

**INTER-COUNTY SERVICES AGREEMENT BY AND BETWEEN
THE COUNTY OF SANTA CLARA AND THE COUNTY OF SAN MATEO
FOR ACCESS TO SANTA CLARA COUNTY'S COMMUNITY TREATMENT FACILITY**

This is an agreement by and between the County of San Mateo ("San Mateo"), a political subdivision of the State of California and the County of Santa Clara ("Santa Clara"), a political subdivision of the State of California, for access to beds at Santa Clara County's Community Treatment Facility (CTF).

The parties hereby agree to the following terms, covenants and conditions:

1. Service Provided by the County of Santa Clara.

Santa Clara shall provide San Mateo access to two (2) beds and related mental health treatment for the benefit of San Mateo adolescents at Santa Clara's CTF, which is operated by Starlight Adolescent Center, Inc. (Starlight), under a separate agreement. The details of the services to be performed by Starlight are more particularly described in the Agreement by and between Santa Clara and Starlight (Attached as Exhibit A).

2. Compensation.

(a) FY 2001-2002: San Mateo shall pay Santa Clara fee-for-service rate for Medi-Cal eligible placements and non-Medi-Cal eligible placements into the CTF at the interim rates below. Within 12 months following June 30, 2002 Santa Clara will reconcile all costs with Starlight and will provide San Mateo with the results of this reconciliation. The reconciliation will be done in accordance with Short/Doyle regulations with Starlight and State CTF reimbursement, which is subject to change monthly based on state wide CTF census. This reconciliation will determine actual rates and utilization by payor type for FY 2001-2002 and Santa Clara will either submit an additional invoice if the rate is higher or reimburse San Mateo if the rates are lower. AFDC-FC payment flow between San Mateo County's Human Services Agency and CTF will be independent of this agreement.

(1) <u>Interim Rates for FY 2001-2002</u>	
Medi-Cal Eligible Placements	\$169.12 per day
Non-Medi-Cal Eligible Placements	\$464.54 per day

In addition to the non-Medi-Cal eligible placement rate, San Mateo shall pay Santa Clara for all Ancillary Medical Costs for those non-Medi-Cal clients placed at the CTF. All specialty mental health services will be invoiced to San Mateo quarterly by Santa Clara. Ancillary Medical Costs include but are not limited to, Physical Health Costs, laboratory, pharmacy and special transportation. All Ancillary Medical Costs will be billed separately by the service and shall be the sole responsibility of San Mateo, payable under the payment terms set forth by each Ancillary Medical Service provider.

(b) FY 2002-2003 (July 1, 2002 though December 31, 2002): San Mateo shall pay Santa Clara fee-for-service rate for Medi-Cal eligible placements and non-Medi-Cal eligible placements into the CTF at the interim rates below. Within 12 months following June 30, 2003 Santa Clara will reconcile all costs with Starlight and will provide San Mateo with the results of this reconciliation. The reconciliation will be done in accordance with Short/Doyle regulations with Starlight and State CTF

reimbursement, which is subject to change monthly based on state wide CTF census. This reconciliation will determine actual rates and utilization by payor type for FY 2002-2003 and Santa Clara will either submit an additional invoice if the rate is higher or reimburse San Mateo if the rates are lower. AFDC-FC payment flow between San Mateo County's Human Services Agency and CTF will be independent of this agreement.

- (1) Interim Rates for FY 2002-2003
 - Medi-Cal Eligible Placements To Be Determined
 - Non-Medi-Cal Eligible Placements To Be Determined

In addition to the non-Medi-Cal eligible placement rate, San Mateo shall pay Santa Clara for all Ancillary Medical Costs for those non-Medi-Cal clients placed at the CTF. All specialty mental health services will be invoiced to San Mateo quarterly by Santa Clara. Ancillary Medical Costs include but are not limited to, Physical Health Costs, laboratory, pharmacy and special transportation. All Ancillary Medical Costs will be billed separately by the service and shall be the sole responsibility of San Mateo, payable under the payment terms set forth by each Ancillary Medical Service provider.

(c) Santa Clara shall make application to San Mateo for payment by submitting an invoice to San Mateo. Payments will be due 15 days after receipt of invoice. Invoices will be deemed received within 5 business days of date of invoice. Invoices will detail program utilization by month, and client and payor type.

(d) The estimated Maximum Financial Obligation for FY 2001-2002 is \$71,876 based on the use of 425 bed days at the interim Medi-Cal eligible placement rate, which is an estimate only; final rates will be established after reconciliation, as described in (a) and (b) above. However, San Mateo is responsible for any additional costs should San Mateo need to place a non-Medi-Cal eligible client in the CTF or the Medi-Cal eligibility status changes while in the facility. The estimated Maximum Financial Obligation for FY 2002-2003 is not included because FY 2002-2003 interim rates are not yet determined. San Mateo agrees to pay Santa Clara the full amount owed for the use of the CTF should there be an increase in the rates due to the reconciliation process as described above in (a) and (b) above even if that amount exceeds the estimated Maximum Financial Obligation for FY 2001-2002 and/or FY 2002-2003.

3. Term, Termination, and Extension

The initial term of this Agreement shall be from July 1, 2001 through December 31, 2002, and shall be extended from January 1, 2003 through June 30, 2003 unless this Agreement is terminated by either party by providing a 60 day written notice to the other party. The purpose of this automatic six-month extension is to allow for the continuation of services specified in this agreement and to avoid interruption of payment for those services pending re-negotiation and re-execution. All obligations of Santa Clara and San Mateo contained in this contract will remain in force during the period covered by this agreement extension.

4. Indemnification and Insurance.

(a) San Mateo shall look to Starlight for insurance and indemnification as specified in the Agreement by and between San Mateo and Starlight, a copy which is attached hereto as Exhibit B.

(b) Throughout the term of this agreement, the parties shall maintain policies of self-insurance and Worker's Compensation Insurance covering all of their employees.

5. Independent Contractor.

Santa Clara shall perform the work under this agreement as an independent contractor. San Mateo shall not withhold federal income taxes from any payment due to Santa Clara.

6. Confidentiality.

It is understood that mental health client information and records generated by the Contractor and Santa Clara in the course of rendering services are confidential consistent with local, state and federal law.

7. Notice.

Any notice required to be given by either party, or which either party may wish to give, shall be in writing and registered mail, postage prepaid, addressed as follows:

To County of Santa Clara: County of Santa Clara
Mental Health Department
Attn: Director
828 S. Bascom Avenue, Suite 200
San Jose, CA 95128

or to such other place as the County of Santa Clara shall designate by written notice.

To County of San Mateo: John Klyver, Contracts Manager
San Mateo County Mental Health Services
225 37th Avenue
San Mateo, CA 94403

or to such other place as County of San Mateo shall designate by written notice.

8. Amendments.

This agreement may be modified or amended by a written document executed by each County's Board of Supervisors or by their designees.

9. Entire Agreement.

This agreement, along with any exhibits and attachments, constitutes the entire agreement by and between the parties relative to the work to be performed. Any prior or contemporaneous oral or written agreements by and between the parties or their agents or representatives relative to such work are hereby extinguished and revoked by the agreement.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT AS FOLLOWS:

County of Santa Clara

Date: 5/31/02

Nancy Peña, Ph.D.
Nancy Peña, Ph.D.
Mental Health Director

County of San Mateo

Date: _____

Jerry Hill, President
Board of Supervisors

ATTEST:
Clerk of the Board

APPROVED AS TO FORM AND LEGALITY:
Santa Clara County, County Counsel Office

5/31/02
Karen Anderson
Karen Anderson
Deputy County Counsel

APPROVED AS TO FORM AND LEGALITY:
San Mateo County, County Counsel Office

Deputy County Counsel

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT AS FOLLOWS:

County of Santa Clara

Date: 5/31/02
Nancy Peña, Ph.D.
Nancy Peña, Ph.D.
Mental Health Director

County of San Mateo

Date: _____

Jerry Hill, President
Board of Supervisors

APPROVED AS TO FORM AND LEGALITY:
Santa Clara County, County Counsel Office

5/31/02

Karen Anderson
Karen Anderson
Deputy County Counsel

APPROVED AS TO FORM AND LEGALITY:
San Mateo County, County Counsel Office

Deputy County Counsel

ATTEST:
Clerk of the Board

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT AS FOLLOWS:

County of Santa Clara

Date: 5/31/02

Nancy Peña Ph.D.
Nancy Peña, Ph.D.
Mental Health Director

County of San Mateo

Date: _____

Jerry Hill, President
Board of Supervisors

ATTEST:
Clerk of the Board

APPROVED AS TO FORM AND LEGALITY:
Santa Clara County, County Counsel Office

APPROVED AS TO FORM AND LEGALITY:
San Mateo County, County Counsel Office

5/31/02
Karen Anderson
Karen Anderson
Deputy County Counsel

Deputy County Counsel

Exhibit B

AGREEMENT BY AND BETWEEN STARLIGHT ADOLESCENT CENTER, INC. AND THE COUNTY OF SAN MATEO FOR INDEMNIFICATION AND INSURANCE

This is an Agreement by and between Starlight Adolescent Center, Inc. ("Starlight"), and the County of San Mateo ("San Mateo"). This Exhibit B is being added to the Agreement by and between the County of Santa Clara ("Santa Clara") and San Mateo.

Whereas, Santa Clara has entered into an Agreement with Starlight to provide services at the Starlight site, operated by Starlight, and

Whereas, Santa Clara and San Mateo have entered into an Agreement for San Mateo to have access to 2 beds for San Mateo adolescents at Starlight;

NOW, THEREFORE, it is mutually agreed that Starlight or any designee shall provide Insurance Coverage for the services purchased by San Mateo on the terms set forth in the attached Exhibit B1 (Indemnification and Insurance Requirements), and shall name San Mateo as an insured with regard to the beds purchased by San Mateo.

It is further agreed by Starlight, that the Indemnification provisions set forth in the attached Exhibit B1 shall also apply to the services purchased by San Mateo, and Starlight will hold San Mateo harmless from liability in accordance with these provisions. Evidence of insurance with San Mateo named, as an additional insured will be provided upon the commencement of services.

County of San Mateo

Starlight Adolescent Center, Inc.

Date

6/4/02

Date

BY: _____

BY: Mary Jane Gross

NAME: _____

NAME: Mary Jane GROSS

TITLE: _____

TITLE: President

County of San Mateo

APPROVED AS TO FORM AND LEGALITY:

ATTEST:
Clerk of the Board

San Mateo County, County Counsel Office
Deputy County Counsel

Exhibit B1

INSURANCE REQUIREMENTS FOR PROFESSIONAL SERVICES CONTRACTS (e.g. Medical, Legal, Financial services, etc.)

Indemnity

The Contractor shall indemnify, defend, and hold harmless the County of San Mateo (hereinafter "San Mateo"), its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the sole negligence or willful misconduct of personnel employed by San Mateo. It is the intent of the parties to this Agreement to provide the broadest possible coverage for San Mateo. The Contractor shall reimburse San Mateo for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the Contractor is obligated to indemnify, defend and hold harmless San Mateo under this Agreement.

Insurance

Without limiting the Contractor's indemnification of San Mateo, the Contractor shall provide and maintain at its own expense, during the term of this Agreement, or as may be further required herein, the following insurance coverages and provisions:

A. Evidence of Coverage

Prior to commencement of this Agreement, the Contractor shall provide a Certificate of Insurance certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, a certified copy of the policy or policies shall be provided by the Contractor upon request.

This verification of coverage shall be sent to the requesting San Mateo department, unless otherwise directed. The Contractor shall not receive a Notice to Proceed with the work under the Agreement until it has obtained all insurance required and such insurance has been approved by San Mateo. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

B. Qualifying Insurers

All coverages, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- V, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by Risk Management of San Mateo County.

Notice of Cancellation

All coverage as required herein shall not be canceled or changed so as to no longer meet the specified San Mateo insurance requirements without 30 days' prior written notice of such cancellation or change being delivered to San Mateo or their designated agent.

D. Insurance Required

1. Commercial General Liability Insurance - for bodily injury (including death) and property damage which provides limits as follows:

- a. Each occurrence - \$1,000,000
- b. General aggregate - \$2,000,000
- c. Personal Injury - \$1,000,000

2. General liability coverage shall include:

- a. Premises and Operations
- b. Personal Injury liability
- c. Severability of interest

3. General liability coverage shall include the following endorsement, a copy of which shall be provided to San Mateo:

Additional Insured Endorsement, which shall read:

“County of San Mateo, and members of the Board of Supervisors of the County of San Mateo, and the officers, agents, and employees of the County of San Mateo, individually and collectively, as additional insureds.”

Insurance afforded by the additional insured endorsement shall apply as primary insurance, and other insurance maintained by San Mateo, its officers, agents, and employees shall be excess only and not contributing with insurance provided under this policy. Public Entities may also be added to the additional insured endorsement as applicable and the contractor shall be notified by the contracting department of these requirements.

4. Automobile Liability Insurance

For bodily injury (including death) and property damage which provides total limits of not less than one million dollars (\$1,000,000) combined single limit per occurrence applicable to owned, non-owned and hired vehicles.

4a. Aircraft/Watercraft Liability Insurance (Required if Contractor or any of its agents or subcontractors will operate aircraft or watercraft in the scope of the Agreement)

For bodily injury (including death) and property damage which provides total limits of not less than one million dollars (\$1,000,000) combined single limit per occurrence applicable to all owned non-owned and hired aircraft/watercraft.

5. Workers' Compensation and Employer's Liability Insurance

- a. Statutory California Workers' Compensation coverage including broad form all-states coverage.
- b. Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence.

Professional Errors and Omissions Liability Insurance

- a. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per occurrence/aggregate.

If coverage contains a deductible or self-retention, it shall not be greater than fifty thousand dollars (\$50,000) per occurrence/event.

Coverage as required herein shall be maintained for a minimum of two years following termination or completion of this Agreement.

7. Claims Made Coverage

If coverage is written on a claims made basis, the Certificate of Insurance shall clearly state so. In addition to coverage requirements above, such policy shall provide that:

- a. Policy retroactive date coincides with or precedes the Consultant's start of work (including subsequent policies purchased as renewals or replacements).

Policy allows for reporting of circumstances or incidents that might give rise to future claims.

E. Special Provisions

The following provisions shall apply to this Agreement:

1. The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Contractor and any approval of said insurance by San Mateo or its insurance consultant(s) are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Contractor pursuant to this Agreement, including but not limited to the provisions concerning indemnification.

2. San Mateo acknowledges that some insurance requirements contained in this Agreement may be fulfilled by self-insurance on the part of the Contractor. However, this shall not in any way limit liabilities assumed by the Contractor under this Agreement. Any selfinsurance shall be approved in writing by San Mateo upon satisfactory evidence of financial capacity. Contractors obligation hereunder may be satisfied in whole or in part by adequately funded self-insurance programs or self-insurance retentions.

3. Should any of the work under this Agreement be sublet, the Contractor shall require each of its subcontractors of any tier to carry the aforementioned coverages, or Contractor may insure subcontractors under its own policies.

San Mateo reserves the right to withhold payments in the event of material noncompliance with the insurance requirements outlined above.

F. Fidelity Bonds (Required only if contractor will be receiving advanced funds or payments)

Before receiving compensation under this Agreement, Contractor will furnish San Mateo with evidence that all officials, employees, and agents handling or having access to funds received or disbursed under this Agreement, or authorized to sign or countersign checks, are covered by a BLANKET FIDELITY BOND in an amount of AT LEAST fifteen percent (15%) of the maximum financial obligation of the County cited herein. If such bond is canceled or reduced, Contractor will notify San Mateo immediately, and San Mateo may withhold further payment until proper coverage has been obtained. Failure to give such notice may be cause for termination of this Agreement, at the option of San Mateo.

SAN MATEO COUNTY
MEMORANDUM

DATE: 6/3/02
TO: Priscilla Harris Morse FAX: 363-4864 PONY: EPS 163
FROM: John Klyver (Name) FAX 2841 PONY _____
SUBJECT: Contract Insurance Approval

The following is to be completed by the department before submission to Risk Management:

CONTRACTOR NAME: Santa Clara County / Starlight

DOES THE CONTRACTOR TRAVEL AS A PART OF THE CONTRACT SERVICES?: No

2 mental health beds for youth

NUMBER OF EMPLOYEES WORKING FOR CONTRACTOR: multiple

DUTIES TO BE PERFORMED BY CONTRACTOR FOR COUNTY:

The following will be completed by Risk Management:

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive General Liability	\$ 1m/2m	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor Vehicle Liability		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Professional Liability	\$ 1m	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Workers' Compensation	statutory	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REMARKS/COMMENTS:

Priscilla Morse
Risk Management Signature Date

MARSH USA INC.

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
SEA-000502387-00

PRODUCER
Marsh Risk & Insurance Services
Post Office Box 193880
San Francisco, CA 94119-3880

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY
A GENERAL SECURITY INDEMNITY CO

COMPANY
B N/A

COMPANY
C STATE COMPENSATION INS. FUND CALIF

COMPANY
D

INSURED
STARLIGHT COMMUNITY TREATMENT FACILITY
455 SILICON VALLEY BLVD.
SAN JOSE, CA 95138

COVERAGES This certificate supersedes and replaces any previously issued certificate for the policy period noted below: 0

THIS IS TO CERTIFY THAT POLICIES OF INSURANCE DESCRIBED HEREIN HAVE BEEN ISSUED TO THE INSURED NAMED HEREIN FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THE CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, CONDITIONS AND EXCLUSIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	21-K33000090	01/01/02	01/01/03	GENERAL AGGREGATE \$ 3,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> PROFESSIONAL LIAB.				FIRE DAMAGE (Any one fire) \$ 50,000
	<input checked="" type="checkbox"/> CLAIMS MADE				MED EXP (Any one person) \$ 5,000
	<input type="checkbox"/>				
A	AUTOMOBILE LIABILITY	21-A33000090	01/01/02	01/01/03	COMBINED SINGLE LIMIT \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	<input checked="" type="checkbox"/> HIRED AUTOS				
	<input checked="" type="checkbox"/> NON-OWNED AUTOS				
	<input type="checkbox"/>				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
	<input type="checkbox"/>				EACH ACCIDENT \$
	<input type="checkbox"/>				AGGREGATE \$
	EXCESS LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> UMBRELLA FORM				AGGREGATE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				\$
	<input type="checkbox"/>				\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	63655002	01/01/02	01/01/03	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input checked="" type="checkbox"/> INCL <input type="checkbox"/> EXCL				EL EACH ACCIDENT \$ 1,000,000
	<input type="checkbox"/>				EL DISEASE-POLICY LIMIT \$ 1,000,000
	<input type="checkbox"/>				EL DISEASE-EACH EMPLOYEE \$ 1,000,000
A	ABUSE & MOLESTATION	21-K33000090	01/01/02	01/01/03	OCCURRENCE 1,000,000
	<input type="checkbox"/>				AGGREGATE 1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS (LIMITS MAY BE SUBJECT TO DEDUCTIBLES OR RETENTIONS)

Attn: Contracts Unit The County of Santa Clara and members of the Board of Supervisors of the County of Santa Clara, and the officers, agents an employees of the County of Santa Clara, individually and collectively are included as additional insureds. 10 day notice of cancellation applies to all cancellations for nonpayment of premium.

CERTIFICATE HOLDER

Santa Clara County Mental Health Dept.
Attn: Contracts Unit
645 S. Bascom Avenue
San Jose, CA 95128

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES.

MARSH USA INC.
BY: Diane Browne

Diane Browne

MM1(9/99)

VALID AS OF: 03/01/02