uniform Method for Determining Ability to Pay (UMDAP) (2) the eligibility of patients/clients for EPSDT/Medi-Cal, Healthy Families, Medicare, private insurance, or other third party revenue, and (3) the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder.
- B. Internal Procedures. Contractor shall maintain internal financial controls which adequately ensure proper billing and collection procedures. Contractor's procedures shall specifically provide for the identification of delinquent accounts and methods for pursuing such accounts. Contractor shall pursue payment from all potential sources in sequential order, with EPSDT Medi-Cal as payor of last resort. Contractor is to attempt to collect first from Medicare (if site is Medicare certified), then from insurance. All fees paid by or on behalf of patients/clients receiving services under this Agreement shall be utilized by Contractor only for the delivery of mental health service units specified in this Agreement.

IV. BILLING AND PAYMENT PROCEDURES AND LIMITATIONS:

- A. Submission of Claims and Invoices. Contractor shall submit a written invoice within 10 calendar days of the end of the month in which mental health services are delivered that: i) lists the UOS provided for the month, ii) states the amount owed by County, and iii) includes the Agreement number and signature of Contractor's authorized representative. Invoices shall be delivered electronically to the County designated representative or to:

Santa Barbara County Alcohol, Drug, and Mental Health Services
ATTN: Accounts Payable
300 North San Antonio Road Bldg. 3
Santa Barbara, CA 93110-1316

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

FIFTH AMENDMENT 2009-10

be based on the UOS accepted on a monthly basis.

The Director or designee shall review the monthly claim(s) and invoice to confirm accuracy of the data submitted. With the exception of the final month's payment under this Agreement, County shall make provisional payment for approved claims within thirty (30) calendar days of the receipt of said claim(s) and invoice by County subject to the contractual limitations set forth below.

- B. Withholding Of Payment for Non-submission of UOS Data and Other Information. If any required data, invoice or report(s) is not submitted by Contractor to County within the time limits described in this Agreement or if any such information is incomplete, incorrect, or is not completed in accordance with the requirements of this Agreement, then payment shall be withheld until County is in receipt of complete and correct data and such data has been reviewed and approved by Director or designee. Director or designee shall review such submitted service data within sixty (60) calendar days of receipt.
- C. Withholding Of Payment for Unsatisfactory Clinical Documentation. Director or designee shall have the option to deny payment for services when documentation of clinical services does not meet minimum State and County written standards.
- D. Claims Submission Restrictions.
1. Six-Month Billing Limit. Unless otherwise determined by State or federal regulations (e.g. Medi-Medi cross-over), all original (or initial) claims for eligible individual persons under this Agreement must be received by County within six (6) months from the date of service to avoid possible payment reduction or denial for late billing. Original (or initial) claims received after this six month billing limit without an acceptable delay reason code are subject to reduction and/or denial by either the State or County. Exceptions to the six month billing limit can be made for months seven through twelve following the month in which the services were rendered if the reason for the late billing is allowed by WIC Section 14115 and Title 22, California Code of Regulations section 51008.5.
 2. No Payment for Services Provided Following Expiration/ Termination of Agreement. Contractor shall have no claim against County for payment of any funds or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.
- E. Claims Certification and Program Integrity. Contractor shall certify that all UOS

FIFTH AMENDMENT 2009-10

submitted to County for any payor sources covered by this Agreement are true and accurate to the best of Contractor's knowledge.

- F. Tracking of Expenses. Contractor shall inform County when seventy-five percent (75%) of the Maximum Contract Amount has been incurred based upon Contractor's own billing records. Contractor shall send such notice to those persons and addresses which are set forth in the Agreement, Section 2 (NOTICES).

V. COST REPORT

- A. Submission of Cost Report. Within forty-five (45) days after the close of the Fiscal Year covered by this Agreement, Contractor shall provide County with an accurate and complete Annual Cost Report with a statement of expenses and revenue for the prior fiscal year. The Annual Cost Report shall be prepared by Contractor in accordance with all applicable federal, state and County requirements and generally accepted accounting principles. Contractor shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice. All revenues received by Contractor shall be reported in its annual Cost Report, and shall be used to offset gross cost. Contractor shall maintain source documentation to support the claimed costs, revenues and allocations which shall be available at any time to Director or Designee upon reasonable notice.
- B. Cost Report to be Used for Final Settlement. The Cost Report shall be the final financial and statistical report submitted by Contractor to County, and shall serve as the basis for final settlement to Contractor. Contractor shall document that costs are reasonable and allowable and directly or indirectly related to the services to be provided hereunder.
- C. Withholding Payment. County shall withhold the final month's payment under this Agreement until such time that Contractor submits its complete Annual Cost Report.
- D. Penalties. In addition, failure of Contractor to submit accurate and complete Annual Cost Report(s) by the ninetieth (90th) day after the close of the Fiscal Year or the expiration or termination date of this Agreement shall result in:
1. A Late Penalty of ONE HUNDRED DOLLARS (\$100) for each day that the accurate and complete Annual Cost Report(s) is (are) not submitted. The Late Penalty shall be assessed separately on each outstanding Annual Cost Report. The Late Penalty shall commence on the ninety-first (91st) day following either the end of the applicable Fiscal Year or the expiration or termination date of this Agreement. County shall deduct the Late Penalty assessed against Contractor from the final month's payment due under the Agreement.

FIFTH AMENDMENT 2009-10

2. In the event that Contractor does not submit accurate and complete Annual Cost Report(s) by the one-hundred fiftieth (150th) day following either the end of the applicable Fiscal Year or the expiration or termination date of this Agreement, then all amounts covered by the outstanding Annual Cost Report(s) and paid by County to Contractor in the Fiscal Year for which the Annual Cost Report(s) is (are) outstanding shall be repaid by Contractor to County. Further, County shall terminate any current contracts entered into with Contractor for programs covered by the outstanding Annual Cost Reports.
- E. Audited Financial Reports: Each year of the Agreement, the Contractor shall submit to County a copy of their audited annual financial statement, including management comments. This report shall be submitted within thirty (30) days after the report is received by Contractor.
- F. Single Audit Report: If Contractor is required to perform a single audit, per the requirements of OMB circular A-133, Contractor shall submit a copy of such single audit to County within thirty (30) days of receipt.

VI. PREAUDIT COST REPORT SETTLEMENT

- A. Pre-audit Cost Report Settlement. Based on the Annual Cost Report(s) submitted pursuant to this Exhibit B Section V (Cost Reports) and State approved UOS, at the end of each Fiscal Year or portion thereof that this Agreement is in effect, the State and County will perform a pre-audit cost report settlement. Such settlement will be subject to the terms and conditions of this Agreement and any other applicable State and/or federal statutes, regulations, policies and procedures, or requirements pertaining to cost reporting and settlements for applicable federal and/or State programs. Settlement shall be adjusted to the lower of:
1. Contractor's published charge(s) to the general public, as approved by the Contractor's governing board; unless the Contractor is a Nominal Charge Provider. This federal published charges rule is applicable only for the outpatient, rehabilitative, case management and 24-hour services.
 2. The Contractor's actual costs.
 3. The State's Schedule of Maximum Allowances (SMA).
 4. The Maximum Contract Amount (MCA) of this Agreement.
- B. Issuance of Findings. County's issuance of its pre-audit cost report settlement findings shall take place no later than one-hundred-twenty (120) calendar days after the receipt by County from the State of the State's Final Cost Report Settlement package for a particular fiscal year.
- C. Payment. In the event that Contractor adjustments based on any of the above

FIFTH AMENDMENT 2009-10

methods indicate an amount due the County, Contractor shall pay County by direct payment within thirty (30) days or from deductions from future payments, if any, at the sole discretion of the Director.

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

- A. Audit by Responsible Auditing Party. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with State and federal law including but not limited to the WIC Sections 14170 et. seq., authorized representatives from the County, State or Federal governments (Responsible Auditing Party) may conduct an audit or site review of Contractor regarding the mental health services/activities provided hereunder.
- B. Settlement. Settlement of the audit findings will be conducted according to the Responsible Auditing Party's procedures in place. In the case of a State EPSDT/Medi-Cal audit, the State and County will perform a post-audit EPSDT/Medi-Cal settlement that is based on State audit findings. Such settlement will take place when the State initiates its settlement action which customarily is after the issuance of the audit report by the State and before the State's audit appeal process. However, if the Responsible Auditing Party stays its collection of any amounts due or payable because of the audit findings, County will also stay its settlement of the same amounts due or payable until the Responsible Auditing Party initiates its settlement action with County.
- C. Invoice for Amounts Due. County shall issue an invoice to Contractor for any amount due County after the Responsible Auditing Party issues an audit report. The amount on the County invoice is due by Contractor to County thirty (30) calendar days from the date of the invoice.
- D. Appeal. Contractor may appeal any such audit findings in accordance with the audit appeal process established by the party performing the audit.

FIFTH AMENDMENT 2009-10

SIGNATURE PAGE

Amendment to Agreement for Services of Independent Contractor between the County of Santa Barbara and Seneca Residential and Day Treatment Center, Inc..

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

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

Date: _____

Contractor

By: _____
Tax Id No 94-2971761. _____
Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: _____
Deputy
Date: _____

APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By _____
Deputy County Counsel
Date: _____

By _____
Deputy
Date: _____

APPROVED AS TO FORM :
ALCOHOL, DRUG, AND MENTAL HEALTH
SERVICES
ANN DETRICK, PH.D.
DIRECTOR

APPROVED AS TO INSURANCE FORM:
RAY AROMATORIO
RISK PROGRAM ADMINISTRATOR

By _____
Director
Date: _____

By: _____
Date: _____

FIFTH AMENDMENT 2009-10

CONTRACT SUMMARY PAGE

BC 05-055

Complete data below, print, obtain signature of authorized departmental representative, and submit this form (and attachments) to the Clerk of the Board (>\$25,000) or Purchasing (<\$25,000). See also "Contracts for Services" policy. Form is not applicable to revenue contracts.

D1. Fiscal Year 09-10
 D2. Budget Unit Number 043
 D3. Requisition Number
 D4. Department Name Alcohol, Drug, & Mental Health Services
 D5. Contact Person..... Danielle Spahn
 D6. Telephone (805) 681-5229

K1. Contract Type (check one): Personal Service Capital
 K2. Brief Summary of Contract Description/Purpose Youth Placement & Treatment
 K3. Contract Amount \$145000
 K4. Contract Begin Date 7/1/2009
 K5. Original Contract End Date..... 6/30/2007
 K6. Amendment History

Seq#	Effective Date	ThisAmndtAmt	CumAmndtToDate	NewTotalAmt	NewEndDate	Purpose
1	7/1/09			\$150000	6/30/10	09-10 renewal

B1. Is this a Board Contract? (Yes/No)..... Yes
 B2. Number of Workers Displaced (if any)..... N/A
 B3. Number of Competitive Bids (if any)..... N/A
 B4. Lowest Bid Amount (if bid)..... N/A
 B5. If Board waived bids, show Agenda Date N/A
 and Agenda Item Number
 B6. Boilerplate Contract Text Unaffected? (Yes / or cite Paragraph).....

F1. Encumbrance Transaction Code 1701
 F2. Current Year Encumbrance Amount \$145000
 F3. Fund Number 0044
 F4. Department Number 043
 F5. Division Number (if applicable).....
 F6. Account Number..... 7460
 F7. Cost Center number (if applicable)..... 5211
 F8. Payment Terms

V1. Vendor Numbers (A=Auditor; P=Purchasing) EID A 544099
 V2. Payee/Contractor Name Seneca Residential and Day Treatment
 V3. Mailing Address 2275 Arlington Drive.
 V4. City, State (two-letter) Zip (include +4 if known) San Leandro, CA 94578
 V5. Telephone Number 5103171444
 V6. Contractor's Federal Tax ID Number (EIN or SSN)..... 94-2971761
 V7. Contact Person..... Katherine West Assoc Executive Director
 V8. Workers Comp Insurance Expiration Date 11/1/2009
 V9. Liability Insurance Expiration Date[s] 7/1/2009
 V10. Professional License Number..... multi
 V11. Verified by (name of county staff) Danielle Spahn
 V12. Company Type (Check one): Individual Sole Proprietorship Partnership Corporation

I certify: information complete and accurate; designated funds available; required concurrences evidenced on signature page.

Date: _____ Authorized Signature: _____