

AGREEMENT WITH MILLS PENINSULA HOSPITALS  
FOR ACUTE PSYCHIATRIC INPATIENT HOSPITAL SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and MILLS PENINSULA HOSPITALS, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services hereinafter described for the Health Services Agency, Mental Health Services Division; and

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Services to be Performed by Contractor

In consideration of the payments hereinafter set forth, Contractor, under the general direction of the Director of Health Services, or her designee, with respect to the product or result of Contractor's services, shall provide acute psychiatric inpatient services as described in Schedule A, attached hereto and incorporated by reference herein. Such services shall be provided in a professional and diligent manner.

2. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this Agreement shall not exceed ONE MILLION TWO HUNDRED SEVENTEEN THOUSAND DOLLARS (\$1,217,000.00) collectively with all other acute care

psychiatric hospitals and free-standing psychiatric hospitals which have contracted with County to provide psychiatric care for the contract term.

B. Rate of Payment. The rate and terms of payment shall be as specified in Schedule B, attached hereto and incorporated herein. Any rate increase is subject to the approval of the Director of Health Services or her designee, and shall not be binding on County unless so approved in writing. In no event may the rates established in Schedule B be increased to the extent that the maximum County obligation shall exceed the total specified in paragraph 2A above. Each payment shall be conditioned on the performance of the services described in Schedule A to the full satisfaction of the Director of Health Services or her designee.

C. Time Limit for Submitting Invoices. Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Schedule B. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

3. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her tax status and the tax consequences of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she has no rights, benefits, privileges and/or claims in any form whatsoever under, from, through and/or pursuant to the San Mateo County Civil Service Rules.

4. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description,

brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, or (C) any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this Agreement, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

5. Insurance

Contractor shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the Director of Health Services. Contractor shall furnish the Health Services Agency with Certificates of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These Certificates shall specify or be endorsed to provide that thirty days' (30) notice must be given, in writing, to the Health Services Agency of any pending change in the limits of liability or of any cancellation or modification of the policy.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately suspend all further work pursuant to this Agreement.

A. Workers' Compensation and Employer Liability Insurance. Contractor shall have in effect during the entire life of this Agreement, Workers' Compensation and Employer

liability insurance providing full statutory coverage. In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

B. Liability Insurance: Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below.

Such insurance shall include:

- 1) Comprehensive General Liability ..... \$2,000,000
- 2) Motor Vehicle Liability Insurance ..... \$0
- 3) Professional Liability ..... 2,000,000

If this Agreement remains in effect more than one (1) year from the date of its original execution, County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving sixty (60) days' notice to Contractor.

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to County, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance

shall be excess insurance only. Said certificate(s) of insurance is (are) attached hereto and incorporated by reference herein as Attachment II (and III).

6. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described in Schedule C, which is attached hereto, and incorporated herein.

Contractor shall comply with County admission and treatment policies, which shall provide that patients are accepted for care without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, age, handicap, or political affiliation.

With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the County Manager, including, but not limited to:

- i. termination of this Agreement;
- ii. disqualification of Contractor from bidding on or being awarded a County contract for a period of up to three (3) years;
- iii. liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation;
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i. examine Contractor's employment records with respect to compliance with this paragraph;

ii. set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.

7. Assignments and Subcontracts

A. Without the written consent of the Director of Health Services or her designee, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Director of Health Services or her designee is a breach of this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this contract without the written consent of the Director of Health Services or her designee.

C. All assignees, subcontractors, or consultants approved by the Director of Health Services or her designee shall be subject to the same terms and conditions applicable to Contractor under this Agreement, and Contractor shall be liable for the assignee's, subcontractor's or consultant's acts and/or omissions.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

8. Amendment of Agreement

This Agreement is complete and contains all the terms and conditions agreed upon by the parties. No amendment shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

9. Records

A. Contractor agrees to provide to County, to any federal or state department having monitoring or reviewing authority, to County's authorized representatives and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine and audit all records and documents necessary to determine compliance with relevant federal, state, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

B. Contractor shall maintain and preserve all financial records relating to this Agreement for a period of four (4) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

C. The contracting parties shall be subject to the examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code Section 10532).

10. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable federal, state, county, and municipal laws, including, but not limited to, the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment I, which prohibits discrimination on the basis of handicap in programs and activities receiving any federal or county financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not

limited to; appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

11. Notices

A. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed:

1) In the case of County, to:

San Mateo County  
Mental Health Services Division  
225 37th Avenue  
San Mateo, CA 94403

or to such person or address as County may, from time to time furnish to Contractor.

2) In the case of Contractor, to:

Bob Hortop  
Vice President, Strategic Development  
Mills-Peninsula Hospitals  
Behav. Health Administration, 3<sup>rd</sup> Floor  
1783 El Camino Real  
Burlingame, CA 94010

B. Controlling Law. The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

12. Venue

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the state courts of San Mateo County, or where otherwise appropriate, exclusively in the United States District Court, Northern District of California, San Francisco, California.



13. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from July 1, 2002 through June 30, 2003. Contractor, Director of Health Services, or her designee may terminate this Agreement at any time upon sixty (60) days' written notice to the other party.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

MILLS-PENINSULA HOSPITALS  
Bob Hortop

By: \_\_\_\_\_  
President Jerry Hill,  
Board of Supervisors, County of San Mateo

By: Robert Hortop

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

Date: 7/13/02

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

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

## SCHEDULE A

### MILLS-PENINSULA HOSPITALS: 2002-2003

#### A. Program Services

In full consideration of the payments herein provided for, Contractor shall provide psychiatric inpatient services for adults and adolescents, and outpatient crisis intervention services in a manner consistent with the terms and provisions of the Agreement. Inpatient services shall further be provided in a manner consistent with the San Mateo County Mental Health Plan Inpatient Manual (hereinafter "MHP Inpatient Manual"), which is incorporated by reference herein.

#### B. Authorization

##### 1. Inpatient Services

County is responsible for authorization for payment of medically necessary, acute psychiatric inpatient hospital services, including hospital-based ancillary services, and associated administrative days for Medi-Cal beneficiaries, and clients who are known to be indigent for whom the MHP has assumed responsibility. Contractor shall communicate with County Psychiatric Emergency Services (PES) and submit Treatment Authorization Requests (TARs) and other substantive documentation in accordance with the MHP Inpatient Manual. With the exception of the first twenty-four (24) hours of an emergency admission, all inpatient services require prior authorization from County.

##### 2. Crisis Intervention Services

County is responsible for authorization for payment of crisis intervention services provided within Contractor's emergency room solely under the conditions described in Schedule B and the Crisis Intervention Protocol, described in Schedule A, Section H. Payment for crisis intervention services will not include ancillary services. Contractor shall communicate with Psychiatric Emergency Services (PES) and submit Treatment Authorization Requests (TARs) as described in Schedule B.

##### 3. Adolescent Day Treatment (Intensive)

County is responsible for authorization and payment of day treatment services, as defined in Schedule A section G.5., which are provided to Medi-Cal beneficiaries and clients known to be indigent for whom the MHP has assumed responsibility. Authorization shall be prospective and given in two-week increment. Day treatment services are not reimbursable on days when crisis residential or inpatient services are reimbursed except on the day of admission to these services.

Contractor shall submit a client plan of care within one (1) month of admission and then submit updated weekly progress notes each month thereafter.

C. Quality Management and Utilization Review

Contractor shall comply with policies established in the MHP Inpatient Manual, including utilization controls, Department of Mental Health Letters and Notices, and relevant state and federal codes and regulations governing inpatient practice in California.

Contractor shall comply with existing federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, and Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify problems with quality of care. Composition of the committee shall meet minimum federal requirements.

Contractor shall provide a brief statement, hereafter identified as Contractor's Quality Management Plan, to the MHP, which describes how Contractor will conduct Utilization Review, clinical Peer Review, and Medication Monitoring for services provided to MHP beneficiaries.

D. Records

Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

E. Assurances

Contractor shall adhere to Title XIX of the Social Security Act (42 U.S.C) and conform to all applicable federal and state statutes and regulations.

No provision of a contract shall be construed to replace or conflict with the duties of County clients' rights advocates designated in Welfare and Institutions Code Section 5500.

Individual physicians and other mental health professionals will render professional services to eligible voluntary or involuntary clients on the same basis as they care for other clients in Contractor's facility and will not discriminate against these clients in any manner, including admission practices, placement in special wings or rooms, or provision of special or separate meals.

Attending psychiatrists and psychologists shall be active members of the medical staff of Contractor, be subject to the rules and regulations of said staff, and shall also be active contractors with County. Duration and limitation of services will be under the control of the attending psychiatrist or psychologist but will at all times meet broadly accepted community standards of quality of care and be subject to Contractor utilization review decisions.

F. Outcome Objectives

1. For completed episodes, there will be no more than ten percent (10%) recidivism of adult clients and no more than ten percent (10%) recidivism of youth clients within thirty (30) days following discharge.
2. For completed episodes, Contractor shall maintain or reduce the 2000-01 combined average length of stay.

G. Definitions

The following definitions apply to this Agreement:

1. **Administrative Days:** Those days authorized by a designated point of authorization or utilization review committee in an acute inpatient facility when, due to the lack of residential placement options at appropriate, non-acute treatment facilities, the beneficiary's stay at an acute inpatient facility must be continued beyond the beneficiary's need for acute care. The acute facility is responsible for contacting at least five (5) appropriate facilities within a reasonable geographic area at least once each five (5) working days until a beneficiary is placed or no longer requires that level of care. A brief dated description of status and the signature of the person making the contacts must document these contacts. The MHP may waive the requirements of five (5) contacts per week if there are fewer than five (5) appropriate, non-acute residential treatment facilities available as placement options for the beneficiary. In no case shall there be less than one (1) contact per week. The physician reviewer or the utilization review committee must monitor the beneficiary's chart on a weekly basis to determine if the beneficiary's status has changed.
2. **Medi-Cal Beneficiary:** Any person certified as eligible for Medi-Cal in San Mateo County according to Section 51001, Title 22, Code of California Regulations.
3. **Psychiatric Inpatient Hospital Services:** Services provided either in an acute care hospital or a freestanding psychiatric hospital for the care and treatment of an acute episode of mental illness. Services provided in a freestanding hospital may only be reimbursed for a person age twenty (20) or younger and sixty-five (65) or older.

4. Crisis Intervention Services: A service lasting less than twenty-four (24) hours to a client for a condition, which requires more timely response than a regularly scheduled visit. Service activities may include, but are not limited to, assessment, collateral, and therapy.
5. Adolescent Intensive Day Treatment Services: Services are provided within a structured multi-disciplinary treatment program as an alternative to hospitalization, as a means to avoid placement in a more restrictive setting, and/or a way to maintain the client in a community setting. Services are available 3:00 pm until 6:00 pm Monday through Friday.

For seriously emotionally disturbed adolescents, a range of treatment services is provided to assist the adolescent in acquiring the social and functional skills necessary for appropriate development and social integration. Services include but are not limited to: contact with a child psychiatrist, group psychotherapy, health education, stress management and substance abuse and eating disorder groups.

#### H. Crisis Intervention Protocol

1. All services claimed shall be provided in Contractor's Emergency Room.
2. For beneficiaries admitted into a psychiatric bed at Mills-Peninsula Hospital, no crisis intervention service may be claimed.
3. For beneficiaries assessed at Contractor's Emergency Room and discharged for whatever reason without admission into an inpatient bed, no crisis intervention service may be claimed.
4. Medical Necessity for Inpatient Hospitalization shall be assessed by Contractor's staff. When a client meets medical necessity criteria but is capable of transport (not an emergency admission):

San Mateo County Psychiatric Emergency Services (PES) shall be notified by TAR within three (3) hours of beneficiary admission to Contractor's Emergency Service; PES determines where admission should occur.

- If at Mills-Peninsula (and Contractor agrees), client is admitted and no crisis intervention is claimed.
  - If at SMCGRH (or other hospital), Contractor's Emergency Services will be informed that client will be transported.
5. Contractor's Emergency Services documents time of agreement to transport by PES on TAR.
  6. Contractor's Emergency Services notes time of ambulance arrival on TAR and

documents it in the medical chart.

7. In the situation where PES wishes to assess a client but requests a delayed transport, the same TAR verification process will occur.
8. For clients to be transferred, claims will be paid for the elapsed time, from Contractor's call to PES, which results in an ambulance dispatch, to time of ambulance arrival at Contractor's Emergency Services, rounded to the nearest hour, except that claim for less than one (1) hour may round up to one (1) hour.
9. Claims for Crisis Intervention Services must be accompanied by TARs indicating elapsed time.
10. In the case of disagreements with allowed claims, MHP Quality Improvement staff will review TAR and chart notes in an effort to reconcile the discrepancy. Contractor may appeal the findings of this review to the Mental Health Services Director. Since these services are not claimed to Medi-Cal, no state appeal process may be applied.

## SCHEDULE B

### MILLS-PENINSULA HOSPITALS: 2002-2003

#### PAYMENTS

- A. The following negotiated rates in accordance with State Department of Mental Health Letter No. 84-10 shall apply:
1. Psychiatric Inpatient Day (Adult)  
(Hospital Inpatient Uniform Billing Codes 204, 114, 124, 134, or 154) \$563.10
  2. Psychiatric Inpatient Day (Adolescent)  
(Hospital Inpatient Uniform Billing Code 097) \$592.56
  3. Psychiatric Inpatient Day - (Adult - Indigent)  
(Hospital Inpatient Uniform Billing Code 999) \$591.43
  4. Psychiatric Inpatient Day - (Adolescent - Indigent)  
(Hospital Inpatient Uniform Billing Code 888) \$620.88
  5. Administrative Day (Adult and Adolescent)  
(Hospital Inpatient Uniform Billing Code 098) \$289.13
  6. Crisis Intervention (Adolescent) \$72.00/hour  
with a cap of \$592.56
  7. Crisis Intervention (Adult) \$72.00/hour  
with a cap of \$563.10
  8. Day Treatment Services (Adolescent) \$280.00/day  
(Billing Code D1085)
- B. The rate set forth in Section A1 and A2 above is inclusive of all psychiatric inpatient hospital services including routine services and hospital-based ancillary services, but does not include physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in A3 and A4 above is inclusive of all psychiatric routine services, hospital-based ancillary services, and internists who complete the initial history and physical or provide subsequent medical consultation, but does not include psychiatrist or psychologist services rendered to beneficiaries under this Agreement, or transportation services. It is the responsibility of Contractor to notify internists that payment for their services will be the responsibility of Contractor. The rate set forth in Section A5 above is based on the rate established by the Department of Mental Health Services and is inclusive of all psychiatric routine services, hospital-based ancillary services, and internists who complete the initial history and physical or provide

subsequent medical consultation, but does not include psychiatrist or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in A6 and A7 is consistent with the descriptions in Schedule A. The rate set forth in A8 does not include physician or psychologist services rendered to beneficiaries under this Agreement.

- C. The services provided must be authorized in the prescribed manner by the San Mateo County Health Services staff. County indigents who present at Contractor's facility without being authorized in the prescribed manner are expressly excluded from the terms of this Agreement.
- D. Contractor shall bill its customary charges and submit claims to County for all psychiatric inpatient services rendered in accordance with existing Medi-Cal billing requirements as evidenced in Title 22, MHP Inpatient Manual and MHP Bulletins. Contractor shall bill for crisis intervention services rendered according to the term of this Agreement.
- E. Upon mutual agreement of County and Contractor, County may refer County indigent clients to Contractor, and in this event, all terms of this Agreement pertain.
- F. Contractor shall bill any third party payer financially responsible for a client's health care services. County shall only bear financial responsibility for the negotiated rates set forth in Section A of this Schedule less third-party payments, and to the extent that County inadvertently makes payments to Contractor above this level, County shall be entitled to recoup such reimbursement.
- G. It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the policies and procedures specified in the MHP Inpatient Manual. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in Section 5.B. of this Agreement.
- H. It is understood that any payments received from County or third party insurers for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to the client for reimbursement for the units of service provided under this Agreement, except as provided for under Medi-Cal Share of Cost regulations.
- I. Contractor shall submit an annual cost report reflecting actual costs incurred in the provision of services under this Agreement in accordance with the format required by County within ninety (90) days from the end of Contractor's fiscal year and within ninety (90) days of the date of termination of the Agreement, if requested by County.
- J. County and/or its appropriate audit agency or any other authorized state or federal agency shall have the right to inspect all records to evaluate the cost, quality, appropriateness, and timeliness of services. When an audit discloses that Contractor has been overpaid under this Agreement, any such overpayment or excess payments over liability may be recouped by the state and/or County by withholding the amount due from future payments or by cash payment by Contractor. Contractor has the right to appeal audit findings



according to applicable procedural requirements of the regulations adopted pursuant to Sections 5775, et seq. and 14680, et seq. of the Welfare and Institutions Code.

- K. An inpatient day of service shall be billed for each beneficiary who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the facilities of Contractor. However, a day of service may be billed if the beneficiary is admitted and discharged during the same day provided that such admission and discharge is not within twenty-four (24) hours of a prior discharge.
- L. County will perform eligibility and financial determinations, in accordance with State Department of Mental Health Uniform Method of Determining Ability to Pay, for all clients.
- M. County will not process Contractor's claim for reimbursement until County receives TAR with notification of client discharge.

Attachment I

(Required only from Contractors who provide services directly to the Public on County's behalf.)

Assurance of Compliance with Section 504 of the  
Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of and for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a.  employs fewer than 15 persons.
- b.  employs 15 or more persons and, pursuant to Section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Ron Kemper, Director of Business Development  
Name of 504 Person - Type or Print

Mills-Peninsula Behavioral Health Services  
Name of Contractor(s) - Type or Print

1783 El Camino Real  
Street Address or PO Box

Burlingame

CA

94010

City

State

Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

1/19/02  
Date

Ron Kemper, Director Business Dev.  
Signature and Title of Authorized Official

\*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a handicapped person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Mills-Peninsula Behavioral Health Services
Contact Person: Ron Kemper, Director of Business Development
Address: 1783 El Camino Real, Burlingame, CA. 94010
Phone Number: 650-696-5902 Fax Number: 650-696-5901

II Employees

Does the Contractor have any employees? X Yes \_\_\_ No

Does the Contractor provide benefits to spouses of employees? X Yes \_\_\_ No

\*If the answer to one or both of the above is no, please skip to Section IV.\*

III Equal Benefits Compliance (Check one)

- X Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
[ ] Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
[ ] No, the Contractor does not comply.
[ ] The Contractor is under a collective bargaining agreement which began on (date) and expires on (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 19th day of July, 2002 at Burlingame, CA (City) (State)

[Signature]
Signature

Ron Kemper
Name (Please Print)

Director of Business Development
Title

94-1156265
Contractor Tax Identification Number

COUNTY OF SAN MATEO

HEALTH SERVICES ADMINISTRATION

MEMORANDUM

DATE: July 31, 2002  
TO: Priscilla Morse, Risk Management/Insurance Division  
FROM: Barbara DeBord, Mental Health Services/PONY #MLH 322

CONTRACTOR: Mills-Peninsula Hospitals

DO THEY TRAVEL: No


PERCENT OF TRAVEL TIME: N/A

NUMBER OF EMPLOYEES: N/A

DUTIES (SPECIFIC): See attached agreement

COVERAGE:

Comprehensive General Liability:	\$2,000,000
Motor Vehicle Liability:	\$N/A
Professional Liability:	\$2,000,000.00
Worker's Compensation:	\$Self-Insured

APPROVE  WAIVE \_\_\_\_\_ MODIFY \_\_\_\_\_

REMARKS/COMMENTS:

  
SIGNATURE

STATE OF CALIFORNIA  
DEPARTMENT OF INDUSTRIAL RELATIONS

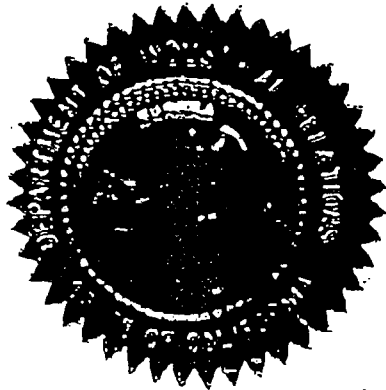
OFFICE OF THE DIRECTOR

NUMBER 1993-K

# CERTIFICATE OF CONSENT TO SELF-INSURE

THIS IS TO CERTIFY, That MILLS-PENINSULA HEALTH SERVICES (a California corporation)  
Subsidiary of Sutter Health  
has complied with the requirements of the Director of Industrial Relations under the provisions of Sections 3700 to 3705, inclusive, of the Labor Code of the State of California and is hereby granted this Certificate of Consent to Self-Insure.

This certificate may be revoked at any time for good cause shown.\*



EFFECTIVE:

THE 1st DAY OF February, 2000

DEPARTMENT OF INDUSTRIAL RELATIONS  
OF THE STATE OF CALIFORNIA

Stephen J. Smith  
STEPHEN J. SMITH DIRECTOR

Mark B. Ashcraft  
MARK B. ASHCRAFT MANAGER

\* Revocation of Certificate.—“A certificate of consent to self-insure may be revoked by the Director of Industrial Relations at any time for good cause after a hearing. Good cause includes, among other things, the impairment of the solvency of such employer, the inability of the employer to fulfill his obligations, or the practice by such employer or his agent in charge of the administration of obligations under this division of any of the following: (a) Habitually and as a matter of practice and custom inducing claimants for compensation to accept less than the compensation due or making it necessary for them to resort to proceedings against the employer to secure the compensation due; (b) Discharging his compensation obligations in a dishonest manner; (c) Discharging his compensation obligations in such a manner as to cause injury to the public or those dealing with him.” (Section 3702 of Labor Code.) The Certificate may be revoked for noncompliance with Title 8, California Administrative Code, Group 2—Administration of Self-Insurance.



**SUTTER INSURANCE SERVICES CORPORATION**

Grosvenor Center, Mauka Tower

737 Bishop Street #2100

Honolulu, HI 96813

For further information referencing this Certificate, contact:  
Sutter Health Risk Management Department (916) 286-6520

**CERTIFICATE OF COVERAGE**

CERTIFICATE NO. 02-1-210

ISSUE DATE: January 1, 2002

**NAME OF INSURED**

Mills-Peninsula Health Services  
1783 El Camino Real  
Burlingame, CA 94010

**COVERAGE**

This is to certify that the policies of insurance listed below have been issued to the insured named above for the policy period indicated, notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies. Limits shown may have been reduced by paid claims.

**TYPE OF COVERAGE**

Healthcare Professional Liability & Commercial General Liability

SISCO (Claims made):

LIMIT:

Primary: SIS 2002-1 \$2,000,000/Claim

Excess: SIS 2002-2 \$8,000,000/Claim

Retroactive Date: 1/1/98 (MPHS)

The excess policy is supported by reinsurance provided by Lloyds of London and General Reinsurance Corporation.

CERTIFICATE EFFECTIVE DATE: 1/1/02

CERTIFICATE EXPIRATION DATE: 1/1/03

**REASON FOR INTEREST**

Evidence of coverage. This generic certificate provides evidence of insurance coverage for the Named Insured. This certificate does not support any agreements for indemnification or hold harmless on behalf of any party not specifically indicated as a Certificate holder. This certificate is not a contract, guarantee, or warranty on behalf of the Named Insured.

**CERTIFICATE HOLDER**

Mills-Peninsula Health Services  
1783 El Camino Real  
Burlingame, CA 94010

**CANCELLATION**

Should any of the above described policies be canceled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

  
Authorized Representative

AGREEMENT WITH MOUNT DIABLO MEDICAL PAVILION  
FOR ACUTE PSYCHIATRIC INPATIENT HOSPITAL SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and MOUNT DIABLO MEDICAL PAVILION, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services hereinafter described for the Health Services Agency, Mental Health Services Division; and

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Services to be Performed by Contractor

In consideration of the payments hereinafter set forth, Contractor, under the general direction of the Director of Health Services, or her designee, with respect to the product or result of Contractor's services, shall provide acute psychiatric inpatient services as described in Schedule A, attached hereto and incorporated by reference herein. Such services shall be provided in a professional and diligent manner.

2. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this Agreement shall not exceed ONE MILLION TWO HUNDRED SEVENTEEN THOUSAND DOLLARS (\$1,217,000) collectively with all other acute care psychiatric hospitals and

free-standing psychiatric hospitals which have contracted with County to provide psychiatric care for the contract term.

B. Rate of Payment. The rate and terms of payment shall be as specified in Schedule B, attached hereto and incorporated herein. Any rate increase is subject to the approval of the Director of Health Services or her designee, and shall not be binding on County unless so approved in writing. In no event may the rates established in Schedule B be increased to the extent that the maximum County obligation shall exceed the total specified in paragraph 2A above. Each payment shall be conditioned on the performance of the services described in Schedule A to the full satisfaction of the Director of Health Services or her designee.

C. Time Limit for Submitting Invoices. Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Schedule B. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

3. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her tax status and the tax consequences of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she has no rights, benefits, privileges and/or claims in any form whatsoever under, from, through and/or pursuant to the San Mateo County Civil Service Rules.

4. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, or (C) any failure to withhold and/or



pay to the government income and/or employment taxes from earnings under this Agreement, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

5. Insurance

Contractor shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the Director of Health Services. Contractor shall furnish the Health Services Agency with Certificates of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These Certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Health Services Agency of any pending change in the limits of liability or of any cancellation or modification of the policy.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

A. Workers' Compensation and Employer Liability Insurance. Contractor shall have in effect during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, County makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

B. Liability Insurance. Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below.

Such insurance shall include:

- 1) Comprehensive General Liability ..... \$1,000,000
- 2) Motor Vehicle Liability Insurance .....\$0
- 3) Professional Liability .....\$1,000,000

If this Agreement remains in effect more than one (1) year from the date of its original execution, County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving sixty (60) days' notice to Contractor.

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to County, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only. Said certificate(s) of insurance is (are) attached hereto and incorporated by reference herein as Attachment II (and III).

6. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described in Schedule C, which is attached hereto, and incorporated herein.

Contractor shall comply with County admission and treatment policies which shall provide that patients are accepted for care without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, age, handicap, or political affiliation.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the County Manager, including, but not limited to:

- i. termination of this Agreement;
- ii. disqualification of Contractor from bidding on or being awarded a County contract for a period of up to three (3) years;
- iii. liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation;
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i. examine Contractor's employment records with respect to compliance with this paragraph;
- ii. set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.

With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

7. Assignments and Subcontracts

A. Without the written consent of the Director of Health Services or her designee, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Director of Health Services or her designee is a breach of this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this contract without the written consent of the Director of Health Services or her designee.

C. All assignees, subcontractors, or consultants approved by the Director of Health Services or her designee shall be subject to the same terms and conditions applicable to Contractor under this Agreement, and Contractor shall be liable for the assignee's, subcontractor's or consultant's acts and/or omissions.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

8. Amendment of Agreement

This Agreement is complete and contains all the terms and conditions agreed upon by the parties. No amendment shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

9. Records

A. Contractor agrees to provide to County, to any federal or state department having monitoring or reviewing authority, to County's authorized representatives and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine and audit all records and documents necessary to determine compliance with relevant federal, state, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

B. Contractor shall maintain and preserve all financial records relating to this Agreement for a period of four (4) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

10. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable federal, state, county, and municipal laws, including, but not limited to, the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment I, which prohibits discrimination on the basis of handicap in programs and activities receiving any federal or county financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

11. Interpretation and Enforcement

A. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed:

1) In the case of County, to:

San Mateo County  
Mental Health Services Division  
225 37th Avenue  
San Mateo, CA 94403

or to such person or address as County may, from time to time furnish to

Contractor.

2) In the case of Contractor, to:

Elizabeth A. Stallings, COO  
Mount Diablo Medical Pavilion  
2740 Grant St.  
Concord, CA 94520

B. Controlling Law. The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

12. Term of the Agreement

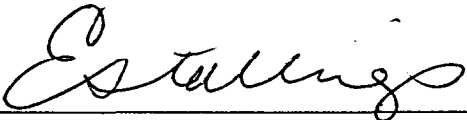
Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from July 1, 2002 through June 30, 2003. This Agreement may be terminated by Contractor, Director of Health Services or her designee at any time upon sixty (60) days' written notice to the other party.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO:

Contractor:

By: \_\_\_\_\_  
Jerry Hill, President  
Board of Supervisors, San Mateo County

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

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

Date: 9/14/02 \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

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

SCHEDULE A  
MT. DIABLO MEDICAL PAVILION  
JULY 1, 2002 – JUNE 30, 2003

A. Program Services

In full consideration of the payments herein provided for, Contractor shall provide the psychiatric inpatient hospital services in a manner consistent with the terms and provisions of the Agreement, and consistent with the San Mateo County Mental Health Plan Inpatient Manual (hereinafter "MHP Inpatient Manual"), which is incorporated by reference herein.

B. Authorization

1. Inpatient Services

County is responsible for authorization for payment of medically necessary, acute psychiatric inpatient hospital services, including hospital-based ancillary services, and associated administrative days for Medi-Cal beneficiaries and indigent clients. Payment for administrative days will not include ancillary services. Contractor shall communicate with Psychiatric Emergency Services and submit Treatment Authorization Requests (TARs) and other substantive documentation in accordance with the MHP Inpatient Manual. With the exception of the first twenty-four (24) hours of an emergency admission, all inpatient services require prior authorization from County.

2. One-to-One Supervision

Mt. Diablo Medical Pavilion may recommend and County Deputy Director of Youth Services or designee may pre-authorize a supplemental service composed of hourly one-to-one supervision of some clients.

C. Quality Management and Utilization Review

Contractor shall comply with policies established in the MHP Inpatient Manual including utilization controls, Department of Mental Health Letters and Notices, and relevant state and federal codes and regulations governing inpatient practice in California.

Contractor shall comply with existing federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify

problems with quality of care. Composition of the committee shall meet minimum federal requirements.

Contractor shall provide a brief statement, hereafter identified as Contractor's Quality Management Plan, to the Mental Health Plan, which describes how Contractor will conduct Utilization Review, clinical Peer Review, and Medication Monitoring for services provided to Mental Health Plan beneficiaries.

D. Records

Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

E. Assurances

Contractor shall adhere to Title XIX of the Social Security Act (42 U.S.C) and conform to all applicable federal and state statutes and regulations.

No provision of a contract shall be construed to replace or conflict with the duties of County clients' rights advocates designated in Welfare and Institutions Code Section 5500.

Individual physicians and other mental health professionals will render professional services to eligible voluntary or involuntary clients on the same basis as they care for other clients in Contractor's facility and will not discriminate against these clients in any manner, including admission practices, placement in special wings or rooms, or provision of special or separate meals.

Attending psychiatrists and psychologists shall be members of the medical staff of Contractor, be subject to the rules and regulations of said staff, and shall also be active contractors with the County. Duration and limitation of services will be under the control of the attending psychiatrist or psychologist but will at all times meet broadly accepted community standards of quality of care and be subject to Contractor utilization review decisions.

F. Outcome Objectives

1. For completed episodes, there will be no more than ten percent (10%) recidivism of clients within thirty (30) days following discharge.
2. For completed episodes, Contractor will maintain or reduce the combined average length of stay for 2002-2003.



Contractor will make best efforts to meet such goals, but failure to meet any or all of these goals does not constitute a breach, material, or otherwise of the Agreement. County's payment obligation is in no way contingent on meeting any of the stated goals.

G. Definitions

The following definitions apply to this Agreement:

1. **Administrative Days:** Those days authorized by a designated point of authorization or Utilization Review Committee in an acute inpatient facility when, due to the lack of residential placement options at appropriate, non-acute treatment facilities, the beneficiary's stay at an acute inpatient facility must be continued beyond the beneficiary's need for acute care. The acute facility is responsible for contacting at least five (5) appropriate facilities within a reasonable geographic area at least once each five (5) working days until a beneficiary is placed or no longer requires that level of care. These contacts must be documented by a brief, dated description of status and the signature of the person making the contacts. The MHP may waive the requirements of five (5) contacts per week if there are fewer than five (5) appropriate, non-acute, residential treatment facilities available as placement options for the beneficiary. In no case shall there be less than one (1) contact per week. The physician reviewer or the Utilization Review Committee must monitor the beneficiary's chart on a weekly basis to determine if the beneficiary's status has changed.
2. **Medi-Cal Beneficiary:** Any person certified as eligible for Medi-Cal in San Mateo County according to Section 51001, Title 22, Code of California Regulations.
3. **Psychiatric Inpatient Hospital Services:** Services provided either in an acute care hospital or a free-standing psychiatric hospital for the care and treatment of an acute episode of mental illness. Services provided in a free-standing hospital may only be reimbursed for a person age twenty (20) or younger and sixty-five (65) or older.
4. **One-to-One Supervision:** A supplemental service to mental health treatment, such as special duty nursing. This service must be pre-authorized by the Deputy Director of Youth Services or designee.

SCHEDULE B  
MT. DIABLO MEDICAL PAVILION  
JULY 1, 2002- JUNE 30, 2003

PAYMENTS

- A. The following negotiated rates in accordance with State Department of Mental Health Letter No. 84-10 shall apply:
- |  |                                  |
|--|----------------------------------|
| 1. Psychiatric Inpatient Day, Children and Adolescents<br>(Hospital Uniform Billing Code 097)                      | \$600.00                         |
| 2. Psychiatric Inpatient Day, Children and Adolescents – Indigent<br>(Hospital Inpatient Uniform Billing Code 097) | \$700.00                         |
| 3. Administrative Day<br>(Hospital Inpatient Uniform Billing Code 098)   | \$289.13                         |
| 4. Adolescent 1:1 Service  | \$25.00/hr.<br>w/cap of \$600.00 |
- B. The rates set forth in Sections A.1. above is inclusive of all psychiatric inpatient hospital services including routine services and hospital-based ancillary services, but does not include physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A.2. above is inclusive of all psychiatric hospital inpatient services including routine services, hospital-based ancillary services, and physician or psychologist services rendered under this Agreement. It is the responsibility of Contractor to notify physicians and psychologists that payment for their services will be the responsibility of Contractor. The rate set forth in Section A.3. above is adjusted based on the rate established by the Department of Mental Health Services and is inclusive of all psychiatric inpatient hospital services including routine services, but does not include hospital-based ancillary services, physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A.4. above is for special duty nursing required in 1:1 psychiatric care. In the event that the attending physician determines that a special duty nurse is required for the care of an adolescent patient and County concurs with this determination, County shall reimburse Contractor the 1:1 per diem rate in addition to the adolescent per diem rate.
- C. The services provided must be authorized in the prescribed manner by the San Mateo County Health Services staff. County indigents who present at Contractor's facility without being authorized in the prescribed manner are expressly excluded from the terms of this Agreement.

- D. Contractor shall bill its customary charges and submit claims to County for all psychiatric inpatient services rendered in accordance with existing Medi-Cal billing requirements as evidenced in Title 22, MHP Inpatient Manual and MHP Bulletins.
- E. County may refer County indigent clients to Contractor, and in this event all terms of this Agreement pertain except that the client is not required to be a Medi-Cal beneficiary.
- F. Contractor shall bill any third party payor financially responsible for a client's health care services. County shall only bear financial responsibility for the negotiated rates set forth in Section A of this Schedule less third-party payments, and to the extent that County inadvertently makes payments to Contractor above this level, County shall be entitled to recoup such reimbursement.
- G. It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the policies and procedures specified in the MHP Inpatient Manual. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in Section 5.B. of this Agreement.
- H. It is understood that any payments received from County or third party insurers for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to the client for reimbursement for the units of service provided under this Agreement, except as provided for under Medi-Cal Share of Cost regulations.
- I. Contractor shall submit an annual cost report reflecting actual costs incurred in the provision of services under this Agreement in accordance with the format required by County within ninety (90) days from the end of Contractor's fiscal year and within ninety (90) days of the date of termination of the Agreement, if requested by County.
- J. County and/or its appropriate audit agency or any other authorized state or federal agency shall have the right to inspect all records to evaluate the cost, quality, appropriateness, and timeliness of services. When an audit discloses that Contractor has been overpaid under this Agreement, any such overpayment or excess payments over liability may be recouped by the state and/or County by withholding the amount due from future payments or by cash payment by Contractor. Contractor has the right to appeal audit findings according to applicable procedural requirements of the regulations adopted pursuant to Sections 5775, et seq. and 14680, et seq. of the Welfare and Institutions Code.
- K. A day of service shall be billed for each beneficiary who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the facilities of Contractor. However, a day of service may be billed if the beneficiary is admitted and discharged during the same day provided that such admission and discharge is not within twenty-four (24) hours of a prior discharge.

- L. County will perform eligibility and financial determinations, in accordance with State Department of Mental Health Uniform Method of Determining Ability to Pay, for all clients.
- M. County will not process Contractor's claim for reimbursement until County receives TAR with notification of client discharge.

## SCHEDULE C

Contract between County of San Mateo and Mount Diablo Medical Pavilion, hereinafter called "Contractor."

- a. No person shall, on the grounds of race, color, creed, national origin, religious affiliation or non-affiliation, sex, sexual orientation, marital status, age (over forty (40)), disability, medical condition (including but not limited to AIDS, HIV positive diagnosis, or cancer), political affiliation or union membership be excluded from participation in, be denied the benefits of, or be subjected to discrimination under this Agreement.
- b. Contractor shall insure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this contract. Contractor's personnel policies shall be made available to County upon request.
- c. Contractor shall assure compliance with Section 504 of the Rehabilitation Act of 1973 by submitting a signed letter of assurance (Attachment I) of compliance. Contractor shall be prepared to submit a self-evaluation and compliance plan to County upon request within one (1) year of the execution of this Agreement.

Attachment I

(Required only from Contractors who provide services directly to the Public on County's behalf.)

Assurance of Compliance with Section 504 of the  
Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of and for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a.  employs fewer than 15 persons.
- b.  employs 15 or more persons and, pursuant to Section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Julie Anderson - Director of Human Resources  
Name of 504 Person - Type or Print

Mt. Diablo Medical Pavilion  
Name of Contractor(s) - Type or Print

2740 Grant St.  
Street Address or P.O. Box

Concord  
City

CA

State

94520

Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

9/4/02  
Date

E. Stallings  
Signature and Title of Authorized Official

\*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a handicapped person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: MEDICAL PAVILION
Contact Person: Elizabeth Stallings
Address: 2740 Grant St.
Concord, CA 94520
Phone Number: 925-674-4102 Fax Number: 925-686-2476

II Employees

Does the Contractor have any employees? [X] Yes [ ] No

Does the Contractor provide benefits to spouses of employees? [X] Yes [ ] No

\*If the answer to one or both of the above is no, please skip to Section IV.\*

III Equal Benefits Compliance (Check one)

- [X] Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
[ ] Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
[ ] No, the Contractor does not comply.
[ ] The Contractor is under a collective bargaining agreement which began on (date) and expires on (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 4th day of Sept., 2007 at Concord, CA (City) (State)

[Signature]
Signature

Elizabeth A. Stallings
Name (Please Print)

Chief Operating Officer
Title

68-0249685
Contractor Tax Identification Number

COUNTY OF SAN MATEO  
HEALTH SERVICES ADMINISTRATION

MEMORANDUM

DATE: October 22, 2002  
TO: Priscilla Morse, Risk Management/Insurance Division  
FROM: Barbara DeBord, Mental Health Services/PONY #MLH 322

CONTRACTOR: Mt. Diablo Medical Pavllion

DO THEY TRAVEL: No


PERCENT OF TRAVEL TIME: N/A

NUMBER OF EMPLOYEES: N/A

DUTIES (SPECIFIC): See attached agreement

COVERAGE:

Comprehensive General Liability:	\$40,000,000
Motor Vehicle Liability:	\$N/A
Professional Liability:	\$N/A 40 m
Worker's Compensation:	\$Aggregate

APPROVE  WAIVE \_\_\_\_\_ MODIFY \_\_\_\_\_

REMARKS/COMMENTS:

  
SIGNATURE



**JOHN MUIR  MT. DIABLO**  
**H E A L T H S Y S T E M**

September 18, 2002

Barbara DeBord  
San Mateo County Mental Health Services  
225 37<sup>th</sup> Ave, 3<sup>rd</sup> Floor  
San Mateo, CA 94403

Dear Barbara;

This letter is to inform you that the Mt Diablo Medical Pavillion, located at 2740 Grant Street, Concord, CA, 94520, is covered for Workers' Compensation Insurance under our self-insured program. TriStar Risk Management is our Worker's Compensation Third Party Administrator. Our Self Insured certificate number is 3-1799-05-195. If you have any questions, please do not hesitate to call.

Sincerely,

Barbara Kroll  
Director Employee Health & Health Management Services  
John Muir/Mt Diablo Health System  
925-947-4454

**BETA HEALTHCARE GROUP**  
A Public Entity  
**CERTIFICATE OF COVERAGE**

This is to certify that *Healthcare Entity Comprehensive Liability Coverage* is in effect for the Member named below, subject to the provisions of the Coverage Contract designated.

**MEMBER:** John Muir / Mt. Diablo Health System

**RE:** Agreement for Psych Inpt Hosp Svcs - Evidence of Prof Liab, Bodily Injury & Property Damage Liability, Personal Injury and Advertising Injury Liability coverage - County of San Mateo, its officers, agents, employees & servants is a Supplemental Member.

**Certificate Number:** NP-C-02-074

**Effective Date:** 9/1/02 at 12:01 a.m.

**Expiration Date:** 7/1/03 at 12:01 a.m.

**Retroactive Date:** 10/1/84

**Coverage Form:** Claims Made And Reported

---

**LIMIT OF LIABILITY**

**Healthcare Entity Comprehensive Liability Coverage**

\$40,000,000	Per Claim (except as provided by Amendment)
\$40,000,000	Aggregate

**DEDUCTIBLE**

\$5,000	Per Claim (except as provided by Amendment)
NONE	Aggregate

---


This Certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded under the Coverage Contract.

**CERTIFICATE HOLDER**

San Mateo County  
Mental Health Services Division  
225 37th Avenue  
San Mateo CA 94403

**CANCELLATION**

Should the above described Coverage Contract be canceled by BETA HEALTHCARE GROUP before the expiration date thereof, BETA HEALTHCARE GROUP will endeavor to mail 30 days written notice to the Certificate Holder named to the left, but the failure to mail such notice shall impose no obligation or liability of any kind upon BETA HEALTHCARE GROUP, its agents or representatives.

By   
Authorized Representative of BHG

AGREEMENT WITH SEQUOIA HOSPITAL AND MEDICAL CENTER  
FOR ACUTE PSYCHIATRIC INPATIENT HOSPITAL SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and SEQUOIA HOSPITAL AND MEDICAL CENTER, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services hereinafter described for the Health Services Agency, Mental Health Services Division; and

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

NOW, THEREFORE, IN ACCORDANCE WITH THE PROVISIONS FOR A NEGOTIATED RATE AGREEMENT AS DESCRIBED IN DMH LETTER NUMBER 84-10, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Services to be Performed by Contractor

In consideration of the payments hereinafter set forth, Contractor, under the general direction of the Director of Health Services, or her designee, with respect to the product or result of Contractor's services, shall provide acute psychiatric inpatient services as described in Schedule A, attached hereto and incorporated by reference herein. Such services shall be provided in a professional and diligent manner.

2. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this Agreement shall not exceed ONE MILLION TWO HUNDRED SEVENTEEN THOUSAND DOLLARS (\$1,217,000) collectively with all other acute care psychiatric hospitals

and free-standing psychiatric hospitals which have contracted with the County to provide psychiatric care for the contract term.

B. Rate of Payment. The rate and terms of payment shall be as specified in Schedule B, attached hereto and incorporated herein. Any rate increase is subject to the approval of the Director of Health Services or her designee, and shall not be binding on County unless so approved in writing. In no event may the rates established in Schedule B be increased to the extent that the maximum County obligation shall exceed the total specified in paragraph 2A above. Each payment shall be conditioned on the performance of the services described in Schedule A to the full satisfaction of the Director of Health Services or her designee.

C. Time Limit for Submitting Invoices. Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Schedule B. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

3. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her tax status and the tax consequences of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she has no rights, benefits, privileges and/or claims in any form whatsoever under, from, through and/or pursuant to the San Mateo County Civil Service Rules.

4. Mutual Hold Harmless

A. Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description, brought for, or on account of (A) injuries to or death of any person, including Contractor, or (B) damages to any property of any kind whatsoever and to whomsoever belonging, (C) any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this

Agreement as made necessary by Section 530 of the Revenue Act of 1978, or (D) or any other loss or cost caused by Contractor.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

B. County shall indemnify and hold harmless Contractor, its officers, agents, employees and servants from all claims, suits or actions of every name, kind and description, brought for, or on account of injuries to or death of any person, including County, or damages to property of any kind whatsoever and to whomsoever belonging, resulting from the performance of this Agreement, provided that this shall not apply to injuries or damage for which Contractor has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of County to indemnify and save harmless as set forth herein shall include the duty to defend as set forth in Section 2778 of the California Code.

5. Insurance

Contractor shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the Director of Health Services. Contractor shall furnish the Health Services Agency with Certificates of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These Certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Health Services Agency of any pending change in the limits of liability or of any cancellation or modification of the policy.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately suspend all further work pursuant to this Agreement.

A. Workers' Compensation and Employer Liability Insurance. Contractor shall have in effect during the entire life of this Agreement, Workers' Compensation and Employer

Liability Insurance providing full statutory coverage. In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

B. Liability Insurance. Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below.

Such insurance shall include:

- 1) Comprehensive General Liability ..... \$1,000,000
- 2) Motor Vehicle Liability Insurance ..... \$0
- 3) Professional Liability ..... \$1,000,000

If this Agreement remains in effect more than one (1) year from the date of its original execution, County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving sixty (60) days' notice to Contractor.

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to County, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only. Said certificate(s) of insurance is (are) attached hereto and incorporated by reference herein as Attachment II (and III).

6. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described in Schedule C, which is attached hereto, and incorporated herein.

Contractor shall comply with County admission and treatment policies, which shall provide that patients are accepted for care without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, age, handicap, or political affiliation.

With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the County Manager, including, but not limited to:

- i. termination of this Agreement;
- ii. disqualification of Contractor from bidding on or being awarded a County contract for a period of up to three (3) years;
- iii. liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation;
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i. examine Contractor's employment records with respect to compliance with this paragraph;
- ii. set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall

include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.

7. Assignments and Subcontracts

A. Without the written consent of the Director of Health Services or her designee, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Director of Health Services or her designee is a breach of this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this contract without the written consent of the Director of Health Services or her designee.

C. All assignees, subcontractors, or consultants approved by the Director of Health Services or her designee shall be subject to the same terms and conditions applicable to Contractor under this Agreement, and Contractor shall be liable for the assignee's, subcontractor's or consultant's acts and/or omissions.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

8. Amendment of Agreement

This Agreement is complete and contains all the terms and conditions agreed upon by the parties. No amendment shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

9. Records

A. Contractor agrees to provide to County, to any federal or state department having monitoring or reviewing authority, to County's authorized representatives and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine and audit all records and documents necessary to determine compliance with relevant federal, state, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and *timeliness of services performed*.

B. Contractor shall maintain and preserve all financial records relating to this



Agreement for a period of four (4) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

C. The contracting parties shall be subject to the examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code Section 10532).

10. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable federal, state, county, and municipal laws, including, but not limited to, the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment I, which prohibits discrimination on the basis of handicap in programs and activities receiving any federal or county financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

11. Notices

A. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed:

1) In the case of County, to:

San Mateo County Mental Health Services Division  
225 37th Avenue, 3<sup>rd</sup> Floor  
San Mateo, CA 94403

or to such person or address as County may, from time to time furnish to Contractor.

2) In the case of Contractor, to:

Lori Moore, Regional Director of Managed Care  
Catholic Healthcare West  
185 Berry Street, Suite 5100  
San Francisco, CA 94107-1728

B. Controlling Law. The validity of this Agreement and of its terms or

provisions, as well as the rights and duties of the parties hereunder, the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

12. Venue

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the state courts of San Mateo County, or where otherwise appropriate, exclusively in the United States District Court, Northern District of California, San Francisco, California.

13. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from July 1, 2002 through June 30, 2003. This Agreement may be terminated by Contractor, Director of Health Services, or her designee at any time upon sixty (60) days' written notice to the other party.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

SEQUOIA HOSPITAL AND  
MEDICAL CENTER

By: \_\_\_\_\_  
President, Board of Supervisors

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

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

Date: 8/30/02 \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

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

## SCHEDULE A

### SEQUOIA HOSPITAL AND MEDICAL CENTER: 2002-2003

#### A. Program Services

In full consideration of the payments herein provided for, Contractor shall provide psychiatric inpatient services for adults in a manner consistent with the terms and provisions of the Agreement. Inpatient services shall further be provided in a manner consistent with the San Mateo County Mental Health Plan Inpatient Manual (hereinafter "MHP Inpatient Manual"), which is incorporated by reference herein.

#### B. Authorization

##### 1. Inpatient Services

County is responsible for authorization for payment of medically necessary, acute psychiatric inpatient hospital services, including hospital-based ancillary services, and associated administrative days for Medi-Cal beneficiaries, and client's known to be indigent for whom the MHP has assumed responsibility. Contractor shall communicate with County Psychiatric Emergency Services (PES) and submit Treatment Authorization Requests (TARs) and other substantive documentation in accordance with the MHP Inpatient Manual. With the exception of the first twenty-four (24) hours of an emergency admission, all inpatient services require prior authorization from County.

#### C. Quality Management and Utilization Review

Contractor shall comply with policies established in the MHP Inpatient Manual, including utilization controls, Department of Mental Health Letters and Notices, and relevant state and federal codes and regulations governing inpatient practice in California.

Contractor shall comply with existing federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, and Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify problems with quality of care. Composition of the committee shall meet minimum federal requirements.

Contractor shall provide a brief statement, hereafter identified as Contractor's Quality Management Plan, to the MHP, which describes how Contractor will conduct Utilization Review, clinical Peer Review, and Medication Monitoring for services provided to MHP beneficiaries.

D. Records

Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

E. Assurances

Contractor shall adhere to Title XIX of the Social Security Act (42 U.S.C) and conform to all applicable federal and state statutes and regulations.

No provision of a contract shall be construed to replace or conflict with the duties of County clients' rights advocates designated in Welfare and Institutions Code Section 5500.

Individual physicians and other mental health professionals will render professional services to eligible voluntary or involuntary clients on the same basis as they care for other clients in Contractor's facility and will not discriminate against these clients in any manner, including admission practices, placement in special wings or rooms, or provision of special or separate meals.

Attending psychiatrists and psychologists shall be active members of the medical staff of Contractor, be subject to the rules and regulations of said staff, and shall also be active contractors with County. Duration and limitation of services will be under the control of the attending psychiatrist or psychologist but will at all times meet broadly accepted community standards of quality of care and be subject to Contractor Utilization Review Committee decisions.

F. Outcome Objectives

1. For completed episodes, there will be no more than ten percent (10%) recidivism within thirty (30) days following discharge.
2. For completed episodes, Contractor shall maintain or reduce the 2001-02 combined average length of stay.

Contractor will make best efforts to meet such goals, but failure to meet any or all of these goals does not constitute a breach, material, or otherwise of the Agreement. County's payment obligation is in no way contingent on meeting any of the stated goals.

G. Definitions

The following definitions apply to this Agreement:

1. **Administrative Days:** Those days authorized by a designated point of authorization or Utilization Review Committee in an acute inpatient facility when, due to the lack of residential placement options at appropriate, non-acute treatment facilities, the beneficiary's stay at an acute inpatient facility must be continued beyond the beneficiary's need for acute care. The acute facility is responsible for contacting at least five (5) appropriate facilities within a reasonable geographic area at least once each five (5) working days until a beneficiary is placed or no longer requires that level of care. A brief dated description of status and the signature of the person making the contacts must document these contacts. The MHP may waive the requirements of five (5) contacts per week if there are fewer than five (5) appropriate, non-acute residential treatment facilities available as placement options for the beneficiary. In no case shall there be less than one (1) contact per week. The physician reviewer or the Utilization Review Committee must monitor the beneficiary's chart on a weekly basis to determine if the beneficiary's status has changed.
2. **Medi-Cal Beneficiary:** Any person certified as eligible for Medi-Cal in San Mateo County according to Section 51001, Title 22, Code of California Regulations.
3. **Psychiatric Inpatient Hospital Services:** Services provided either in an acute care hospital or a freestanding psychiatric hospital for the care and treatment of an acute episode of mental illness. Services provided in a freestanding hospital may only be reimbursed for a person age twenty (20) or younger and sixty-five (65) or older.

## SCHEDULE B

SEQUOIA HOSPITAL AND MEDICAL CENTER: 2002-2003

### PAYMENTS

- A. The following negotiated rates in accordance with State Department of Mental Health Letter No. 84-10 shall apply:
1. Psychiatric Inpatient Day (Adult)  
(Hospital Inpatient Uniform Billing Codes 204, 114,  
124, 134, or 154) \$563.10
  2. Psychiatric Inpatient Day - (Adult - Indigent) \$591.43  
(Hospital Inpatient Uniform Billing 999)
  3. Administrative Day (Adult) \$289.13  
(Hospital Inpatient Uniform Billing Code 098)
- B. The rate set forth in Section A1 above is inclusive of all psychiatric inpatient hospital services including routine services and hospital-based ancillary services, but does not include physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A2 above is inclusive of all psychiatric inpatient hospital services including routine services and hospital-based ancillary services, but does not include physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A3 above is based on the rate established by the Department of Mental Health Services and is inclusive of all psychiatric routine services and hospital-based ancillary services, but does not include psychiatrist or psychologist services rendered to beneficiaries under this Agreement, or transportation services.
- C. The services provided must be authorized in the prescribed manner by the San Mateo County Health Services staff. County indigents who present at Contractor's facility without being authorized in the prescribed manner are expressly excluded from the terms of this Agreement.
- D. Contractor shall bill its customary charges and submit claims to County for all psychiatric inpatient services rendered in accordance with existing Medi-Cal billing requirements as evidenced in Title 22, MHP Inpatient Manual and MHP Bulletins. Contractor shall bill for crisis intervention services rendered according to the term of this Agreement.
- E. Upon mutual agreement of County and Contractor, County may refer County indigent clients to Contractor, and in this event, all terms of this Agreement pertain.

- F. Contractor shall bill any third party payer financially responsible for a client's health care services. County shall only bear financial responsibility for the negotiated rates set forth in Section A of this Schedule less third-party payments, and to the extent that County inadvertently makes payments to Contractor above this level, County shall be entitled to recoup such reimbursement.
- G. It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the policies and procedures specified in the MHP Inpatient Manual. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in Section 5.B. of this Agreement.
- H. It is understood that any payments received from County or third party insurers for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to the client for reimbursement for the units of service provided under this Agreement, except as provided for under Medi-Cal Share of Cost regulations.
- I. Contractor shall submit an annual cost report reflecting actual costs incurred in the provision of services under this Agreement in accordance with the format required by County within ninety (90) days from the end of Contractor's fiscal year and within ninety (90) days of the date of termination of the Agreement, if requested by County.
- J. County and/or its appropriate audit agency or any other authorized state or federal agency shall have the right to inspect all records to evaluate the cost, quality, appropriateness, and timeliness of services. When an audit discloses that Contractor has been overpaid under this Agreement, any such overpayment or excess payments over liability may be recouped by the state and/or County by withholding the amount due from future payments or by cash payment by Contractor. Contractor has the right to appeal audit findings according to applicable procedural requirements of the regulations adopted pursuant to Sections 5775, et seq. and 14680, et seq. of the Welfare and Institutions Code.
- K. An inpatient day of service shall be billed for each beneficiary who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the facilities of Contractor. However, a day of service may be billed if the beneficiary is admitted and discharged during the same day provided that such admission and discharge is not within twenty-four (24) hours of a prior discharge.
- L. County will perform eligibility and financial determinations, in accordance with State Department of Mental Health Uniform Method of Determining Ability to Pay, for all clients.
- M. County will not process Contractor's claim for reimbursement until County receives TAR with notification of client discharge.

## SCHEDULE C

Contract between County of San Mateo and Sequoia Hospitals, hereinafter called "Contractor."

- a. No person shall, on the grounds of race, color, creed, national origin, religious affiliation or non-affiliation, sex, sexual orientation, marital status, age (over forty (40)), disability, medical condition (including but not limited to AIDS, HIV positive diagnosis, or cancer), political affiliation or union membership be excluded from participation in, be denied the benefits of, or be subjected to discrimination under this Agreement.
- b. Contractor shall insure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this contract. Contractor's personnel policies shall be made available to County upon request.
- c. Contractor shall assure compliance with Section 504 of the Rehabilitation Act of 1973 by submitting a signed letter of assurance (Attachment I) of compliance. Contractor shall be prepared to submit a self-evaluation and compliance plan to County upon request within one (1) year of the execution of this Agreement.



Attachment I

(Required only from Contractors who provide services directly to the Public on County's behalf.)

Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of and for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a.  employs fewer than 15 persons.
- b.  employs 15 or more persons and, pursuant to Section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

KATRINA Bennett

Name of 504 Person - Type or Print

Sequoia Hospital  
Name of Contractor(s) - Type or Print

170 Alameda de las Pulgas  
Street Address or PO Box

Redwood City  
City

CA 94062  
State Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

9/5/02  
Date

KATRINA Bennett Epoch Pericles  
Signature and Title of Authorized Official

\*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a handicapped person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Catholic HealthCare West Serrano Hosp.  
Contact Person: FARAH Smith - Benefit Analyst  
Address: 185 Berry Street Ste 510C  
San Francisco CA 94107  
Phone Number: 415 882-7472 Fax Number: 415-882-7479

II Employees

Does the Contractor have any employees?  Yes \_\_\_ No

Does the Contractor provide benefits to spouses of employees?  Yes \_\_\_ No

\*If the answer to one or both of the above is no, please skip to Section IV.\*

III Equal Benefits Compliance (Check one)

- Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
- Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- No, the Contractor does not comply.
- The Contractor is under a collective bargaining agreement which began on \_\_\_\_\_ (date) and expires on \_\_\_\_\_ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 5 day of September, 2007 at San Francisco CA  
(City) (State)

Kath Bennett  
Signature  
Executive Director  
Title

KATRINA Bennett  
Name (Please Print)  
9432216947  
Contractor Tax Identification Number

COUNTY OF SAN MATEO  
HEALTH SERVICES ADMINISTRATION

MEMORANDUM

DATE: December 11, 2002  
TO: Priscilla Morse, Risk Management/Insurance Division  
FROM: Barbara DeBord, Mental Health Services/PONY #MLH 322

CONTRACTOR: Sequoia Hospital and Medical Center

DO THEY TRAVEL: No

PERCENT OF TRAVEL TIME: N/A

NUMBER OF EMPLOYEES: N/A

DUTIES (SPECIFIC): See attached agreement

COVERAGE:

Comprehensive General Liability:	<u>\$1,000,000.00</u>
Motor Vehicle Liability:	<u>\$N/A</u>
Professional Liability:	<u>\$1,000,000.00</u>
Worker's Compensation:	<u>\$1,000,000.00</u>

APPROVE X

WAIVE \_\_\_\_\_

MODIFY \_\_\_\_\_

REMARKS/COMMENTS:

Priscilla Morse  
SIGNATURE

# MARSH

# CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER  
SEA-000601041

**PRODUCER**

MARSH RISK & INSURANCE SERVICES  
P.O. BOX 193880  
SAN FRANCISCO, CA 94119-3880  
CALIFORNIA LICENSE NO. 0437153

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.

90135 -CHW-CAS-02/03                      GLWC

**COMPANIES AFFORDING COVERAGE**

COMPANY  
**A** EMPLOYERS REINSURANCE CORP.

COMPANY  
**B** SAFETY NATIONAL CASUALTY CORP.

COMPANY  
**C**

COMPANY  
**D**

**INSURED**

SEQUOIA HOSPITAL  
C/O CHW RISK SERVICES  
185 BERRY STREET  
SUITE 5100  
SAN FRANCISCO, CA 94107

**COVERAGES**                      This certificate supersedes and replaces any previously issued certificate for the policy period noted below. 5

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. AGGREGATE 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	MPL070307-0	12/01/02	12/01/03	GENERAL AGGREGATE      \$      1,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG      \$
	<input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR				PERSONAL & ADV INJURY      \$      1,000
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE      \$      1,000
					FIRE DAMAGE (Any one fire)      \$      100
					MED EXP (Any one person)      \$      5
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT      \$
	<input 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 type="checkbox"/> HIRED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT      \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:
					EACH ACCIDENT      \$
					AGGREGATE      \$
	EXCESS LIABILITY				EACH OCCURRENCE      \$
	<input type="checkbox"/> UMBRELLA FORM				AGGREGATE      \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	SP4754CA	07/01/02	07/01/03	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				EL EACH ACCIDENT      \$      1,000
					EL DISEASE-POLICY LIMIT      \$      1,000
					EL DISEASE-EACH EMPLOYEE      \$      1,000
	OTHER				

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

THE CERTIFICATE HOLDER IS AN ADDITIONAL INSURED (GENERAL LIABILITY ONLY) AS RESPECTS TO CPR TRAINING.

**CERTIFICATE HOLDER**

COUNTY OF SAN MATEO  
HEALTH SERVICES AGENCY  
225 37TH AVENUE  
SAN MATEO, CA 94403

**CANCELLATION**

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

MARSH USA INC.  
BY: Elizabeth McIntyre

*Elizabeth McIntyre*

MM1(3/02)

VALID AS OF: 12/03/02

# MARSH

# CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER  
SEA-000172064

**PRODUCER**  
MARSH RISK & INSURANCE SERVICES  
P.O. BOX 193880  
SAN FRANCISCO, CA 94119-3880  
CALIFORNIA LICENSE NO. 0437153

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** EMPLOYERS REINSURANCE CORP.
- COMPANY  
**B** N/A
- COMPANY  
**C**
- COMPANY  
**D**

90135 -CHW-CAS-02/03

**INSURED**  
CHW West Bay  
Sequoia Health Services  
c/o CHW Risk Services  
185 BERRY STREET  
SUITE 5100  
SAN FRANCISCO, CA 94107

**COVERAGES** This certificate supersedes and replaces any previously issued certificate for the policy period noted below. 3  
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. AGGREGATE 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	MPL070307-0	12/01/02	12/01/03	GENERAL AGGREGATE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COM/OP AGG \$
	<input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000,000
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000,000
					FIRE DAMAGE (Any one fire) \$ 100,000
					MED EXP (Any one person) \$ 5,000
					COMBINED SINGLE LIMIT \$
	AUTOMOBILE LIABILITY				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> ALL OWNED AUTOS				PROPERTY DAMAGE \$
	<input type="checkbox"/> SCHEDULED AUTOS				
	<input type="checkbox"/> HIRED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:
					EACH ACCIDENT \$
	EXCESS LIABILITY				AGGREGATE \$
	<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				OTHER
					EL EACH ACCIDENT \$
					EL DISEASE-POLICY LIMIT \$
A	OTHER PROFESSIONAL LIABILITY	MPL070307-0	12/01/02	12/01/03	EL DISEASE-EACH EMPLOYEE \$
					AGGREGATE 3,000,000
					OCCURRENCE 1,000,000

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

THE CERTIFICATE HOLDER ITS OFFICERS, AUTHORIZED AGENTS, EMPLOYEES AND SERVANTS ARE ADDITIONAL INSURED AS RESPECTS TO THE PROVIDER AGREEMENT, SUCH COVERAGE IS PRIMARY.

**CERTIFICATE HOLDER**

SAN MATEO COUNTY MENTAL HEALTH SERVICES  
225 37TH AVE.  
SAN MATEO, CA 94403

**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 OF LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR ISSUER OF THIS CERTIFICATE.

MARSH USA INC.  
BY: Elizabeth McIntyre

*Elizabeth McIntyre*

MM1(3/02)

VALID AS OF: 12/03/02

# MARSH

# CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER  
SEA-000461437

**PRODUCER**

MARSH RISK & INSURANCE SERVICES  
P.O. BOX 193880  
SAN FRANCISCO, CA 94119-3880  
CALIFORNIA LICENSE NO. 0437153

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** EMPLOYERS REINSURANCE CORP.
- COMPANY  
**B** N/A
- COMPANY  
**C**
- COMPANY  
**D**

90135 -CHW-CAS-02/03      GL/PL

**INSURED**

CHW BAY AREA  
SEQUOIA HEALTH SERVICES  
C/O CHW RISK SERVICES  
185 BERRY STREET  
SUITE 5100  
SAN FRANCISCO, CA 94107

**COVERAGES**

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

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. AGGREGATE 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	MPL070307-0	12/01/02	12/01/03	GENERAL AGGREGATE \$ 1,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS - COMP/OP AGG \$
	<input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$ 1,000
	OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$ 1,000
					FIRE DAMAGE (Any one fire) \$ 100
					MED EXP (Any one person) \$ 5
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT \$
	<input 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 \$
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
	EXCESS LIABILITY				AGGREGATE \$
	<input type="checkbox"/> UMBRELLA FORM				EACH OCCURRENCE \$
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM				AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS
	THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				OTHER
					EL EACH ACCIDENT \$
					EL DISEASE-POLICY LIMIT \$
A	OTHER	MPL070307-0	12/01/02	12/01/03	EL DISEASE-EACH EMPLOYEE \$
	PROFESSIONAL LIABILITY				OCCURRENCE 1,000

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

THIS CERTIFICATE PROVIDES EVIDENCE OF COVERAGE AS RESPECTS TO THE CONTRACT AGREEMENT.

**CERTIFICATE HOLDER**

SAN MATEO COUNTY MANAGED CARE MENTAL HEALTH PLAN  
225 37TH AVE., 3RD FLR  
SAN MATEO, CA 94403

**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 CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR ISSUER OF THIS CERTIFICATE.

MARSH USA INC.  
BY: Elizabeth McIntyre

*Elizabeth McIntyre*

MM1(3/02)

VALID AS OF: 12/03/02

AGREEMENT WITH ST. MARY'S HOSPITAL AND MEDICAL CENTER  
FOR ACUTE PSYCHIATRIC INPATIENT HOSPITAL SERVICES

THIS AGREEMENT, entered into this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_\_, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and  
ST. MARY'S HOSPITAL AND MEDICAL CENTER, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of performing the professional services hereinafter described for the Health Services Agency, Mental Health Services Division; and

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

1. Services to be Performed by Contractor

In consideration of the payments hereinafter set forth, Contractor, under the general direction of the Director of Health Services, or her designee, with respect to the product or result of Contractor's services, shall provide acute psychiatric inpatient services as described in Schedule A, attached hereto and incorporated by reference herein. Such services shall be provided in a professional and diligent manner.

2. Payments

A. Maximum Amount. In full consideration of Contractor's performance of the services described in Schedule A, the amount that County shall be obligated to pay for services rendered under this shall not exceed ONE MILLION TWO HUNDRED SEVENTEEN

THOUSAND DOLLARS (\$1,217,000) collectively with all other acute care psychiatric hospitals and free-standing psychiatric hospitals which have contracted with County to provide psychiatric care for the contract term.

B. Rate of Payment. The rate and terms of payment shall be as specified in Schedule B, attached hereto and incorporated herein. Any rate increase is subject to the approval of the Director of Health Services or her designee, and shall not be binding on County unless so approved in writing. In no event may the rates established in Schedule B be increased to the extent that the maximum County obligation shall exceed the total specified in paragraph 2A above. Each payment shall be conditioned on the performance of the services described in Schedule A to the full satisfaction of the Director of Health Services or her designee.

C. Time Limit for Submitting Invoices. Contractor shall submit an invoice for services to County for payment in accordance with the provisions of Schedule B. County shall not be obligated to pay Contractor for the services covered by any invoice if Contractor presents the invoice to County more than one hundred eighty (180) days after the date Contractor renders the services, or more than ninety (90) days after this Agreement terminates, whichever is earlier.

3. Relationship of Parties

It is expressly understood that this is an agreement between two (2) independent contractors and that no agency, employee, partnership, joint venture or other relationship is established by this Agreement. The intent by both County and Contractor is to create an independent contractor relationship. Contractor expressly acknowledges and accepts his/her tax status and the tax consequences of an independent contractor. Further, as an independent contractor, Contractor expressly acknowledges and accepts that he/she has no rights, benefits, privileges and/or claims in any form whatsoever under, from, through and/or pursuant to the San Mateo County Civil Service Rules.



4. Mutual Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description, brought for, or on account of (A) injuries to or death of any person, including Contractor, or (B) damages to any property of any kind whatsoever and to whomsoever belonging, (C) any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this Agreement as made necessary by Section 530 of the Revenue Act of 1978, or (D) or any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

County shall indemnify and hold harmless Contractor, its officers, agents, employees and servants from all claims, suits or actions of every name, kind and description, brought for, or on account of injuries to or death of any person, including County, or damages to property of any kind whatsoever and to whomsoever belonging, including but not limited to the concurrent active or passive negligence of Contractor, its officers, agents, employees and servants, resulting from the performance of any work required of County, provided that this shall not apply to injuries or damage for which Contractor has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of County to indemnify and save harmless as set forth herein shall include the duty to defend as set forth in Section 2778 of the California Code.

5. Insurance

Contractor shall not commence work under this Agreement until all insurance required under this section has been obtained and such insurance has been approved by the Director of Health Services. Contractor shall furnish the Health Services Agency with Certificates of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These Certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Health Services Agency of any pending change in the limits of liability or of any cancellation or modification of the policy.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately suspend all further work pursuant to this Agreement.

A. Workers' Compensation and Employer Liability Insurance. Contractor shall have in effect during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, Contractor makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this Agreement.

B. Liability Insurance. Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage

which may arise from Contractor's operations under this Agreement, whether such operations be by himself or by any subcontractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below.

Such insurance shall include:

- 1) Comprehensive General Liability ..... \$1,000,000
- 2) Motor Vehicle Liability Insurance ..... \$0
- 3) Professional Liability ..... \$1,000,000

If this Agreement remains in effect more than one (1) year from the date of its original execution, County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving sixty (60) days' notice to Contractor.

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to County, its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only. Said certificate(s) of insurance is (are) attached hereto and incorporated by reference herein as Attachment II (and III).

6. Non-Discrimination

Contractor shall comply with the non-discrimination requirements described in Schedule C, which is attached hereto, and incorporated herein.

Contractor shall comply with County admission and treatment policies, which shall provide that patients are accepted for care without discrimination on the basis of race, color, religion, sex, sexual orientation, national origin, age, handicap, or political affiliation.

With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject Contractor to penalties, to be determined by the County Manager, including, but not limited to:

- i. termination of this Agreement;
- ii. disqualification of Contractor from bidding on or being awarded a County contract for a period of up to three (3) years;
- iii. liquidated damages of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) per violation;
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to:

- i. examine Contractor's employment records with respect to compliance with this paragraph;
- ii. set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within thirty (30) days of such filing, provided that within such thirty (30) days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of its response to the complaint when filed.

7. Assignments and Subcontracts

A. Without the written consent of the Director of Health Services or her designee, this Agreement is not assignable in whole or in part. Any assignment by Contractor without the written consent of the Director of Health Services or her designee is a breach of this Agreement and shall automatically terminate this Agreement.

B. Contractor shall not employ subcontractors or consultants to carry out the responsibilities undertaken pursuant to this contract without the written consent of the Director of Health Services or her designee.

C. All assignees, subcontractors, or consultants approved by the Director of Health Services or her designee shall be subject to the same terms and conditions applicable to Contractor under this Agreement, and Contractor shall be liable for the assignee's, subcontractor's or consultant's acts and/or omissions.

D. All agreements between Contractor and subcontractor and/or assignee for services pursuant to this Agreement shall be in writing and shall be provided to County.

8. Amendment of Agreement

This Agreement is complete and contains all the terms and conditions agreed upon by the parties. No amendment shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement shall be binding on the parties hereto.

9. Records

A. Contractor agrees to provide to County, to any federal or state department having monitoring or reviewing authority, to County's authorized representatives and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine and audit all records and documents necessary to determine compliance with relevant federal, state, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

B. Contractor shall maintain and preserve all financial records relating to this Agreement for a period of four (4) years from the termination date of this Agreement, or until audit findings are resolved, whichever is greater.

C. The contracting parties shall be subject to the examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code Section 10532).

10. Compliance with Applicable Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable federal, state, county, and municipal laws, including, but not limited to, the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment I, which prohibits discrimination on the basis of handicap in programs and activities receiving any federal or county financial assistance. Such services shall also be performed in

accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations.

11. Notices

A. Any notice, request, demand or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United States mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed:

1) In the case of County, to:

San Mateo County Mental Health Services Division  
225 37th Avenue  
San Mateo, CA 94403

or to such person or address as County may, from time to time furnish to Contractor.

2) In the case of Contractor, to:

Lori Moore, Regional Director of Managed Care  
Catholic Healthcare West  
185 Berry St, Suite 51000  
San Francisco, CA 94107

B. Controlling Law. The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation and performance of this Agreement shall be governed by the laws of the State of California.

12. Venue

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the state courts of San Mateo County, or where otherwise appropriate, exclusively in the United States District Court, Northern District of California, San Francisco, California.

13. Term of the Agreement

Subject to compliance with the terms and conditions of this Agreement, the term of this Agreement shall be from July 1, 2002 through June 30, 2003. This Agreement may be terminated by Contractor, Director of Health Services or her designee at any time upon sixty (60) days' written notice to the other party.

Parties recognize that Contractor has performed services from July 1, 2002 through date of execution of this Agreement in anticipation of execution of this Agreement. Parties agree that services are subject to all terms and conditions contained herein.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands.

COUNTY OF SAN MATEO

ST. MARY'S HOSPITAL AND  
MEDICAL CENTER

By: \_\_\_\_\_  
President, Board of Supervisors

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

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

Date: 8/19/02 \_\_\_\_\_

ATTEST:

By: \_\_\_\_\_  
Clerk of Said Board

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



## SCHEDULE A

### ST. MARY'S HOSPITAL AND MEDICAL CENTER: 2002-2003

#### A. Program Services

In full consideration of the payments herein provided for, Contractor shall provide the psychiatric inpatient hospital services in a manner consistent with the terms and provisions of the Agreement, and consistent with the San Mateo County Mental Health Plan Inpatient Manual (hereinafter "MHP Inpatient Manual"), which is incorporated by reference herein.

#### B. Authorization

County is responsible for authorization for payment of medically necessary, acute psychiatric inpatient hospital services, including hospital-based ancillary services, and associated administrative days for Medi-Cal beneficiaries and indigent clients. Payment for administrative days will not include ancillary services. Contractor shall communicate with Psychiatric Emergency Services and submit Treatment Authorization Requests (TARs) and other substantive documentation in accordance with the MHP Inpatient Manual. With the exception of the first twenty-four (24) hours of an emergency admission, all inpatient services require prior authorization from County.

#### C. Quality Management and Utilization Review

Contractor shall comply with policies established in the MHP Inpatient Manual including utilization controls, Department of Mental Health Letters and Notices, and relevant state and federal codes and regulations governing inpatient practice in California.

Contractor shall comply with existing federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify problems with quality of care. Composition of the committee shall meet minimum federal requirements.

Contractor shall provide a brief statement, hereafter identified as Contractor's Quality Management Plan, to the Mental Health Plan, which describes how Contractor will conduct Utilization Review, clinical Peer Review, and Medication Monitoring for services provided to Mental Health Plan beneficiaries.

D. Records

Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

E. Assurances

Contractor shall adhere to Title XIX of the Social Security Act (42 U.S.C) and conform to all applicable federal and state statutes and regulations.

No provision of a contract shall be construed to replace or conflict with the duties of County clients' rights advocates designated in Welfare and Institutions Code Section 5500.

Individual physicians and other mental health professionals will render professional services to eligible voluntary or involuntary clients on the same basis as they care for other clients in Contractor's facility and will not discriminate against these clients in any manner, including admission practices, placement in special wings or rooms, or provision of special or separate meals.

Attending psychiatrists and psychologists shall be members of the medical staff of Contractor, be subject to the rules and regulations of said staff, and shall also be active contractors with the County. Duration and limitation of services will be under the control of the attending psychiatrist or psychologist but will at all times meet broadly accepted community standards of quality of care and be subject to Contractor utilization review decisions.

F. Outcome Objectives

- a. For completed episodes, there will be no more than ten percent (10%) recidivism of clients within thirty (30) days following discharge.
- b. For completed episodes, Contractor will maintain or reduce the combined average length of stay for 2002-2003.

Contractor will make best efforts to meet such goals, but failure to meet any or all of these goals does not constitute a breach, material, or otherwise of the Agreement. County's payment obligation is in no way contingent on meeting any of the stated goals.

G. Definitions

The following definitions apply to this Agreement:

- a. **Administrative Days:** Those days authorized by a designated point of authorization or Utilization Review Committee in an acute inpatient facility when, due to the lack of residential placement options at appropriate, non-acute treatment facilities, the beneficiary's stay at an acute inpatient facility must be continued beyond the beneficiary's need for acute care. The acute facility is responsible for contacting at least five (5) appropriate facilities within a reasonable geographic area at least once each five (5) working days until a beneficiary is placed or no longer requires that level of care. These contacts must be documented by a brief, dated description of status and the signature of the person making the contacts. The MHP may waive the requirements of five (5) contacts per week if there are fewer than five (5) appropriate, non-acute, residential treatment facilities available as placement options for the beneficiary. In no case shall there be less than one (1) contact per week. The physician reviewer or the Utilization Review Committee must monitor the beneficiary's chart on a weekly basis to determine if the beneficiary's status has changed.
- b. **Medi-Cal Beneficiary:** Any person certified as eligible for Medi-Cal in San Mateo County according to Section 51001, Title 22, Code of California Regulations.
- c. **Psychiatric Inpatient Hospital Services:** Services provided either in an acute care hospital or a free-standing psychiatric hospital for the care and treatment of an acute episode of mental illness. Services provided in a free-standing hospital may only be reimbursed for a person age twenty (20) or younger and sixty-five (65) or older.

SCHEDULE B

ST. MARY'S HOSPITAL AND MEDICAL CENTER: 2002-2003

PAYMENTS

- A. The following negotiated rates in accordance with State Department of Mental Health Letter No. 84-10 shall apply:
- |  |          |
|--|----------|
| 1. Psychiatric Inpatient Day, Children and Adolescents<br>(Hospital Uniform Billing Code 097)                      | \$695.00 |
| 2. Psychiatric Inpatient Day, Children and Adolescents – Indigent<br>(Hospital Inpatient Uniform Billing Code 888) | \$862.00 |
| 3. Administrative Day<br>(Hospital Inpatient Uniform Billing Code 098)   | \$289.13 |
| 4. Adolescent 1:1 Service  | \$472.00 |
- B. The rates set forth in Sections A.1. above is inclusive of all psychiatric inpatient hospital services including routine services and hospital-based ancillary services, but does not include physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A.2. above is inclusive of all psychiatric hospital inpatient services including routine services, hospital-based ancillary services, and physician or psychologist services rendered under this Agreement. It is the responsibility of Contractor to notify physicians and psychologists that payment for their services will be the responsibility of Contractor. The rate set forth in Section A.3. above is adjusted based on the rate established by the Department of Mental Health Services and is inclusive of all psychiatric inpatient hospital services including routine services, but does not include hospital-based ancillary services, physician or psychologist services rendered to beneficiaries under this Agreement, or transportation services. The rate set forth in Section A.4. above is for special duty nursing required in 1:1 psychiatric care. In the event that the attending physician determines that a special duty nurse is required for the care of an adolescent patient and County concurs with this determination, County shall reimburse Contractor the 1:1 per diem rate in addition to the adolescent per diem rate.
- C. The services provided must be authorized in the prescribed manner by the San Mateo County Health Services staff. County indigents who present at Contractor's facility without being authorized in the prescribed manner are expressly excluded from the terms of this Agreement.
- D. Contractor shall bill its customary charges and submit claims to County for all psychiatric inpatient services rendered in accordance with existing Medi-Cal billing requirements as evidenced in Title 22, MHP Inpatient Manual and MHP Bulletins.

- E. County may refer County indigent clients to Contractor, and in this event all terms of this Agreement pertain except that the client is not required to be a Medi-Cal beneficiary.
- F. Contractor shall bill any third party payor financially responsible for a client's health care services. County shall only bear financial responsibility for the negotiated rates set forth in Section A of this Schedule less third-party payments, and to the extent that County inadvertently makes payments to Contractor above this level, County shall be entitled to recoup such reimbursement.
- G. It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the policies and procedures specified in the MHP Inpatient Manual. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in Section 5.B. of this Agreement.
- H. It is understood that any payments received from County or third party insurers for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to the client for reimbursement for the units of service provided under this Agreement, except as provided for under Medi-Cal Share of Cost regulations.
- I. Contractor shall submit an annual cost report reflecting actual costs incurred in the provision of services under this Agreement in accordance with the format required by County within ninety (90) days from the end of Contractor's fiscal year and within ninety (90) days of the date of termination of the Agreement, if requested by County.
- J. County and/or its appropriate audit agency or any other authorized state or federal agency shall have the right to inspect all records to evaluate the cost, quality, appropriateness, and timeliness of services. When an audit discloses that Contractor has been overpaid under this Agreement, any such overpayment or excess payments over liability may be recouped by the state and/or County by withholding the amount due from future payments or by cash payment by Contractor. Contractor has the right to appeal audit findings according to applicable procedural requirements of the regulations adopted pursuant to Sections 5775, et seq. and 14680, et seq. of the Welfare and Institutions Code.
- K. A day of service shall be billed for each beneficiary who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the facilities of Contractor. However, a day of service may be billed if the beneficiary is admitted and discharged during the same day provided that such admission and discharge is not within twenty-four (24) hours of a prior discharge.
- L. County will perform eligibility and financial determinations, in accordance with State Department of Mental Health Uniform Method of Determining Ability to Pay, for all clients.
- M. County will not process Contractor's claim for reimbursement until County receives TAR with notification of client discharge.

## SCHEDULE C

Contract between County of San Mateo and St. Mary's Hospital and Medical Center, hereinafter called "Contractor."

- a. No person shall, on the grounds of race, color, creed, national origin, religious affiliation or non-affiliation, sex, sexual orientation, marital status, age (over forty (40)), disability, medical condition (including but not limited to AIDS, HIV positive diagnosis, or cancer), political affiliation or union membership be excluded from participation in, be denied the benefits of, or be subjected to discrimination under this Agreement.
- b. Contractor shall insure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this contract. Contractor's personnel policies shall be made available to County upon request.
- c. Contractor shall assure compliance with Section 504 of the Rehabilitation Act of 1973 by submitting a signed letter of assurance (Attachment I) of compliance. Contractor shall be prepared to submit a self-evaluation and compliance plan to County upon request within one (1) year of the execution of this Agreement.

Attachment I

(Required only from Contractors who provide services directly to the Public on County's behalf.)

Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of and for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

- a.  employs fewer than 15 persons.
- b.  employs 15 or more persons and, pursuant to Section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a)), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

KATRINA Bennett

Name of 504 Person - Type or Print

St. Mary's Hospital and Medical Center

Name of Contractor(s) - Type or Print

China Basin Landing, Building 1

Street Address or PO Box

San Francisco

City

CA

State

94107

Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

9/5/02  
Date

Kat Smith Executive Director  
Signature and Title of Authorized Official

\*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a handicapped person seeking its services, there is no method of complying with (the facility accessibility regulations)...other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: St Marys Medical Center
Contact Person: Cinda Samucha Benefits Analyst
Address: 185 Berry Street Ste 5100 San Francisco CA 94107
Phone Number: 415-882-7478 Fax Number: 415-882-7479

II Employees

Does the Contractor have any employees? [X] Yes \_\_\_ No
Does the Contractor provide benefits to spouses of employees? [X] Yes \_\_\_ No

\*If the answer to one or both of the above is no, please skip to Section IV.\*

III Equal Benefits Compliance (Check one)

- [X] Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
[ ] Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
[ ] No, the Contractor does not comply.
[ ] The Contractor is under a collective bargaining agreement which began on (date) and expires on (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 5 day of September, 2007 at San Francisco, CA (City) (State)

[Signature]
Signature

KATELINA Bennett
Name (Please Print)

Executive Director Managed Care
Title Contractor Tax Identification Number 943296802



COUNTY OF SAN MATEO  
HEALTH SERVICES ADMINISTRATION

MEMORANDUM

DATE: December 6, 2002  
TO: Priscilla Morse, Risk Management/Insurance Division  
FROM: Barbara DeBord, Mental Health Services/PONY #MLH 322

CONTRACTOR: St. Mary's Hospital and Medical Center

DO THEY TRAVEL: No

PERCENT OF TRAVEL TIME: N/A

NUMBER OF EMPLOYEES: N/A

DUTIES (SPECIFIC): See attached agreement

COVERAGE:

Comprehensive General Liability:	\$1,000,000.00
Motor Vehicle Liability:	\$N/A
Professional Liability:	\$1,000,000.00
Worker's Compensation:	<del>\$1,000,000.00</del> Statutory

APPROVE X WAIVE \_\_\_\_\_ MODIFY \_\_\_\_\_

REMARKS/COMMENTS:

Priscilla Morse  
SIGNATURE

ISA INC.

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER  
SEA-000471266-00

SK & INSURANCE SERVICES, INC.  
ADERO CENTER  
93880  
CISCO, CA 94119-3880  
IA LICENSE NO. 047153

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 SAFETY NATIONAL CASUALTY CORP.

COMPANY  
B N/A

COMPANY  
C

COMPANY  
D

XSWC

AREA  
MARY'S MEDICAL CENTER  
RISK SERVICES  
ST., STE 320  
CA 94607

This certificate supersedes and replaces any previously issued certificate for the policy period noted below.

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

INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
GENERAL LIABILITY MADE <input type="checkbox"/> OCCUR CONTRACTOR'S PROT				GENERAL AGGREGATE	\$ 1,000
				PRODUCTS - COMP/OP AGG	\$
				PERSONAL & ADV INJURY	\$ 1,000
				EACH OCCURRENCE	\$ 1,000
				FIRE DAMAGE (Any one fire)	\$ 100
				MED EXP (Any one person)	\$ 5
AUTOS				COMBINED SINGLE LIMIT	\$
				BODILY INJURY (Per person)	\$
				BODILY INJURY (Per accident)	\$
				PROPERTY DAMAGE	\$
TY				AUTO ONLY - EA ACCIDENT	\$
				OTHER THAN AUTO ONLY:	
				EACH ACCIDENT	\$
ITY				AGGREGATE	\$
				EACH OCCURRENCE	\$
				AGGREGATE	\$
OR/ CUTIVE INCL EXCL				WC STATUTORY LIMITS	OTHER
				EL EACH ACCIDENT	\$
				EL DISEASE-POLICY LIMIT	\$
				EL DISEASE-EACH EMPLOYEE	\$
ORKERS TION & S LIABILITY	SP4754CA	07/01/02	07/01/03	WC LIMIT-STATUTORY EL LIMIT- PER ACCIDENT	1,000,000
				EXCESS SIR PER ACCIDENT	\$250,000

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

THE PROVIDER PROVIDES EVIDENCE OF COVERAGE ON BEHALF OF ST. MARY'S MEDICAL CENTER AS RESPECTS TO THE PROVIDER

OLDER

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.

Y OF SAN MATEO MENTAL HEALTH  
CES  
TH AVE., 3RD FLR  
ATEO, CA 94403

MARSH USA INC.

BY: Elizabeth McIntyre

*Elizabeth McIntyre*

MM1(9/99)

VALID AS OF: 06/28/02

CERTIFICATE NUMBER  
A-000470012  
ND CONFERS  
VIDED IN THE  
E COVERAGE

INDICATED.  
ED OR MAY  
AGGREGATE

\$1,000  
1,000  
1,000  
100  
5

3,000  
1,000

LIC  
IS EXCP

ION DATE  
EN NOTICE TO  
NO OBLIGATION  
SENTATIVES,