

SECOND AMENDMENT TO THE AGREEMENT
WITH TELECARE CORPORATION

THIS SECOND AMENDMENT TO THE AGREEMENT, entered into this _____ day of _____, 2002, by and between the COUNTY OF SAN MATEO (hereinafter called "County") and TELECARE CORPORATION (hereinafter called "Contractor"),

W I T N E S S E T H:

WHEREAS, on January 11, 1999, the parties hereto entered into an Agreement (hereinafter referred to as the "Original Agreement") for the furnishing of certain services by Contractor to County as set forth in that Original Agreement; and

WHEREAS, on May 21, 2002, the parties hereto entered into an Amendment (hereinafter referred to as the "Original Amendment") to approve a COLA and bed rates increases; and

WHEREAS, it is now the mutual desire and intent of the parties hereto to amend and clarify that Amendment;

NOW, THEREFORE, IT IS HEREBY AGREED between the parties that the Original Agreement is amended as follows:

1. Section 2, Payments, of the Original Agreement is hereby amended to read as follows:

“A. Maximum Amount

In full consideration of the Contractor's performance of the services described ion Schedule A, the amount that the County shall be obligated to pay for services rendered under this agreement in the event the renewal option is exercised shall not exceed THIRTY-THREE MILLION ELEVEN THOUSAND EIGHT HUNDRED SIXTY-NINE DOLLARS (\$33,011,869) for the contract term of five (5) years.”

2. Schedule A, Section II. Psychiatric Program Services, of the Original Agreement is hereby amended to read as follows:

“II. PSYCHIATRIC PROGRAM SERVICES

In full consideration of the payments herein provided for (in Schedule B, Section II.), Contractor shall provide the services described below in a manner consistent with the terms and provisions of this Agreement.

A. Uniform Program Requirements - All Psychiatric Services

1. Minimum Staffing Requirements

Contractor shall have on file job descriptions (including minimum qualifications for employment and duties performed) for all personnel whose salaries, wages, and benefits are reimbursable in whole or in part under this Agreement. Contractor agrees to submit any material changes in such duties or minimum qualifications to County prior to implementing such changes or employing persons who do not meet the minimum qualifications currently on file. Contractor service personnel shall be direct employees, contractors, volunteers, or training status persons.

2. Organizational Chart

Contractor shall have a current organization plan on file that reflects Contractor's current operating structure. As changes in the organization's operating structure are made, updated organization changes shall be forwarded to the office of County's Mental Health Services Director.

3. Psychiatric Treatment Record Requirements

a. Record Requirements for Mental Health Rehabilitation Center (MHRC)

Medical, psychiatric, and activity records pertaining to MHRC treatment services provided to San Mateo County residents under this Agreement shall be kept according to Title 9, Article 22, Chapter 3.5 (MHRC), Sections 784.28 of the California Code of Regulations. These records shall include evaluation studies as required by the Director of the Division. All such records shall be confidential according to applicable state and federal laws.

b. Management of Medical Records

All medical records pertaining to psychiatric

treatment services provided to San Mateo County residents under this Agreement shall be maintained by, or under the direction of, an accredited medical records technician and in such manner as to meet all licensing, certification, and accreditation requirements and standards.

4. Community Liaison

Contractor shall maintain relationships with the immediate neighborhood and the San Mateo County Mental Health Board, as well as with appropriate Mental Health Services staff and with various other committees as deemed appropriate by the Director of Health Services.

County shall have reasonable access to the facility at any time and to such data as will allow for the meaningful evaluation and monitoring of quality of care.

5. Discharge Criteria, Planning, and Placement

- a. Discharge planning shall be the responsibility of Contractor in consultation with appropriately designated San Mateo County Mental Health Services staff.
- b. Discharge planning shall include evaluation of level of care needed for placement, referral to appropriate setting, pre-discharge coordination of appropriate community-based services, including benefits and outpatient mental health services.
- c. Discharge plans shall be in writing and included as part of the client's record.
- d. For voluntary residents, Contractor shall be responsible for applications for financial aid if necessary, Medi-Cal processing, filing of change of address, transportation to and from volunteer work, transportation to vocational rehabilitation and notification of responsible parties.
- e. Contractor shall keep a county-designated staff person fully informed of discharge plans. County designated staff shall collaborate with Contractor in pre-discharge planning and shall share responsibility with Clinical Director and Social

Work staff for coordinating appropriate community support resources.

- f. Clinical Director and Social Work staff (Cordilleras only) shall be actively involved in Mental Health Services Division meetings and activities that involve community housing resources, treatment, and rehabilitation and recovery services.

6. Court Testimony

It is recognized that a certain number of residents at Cordilleras, Gladman, and Garfield will require evaluations for legal purposes and that, in some instances, court testimony will be required for San Mateo County residents. Both parties acknowledge that there may be times when clinical staff may be required to testify for such residents when determined by County Counsel; if and when it may occur, they shall do what is required without additional reimbursement for such evaluations or court testimony, including adequate preparation and consultation with County Counsel and testimony in court. Court appearances will be limited to San Mateo County.

7. Reporting

Contractor shall report (at monthly intervals) state-required Client Statistical Information (CSI) data to the Mental Health Services Division's Management Information System (MIS) Unit. The data shall be incorporated into a year-end report, which shall include such information, as Director requires to permit reporting, monitoring, and evaluation of Contractor's performance pursuant to this Agreement.

8. Quality Improvement

Contractor shall submit and implement a Quality Improvement plan as required by and subject to approval of the San Mateo County Mental Health Quality Improvement Manager. The plan shall include a description of utilization review, medication monitoring, case documentation, peer review, and other issues pertaining to quality improvement mandates and policies.

9. Overhead Services

Contractor shall provide all of the service hours outlined in Schedule G, attached.

B. Cordilleras Mental Health Center

For the term of this Agreement as herein specified, Contractor shall operate a Mental health Rehabilitation Center (MHRC) at the Cordilleras Mental Health Center facility licensed at a capacity of sixty-eight (68) beds. Of these, sixty (60) beds are dedicated exclusively for residents of San Mateo County. Contractor may, at County's discretion, market the excess beds to other entities requiring these services.

1. MHRC Capacity

- a. Contractor shall provide a dedicated capacity of sixty (60) beds (including approximately twenty-four [24] beds for dual diagnosis treatment as described below in Schedule A, Section II.B.4.d.) for mentally disordered residents who are eighteen (18) years of age and older; who suffer moderate to severe mental impairment or lack of ability to function; and who require a locked setting, including such eligible clients of the Mental Health Services Division, hereinafter referred to as "Division," of the San Mateo County Department of Health Services, hereinafter referred to as "Department," as may be referred to Cordilleras Center by Division staff, duly authorized by the Director.
- b. Contractor and County shall work jointly to maximize admissions given the available beds. County shall be guaranteed first (1st) option for psychiatric services on any open bed. Dedicated beds will be held open awaiting a County placement unless County agrees to Contractor seeking a non-County resident to fill the open bed.

2. Residential Care Capacity

- a. Contractor shall operate a residential care program at the Cordilleras Mental Health Center, licensed at a capacity of twenty-nine (29) residential beds known as "Magnolia" and "Edgewood Suites," for residents who can be served in an unlocked

setting.

- b. Contractor shall operate a residential care program on the second floor, licensed at a capacity of twenty (20) beds for residents who can be served in an unlocked setting. This program will be staffed by an "Assertive Community Treatment" (ACT) team, who will work intensively with the residents with the goal of maximizing functional level to enable successful community re-integration. This program is known as the "Willows Suites."

3. Resident Eligibility/Limitations of Service

- a. Residents must be between eighteen (18) years of age and sixty (60) years of age.
- b. Residents who have a dual diagnosis that includes substance abuse, organic brain syndrome, mild mental retardation, or developmental disabilities will not be excluded from admission provided they meet other admission criteria. Residents whose degree of organicity, dementia, mental retardation, or developmental disabilities impairs their ability to function in the Cordilleras setting will be reviewed by the Cordilleras Review Committee prior to admission.
- c. Residents with medical problems or conditions which require medical attention beyond that available through outpatient care will not be admitted.
- d. Residents who are potentially dangerous to themselves or others will be closely screened to determine if they can be managed and treated adequately in the program. The decision to admit such residents will be based on clinical assessment, current staffing, census, and the capacity to tolerate abnormally disruptive behavior within the facility at the time of referral.
- e. By virtue of its license as an MHRC, Cordilleras Mental Health Center will serve criminal justice system clients on an exception basis while adhering to Mental Health Services Division Policy No. 92-2.
- f. Residents may be admitted on a voluntary basis or

on a temporary or full LPS conservatorship.

- g. Residents under a hold in accordance with W&I code 5150 or 5250 will not be admitted.
- h. A Medi-Cal application must be completed for all potentially eligible residents.
- i. All admissions shall be subject to screening procedures and standards mutually agreeable to Contractor and County. Such procedures and standards shall be developed to insure the admission of all persons able to benefit from the services provided. Such standards and procedures shall exclude the admission of persons whose disabilities or degree of disabilities would be inappropriate to the level of service intended to be provided by Contractor.

4. Services to be Provided

For the term of this Agreement, psychiatric treatment services provided by Contractor shall include the following services to eligible residents as defined in Schedule A, Section II.B.3.a-j., Resident Eligibility:

a. MHRC Services

Contractor shall provide a rehabilitation and recovery program aimed at improving the adaptive functioning of persons with mental disabilities to enable client to move to a less restrictive environment while preventing regression to a lower level of functioning.

Services shall include, but are not limited to, the following services to be provided in a manner consistent with the terms and provisions of this Agreement and subject to procedures and standards mutually agreed upon by Contractor and County:

- 1) Large group therapy - community meetings.
- 2) Small group therapy.
- 3) Family therapy groups as clinically indicated.

- 4) Occupational therapy/arts and crafts groups.
- 5) Life skills improvement groups.
- 6) Indoor and outdoor sports activities.
- 7) Social skills groups.
- 8) Active discharge planning.
- 9) Transportation and support to clients to attend community reintegration activities (i.e., Wealth of Health, Miller Center, Supported Educational, and Supported Employment).

b. Special Treatment Services

Contractor shall provide skilled treatment services in accordance with all applicable federal, state, county, and municipal laws and ordinances and regulations, including Title 9 and Title 22 of the California Administrative Code, applicable sections of the California Welfare and Institutions Code, including, but not limited to, Workers' Compensation requirements and standards for participating in the State and County program.

- 1) Skilled treatment services shall include, but are not limited to the following:
 - a) room and dietetic service;
 - b) nursing services (including medication administration and resident care);
 - c) resident activity program;
 - d) housekeeping;
 - e) laundry;
 - f) Medical Records Management;
 - g) medication order processing; and
 - h) emergency medical and ancillary

service provisions.

2) Program Monitoring

The State of California and County and their appropriate agencies have the right to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed and to audit and inspect any books and records of Contractor with respect to services performed or service capacity specified under this Agreement.

c. Residential Treatment (Edgewood and Magnolia Suites (1st Floor) and Willows Suites (2nd Floor)).

- 1) The program is designed to serve residents who are able to leave the locked setting, yet require the structure of a facility like Cordilleras Center.
- 2) Residents may be referred from the general MHRC population. Admissions may also be referred directly from the community, upon the mutual agreement of Contractor and County.
- 3) To gain greater independence, residents shall be encouraged to participate in community activities. Contractor shall provide transportation and support to assist residential clients in attending community activities when appropriate.
- 4) The Willows Suites (2nd Floor) will have an "assertive community treatment" team working closely with the 2nd floor residents around symptom management, self-help and recovery, and community reintegration.

d. Dual Diagnosis Program (MHRC)

Contractor shall provide approximately twenty-four (24) dual diagnosis treatment beds for residents who have a co-existing mental illness and substance abuse diagnosis.

- 1) The program is designed to serve residents

who require a sub-acute treatment program structure and have been identified by the Dual Diagnosis Review Committee as being dually diagnosed and likely to benefit from this program.

- 2) Residents may be referred from the general MHRC population. Admissions may also be referred directly from the community, upon mutual agreement of Contractor and County.
- 3) Contractor shall provide a Dual Diagnosis Program on the third floor that includes all of the components agreed upon by the Dual Diagnosis Review Committee.
- 4) The Dual Diagnosis Review Committee shall include, but not be limited to, the following staff from San Mateo County Mental Health: the Deputy Director of Adult/Older Adult Services, the Dual Diagnosis Supervisor, the Medical Director or designee, and the Cordilleras Treatment Center staff as identified by Contractor.

e. Physician Services

Contractor shall provide a licensed, qualified psychiatrist for the position of Program Medical Director for Cordilleras Treatment Center. The responsibilities of the Program Medical Director will include:

- 1) Management Leadership Participation
 - a) Function as an integral member of the management staff.
 - b) Participate in executive staff meetings, as appropriate.
 - c) Participate in discussions about day-to-day operating issues, as appropriate.
 - d) Participate in clinical policy development and review, taking a leadership role in psychiatric and medical areas.
 - e) Participate in Quality Management activities, including providing leadership for Utilization Review processes.

- f) Enhance the effectiveness of the program in meeting its purpose statement and meeting its objective indicators of success.
- g) Involvement in reviews and surveys by oversight agencies and Telecare Corporation, as well as the development of the resulting plan of correction.

2) Clinical Supervision of Physician Staff

The Program Administrator will provide administrative supervision of physicians.

The Medical Director will:

- a) Provide assistance to the program administrator in areas of administrative oversight of physicians regarding:
 - contracts, rates, and billing issues, and other areas related to reimbursement: and
 - hours worked, availability, and timely responsiveness to calls from program staff.
- b) Provide clinical supervision of psychiatrists, including medical practice, peer review of psychopharmacologic and clinical interventions for clinical and cost effectiveness.
- c) Provide coordination and general clinical oversight of non-psychiatric physicians, such as internists, podiatrists, and pharmaceutical services.
- d) Promptly investigate complaints or concerns regarding physician services, and takes appropriate action.
- e) Participate in interdisciplinary meetings or other processes that review administrative and clinical issues. Foster communication among the clinical disciplines and management staff, coordinating efforts to resolve conflicts if they occur.
- f) Develop and maintain program standards of psychiatric care in collaboration with psychiatric staff, incorporating Corporate psychiatric standards. This includes monitoring the quality of physicians' documentation in the

- medical record.
- g) Ensure adequate psychiatric coverage, by providing leadership in recruitment, hiring and orienting new psychiatrists. Provide psychiatric services for select facility clients as directed by program administrator or when adequate coverage by staff psychiatrists is not available. Provide court testimony in the absence of the designated psychiatrist or psychologist
 - h) Demonstrate physician staff leadership, modeling values such as learning, valuing change, professional, ethical and responsible behaviors, and respect for clients including promoting clients' recovery.
 - i) Represent program and act as liaison in contacts with other agencies, specifically, San Mateo County Mental Health, San Mateo County Mental Health Medical Director, San Mateo County Hospital Inpatient Director, families and other care providers, as needed.
 - j) Confer with San Mateo County Mental Health Medical Director with regard to general policy and medical direction. Have knowledge of relevant regulatory and statutory guidelines, ensuring physician policies, procedures and practice are in compliance with these standards.
 - k) Notify Corporate Medical Director when he/she:
 - perceives there are serious clinical problems that he/she, in consultation with the program Administrator, has been unable to rectify at a local program level; and
 - identifies psychiatric/medical problems that require corporate-wide intervention.

3) Consultation

- a) Provide consultation as needed to staff on psychiatric, general medical, and medical-legal issues.

- b) Provide consultation as needed to psychiatrists, other physicians, teams, staff, program management, case conference attendees, and other care providers in the system of care.
 - c) Provide staff training as identified by management and the QI process.
- 4) Contractor shall provide an average of ten (10) hours of service per week.
 - 5) Case documentation shall be maintained in compliance with Short-Doyle Medi-Cal standards as described in DMH Notice 94-14, the Rehabilitation option including completion of the Physician's Initial Note, Mental Health Services' Medication Consent Forms, and progress and prescribing notes. Charts shall be subject to annual medication monitoring review.

C. Gladman Mental Health Rehabilitation Facility

1. Program Description

Contractor shall provide local inpatient services at the Gladman Mental Health Rehabilitation Facility for persons suffering from severe and persistent mental illness whose clinical symptomatology precludes psychiatric treatment and rehabilitation in other local treatment programs, and for whom, without such a program, state hospitals would be the most appropriate treatment setting.

Gladman is a secure facility and all admissions shall be cleared through County prior to admission to the program. Active treatment and rehabilitation shall be the primary focus of services. Using a psychiatric rehabilitation model, the program shall address the symptoms of the mental disorder, the loss of personal care and social skills that result over time from the symptoms, and the handicaps that can develop if the symptoms persist.

2. Capacity

- a. For the period, July 1, 1998 through April 30, 2000, Gladman Mental Health Rehabilitation Facility shall maintain an average daily census of up to six (6) dedicated beds, with access up to a total of five (5) additional beds, if available, for San Mateo

County residents and shall provide up to four thousand seven hundred forty-five (4,745) days of care for these residents.

- b. For the period May 1, 2000 through June 30, 2003, Gladman shall maintain an average daily census of three (3) dedicated beds, with access up to a total of five (5) additional beds, if available and shall provide at least three thousand four hundred sixty-eight (3,468) days of care for these residents.

3. Target Population

The population to be served by this program shall be severely and persistently mentally ill adults, 18 years of age and over, all of whom are residents of San Mateo County, and in need of a structured environment, and exhibit many of the symptoms of acute mental illness but for protracted periods of time. The degree of impairment and functioning of this target population is such that they cannot be treated in other local non-acute settings.

4. Admission Criteria

The program is specifically designed to provide a local alternative to state hospitals for persons suffering from severe and persistent mental illness whose level of functioning is such that they cannot be treated in less structured more independent setting, and who are not, because of the severity of their illness, appropriate for other secure treatment settings.

- a. Age: Adults of both sexes, 18 years and older.
- b. Legal Status: Involuntary status, (usually) conserved by the offices of the Public Guardian (i.e., 5358), legal status of residents may also include, but not be limited to holds outlined in W & I Codes 5150, 5250, 5353.
- c. Diagnostic Criteria and Behavioral Characteristics: The residents' diagnosis will generally fall under the DSM IV and include schizophrenia, mood disorders, psychotic disorders not otherwise classified, paranoid disorders, and organic brain disorders (where the immediate problem is behavioral).

Behavioral characteristics of such residents may include:

- 1) acutely psychotic with intractable psychoses;
- 2) most commonly diagnosed with schizophrenia;
- 3) nowhere else to go (i.e., no currently existing locked facility will take them);
- 4) treatment resistant;
- 5) extremely poor self-care and personal hygiene skills, and lacking in basic living and community skills; and
- 6) lacking in social skills and relationships and alienated from family; and long, extended period of mental illness.

5. Limitations of Service

Individuals with the following characteristics/conditions shall not be accepted for admission:

- a. primary diagnosis of organic mental disorders, characterological disorders, substance abuse or those whose secondary diagnosis of organic or neurological disorders makes them non-amenable, unreceptive, or unresponsive to treatment;
- b. primary presenting problems resulting from drug or alcohol abuse or who require drug or alcohol detoxification;
- c. serious or life-threatening medical problems, communicable diseases or any health problem requiring more than an outpatient level of medical care;
- d. persistent fire-setters and assaulters in the hospital setting who clearly exhibit characterological components to their behavior (i.e. willful intent to do serious harm, or who do not show remorse);
- e. severely regressed or primitive individuals who

have shown no potential for any change or improvement despite years of treatment;

- f. clients dangerous to others with active Tarasoff warnings who are in close proximity to the identified victim; and
 - g. persons with primary diagnosis of eating disorders.
6. Hours of operation are twenty-four (24) hours per day, seven (7) days a week.
 7. Intake hours are Monday through Friday, 8:30am-5:00pm.
 8. Certification/Licensure

| <u>Type of Facility</u> | <u>State License Number</u> | <u>State Agency</u> |
|-------------------------|-----------------------------|---------------------|
| MHRC | 2-080-019 | DMH |

9. Service Delivery Site

Gladman Mental Health Rehabilitation Facility
2633 East 27th Street
Oakland, CA 94601

D. Garfield Neuro-Behavioral Center

1. Program Description

Contractor will operate a skilled nursing facility at Garfield Neuro-Behavioral Center that will provide safe medical care and ongoing treatment of adults predominantly between the ages of eighteen (18) and fifty-five (55).

Garfield Neuro-Behavioral Center shall provide services to promote client quality of life and maximize client potential in four (4) key areas: 1) basic support and safety; 2) health (e.g., medical); 3) symptom stabilization (e.g., depression or anxiety) and behavior control; and 4) quality of life or enrichment.

Social services shall provide support throughout the admission and discharge process and shall work with family relationship dynamics. Family education and support groups are critical program elements, given the tremendous needs and degree of loss experienced by the

clients and their families. Professional staff will be available evenings and weekends to accommodate families who may need to travel greater distances.

2. Capacity

For the period July 1, 1998, through February 1, 2002, Garfield Neuro-Behavioral Center shall maintain an average daily census of up to seven (7) County residents and shall provide up to two thousand five hundred fifty-five (2,555) days of care for these residents (four (4) dedicated beds and three (3) fee-for-service beds). For the period February 1, 2002, through June 30, 2002, Garfield shall maintain an average daily census of one fee-for-service bed.

3. Target Population

The population to be served by this program shall be those individuals who are characterized by the disruptive behavioral sequelae of cerebral organic disorders beyond the point of maximal recovery and medical rehabilitation. Such persons are eligible for reimbursement for services (partially) through non-mental health resources.

4. Admission Criteria/Limitations of Service

- a. Individuals must have an involuntary legal status.
- b. Individuals must have a primary diagnosis of dementia, amnestic and other cognitive disorders, and mental disorders due to a general medical condition. (The latter disorders had previously been known as "organic" disorders, but this term has been eliminated in the DMS IV.) Classifications include 290.xx, 293.xx, 294.xx, and 780.xx.
- c. Individual behavioral characteristics must be of the nature which can be managed at a skilled nursing facility level of functioning, e.g., free of seriously and persistently aggressive or violent behavior.
- d. Individuals must not pose an imminent threat to themselves or others due to severe disinhibition or aggressive behavior.
- e. Individuals must be able to benefit from this level and intensity of intervention.

- f. AXIS III complications must be of the nature which can be medically managed at a skilled nursing level of care, i.e., individuals with severe or acute impairments will be screened by Garfield's assessment team for appropriateness for the Center.
- g. Individuals may have a co-existing substance abuse or dependence disorder or psychiatric disorder, but neither can be primary or the primary focus of treatment.
- h. Individuals whose complex medical needs are beyond the resources of the facility at any given period (e.g., individuals on ventilators or receiving intravenous fluids) as assessed by Garfield Neuro-Behavioral Center staff are beyond the scope or resources of the facility.
- i. Individuals in extreme debilitated states, e.g., severe contracture, shall not be admitted.

5. Hours of operation are twenty-four (24) hours, seven (7) days a week.

6. Certification/Licensure

| <u>Type of Facility</u> | <u>State License Number</u> | <u>State Agency</u> |
|--------------------------|-----------------------------|---------------------|
| Skilled Nursing Facility | LTC-900 70F | DHS |

7. Service Delivery Site:

Garfield Neuro-Behavioral Center
 1451 28th Avenue
 Oakland, CA 94601

E. Goals And Objectives: Psychiatric Treatment Services

1. Goals

- a. To modify residents' dysfunctional maladaptive behavioral patterns and develop daily living skills which enable them to live in a less restrictive, more independent setting.

- b. To minimize inappropriate or unnecessary state and local acute hospitalization to the extent clinically appropriate by providing quality twenty-four (24) hour sub-acute care.
2. Objectives: The following objectives shall be achieved by Contractor during the contract year.
- a. Cordilleras Mental Health Center
 - 1) MHRC
 - a) Maintain an average daily census of seventy-three (73) MHRC level of care beds, for the period July 1, 1998 through June 30, 2000. Maintain an average daily census of sixty (60) for the period July 1, 2000 through June 30, 2003.
 - b) Ninety-five percent (95%) of the San Mateo County Mental Health referrals who meet target population requirements and criteria under Section II.B.3. will be admitted. Denials will be reviewed by the Cordilleras Utilization Review Committee within three (3) working days. Five (5) residents may be denied solely at the discretion of the Cordilleras representative. These denials will not be counted against the ninety-five percent (95%) admission criterion.
 - c) At least thirty percent (30%) of all residents whose stay exceeds one (1) year on July 1 will be discharged to a lower level of care in the community. Discharges to acute care and return will be considered a continuous admission.
 - d) No more than thirty-five percent (35%) of all unduplicated discharges of San Mateo County residents will be discharged to equal or higher levels of care. Equal and higher

levels of care include Napa State Hospital, Gladman, Garfield, Crestwood, Crystal Springs Rehabilitation Center, and acute care.

- e) Cordilleras Social Work staff will track all community placements of discharged residents at three (3) months, six (6) months, one (1) year. A report (including the residents' names and actual placements) will be presented at the monthly utilization review meeting. Of those discharged to board and care homes, supported living, family or independent living, sixty-five percent (65%) will remain in that placement or a comparable placement for three (3) months.
- f) At least eighty percent (80%) of clients will be satisfied with the program. The satisfaction survey will be administered on a voluntary basis at discharge.

2) Dual Diagnosis Program (MHRC)

- a) Maintain an average daily census of twenty-four (24) dual diagnosis beds.
- b) No more than twenty-five percent (25%) of clients will be discharged to equal or higher levels of care as described in 1d above.
- c) At least eighty percent (80%) of the clients in the Dual Diagnosis Program will be satisfied with the program. The satisfaction survey will be administered on a voluntary basis at discharge.
- d) At least thirty percent (30%) of all residents whose stay exceeds one (1) year on July 1 will be discharged to a lower level of care in the community. Discharges to acute care and return

will be considered a continuous admission.

- e) Cordilleras Social Work staff will track all community placements of discharged residents at three (3) months, six (6) months, and one (1) year. A report including the residents' names and actual placements will be presented at the monthly utilization review meeting. Of those discharged to board and care homes, supported living, family or independent living, sixty-five percent (65%) will remain in that placement for three (3) months.
- 3) Residential Care (Magnolia and Edgewood Suites (1st Floor) and Willow Suites (2nd Floor).
- a) Maintain an average daily census of twenty nine beds (29) in Edgewood and Magnolia Suites and twenty (20) beds in Willows Suites for a total of forty-nine (49) residential level of care beds.
 - b) No more than thirty-five (35%) of all discharges will be to an equal or higher level of care as described in 1d above including Cordilleras locked units.
 - c) Cordilleras Social Work staff will track all community placements of discharged residents at three (3) months, six (6) months, and one (1) year. A report including the residents' names and actual placements will be presented at the monthly utilization review meeting. Of those discharged to board and care homes, supported living, family or independent living, sixty-five percent (65%) will remain in the placement or a comparable placement for three (3) months.

- d) At least eighty percent (80%) of clients will be satisfied with the program. The satisfaction survey will be administered on a voluntary basis at discharge.
- b. Gladman Mental Health Rehabilitation Facility
 - 1) Ninety-five percent (95%) of all discharges in lower levels of care (e.g., sub-acute, other long-term care such as Cordilleras, independent living, home, supported independent living, B & C, etc.).
 - 2) No more than ten percent (10%) of all admissions shall be referred to the state hospital.
 - c. Garfield Neuro-Behavioral Center
 - 1) After admission to Garfield, no more than ten percent (10%) of clients will be returned to Napa State Hospital.

SCHEDULE B

TELECARE CORPORATION: 1998-2003

I. PAYMENTS - TUBERCULOSIS TREATMENT SERVICES: CORDILLERAS MENTAL HEALTH CENTER

A. Invoicing Procedures for Tuberculosis Patients for FY 98-99 and FY 99-00

Contractor will directly invoice Sending County. County shall only be responsible for County patients. The invoice will be divided into two categories: a day rate per patient and other services to be billed on a fee-for-service basis. Fee-for-service services include, but are not limited to: Pharmacy, diagnostic imaging, physician services (see Exhibit E), laboratory, transportation, hospital, and psychiatric hospitalization charges. Physician services shall be provided by both medical and psychiatric specialists. Services provided to patients with Medi-Cal will be billed by County. Services provided to patients who are indigent or have other insurance, including Medicare and private insurance will be billed to Sending County.

The day rate per patient shall be paid on a negotiated rate basis, according to the following schedule:

| <u>Contract Period</u> | <u>Rate Per Day</u> |
|------------------------------|---------------------|
| July 1, 1998 - June 30, 1999 | \$155.00 |
| July 1, 1999 - June 30, 2000 | \$159.25 |

- B. For FY 2000-01, Contractor shall be reimbursed on a negotiated net amount basis for ONE (1) bed. Contractor shall invoice the San Mateo County Division of Public Health and be paid on a quarterly basis.
- C. The Sending County shall be responsible for timely payment of said invoice and shall be responsible for all applicable late fees and charges.

In the event the renewal option is exercised:

| <u>Contract Period</u> | <u>Negotiated Net Amount</u> |
|------------------------------|------------------------------|
| July 1, 2001 - June 30, 2002 | \$66,430 |
| July 1, 2002 - June 30, 2003 | \$66,430 |

2. Schedule B, Section II, Payments-Psychiatric Services (Cordilleras, Gladman, Garfield), of the Original Agreement is hereby amended to read as follows:

“II. PAYMENTS-PSYCHIATRIC SERVICES (Cordilleras, Gladman, Garfield)

In full consideration of the psychiatric treatment services provided by Contractor pursuant to this Agreement, and in accordance with the provisions for a negotiated net amount and net rate agreement as described in DMH Letter Number 84-10, it is hereby agreed by the parties hereto as follows: County shall pay Contractor in the manner described below, except that any and all such payments shall be subject to the conditions contained in this Agreement.

A. Total Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor, in the event the renewal option is exercised, more than the sum of THIRTY-THREE MILLION ELEVEN THOUSAND EIGHT HUNDRED SIXTY-NINE DOLLARS (\$33,011,869) for services provided under this Agreement for the period of July 1, 1998 through June 30, 2003, an amount which includes payment, described more fully below, for the following components:

1. Cordilleras Mental Health Center

a. Maximum Obligation

- 1) Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor, in the event the renewal option is exercised, more than the sum of TWENTY-FIVE MILLION TWO HUNDRED FIFTY-NINE THOUSAND SIXTEEN DOLLARS (\$25,259,016) for services provided under this Agreement for the period of July 1, 1998 through June 30, 2003.

County shall be obligated to pay a negotiated net amount for services described in Schedule A, Section II, according to the following schedule:

| Contract Period | MHRC Services | Residential Care | ACT Program | Cordilleras Total |
|-----------------|---------------|------------------|-------------|-------------------|
| 98 - 99 | \$4,133,172 | \$393,094 | \$0 | \$4,526,266 |
| 99 - 00 | \$4,595,442 | \$417,026 | \$0 | \$5,012,468 |
| 00 - 01 | \$4,045,599 | \$441,289 | \$416,237 | \$4,903,125 |
| 01 - 02 | \$4,283,885 | \$467,281 | \$440,753 | \$5,191,919 |
| 02 - 03 | \$3,876,589 | \$889,824 | \$711,928 | \$5,478,341 |
| | | | TOTAL | \$25,259,016 |

- 2) County shall be obligated to pay a net amount for Medical Director services described in Schedule A, Section II, according to the following schedule:

| Contract Period | Rate per hr | Average Number of hrs | Maximum Amount |
|-----------------|-------------|-----------------------|----------------|
| 3/01/02-6/30/02 | \$100 | 10 | \$17,000 |
| 7/01/02-6/30/03 | \$100 | 10 | \$50,000 |
| | | TOTAL | \$67,000 |

- 3) The rate for FY 2002-03 is FIVE MILLION FIVE HUNDRED TWENTY-EIGHT THREE HUNDRED FORTY-ONE DOLLARS (\$5,528,341). The maximum, but

not guaranteed, compensation for the agreement term shall not exceed the sum of TWENTY-FIVE MILLION TWO HUNDRED FIFTY-NINE THOUSAND SIXTTEN DOLLARS (\$25,259,016).

- 4) Subject to the maximum amount stated above and the terms and conditions of this Agreement, the Gross Operating Income shall not exceed ONE MILLION SEVEN HUNDRED FOURTEEN THOUSAND EIGHT HUNDRED EIGHTY DOLLARS (\$1,714,880) without the express written consent of the Director of Health Services. The specific limits for each year are as follows:

| <u>Contract Period</u> | <u>Gross Operating Income Limit</u> |
|------------------------|-------------------------------------|
| 7/1/98 – 6/30/99 | \$324,689 |
| 7/1/99 – 6/30/00 | \$333,585 |
| 7/1/00 – 6/30/01 | \$342,726 |
| 7/1/01 – 6/30/02 | \$352,116 |
| 7/1/02 - 6/30/03 | \$361,764 |
| TOTAL | \$1,714,880 |

- 5) Payment for residential treatment services provided at Cordilleras is based on net costs. Contractor may bill and retain any Supplemental Security Income (SSI) or State Supplemental Payment (SSP) income payable by clients for room and board costs.
- b. Unless otherwise authorized by the Director of Health Services or her designee, the rate of payment by County to Contractor shall be one-twelfth (1/12) of the total obligation per month for the term of this Agreement. Budget modifications may be approved by the Director of Health Services or her designee, subject to the maximum obligation set forth in Section 2.A. of the contract and the Gross Operating Income Limitations.
- c. Payment by County to Contractor shall be monthly. Contractor shall bill County on or before the tenth (10th) working day of each month for the current

month. All claims shall clearly reflect and in reasonable detail give information regarding the services for which claim is made.

- d. In the event that funds provided under this Agreement are expended prior to the end of the contract period, Contractor shall provide ongoing services under the terms of this Agreement through the end of the contract period without further payment from County.
- e. If the annual Cost Report provided to County reveals that total payments to contractor exceed the total allowable costs for all of the services rendered by Contractor to eligible residents during the reporting period, a single payment in the account of the contract savings shall be made to County by Contractor, unless otherwise authorized by the Director of Health Services or her designee. By mutual agreement of County and Contractor, contract savings or "rollover" may be retained by Contractor and expended the following year, provided that these funds are expended for mental health services approved by County.

2. Gladman Mental Health Rehabilitation Facility

a. Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor, in the event the renewal option is exercised, more than the sum of THREE MILLION FIVE HUNDRED THIRTY-NINE ONE HUNDRED AND THIRTEEN DOLLARS (\$3,539,113) for services provided under this Agreement for the period of July 1, 1998 through June 30, 2003, an amount which includes payments, described more fully below, for the following components:

- 1) County shall be obligated to pay a negotiated net amount for psychiatric services at Gladman Psychiatric Health Facility as described in Schedule A, Section II, for a dedicated capacity of six (6) beds, for the period July 1, 1998 through April 30, 2000; and three (3) beds for the

period May 1, 2000 through June 30, 2003. Payments shall be according to the following schedule:

| <u>Contract Period</u> | <u>Negotiated Net Amount</u> |
|------------------------|------------------------------|
| 7/1/98 – 6/30/99 | \$488,370 |
| 7/1/99 – 6/30/00 | \$459,824 |
| 7/1/00 – 6/30/01 | \$257,752 |
| 7/1/01 – 6/30/02 | \$290,175 |
| 7/1/02 – 6/30/03 | \$304,684 |
| TOTAL | \$ 1,800,649 |

- 2) Contractor shall be paid on a fee-for-service rate basis for up to five (5) additional beds, according to the following schedule:

| <u>Contract Period</u> | <u>Rate Per Day</u> |
|------------------------|---------------------|
| 7/1/98 – 6/30/99 | \$223.00 |
| 7/1/99 – 6/30/00 | \$229.11 |
| 7/1/00 – 6/30/01 | \$235.39 |
| 7/1/01 – 6/30/02 | \$265.00 |
| 7/1/02 – 6/30/03 | \$278.25 |

- b. The rate for FY 2002-03 is THREE HUNDRED FOUR THOUSAND SIX HUUNDRED EIGHTY-FOUR DOLLARS (\$304,684). The maximum, but not guaranteed, compensation for the agreement term shall not exceed the sum of THREE MILLION FIVE HUNDRED THIRTY-NINE ONE HUNDRED AND THIRTEEN DOLLARS (\$3,539,113).
- c. Payment by County to Contractor shall be monthly. Contractor shall bill County on or before the tenth (10th) working day of each month for the prior month. This invoice shall include one-twelfth (1/12) of the total net amount and the negotiated rate billings for any additional patient days from the previous month. All claims must clearly reflect client name, number of patient days, and daily negotiated rate.

3. Garfield Neuro-Behavioral Center

a. Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor, in the event the renewal option is exercised, more than the sum of ONE MILLION THREE HUNDRED FORTY-ONE THOUSAND SEVEN HUNDRED EIGHTY-TWO DOLLARS (\$1,341,782) for services provided under this Agreement for the period of July 1, 1998 through June 30, 2002, an amount which includes payment for the following components:

- 1) County shall be obligated to pay a negotiated net amount for psychiatric services as described in Schedule A, Section II, for a dedicated capacity of four (4) beds according to the following schedule:

| <u>Contract Period</u> | <u>Negotiated Net Amount</u> |
|------------------------|------------------------------|
| 7/1/98 – 6/30/99 | \$187,610 |
| 7/1/99 – 6/30/00 | \$192,751 |
| 7/1/00 – 6/30/01 | \$198,032 |
| 7/1/01 – 2/1/02 | \$177,001 |

- 2) Contractor shall be paid on a fee-for-service basis for up to three (3) additional beds according to the following schedule:

| <u>Contract Period</u> | <u>Rate Per Day</u> |
|------------------------|---------------------|
| 7/1/98 – 6/30/99 | \$128.50 |
| 7/1/99 – 6/30/00 | \$132.02 |
| 7/1/00 – 6/30/01 | \$135.64 |
| 7/1/01 – 6/30/02 | \$176.34 |

- b. Rate increases for the final year of the agreement shall be in the sole discretion of the Health Director, or her designee. In no event shall the maximum, but not guaranteed, compensation for the agreement term exceed the sum ONE MILLION THREE HUNDRED FORTY-ONE THOUSAND SEVEN

HUNDRED EIGHTY-TWO DOLLARS
(\$1,341,782).

- c. Payment by County to Contractor shall be monthly. Contractor shall bill County on or before the tenth (10th) working day of each month for the prior month. This invoice shall include the total net amount and the negotiated rate billings for any additional patient days from the previous month. All claims must clearly reflect client name, number of patient days, and daily negotiated rate.

- B. In the event this Agreement is terminated prior to June 30, 2003, Contractor shall be paid on a prorated basis for only that portion of the contract term during which Contractor provided services pursuant to this Agreement. Such billing shall be subject to the approval of the Director.

- C. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the expiration date of each contract year for the term of this Agreement. This report shall be in accordance with the principles and format outlined in the Cost Reporting/Data Collection (CR/DC) Manual. Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report shall be submitted to County along with the Cost Report.

- D. In the event Contractor claims or receives payment from County for a service, reimbursement for which is later disallowed by County or the State of California or the United States Government, then Contractor shall promptly refund the disallowed amount to County upon request, or, at its option, County may offset the amount disallowed from any payment due or become due to Contractor under this Agreement or any other agreement.”

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that:

1. These amendments are hereby incorporated and made a part of the Original Agreement and subject to all provisions therein.
2. All provisions of the Original Agreement, including all references to audit and fiscal management requirements unless otherwise amended hereinabove, shall be binding on all the parties hereto.
3. All provisions of the Original Agreement, including all monitoring and evaluation requirements, shall be applicable to all amendments herein.

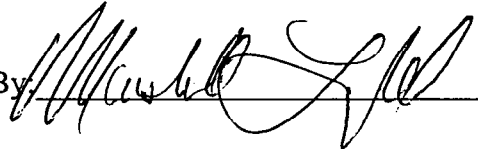
NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that the Agreement of January 11, 1999, be amended accordingly.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hand on the day and year first above written.

COUNTY OF SAN MATEO

TELECARE CORPORATION

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

By:  _____

Date: _____

Date: 12/12/02 _____

ATTEST:

By: _____
Clerk of Said Board

Date: _____

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Telecare Corporation
Contact Person: Richard Panell
Address: 110 Marina Village Parkway, Suite 100
Alameda, CA 94501
Phone Number: 510-337-7950 Fax Number: _____

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 12th day of Dec, 2002 at Alameda, CA.
(City) (State)

Marshall Langfeld
Signature

Marshall Langfeld
Name (Please Print)

VP/CFO
Title

94-1735271
Contractor Tax Identification Number

COUNTY OF SAN MATEO
HEALTH SERVICES ADMINISTRATION

MEMORANDUM

DATE: November 13, 2002

TO: Priscilla Morse, Risk Management/Insurance Division
FROM: Caryl Fairfull, Mental Health Services/PONY #MLH 322

CONTRACTOR: Telecare Corp.

DO THEY TRAVEL: No

PERCENT OF TRAVEL TIME:

NUMBER OF EMPLOYEES: No

DUTIES (SPECIFIC):

COVERAGE:

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

APPROVE  WAIVE _____ MODIFY _____

REMARKS/COMMENTS:


SIGNATURE

MARSH USA INC.

CERTIFICATE OF INSURANCE

CERTIFICATE
SEA-0003940

PRODUCER

MARSH RISK & INSURANCE SERVICES
THREE EMBARCADERO CENTER
PO BOX 193880
(415) 743-8000
CALIFORNIA LICENSE NO. 0437153
SAN FRANCISCO, CA 94119-3880

072624-STAND-ALL-2001 GLAUP

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 LEXINGTON INSURANCE COMPANY
- COMPANY
B AMERICAN HOME ASSURANCE CO
- COMPANY
C
- COMPANY
D

INSURED

Telecare Corporation
1100 Marina Village Parkway,
Suite 100
Alameda, CA 94501

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. 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 | 0314744 | 07/01/02 | 07/01/03 | GENERAL AGGREGATE \$ 1,000,000 |
| | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY | | | | PRODUCTS - COMP/OP AGG \$ 1,000,000 |
| | <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR | | | | PERSONAL & ADV INJURY \$ 1,000,000 |
| | OWNER'S & CONTRACTOR'S PROT | | | | EACH OCCURRENCE \$ 1,000,000 |
| | | | | | FIRE DAMAGE (Any one fire) \$ |
| | | | | | MED EXP (Any one person) \$ |
| B | AUTOMOBILE LIABILITY | CA-945-96-96 | 07/01/02 | 07/01/03 | COMBINED SINGLE LIMIT \$ 1,000,000 |
| | <input checked="" type="checkbox"/> ANY AUTO | | | | BODILY INJURY (Per person) \$ |
| | <input type="checkbox"/> ALL OWNED AUTOS | | | | BODILY INJURY (Per accident) \$ |
| | <input type="checkbox"/> SCHEDULED AUTOS | | | | PROPERTY DAMAGE \$ |
| | <input type="checkbox"/> HIRED AUTOS | | | | |
| | <input type="checkbox"/> NON-OWNED 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 | | | | \$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY | | | | WC STATUTORY LIMITS OTH-ER |
| | THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL | | | | EL EACH ACCIDENT \$ |
| | OTHER | | | | EL DISEASE-POLICY LIMIT \$ |
| A | PROFESSIONAL LIAB. | 0314744 | 07/01/02 | 07/01/03 | \$1,000,000/\$3,000,000 |

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

CERTIFICATE HOLDER

SAN MATEO COUNTY MENTAL HEALTH DIVISION
225 WEST 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 THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES.

MARSH USA INC.

BY: Ellen Redell Brown



MM1(9/99)

VALID AS OF: 06/28/02

MARSH USA INC.

CERTIFICATE OF SURANCE

CERTIFICATE
SEA-0002355

PRODUCER
MARSH RISK & INSURANCE SERVICES
THREE EMBARCADERO CENTER
PO BOX 193880
SAN FRANCISCO, CA 94119-3880
CALIFORNA LICENSE NO. 0437153

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COMPANIES AFFORDING COVERAGE

- COMPANY
A ZENITH INSURANCE CO
- COMPANY
B
- COMPANY
C
- COMPANY
D

072624-WC-AOS-2001 WC

INSURED
Telecare Corporation
1100 Marina Village Parkway,
Suite 100
Alameda, CA 94501

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. 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 | | | | | | | | | | | | | | | | |
|--------|--|---------------|----------------------------------|-----------------------------------|---|---|---------------------|-------|--|--|------------------|--|------|--|-------------------------|--|------|--|--------------------------|--|------|
| | GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT | | | | GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ PERSONAL & ADV INJURY \$ EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ | | | | | | | | | | | | | | | | |
| | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | | COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ | | | | | | | | | | | | | | | | |
| | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EACH ACCIDENT \$ AGGREGATE \$ | | | | | | | | | | | | | | | | |
| | EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM | | | | EACH OCCURRENCE \$ AGGREGATE \$ | | | | | | | | | | | | | | | | |
| A | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL | Z041241107 | 01/01/02 | 01/01/03 | <table border="1"> <tr> <td>X</td> <td>WC STATUTORY LIMITS</td> <td>OTHER</td> <td></td> </tr> <tr> <td></td> <td>EL EACH ACCIDENT</td> <td></td> <td>\$ 1</td> </tr> <tr> <td></td> <td>EL DISEASE-POLICY LIMIT</td> <td></td> <td>\$ 1</td> </tr> <tr> <td></td> <td>EL DISEASE-EACH EMPLOYEE</td> <td></td> <td>\$ 1</td> </tr> </table> | X | WC STATUTORY LIMITS | OTHER | | | EL EACH ACCIDENT | | \$ 1 | | EL DISEASE-POLICY LIMIT | | \$ 1 | | EL DISEASE-EACH EMPLOYEE | | \$ 1 |
| X | WC STATUTORY LIMITS | OTHER | | | | | | | | | | | | | | | | | | | |
| | EL EACH ACCIDENT | | \$ 1 | | | | | | | | | | | | | | | | | | |
| | EL DISEASE-POLICY LIMIT | | \$ 1 | | | | | | | | | | | | | | | | | | |
| | EL DISEASE-EACH EMPLOYEE | | \$ 1 | | | | | | | | | | | | | | | | | | |
| | OTHER | | | | | | | | | | | | | | | | | | | | |

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

CERTIFICATE HOLDER

COUNTY OF SAN MATEO
MENTAL HEALTH DIVISION
225 West 37th Avenue
San Mateo, CA 94403

CANCELLATION

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MARSH USA INC.

BY: Ellen Redell Brown



MM1(9/99)

VALID AS OF: 12/27/01