

**SECOND AMENDMENT TO AGREEMENT BETWEEN THE COUNTY OF SAN  
MATEO AND TELECARE CORPORATION**

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

W I T N E S S E T H:

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;

WHEREAS, the parties entered into an Agreement for professional services on May 4, 2006, and

WHEREAS, the parties entered an Amendment to the Agreement on June 20, 2006, to extend the term through June 30, 2008 and increase the maximum amount by \$4,138,459 to a new maximum of \$4,238,459 (hereinafter referred to as the "First Amendment"); and

WHEREAS, the parties wish to execute a Second Amendment to the Agreement to increase the agreement maximum by \$3,246,228 for (1) operating Full Service Partnership (FSP) services an additional fiscal year and (2) to add both Outreach & Support Services and a Housing Support Program during the period beginning January 1, 2008 through June 30, 2009, to a new maximum of \$7,484,687:

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

1. Paragraph **3. Payments** is hereby deleted and replace with the following:  
In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed SEVEN MILLION FOUR HUNDRED EIGHTY-FOUR THOUSAND SIX HUNDRED EIGHTY-SEVEN DOLLARS (\$7,484,687).
2. The Amended Exhibit A is hereby deleted and replaced with the Exhibit A attached hereto.
3. The Amended Exhibit B is hereby deleted and replaced with the Exhibit B attached hereto.
4. The Amended Exhibit C is hereby deleted and replaced with the Exhibit C attached hereto.

5. All other terms and conditions of the amended Agreement dated June 21, 2006, between the County and Contractor shall remain in full force and effect.

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

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
Rose Jacobs Gibson, President  
Board of Supervisors

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

Telecare Corporation

\_\_\_\_\_  
Contractor

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

TELECARE CORPORATION  
Full Service Partnership Services 2006-09  
Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

I. Description of Services to be Performed by Contractor

Contractor shall provide full service partnership ("Full Service Partnership" or "FSP") mental health service programs for the highest risk adults ("Adults") and highest risk older adults ("Older Adults" or "OA") / medically fragile adults ("Medically Fragile" or "MF") and Outreach & Support Services in San Mateo County for potential FSP enrollees and housing services for FSP enrollees and clients receiving outreach and support services. The purpose of these three programs is to assist consumer/members to enroll and once enrolled, to achieve independence, stability and wellness within the context of their cultures, communities. Contractor shall work with San Mateo County Behavioral Health & Recovery Services staff ("County") to implement these services in accordance with requirements of the California Behavioral Health & Recovery Services Act (MHSA) requirements.

II. Description of Full Service Partnership Services

Following is the description of the full scope of Full Service Partnership services.

A. Target Population

The program will be open to all severely mentally ill ("Severely Mentally Ill" or "SMI") Adults and Older Adults meeting the population criteria described below, however, it is specifically targeted to Asian/Pacific Islander, Latino and African American populations. The participants must be unserved or underserved.

1. The general criteria for the Adult FSP and the Older Adult/Medically Fragile are:

a. Adult

- 1) Severely Mentally Ill;
- 2) LOCUS level of 4 or higher (equals a composite score of 20 or higher);
- 3) Ages 18 to 59;
- 4) History of hospitalization, repeated use of emergency rooms, institutionalization, substance abuse, homelessness, not fully engaged in medication treatment, and/or having difficulties living independently; and
- 5) May be in locked facilities, including jail, or at risk of placement in a locked facility

b. Older Adult/Medically Fragile Adults

- 1) Severely Mentally Ill;



- 2) LOCUS level of 4 or higher;
- 3) Ages 60 and older but can be younger for medically fragile;
- 4) May have cognitive difficulties;
- 5) May have medical co-morbidities;
- 6) May be medically fragile;
- 7) May have repeated use of emergency rooms;
- 8) May have history of homelessness;
- 9) May have resided in long term care facilities for extended periods of time or be at risk of such placement; and
- 10) The program will serve as step-down care from acute care, locked placements and skilled nursing facilities ("SNF's")

## 2. Definitions:

### a. Unserved:

- 1) Adults and Older Adults who have previously been known (via PES, inpatient, outpatient, jail) but have not been open to our outpatient system for one calendar year prior to enrollment date
- 2) Adults and Older Adults completely new to our system.

### b. Underserved:

Adults and Older Adults currently engaged in services but at risk of institutional placement or continued institutional placement without intensive services

## 3. Number of Unserved and Underserved

### a. Unserved

- 1) Adults:
  - a) 3 SMI Adults enrolled by June 30, 2006
  - b) 23 more SMI Adults enrolled by October 2, 2006
- 2) Older Adults/Medically Fragile Adults
  - a) 5 SMI OA/MF enrolled by June 30, 2006
  - b) 20 more SMI OA/MF enrolled by October 2, 2006

### b. Underserved

- 1) Adults:
  - a) 15 SMI Adults enrolled by June 30, 2006
  - b) 19 more SMI Adults enrolled by October 2, 2006
- 2) Older Adults/Medically Fragile Adults
  - a) 10 SMI OA/MF enrolled by June 30, 2006
  - b) 15 more SMI OA/MF enrolled by October 2, 2006

## 4. Cultural Diversity:

The following is a breakdown of the cultural diversity membership expectations per MHSA:



- a. Adult FSP: 40 Consumers to mirror the cultural composition of the community: African American, Latino, Chinese, Filipino, and Pacific Islander.
- b. Older Adult/Medically Fragile: 32 Consumers to mirror the cultural composition of the community: African American, Latino, Chinese, Filipino, and Pacific Islander.

B. Selection/Enrollment

1. County staff will propose a list of clients for initial FSP review to include seventy (70) adult candidates and sixty (60) OA/MF candidates. From these lists the Adult FSP shall enroll sixty (60) members and the OA/MF FSP shall enroll fifty (50) members.
2. Upon County Authorizations to the FSP team, following the team assessment and planning process, the FSP team shall complete the full documentation necessary to open the client to the mental health system
3. Upon implementation of the FSP program, adults and older adults currently active but under-served in the MH system will be reviewed for potential transfer to the FSP program. For Adult services, in the first fiscal year twenty (20) slots will be reserved for transfers, and for subsequent years fifty (50) percent of slots will be available for transfers, in order to assure access for the unserved target populations that have been identified. For OA/MF services, in the first fiscal year fifteen (15) slots will be reserved for transfers and for subsequent years fifty (50) percent of slots will be available for transfers.
4. Disenrollment can occur when enrollee voluntarily moves from San Mateo County, when medical care requires licensed institutional care in excess of ninety (90) days; member requires locked placement (jail, locked mental health rehab facility, State hospital) for longer than ninety (90) days; member voluntary disenrollment must be in writing and will not be effective until thirty (30) days from submission, this disenrollment must be approved by County and member may withdraw request for enrollment at any time.

C. Program Values and Principles

1. Service Values

- a. Community-based services: From a consumer's point of view, community-based services are those that foster the greatest independence in the least restrictive, most accessible, familiar setting.
- b. From a provider point of view, community-based services are those which are offered to enrollees where they live, work, or recreate.

- c. Consumer directed services: Consumer participation is voluntary. This does not preclude intensive outreach to potential enrollees. The consumer's consent is also necessary to involve family or other supports.
- d. Services are to be recovery based and guided by an individualized plan developed between consumer and staff and signed off by the consumer.
- e. Consumer direction goes far beyond simply asking consumers what services they want. Staff can develop many ways of presenting opportunities to consumers so that they have more real choices. In short, client direction involves doing what ever is necessary for clients to assume management of their illness and their lives.
- f. Relationships are non-coercive to the extent possible.
- g. Consumers have an active role in making decisions about program operations through an advisory board or similar structure.
- h. Consumers are actively recruited for all staff positions so as to incorporate the consumer perspective throughout the agency.
- i. Consumers are provided self-help and peer support opportunities.

## 2. Service Model

Contractor shall provide whatever might be necessary to perform the following:

- a. Twenty-four hours per day, seven days per week availability of program staff services
  - 1) Contactor will provide medication support services.
  - 2) Contactor will provide continuity of care during inpatient episodes including visits with local hospitals and locked facilities that allow program staff to have regular contact with the member and with inpatient treatment staff while the consumer is hospitalized.
  - 3) Contactor will provide continuity of care during criminal justice contacts.
  - 4) Contactor will coordinate with member's primary care physician and assist member in following through on detailed care plans.
  - 5) Contactor will contact each member as often as clinically necessary, which might be daily.
- b. Outreach/engagement
  - 1) Contractor will design strategies to reach diverse populations as defined in the statement in paragraph III.A. "Target Population."
  - 2) Contractor will provide staff composed of individuals of diverse backgrounds with language capacity.

- c. Average service time per enrollee  
Contractor will provide an average 4.5 hours per week per member each week member will be seen no less than one face to face.
- d. Off-hour Crisis response system
  - 1) Contractor will provide face to face contact 24/7 as required by member need.
  - 2) Contractor will utilize respite beds in the Transitions VA site as an alternative to hospitalization when acute hospitalization is not indicated.
- e. Flexible Funds  
Contractor will ensure a system to access flexible funds easily allowing resources to be used to assist member in achieving rehabilitation goals and to maintain stability. Policies are to be developed to ensure accountability of funds. Where possible funds are to be treated as loans that will be repaid by members.
- f. Medication/Medication Support
  - 1) Contractor will provide necessary and required individualized medication services in a collaborative manner with members.
  - 2) Physician and licensed nursing staff will meet in vivo as indicated with members to ensure appropriate education and medications as aligned with culture and lifestyle.
  - 3) FSP teams work with individual members to arrange for delivery and prompts that supports members taking medications as prescribed.
- g. Consumer and Family Participation
  - 1) Contractor will establish a consumer council which will provide a formal mechanism for members to provide input into program management and direction.
  - 2) Contractor will employ at least 2 FTE consumers.
  - 3) Contractor will employ consumer consultants to participate in the provision of wellness and recovery action plans ("Wellness and Recovery Action Plans" or "WRAP") services.
  - 4) Contractor will establish a consumer operated "warm line".
  - 5) Contractor will establish a peer operated vocational support and mentoring program.
- h. Illness Management/Medical Treatment Support



- 1) Contractor will ensure member physical and dental health needs are identified. Contractor's staff will collaborate with primary care providers and assist consumers in both their communications with their primary care providers and in their follow-up on medical care, including medical treatment regimes, and lifestyle changes necessitated because of medical conditions. The role of the team nurse is to ensure the provision of education and monitoring of medications which will increase medication engagement and enable the consumer to maintain their community placement.
  - 2) Contractor will develop and maintain relationships with other health care providers to facilitate member being maintained in community.
- i. Housing and Housing Supports
- 1) Contractor will work collaboratively with the housing support provider ("HSP") to ensure members receive optimal housing resources.
  - 2) Contractor will provide continual support to members to ensure success in attaining and maintaining housing of their choice.
- j. Evidence Based and Promising Practice
- Contractor will provide clinical staff with training and skills in the following areas:
- 1) Wellness management and recovery
  - 2) Cognitive behavioral therapy
  - 3) Dialectical behavioral therapy
  - 4) Motivational Interviewing
  - 5) Life skills training
  - 6) Dual Diagnosis (MH/SA)
  - 7) Harm Reduction
- k. Benefits
- 1) Contractor will ensure all members are assisted in maximizing financial/health benefits.
  - 2) Contractor will make best efforts to ensure members develop independent banking and fiscal responsibilities.
  - 3) Contractor will provide representative payee services to all members who require such assistance.
- l. Vocational & Educational Services
- Contractor will provide services necessary to identify and attain employment and educational opportunities.
- m. Individualized Service Plans
- 1) Contractor will ensure that all plans are completed in collaboration with members and are consistent with members stated goals.
  - 2) Contractor will facilitate all members developing Wellness and Recovery Action Plans.

- n. Specific to Older Medically Fragile Adults
  - 1) Contractor will work with members to maximize social and daily living skills and assist in formalizing contacts with community events and agencies.
  - 2) Contractor will facilitate the use of in-home supportive services i.e., health aides and home care nursing agencies.
  - 3) Contractor will develop and maintain relationships with other health care providers specific to this population i.e., Ron Robinson Senior Health Center.

### 3. Recovery Based Elements

- a. Comprehensive, culturally competent assessment of each enrolled client's service needs and objectives, including, but not limited to, needs for mental health services, rehabilitation, housing, employment, education, social and recreational activities, and health care.
- b. Development and implementation of a plan of care ("Plan of Care") for each enrolled client, which incorporates the treatment goals and objectives in accordance with principles outlined in the Short-Doyle/Medi-Cal Manual and serves as the authorization document for all services.
- c. Client self-help and peer support services.
- d. A program for assisting enrollees to become involved in paid work and/or education. This includes vocational assessment, job development, supported employment, competitive employment, and other employment services.
- e. Money management, including serving as representative payee where appropriate, income maintenance services and assisting clients with budgeting.
- f. A program for assisting enrollees to develop social, recreational and relationship skills.
- g. Substance-abuse treatment will be integrated into the services provided by the team.
- h. Program services will be used to support clients in independent housing choices.
- i. Transportation as needed to implement client's Plan of Care
- j. Program services will include client education programs.

- k. Information, counseling and other appropriate individualized services will be provided for enrolled client's family members.
- l. Medication treatment as appropriate and medication management.
- m. Treatment of psychiatric conditions in appropriate settings, including but not limited to emergency care, acute inpatient services, long term care, residential treatment and residential care.
- n. Plan for linkage to and coordination with primary care services, with the intent of strengthening the client's ability to access healthcare services and ensuring follow up with detailed care plans.

#### 4. Culturally Competent Service Elements

- a. A culturally competent service provider or system acknowledges diversity and recognizes its value, is knowledgeable about cultural differences and can provide high quality services adapted to meet unique cultural needs.
- b. Outreach and engagement strategies are designed to reach diverse communities where the populations identified in Paragraph II. A., Target Population, can be identified and engaged in services.
- c. Successful teams engage and empower consumers with plans that are appropriate to their needs, maximize the benefits derived from use of culturally appropriate strategies and supports and thus reduce under-utilization of services that puts the consumers at-risk of placement in more restrictive settings, including incarceration. Focusing on consumer-generated goals that are culturally relevant empowers consumers to engage in services and maintain that engagement, extending the time the consumer can live in a community setting.
- d. Culturally competent services are sensitive to the client's cultural identity, available in the client's primary language and use the natural supports provided by the client's culture and community.
- e. Goal setting and planning processes are culturally sensitive and build on an individual's cultural community resources and context. Individual, culturally focused community supports are identified and integrated into planning. Service plans reflect and respect the healing traditions and healers of each individual enrollee.



- f. Culturally diverse and culturally informed staff incorporate culturally relevant strategies, including alternative therapies and the use of families and extended families to provide natural supports for consumers. The use of these culturally relevant strategies also builds consumer commitment to treatment and their individual service plans.
- g. Services design will respect and engage each individual's family, extended family and community contingent on his/her wishes.
- h. Team members are trained in culturally competent practices. Services are delivered by bilingual, culturally competent staff.

D. Projected Capacity and Length of Stay

- 1. There are 110 slots in this Full Service Partnership program. The slots are divided between two teams, 60 for Adults with SMI and 50 for older adults with SMI and Medically Fragile Adults with SMI.
- 2. The FSP program anticipates an average length of stay of 18 months.

E. Staffing

FSP Team staffing shall include the following:

Director	0.5 FTE
Medical Record Tech	1.0 FTE
Business Office Personnel	1.0 FTE
<u>Team A (Adult)</u>	
Clinical Director (LCSW, PhD, MFT, BSN)	1.0 FTE
Nurse Practitioner	0.5 FTE
LVN	1.0 FTE
Personal Service Coordinator II (paraprofessional)	3.0 FTE
Personal Service Coordinator I / Peer Counselor	1.0 FTE
<u>Team B (OA/MF)</u>	
Clinical Director (LCSW, PhD, MFT, BSN)	1.0 FTE
Nurse Practitioner	0.5 FTE
RN	1.0 FTE
Personal Service Coordinator II (paraprofessional)*	2.0 FTE
Personal Service Coordinator I / Peer Counselor	1.0 FTE
<b>Total FTE's</b>	<b>14.5 FTE</b>

Psychiatrist (Contracted)

0.6 FTE

\* Two (2) positions reserved for bilingual pay differential

F. Volume of Services:

Contractor will provide the minimum volumes of services per contract period as established below. The services to be provided are defined in the San Mateo Counties Documentation Manual. The minimum number of eligible units are as follows:

	Minimum Number of Eligible Units
1. <u>Adult Program</u>	
a. July 1, 2006 – June 30, 2007 Minutes of service	360,000
b. July 1, 2007 – June 30, 2008 Minutes of service	360,000
c. July 1, 2008 – June 30, 2009 Minutes of service	<u>360,000</u>
Total Adult Program	<u>1,080,000</u>
2. <u>OA/MF Program</u>	
a. July 1, 2006 – June 30, 2007 Minutes of Service	300,000
b. July 1, 2007 – June 30, 2008 Minutes of Service	300,000
c. July 1, 2008 – June 30, 2009 Minutes of Service	<u>300,000</u>
Total OA/MF Program	<u>900,000</u>

III. Outreach and Support Services

Following is the description of the full scope of Outreach and Support Services

A. Target Population

The program will serve the seriously mentally ill target populations and subgroups within the target populations residing in the County. The target populations include the difficult to reach; the unserved; the underserved; and the isolated. Modeled on the Full Service partnership, the program will offer consumers a full range of community-based services and supports including:

- Psychiatric care
- Medication management
- Housing Support

- Vocational training
- Socialization
- Dual diagnosis treatment
- Life skills training
- Crisis support

Services will be offered seven days a week, 365 days a year, and the vast majority are deliver *in vivo*, whether at a consumer's home, job or other community setting of the consumer's choice

The populations targeted for this program can be further divided into three major subgroups. While these subgroups encompass the majority of the target group characteristics, the Contractor may also provide services to other mentally ill consumers who fall outside of these categories.

#### 1. Unattached Homeless in Downtown Urban Areas

These individuals are well known to local merchants, police, and civic authorities and are resistant to securing help from organized mental health programs. They are most likely unbenefited, have a dual diagnosis, are suspicious of organized mental health services, and present an ongoing challenge to civic authorities, businesses, and providers. They are often considered "nuisances" due to behaviors of public intoxication, pan handling, and/or engaging in minor criminal activity such as shoplifting, or minor assaults. The urban areas in which these individuals can be found include Redwood city, San Mateo, Burlingame, and Half Moon Bay, as well as other densely populated portions of San Mateo County.

#### 2. Underserved Isolated Individuals

These individuals are extremely withdrawn and may be living with family or significant others in a highly isolated situation. Due to this withdrawal and isolation, they often fail to deal with their illness in a productive way and have become what the significant others consider to be underachieving. They are usually highly resistant to having any consistent contact with the mental health community, or with any social situation.



### 3. Underserved/Unserved/Unattached Individuals

These individuals have a serious mental illness, and either “pop-up” at irregular intervals at mental health service entry points, and then disappear failing to follow through with scheduled aftercare services, or are institutionalized and have “faded into the background” by either resisting participation or only marginally participating in programming. They most likely do not have a family actively interested in their welfare, or have no family or significant other.

#### B. Services

The Contractor will target its interventions and outcomes to the specific needs of each major subgroup, as described below.

##### 1. Unattached Homeless in Downtown Urban Areas

The interventions targeted for this group are designed to meet the needs of the consumers and to assist community business and service providers. These interventions include, but are not limited to, securing safe housing, psychiatric assessment and medication support, emergency funds for food, medical care or temporary housing, referral to needed services such as social/recreational services, dual diagnosis services, and vocational assessment and training.

Assistance to merchants, police and significant others may include emergency intervention, identification of appropriate resources, using engagement and relationship skills to “influence” the individual to terminate disruptive behaviors, proving support through consistent contacts, etc.

Services can be provided in conjunction with the Homeless Outreach Team (“HOT”) or other multi-disciplinary agencies or Outreach and Support teams.

##### Targeted Outcomes:

- Develop a mutually (between individual and outreach worker) agreed upon support or service plan
- Decrease disruptive public behaviors
- Acquire safe housing
- Decrease incarceration days
- Provide symptom relief
- Provide a predetermined number of hours of dual diagnosis training
- Increase contact hours (for both community and patient related activities)
- Positive member satisfaction

## 2. Underserved Isolated Individuals

The underserved isolated individuals need to establish safe low demand relationships with individuals who can respect their lifestyle while providing them with the possibility of developing a more rewarding life. This may be accomplished through a series of brief, non-demanding contacts designed to engage the consumer, including providing small “gifts” (desired objects or activities such as books, hobby materials, CD’s, trips to get coffee, movie outings etc.) having conversations etc. As relationships become more comfortable, the consumer may wish to develop a goal or service plan, and eventually feel comfortable (and capable) enough to utilize existing community resources. Services will also be provided to families and staff will participate in National Alliance for Mentally Ill (“NAMI”) activities/support groups.

### Targeted Outcomes:

- Develop a mutually agreed upon service plan
- Provide a predetermined number of contract hours
- Increase hours spent socializing
- Positive family satisfaction
- Positive member satisfaction

## 3. Underserved/Unserved/Unattached Individuals

Underserved unattached consumers resist having meaningful relationships with other because of severe fear (paranoia) and withdrawal, or as a response to their mental illness. Targeted interventions will be similar to those in the underserved isolated group with no-or low-demand relationships, crisis intervention, and the development of meaningful relationships over time.

### Targeted Outcomes:

- Provide a predetermined number of contract hours
- Increase hours spent socializing
- Positive member satisfaction
- Link members to needed community based services

## C. Selection and Enrollment

1. Outreach and Support staff will actively engage with community partners, family members and County staff to identify potential participants.
2. County staff will review prospective participants and authorize membership into the Outreach and Support Services.

3. Disenrollment can occur when participants voluntarily move from San Mateo County; when medical care requires licensed institutional care in excess of ninety (90) days; member requires locked placement (jail, locked mental health rehab facility, State hospital) for longer than ninety (90) days; or member voluntarily disenrolls in writing and agrees that the request will not be effective until thirty (30) days from submission. This disenrollment must be approved by County and member may withdraw request for enrollment at any time.

D. Program Values and Principles

The Program Values and Principles for the Outreach and Support Services (i.e. Service Model, Recovery Based Elements, and Culturally Competent Service Elements, etc.) shall be the same as those outlined for the FSP mental health service program (Section II.C. of this Exhibit A.), except as specifically identified below.

1. Service Model – Replaces paragraph II.C.2 of Section II.C.

- a. Contractor shall provide “whatever is necessary” to provide the services detailed below. Program services and staff will be available twenty-four hours a day, seven days per week :

- 1) Contractor will use innovative strategies to engage with all hard to reach prospective clients within the County’s diverse population.
- 2) Purpose of engagement is to develop the relationships with prospective clients that will lead to enrollment in the FSP.
- 3) Engagement can include:
  - Meeting people on the street, in shelters or at their homes
  - Meeting people at all times, 24/7
  - Creating social visits for coffee or lunch
  - Giving people transportation to needed appointments
  - The giving of “gifts” that creates a sense that the persons can get what they “need” vs. what treatment providers want.
- 4) Engagement may take days, weeks or months and some potential enrollees may chose to remain in the Outreach and Support part of the program.

a. Outreach/engagement

Items C.2.i (Housing and Housing Supports), C.2.m (Individualized Service Plans) and C.2.n (Specific to Older Medically fragile Adults) are not applicable in the Outreach and Support Service Program



b. Average service time per enrollee

Contactor will provide an average 4.5 hours per week per member. Members will be seen in person no less than once per week with an average of two (2) contacts per week.

E. Projected Capacity and Length of Stay

1. There are 22 slots in the Outreach and Support Service program. The slots are divided equally between two teams, (1) adults with SMI and (2) older adults with SMI and Medically Fragile adults with SMI.
2. Staffing

The Outreach and Support Team staffing shall include the following:

Clinical Director	1.0 FTE
Personal Services Coordinator II *	2.0 FTE
PSC 1 Driver	1.0 FTE
<b>Total staff requirements</b>	<b>4.0 FTE</b>

\* One will be a family member.

IV. MHS Act Funded Housing Support Program

A. Description of Services

The contractor shall provide FSP and Outreach & Support enrollees with clean, safe, and affordable housing which is maintained in a good state of repair. Housing shall be located in areas that are readily accessible to required services such as transportation, shopping, recreation and places of worship. The contractor understands that there is a scarcity of such housing and securing housing at any level shall be done collaboratively with the needs of all of those being served by the mental health community in mind.

The contractor shall be responsible for providing up to 90 housing units of mixed types including augmented board and care, dormitory, congregate and supervised living, S.R.O, shelter and independent living. Each type of housing unit shall provide a specific set of community living experiences, shall be supervised at rates determined by the individual's needs, and shall be financially subsidized at predetermined rates appropriate to the individual's needs and abilities. The contractor is responsible for locating niche placements, negotiating rates, paying supplemental costs over and above the client's ability to pay, and ensuring that clients meet their financial obligations. The living experiences and housing goals could include the following:

1. Augmented Board and Care

- . This housing experience shall focus on developing a permanent living arrangement for the medically frail/elderly individual or an enrollee who needs on site supervision. The purpose of the supervision is to insure that the individual is provided with medication management, and to the degree needed, is provided with assistance in securing both medical as well as psychiatric management. The services could include reminding the individual of medical and psychiatric appointments, providing transportation or escort to appointments and general observation of the individual's condition to insure whenever possible interventions to treat problems that may arise occur as early as possible.

Augmented Board and Care services shall be above and beyond those of regular licensed board and care programs. The contractor shall be responsible to insure the Board and care provider has the necessary skills to provide these services and that they are maintained on a regular basis. These skills may be secured through attending appropriate classes offered in the community, by the Department of Mental Health or by the contractor.

2. Dormitory and Supervised Living.

- a. Dormitory Living.

The Dormitory is a congregate living facility located on the Menlo Park Veterans Hospital Campus on Willow Road, Palo Alto. This housing experience will focus on a more transitional living situation for individuals with little or no community living experience and/or a low level of community life skills. The contractor shall be responsible for providing a supervised living environment which focuses on the acquisition of skills, experience and supports. These skills shall include self care, maintaining personal hygiene, maintaining the immediate living environment, mobility skills, and managing the individual's personal safety.

The contractor shall be responsible to provide on site supervision 24/7. The staff providing on site supervision will make daily rounds of the premises to check on the condition of each room and insure that each room is free from safety hazards and is maintained in a clean condition. In addition, staff will know each individual's housing plan (a component of the individual's service plan) and will discuss the individual's progress on the plan with both the individual and the service team. Housing staff will also run weekly community meetings to discuss any housing issues with all of the residents. Staff will maintain a listing of social and recreational events in the area as well as provide ongoing social and recreational opportunities for the residents. When appropriate, housing staff will provide training or support in the areas of maintaining the individual's living unit, personal hygiene and clothing maintenance.

The contractor shall ensure the individual has a housing component to their personal service plan, and that progress in skill acquisition and the individual's living experience is reviewed and discussed with the individual on a regular basis no less than four times per year. It is expected that such reviews shall lead to a revision of the housing component of the individual's service plan. These reviews may take place in individual sessions or group sessions as is appropriate.

b. Supervised Living.

The supervised living program is located at the Industrial Hotel located on Cypress Avenue in South San Francisco as of January, 2008. Other sites may be used for supervised living. Those sites must meet the criteria as defined in IV.A.2.b. The supervised living program will offer the same services as the Dormitory Living program, even though it is located in a residential hotel. The program will sub-lease a contiguous block of single rooms with the hotel. Contractor requirements are the same as with the Dormitory Living Program.

3. S.R.O. (Single Room Occupancy).

Contractor shall provide a more permanent housing situation for those individuals who choose to live in more manageable living situations with modest supports. The contractor is responsible to insure that the rent is paid in a timely manner and that the living unit is maintained in a safe, clean and secure manner. The contractor shall make monthly room inspections or more often as is required to maintain the room in a clean and safe order.



#### 4. Shelter Services

Contractor shall provide temporary living situations while the individual and program staff are locating more appropriate housing. The contractor shall insure that only County approved shelter housing is used for this purpose. The contractor shall strive to limit the use of shelters to a minimum and whenever a shelter is use, the individual with the program staff either develop, or in process of utilizing a new housing plan as part of the overall service plan.

#### 5. Other Housing

There are a variety of housing resources available through San Mateo County Mental Health that may be both available and appropriate for the FSP members, and could include half-way houses, room and board, etc. This category of housing shall be considered a temporary or transitional placement while an individual develops additional community living skills. The contractor shall be the primary case manager and be responsible for finding permanent living for clients upon program completion. Contractor will provide consultation to program staff to ensure enrollee's success in the program, and to include in the individual's service plan, specific housing goals. The contractor shall also ensure that any individual placed in this type of housing follow any specific rules that may exist about living at that center, and that a component of the individual's service plan outline these housing goals.

#### 6. Alcohol and Drug Treatment Residential Programs

This housing experience shall be limited to those individuals who require a residential alcohol or drug treatment program. This category of housing should be considered temporary for the purpose of achieving a drug or alcohol treatment goal.

Contractor will work with AOD providers to subsidize (spin-off) after care permanent housing.

## 7. Independent Apartment or House Living

This housing experience shall focus on providing permanent safe and affordable housing where the individual has maximum control of their environment. The contractor shall insure the property is rented and maintained in good repair, and that rent and utility payments are made in a timely manner. The contractor shall inspect the independent units on a regular basis and insure when necessary, that all repairs are made as soon as possible. When living problems are identified, the contractor will insure the treating team is notified and that the team takes immediate action to address any concern. The mechanics of the identification, leasing, and ongoing maintenance of independent housing are described in Section IV.A.7.b.

### a. Property Management

- 1) Contractor property management assists clients in locating and acquiring safe, affordable housing. They help clients negotiate rental agreements, mediate landlord-tenant issues and establish and maintain utilities. Contractor also leases and subleases apartments to clients enabling them to establish a positive rental history.
- 2) Contractor property management staff shall collect and pay clients' rent. Staff shall work closely with the Housing Authority to acquire, manage and maintain all housing contracts. When appropriate, staff shall help clients acquire and maintain Section 8 Housing and Shelter + vouchers, ensure basic household maintenance, rental unit inspections and when necessary, pursue a legal eviction.
- 3) Contractor shall provide and maintain property liability insurance on all units.
- 4) Contractor property management staff shall work closely with contractor case managers and peer counselors to provide integrated support services with independent living skills training and access to community resources to enable clients to maintain and retain their housing.

b. Placement of Individuals into Housing Units

- 1) Contractor Property Manager and Case Management Supervisor shall review general applications which include rental history and housing problems or issues which have been identified in the past, history of violence, history of drug or alcohol abuse and a criminal justice report. While it is anticipated that this process will primarily serve as a basis for creating accommodations or supports, (e.g. identifying individuals who may only be successful if there is a third party payee), the following criteria shall cause denial of placement in housing. The criteria for denial shall include but not be limited to individuals who are registered sex offenders, individuals with a history of the manufacture or sale of methamphetamine, or people with significant histories of random violence with no information about a mitigating intervention or treatment.
- 2) Contractor shall hold personal meetings with the tenant (client) to complete the screening process. Contractor shall focus on assessing the likelihood that any tenant applicant will be able to meet the essential requirements of tenancy as expressed in the lease as follows:
  - a) To pay rent and any other charges in a timely manner.
  - b) To care for and avoid damaging the unit and common areas, use the facilities and equipment in a reasonable way, to not create health or safety hazards, and to report significant maintenance needs in a timely manner.
  - c) To respect the personal and property rights of others
  - d) To not engage in criminal activity that threatens the health and/or safety of other residents or staff
  - e) To comply with health and safety codes and necessary and reasonable rules and program guidelines.
- 3) Assessment for housing shall include a criminal justice background check, rental history and income verification. This will allow the rent to be set on a per person basis.
- 4) If problems, issues or concerns arise, the contractor property manager will meet with the FSP Administrator to determine if accommodations of some type are required.

c. Rental Procedures

The contractor will meet the following objectives relating to rent collection and general tenant relations:



- 1) Contractor will ensure that the Property Manager, or their designee, is available by phone 24/7 to manage any type of housing emergency.
- 2) Contractor staff will be available during regular business hours to assist tenants with a broad range of issues related to housing stability.
- 3) Contractor will establish a clear and consistent method for tenants to pay rent, including standard practices for providing notice to tenants regarding late payment.
- 4) When appropriate, Contractor will establish 3<sup>rd</sup> party rent payment mechanism for tenants.
- 5) Contractor will develop and administer a client satisfaction survey that assesses tenant satisfaction with housing and property management services.
- 6) Should it be necessary to begin the eviction process, Contractor will ensure that the Property Manager will proceed according to legal statute and requirements.

d. Eviction Prevention

Individuals who are deemed continuously disruptive will become the subject of a meeting to identify possible intervention to alleviate the problem. The participants in such meeting shall be the Property Manager, the Program Supervisor, the FSP Provider staff and when possible, the individual tenant. Efforts will be made to determine if the disruption is the result of symptoms of illness, or if the resident is under the influence of alcohol or drugs when the disruption occurs. Meeting participants will seek to determine if there is a cause that can be ameliorated, reduced or eliminated to avoid eviction and will develop a plan of action based on complete, accurate and factual documentation of the activity. In cases where the disruptive behavior is a coping mechanism for symptoms which are never completely eliminated, participants will seek to identify housing that reduces interaction with others, while maintaining the m=necessary supports to keep the individual successfully housed.

e. Unit Maintenance and Habitation

- 1) One hundred percent (100%) of the units will meet local building and health codes at the time of initial rent-up.

- 2) One hundred percent (100%) of the units will receive a thorough annual housing inspection including but not limited to inspections of smoke detectors, plumbing, gas, electricity and heating systems.
- 3) Any hazards or other unsafe or unhealthy conditions that are reported by tenant, landlord, or program personnel will be investigated by contractor within forty-eight (48) hours. Life/Safety issues (including, but not limited to heating, plumbing, and electrical systems) will be corrected within twenty-four (24) hours. Non-emergency repairs will be corrected within fifteen (15) working days.
- 4) One hundred percent (100%) of clients needing accessibility modifications will receive them prior to move-in.
- 5) After thirty (30) days of trying to resolve a unit habitability issue, if the suitable resolution has not occurred, Contractor will report such occurrence to Deputy Director for Adult and Older Adult Services.

#### V. Administrative Requirements (for all service components)

- A. Paragraph 12 of the Agreement and Paragraph I.Q.4. of Exhibit B notwithstanding, 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.

#### B. Administering Satisfaction Surveys

Contractor agrees to administer/utilize any and all survey instruments as directed by the County Behavioral Health & Recovery Services Division, including outcomes and satisfaction measurement instruments.

#### C. Cultural Competency

1. All program staff shall receive at least one (1) in-service training per year on some aspect of providing culturally and linguistically appropriate services. At least once per year and upon request, Contractor shall provide County with a schedule of in-service training(s) and a list of participants at each such training.



2. Contractor shall use good faith efforts to translate health-related materials in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall provide to County copies of Contractor's health-related materials in English and as translated.
  3. Contractor shall use good faith efforts to hire clinical staff members who can communicate with clients in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall submit to County the cultural composition and linguistic fluencies of Contractor's staff.
- D. Contractor shall submit a copy of any licensing report issued by a licensing agency to County Mental Health Services Adult Services Deputy Director within 10 business days of Contractor's receipt of any such licensing report.
  - E. Contractor shall provide all pertinent documentation required for federal Medi-Cal reimbursement. Documentation shall be completed in compliance with the Mental Health Services Documentation Manual, which is incorporated into this Agreement by reference herein.
  - F. Contractor shall maintain certification through San Mateo County to provide Short-Doyle Medi-Cal reimbursable services.
  - G. Contractor may not employ any persons deemed an Ineligible Person by the Office of the Inspector General in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who (1) is currently excluded, suspended, debarred or otherwise ineligible to participate in Federal health care programs, or (2) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment or ineligibility. Ineligibility may be verified by checking: [www.Exclusions.OIG.HHS.Gov](http://www.Exclusions.OIG.HHS.Gov).
  - H. Contractors providing state funded health services may not employ any persons deemed an Ineligible Person by the California Department of Health Services (CDHS) in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who has been (1) convicted of a crime involving fraud or abuse of the Medi-Cal program, or (2) suspended from the federal Medicare program for any reason. Ineligibility may be verified by checking:  
[http://files.medi-cal.ca.gov/pubsdoco/publications/bulletins/part1/part1bull\\_1.asp](http://files.medi-cal.ca.gov/pubsdoco/publications/bulletins/part1/part1bull_1.asp)
  - I. Advance Directives



Contractor will comply with County policies and procedures relating to advance directives.

J. Beneficiary Rights

Contractor will comply with County policies and procedures relating to beneficiary's rights and responsibilities.

K. Physician Incentive Plans

Contractor shall obtain approval from County prior to implementing a Physician Incentive Plan as described by Title 42, CFR, Section 438.6(h). The County will submit the Physician Incentive Plan to the State for approval. The State shall approve the Contractor's request for a Physician Incentive Plan only if the proposed Physician Plan complies with all applicable federal and state regulations.

L. Availability and Accessibility of Service

Contractor shall offer hours of operation that are no less than the hours of operation offered to commercial enrollees, if the Contractor also serves enrollees of a commercial plan, or that are comparable to the hours the Contractor makes available for Medi-Cal services that are not covered by the County or another Mental Health Plan, if the Contractor serves only Medi-Cal clients.

M. Compliance Plan and Code of Conduct

Contractor shall read and be knowledgeable of the compliance principles contained in the Mental Health Compliance Plan and Code of Conduct. In addition, Contractor shall assure that Contractor's workforce is aware of compliance mandates, and are informed of the existence and how to use the Compliance Improvement Hotline Telephone Number (650) 573-2695. The compliance Plan is accessible at [sanmateo.networkofcare.org/mh](http://sanmateo.networkofcare.org/mh) by following the link "Newsletters, Announcements, and Other Resources", then the link "Information for Providers".

N. Beneficiary Brochure and Provider Lists

Contractor agrees to provide Medi-Cal clients who are new to the Mental Health System with a brochure (an original of which shall be provided by County) when a client first receives a specialty mental health service from the Contractor. Such brochure shall contain a description of County services available; a description of the process for obtaining County services, including the County's state-wide toll-free telephone number; a list of the County's providers; a description of the County's beneficiary problem resolution process, including the complaint resolution and grievance processes; and a description of the beneficiary's right to request a fair hearing at any time before, during or within 90 days after the completion of the beneficiary problem resolution process.

## VI. GOALS AND OBJECTIVES / REPORTING

### A. Program

Goal One: Contractor shall implement wellness and recovery action plans (WRAP)

Objective One: 50% of FSP enrollees will have WRAP within 12 months of enrollment.

Data to be collected by Contractor.

Goal Two: Decrease incarceration of clients needing mental health services. (FSP)

Objective One: Enrolled program clients shall reduce total days of incarceration by 70% in comparison to total days for 12 months prior to enrollment.

Data to be collected by Contractor.

Goal Three: Decrease hospitalization of clients needing mental health services (FSP)

Objective One: Enrolled program clients shall reduce total days of hospitalization by 70% in comparison to total days for 12 months prior to enrollment.

Data to be collected by Contractor.

Goal Four: Clients shall be maintained in stable housing. (Housing)

Objective One: 60% of clients who live in supported housing will remain in stable housing at least one year.

Data to be collected by Contractor.

Objective Two: Ninety Percent (90%) of clients satisfied with property management services. (Housing).

Data to be collected by Contractor.

B. Reporting

Contractor shall comply with all State Department of Mental Health reporting requirements for Mental Health Services Act Full Service Partnerships including collections using State instruments, maintenance according to State guidelines, and reporting using State processes. Data collected will include but are not to be limited to:

1. Client's Satisfaction
2. Medical/Psychiatric Hospitalization
3. Residential Status
4. Employment
5. Incarceration
6. Emergency Room Contacts
7. Financial Status
8. Legal Events



TELECARE CORPORATION  
Full Service Partnerships for Adults and Older Adults  
2006-2009  
Exhibit B

In consideration of the services provided by Contractor in Exhibit A, County shall pay Contractor based on the following fee schedule:

I. Payments

- A. Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of SEVEN MILLION FOUR HUNDRED EIGHT-FOUR THOUSAND SIX HUNDRED EIGHTY-SEVEN DOLLARS (\$7,484,687) for Full Service Partnership and Outreach Support Services and Housing Support Programs provided under this Agreement for the period of April 16, 2006, through June 30, 2009.
- B. In consideration of the services to be provided by Contractor, payment by County to Contractor shall be subject to the Cost Settlement process defined in Paragraph I.L. of this Exhibit B.

C. Payment for the period of April 16, 2006 – June 30, 2006

1. For the period April 16, 2006 through June 30, 2006 the maximum payment shall not exceed FIVE HUNDRED SIXTY-SEVEN THOUSAND EIGHT HUNDRED FIFTY-TWO DOLLARS (\$567,852). This amount shall include TWO HUNDRED TWELVE THOUSAND FIVE HUNDRED TWENTY-TWO DOLLARS (\$212,522) in one-time start-up and flexible fund costs. Contractor shall be reimbursed for actual costs for the provision of services as described in Exhibit A.

2. Start Up Costs

Start up costs shall include one-time expenditure funds allocated for the period of April 16, 2006 through June 30, 2006. These funds shall be utilized for the purchase of computers, furnishings, vehicles, payment for other transportation costs, and flexible funds.

3. Initial Agreement Payment

Contractor and County acknowledge that payment for services in the amount of ONE HUNDRED THOUSAND DOLLARS (\$100,000) has been provided by County to Contractor through the initial agreement. The amount of this initial payment is included in the Agreement maximum established in Paragraph I.A. of this Exhibit B and in the maximum payment amount for the period of April 16, 2006 through June 30, 2006 as established in Paragraph I.C.1. of this Exhibit B.

D. Payment for the period of July 1, 2006 – June 30, 2007 (FSP Programs)

1. In no event shall the total obligation of the County for payment for Contractor's actual costs (as determined through the cost report process, defined in Paragraph I.L. of this Exhibit B) exceed ONE MILLION EIGHT HUNDRED SIXTY-ONE THOUSAND FOUR HUNDRED FIFTY-SEVEN DOLLARS (\$1,861,457) ("Maximum Contract Amount" or "MCA") for this period of the agreement, including flexible funds as identified in Paragraph I.D.5. of this Exhibit B. The MCA is the sum of the MHSA funding allotted to this Agreement for this period, including payment for operating costs and flexible funds, of ONE MILLION THREE HUNDRED THIRTY-SEVEN THOUSAND EIGHT HUNDRED ONE DOLLARS (\$1,337,801) and the revenues expected to be generated by third-party billings for Contractor's services under this Agreement of FIVE HUNDRED TWENTY-THREE THOUSAND SIX HUNDRED FIFTY-SIX DOLLARS (\$523,656) ("Revenue Component"). Contractor and County acknowledge that it is difficult to estimate the revenues to be paid by third party payors, including Medicare, Short-Doyle/Medi-Cal and other third party payors, for the services to be provided under this Agreement for the period July 1, 2006 through June 30, 2007 ("Second Year"). As such, Contractor's initial estimate of revenues is \$50,852 less than the County's initial estimate of such revenues for the Second Year. Therefore, County and Contractor agree that the Revenue Component of the MCA for the Second Year may be reduced if the revenues actually collected for Contractor's services under this Agreement during the Second Year are less than the Revenue Component, but such reduction shall not exceed \$50,852. County shall notify Contractor of any MCA reduction no later than January 31, 2007, using the best Revenue Component estimate available at that time.
2. In the event that the revenues collected for Contractor's services for the Second Year are less than the Revenue Component and that difference is shown to have been generated by failure to bill and/or disallowances by third party payors based on Contractor's failure: 1) to use Medicare-eligible providers; 2) to provide documentation adequate to support Contractor's services per County Documentation Manual (incorporated by reference herein); 3) to provide services at a per unit cost that is equal to or below the State Maximum Allowance; and/or 4) to submit the billing information required by this Agreement to the County in a timely manner (collectively, "Third Party Disallowances"), the MCA may be reduced by the amount of that difference. In determining the amount of such reduction, the Third Party Disallowances shall be subtracted from the amount of gross revenues collected by County for Contractor's services under this Agreement.
3. Revenue Component reduction as described in I.D.2. of this Exhibit B shall not relieve Contractor of the obligation to provide the volume of services as described in Paragraph I.F. of Exhibit A.



4. Unless otherwise authorized by the Director of Health or her designee, and/or as adjusted subject to Paragraph I.D.2. of this Exhibit B, the monthly rate of payment by County to Contractor shall be one-twelfth (1/12) of the MCA. Payments will be made in the amount of ONE HUNDRED FIFTY-FIVE THOUSAND ONE HUNDRED TWENTY-ONE DOLLARS AND FORTY-TWO CENTS (\$155,121.42) per month for this period of the Agreement.

5. Flexible Funds

Included in the MCA is the amount of ONE HUNDRED FIVE THOUSAND DOLLARS (\$105,000) as flexible funds for the period of July 1, 2006 through June 30, 2007.

E. Payment for the period of July 1, 2007 – June 30, 2008

1. FSP Programs

- a. In no event shall the total obligation of the County for payment for Contractor's actual costs (as determined through the cost report process, defined in Paragraph I.M. of this Exhibit B) for FSP services as described in Section II. Of Exhibit A exceed ONE MILLION NINE HUNDRED NINETY-EIGHT THOUSAND ONE HUNDRED TWENTY-SEVEN DOLLARS (\$1,998,127) ("Maximum Contract Amount" or "MCA") for this period of the agreement. The MCA is the sum of the MHSA funding allotted to this Agreement for this period, including operating costs and flexible funds, of ONE MILLION FOUR HUNDRED FIFTY-EIGHT THOUSAND EIGHT HUNDRED FORTY-NINE DOLLARS (\$1,458,849) and the revenues expected to be generated by third-party billings for Contractor's services under this Agreement of FIVE HUNDRED THIRTY-NINE THOUSAND TWO HUNDRED SEVENTY-EIGHT DOLLARS (\$539,278) ("Revenue Component"). Contractor and County acknowledge that it is difficult to estimate the revenues to be paid by third party payors, including Medicare, Short-Doyle/Medi-Cal and other third party payors, for the services to be provided under this Agreement for the period July 1, 2007 through June 30, 2008 ("Third Year"). As such, Contractor's initial estimate of revenues is \$52,291 less than the County's initial estimate of such revenues for the Third Year. Therefore, County and Contractor agree that the Revenue Component of the MCA for the Third Year may be reduced if the revenues actually collected for Contractor's services under this Agreement during the Third Year are less than the Revenue Component, but such reduction shall not exceed \$52,291. County shall notify Contractor of any MCA reduction no later than January 31, 2008, using the best Revenue Component estimate available at that time.



- b. In the event that the revenues collected for Contractor's services for the Third Year are less than the Revenue Component and that difference is shown to have been generated by failure to bill and/or disallowances by third party payors based on Contractor's failure: 1) to use Medicare-eligible providers; 2) to provide documentation adequate to support Contractor's services per County Documentation Manual (incorporated by reference herein); or 3) to submit the billing information required by this Agreement to the County in a timely manner (collectively, "Third Party Disallowances"), the MCA may be reduced by the amount of that difference. In determining the amount of such reduction, the Third Party Disallowances shall be applied to the amount of gross revenues collected by County for Contractor's services under this Agreement.

- c. Revenue Component reduction as described in I.E.2. of this Exhibit B, shall not relieve Contractor of the obligation to provide the volume of services as described in Paragraph I.F. of Exhibit A.

- d. Outreach and Support

Total obligation of the County for payment for Contractor's expenses for Outreach and Support Services (which is part of the MHSA funding amount described in Paragraph I.E.1.a. of this Exhibit B) for the period beginning January 1, 2008 through June 30, 2008 will not exceed ONE HUNDRED EIGHTY-EIGHT THOUSAND NINE HUNDRED SEVENTY-SEVEN DOLLARS (\$188,977).

- e. Unless otherwise authorized by the Director of Health or her designee, and/or as adjusted subject to Paragraph I.E.2. of this Exhibit B, the monthly rate of payment by County to Contractor for the period July 1, 2007 through December 31, 2007 shall be in the amount of ONE HUNDRED FIFTY THOUSAND SEVEN HUNDRED SIXTY-TWO DOLLARS AND FIFTY-CENTS (\$150,762.50). For the period beginning January 1, 2008 through June 30, 2008, the monthly payment will be in the amount of ONE HUNDRED EIGHTY-TWO THOUSAND TWO HUNDRED FIFTY-EIGHT DOLLARS AND SIXTY-ONE CENTS (\$182,258.61).

## 2. Housing Support Program

The total Housing Support Program costs for the period beginning January 1, 2008 through June 30, 2008 is TWO HUNDRED NINETY THOUSAND FORTY-NINE DOLLARS (\$290,049). Program administration and related expenses for this period will be limited to a maximum of ONE HUNDRED FIFTY-SEVEN THOUSAND FOUR HUNDRED FORTY-NINE DOLLARS (\$157,449). For the period beginning January 1, 2008 through June 30, 2008, the monthly payment will be in the amount of TWENTY SIX THOUSAND TWO HUNDRED FORTY-ONE DOLLARS AND FIFTY CENTS (\$26,241.50). Housing costs for this period will be limited to a maximum of ONE HUNDRED THIRTY-TWO THOUSAND SIX HUNDRED DOLLARS (\$132,600). Payment for housing costs will be made for actual costs upon receipt of invoice from Contractor. Contractor shall be responsible for collecting tenant payments to cover portions of the program costs.

F. Payment for the period of July 1, 2008 – June 30, 2009

1. FSP Programs

- a. In no event shall the total obligation of the County for payment for Contractor's actual costs (as determined through the cost report process, defined in Paragraph I.M. of this Exhibit B) exceed TWO MILLION ONE HUNDRED EIGHTY-SEVEN THOUSAND ONE HUNDRED THREE DOLLARS (\$2,187,103) ("Maximum Contract Amount" or "MCA") for this period of the agreement. The MCA is the sum of the MHSA funding allotted to this Agreement for this period, including operating costs and flexible funds, of ONE MILLION SIX HUNDRED FORTY-SEVEN THOUSAND EIGHT HUNDRED TWENTY-FIVE DOLLARS (\$1,647,825) and the revenues expected to be generated by third-party billings for Contractor's services under this Agreement of FIVE HUNDRED THIRTY-NINE THOUSAND TWO HUNDRED SEVENTY-EIGHT DOLLARS (\$539,278) ("Revenue Component"). Contractor and County acknowledge that it is difficult to estimate the revenues to be paid by third party payors, including Medicare, Short-Doyle/Medi-Cal and other third party payors, for the services to be provided under this Agreement for the period July 1, 2008 through June 30, 2009 ("Fourth Year"). As such, Contractor's initial estimate of revenues is \$52,291 less than the County's initial estimate of such revenues for the Fourth Year. Therefore, County and Contractor agree that the Revenue Component of the MCA for the Fourth Year may be reduced if the revenues actually collected for Contractor's services under this Agreement during the Fourth Year are less than the Revenue Component, but such reduction shall not exceed \$52,291. County shall notify Contractor of any MCA reduction no later than January 31, 2009, using the best Revenue Component estimate available at that time.



- b. In the event that the revenues collected for Contractor's services for the Third Year are less than the Revenue Component and that difference is shown to have been generated by failure to bill and/or disallowances by third party payors based on Contractor's failure: 1) to use Medicare-eligible providers; 2) to provide documentation adequate to support Contractor's services per County Documentation Manual (incorporated by reference herein); or 3) to submit the billing information required by this Agreement to the County in a timely manner (collectively, "Third Party Disallowances"), the MCA may be reduced by the amount of that difference. In determining the amount of such reduction, the Third Party Disallowances shall be applied to the amount of gross revenues collected by County for Contractor's services under this Agreement.
- c. Revenue Component reduction as described in I.E.2. of this Exhibit B, shall not relieve Contractor of the obligation to provide the volume of services as described in Paragraph I.F. of Exhibit A.
- d. Outreach and Support

Total obligation of the County for payment for Contractor's expenses for Outreach and Support Services (which is part of the MHSA funding amount described in Paragraph I.F.1.a. of this Exhibit B) for the period beginning July 1, 2008 through June 30, 2009 will not exceed THREE HUNDRED SEVENTY-SEVEN THOUSAND NINE HUNDRED FIFTY-THREE DOLLARS (\$377,953).

- e. Unless otherwise authorized by the Director of Health or her designee, and/or as adjusted subject to Paragraph I.F.2. of this Exhibit B, the monthly rate of payment by County to Contractor for the period July 1, 2008 through June 30, 2009, the monthly payment will be in the amount of ONE HUNDRED EIGHTY-TWO THOUSAND TWO HUNDRED FIFTY-EIGHT DOLLARS AND SIXTY-ONE CENTS (\$182,258.61).

2. Housing Support Program



The total obligation of the County for Contractor's expenses for Housing Support Program costs for the period beginning July 1, 2008 through June 30, 2009 is FIVE HUNDRED EIGHTY THOUSAND NINETY-NINE DOLLARS (\$580,099). Program administration and related expenses for this period will be limited to a maximum of THREE HUNDRED FOURTEEN THOUSAND EIGHT HUNDRED NINETY-NINE DOLLARS (\$314,899). For the period of July 1, 2008 through June 30, 2009, the monthly payment will be in the amount of TWENTY SIX THOUSAND TWO HUNDRED FORTY-ONE DOLLARS AND FIFTY CENTS (\$26,241.50). Housing costs for this period will be limited to a maximum of TWO HUNDRED SIXTY-FIVE THOUSAND TWO HUNDRED DOLLARS (\$265,200). Payment for housing costs will be made for actual costs upon receipt of invoice from Contractor. Contractor shall be responsible for collecting tenant payments to cover portions of the program costs.

#### G. County Revenue Component Estimates

Contractor shall provide Medi-Cal and Medicare reimbursable services which shall generate the amounts of revenue established below. These services shall be reported to County through the Monthly Reporting process as described in paragraph I.M. of this Exhibit B.

	July 1, 2006 – June 30, 2007	July 1, 2007 – June 30, 2008	July 1, 2008 – June 30, 2009
Adult FSP	\$227,760	\$234,555	\$234,555
OA/MF FSP	<u>\$295,896</u>	<u>\$304,723</u>	<u>\$304,723</u>
Total	\$523,656	\$539,278	\$539,278

#### H. Operating Income

The Gross Operating Income described in Exhibit C (Budget) shall not exceed the amounts established in the table below without the express written consent of the Director of Health. Funding for such Gross Operating Income is included in the Maximum Obligation set forth in Exhibit B, Paragraph III.A.1.a., and County shall not pay nor be obligated to pay additionally for such Gross Operating Income.

Period	Amount
FY 2005-2006	\$18,379
FY 2006-2007	77,915
FY 2007-2008	100,494
FY 2008-2009	<u>118,413</u>
Total	<u>\$315,201</u>

#### I. Contractor's Budget

1. Contractor's annual Budget for these services for FY 2006-2009 is incorporated into this agreement as Exhibit C. The allocation of funding for the Adult and Older Adult/Medically Fragile FSPs including Outreach Support and Housing Support Programs shall be provided according to the Contractor's Budget.
  2. Contractor shall be responsible for all expenses incurred during the performance of services rendered under this Agreement that are not included in Exhibit C.
- J. Budget modifications may be approved by the Director of Health or her designee, subject to the maximum amount set forth in Paragraph 3.
- K. The Director of Health is authorized to execute subsequent amendments and minor modifications not to exceed an aggregate of \$25,000 and to make minor changes in the types of services and activities provided under the agreement.
- L. Contractor shall maintain all program fiscal records to maintain current and future requirements for MHSA funded FSP services as determined by the State DMH, and as requested by the County.
- M. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the end of each applicable fiscal year (June 30<sup>th</sup>). Cost reports shall include accounting for all services provided through the Agreement for each applicable period, and separate accountings for 1) FSP services, 2) one-time expenditures, and 3) flexible funds. Cost reports 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 along with the Cost Report.
1. If the annual Cost Reports provided to County show that total payments to Contractor exceeds the total actual costs for these services rendered by Contractor during the reporting period, following any and all adjustments made under Paragraphs I.D. and/or I.E. of this Exhibit B, a single payment in the amount of the contract savings shall be made to County by Contractor, unless otherwise authorized by the Director of Health or her authorized representative. This cost settlement reimbursement shall be made within ninety (90) days of the end of the fiscal year.
  2. Where discrepancies between reported service units and/or actual costs, and payments are found on the Cost Reports to County, Contractor shall make a single payment to County when the total charges exceed the total actual costs for all of the services rendered during the reporting period.



3. Should Contractor provide fewer units than what is identified in Paragraph I.D.15.a. of Exhibit A, payment rates by County to Contractor may not exceed the State Maximum Allowance ("SMA"). In such case, the amount of the difference between the actual costs for services provided that exceed the SMA and the costs of those same number of units provided at the SMA shall be reimbursed by Contractor to the County in a single payment.
4. Accounting records and supporting documents shall be retained for a three-year period from the date the year-end cost settlement report was approved by State for interim settlement. Should an audit be started before the expiration of the three-year period, the records shall be retained until completion of the audit and final resolution of all issues that arise in the audit. Final settlement shall be made at the end of the audit and appeal process. If an audit has not begun within three years, the interim settlement shall be considered as the final settlement.
5. Subsequent audits by the State may result in additional cost settlement.
6. Notwithstanding other provisions of this agreement, final settlement shall include an amount for Administrative Services equal to the amount listed in contractor's Budget, Exhibit C.

N. Monthly Reporting

1. Payment by County to Contractor shall be monthly. Contractor shall bill County on or before the tenth (10<sup>th</sup>) working day of each month for the prior month. The invoice shall include a summary of services and charges for the month of service. In addition contractor shall provide back-up to the invoice. Such back-up shall be in the form of:
  - a. County provided service reporting form(s) ("Service Reporting Form(s)") completed by Contractor according to the instructions accompanying the Service Reporting Form(s), or
  - b. County approved form(s) which provide detailed description of services provided including but not limited to: client name, mental health ID#, service date, type of service provided (Ex: TBS, Intensive Day Treatment, etc.), and duration of service (hour/minute format).
2. County reserves the right to change the Service Report Forms, instructions, and/or require the Contractor to modify their description of services as the County deems necessary.



- O. If County or Contractor finds that performance is inadequate, at the County's discretion, a meeting may be called to discuss the causes for the performance problem, and this Agreement may either be renegotiated, allowed to continue to end of term, or terminated pursuant to Paragraph 4 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.
- P. In the event this Agreement is terminated prior to June 30, 2009, the Contractor shall be paid for services already provided pursuant to this Agreement.
- Q. **Beneficiary Billing**  
Contractor shall not submit a claim to, demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any specialty mental health or related administrative services provided under this contract. The Contractor shall not hold beneficiaries liable for debts in the event that the County becomes insolvent, for costs of covered services for which the State does not pay the County, for costs of covered services for which the State or the County does not pay the Contractor, for costs of covered services provided under this or other contracts, referral or other arrangement rather than from the County, or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary with an emergency psychiatric condition.
- R. **Claims Certification and Program Integrity**
1. Contractor shall comply with all state and federal statutory and regulatory requirements for certification of claims, including Title 42, Code of Federal Regulations (CFR) Part 438, Sections 438.604, 438.606, and, as effective August 13, 2003, Section 438.608, as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are hereby incorporated by reference.
  2. Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

The claim must include the following language and signature line at the bottom of the form(s) and/or cover letter used to report the claim.

"Under the penalty of perjury under the laws of the State of California, I hereby certify that this claim for services complies with all terms and conditions referenced in the Agreement with San Mateo County.

Executed at \_\_\_\_\_ California, on \_\_\_\_\_, 200\_\_

Signed \_\_\_\_\_ Title \_\_\_\_\_

Agency \_\_\_\_\_”

3. The certification shall attest to the following for each beneficiary with services included in the claim:
  - a. An assessment of the beneficiary was conducted in compliance with the requirements established in this agreement.
  - b. The beneficiary was eligible to receive services described in Exhibit A of this Agreement at the time the services were provided to the beneficiary.
  - c. The services included in the claim were actually provided to the beneficiary.
  - d. Medical necessity was established for the beneficiary as defined under California Code of Regulations, Title 9, Division 1, Chapter 11, for the service or services provided, for the timeframe in which the services were provided.
  - e. A client plan was developed and maintained for the beneficiary that met all client plan requirements established in this agreement.
  - f. For each beneficiary with specialty mental health services included in the claim, all requirements for Contractor payment authorization for specialty mental health services were met, and any reviews for such service or services were conducted prior to the initial authorization and any re-authorization periods as established in this agreement.
  - g. Services are offered and provided without discrimination based on race, religion, color, national or ethnic origin, sex, age, or physical or mental disability.



4. Except as provided in Paragraph II.A. of Exhibit A relative to medical records, Contractor agrees to keep for a minimum period of three years from the date of service a printed representation of all records which are necessary to disclose fully the extent of services furnished to the client. Contractor agrees to furnish these records and any information regarding payments claimed for providing the services, on request, within the State of California, to the California Department of Health Services; the Medi-Cal Fraud Unit; California Department of Mental Health; California Department of Justice; Office of the State Controller; U.S. Department of Health and Human Services, Managed Risk Medical Insurance Board or their duly authorized representatives, and/or the County.

S. One-Time Funds and Flexible Funds Rollover

Contractor may rollover unspent one-time and flexible funding only according to the following procedures. In the event this Agreement is renewed beyond the term of this Agreement, the Contractor may also rollover unspent funding to a subsequent agreement according to the following procedures. By mutual agreement of County and Contractor, contractual savings or "rollover" of flexible funds and One-Time Expenditures, as defined respectively in paragraphs I.C., I.D. and I.E. of this Exhibit B. may be retained by Contractor and expended the following year, provided that these funds are expended for mental health services and/or FSP Program-related services approved by County and are retained in accordance with the terms of this Paragraph I.V. No other funds provided through this agreement may be rolled over.

1. Contractor shall submit a summary calculation of any savings 90 days after end of the fiscal year. The summary calculation will be a separate report from the year-end cost report. With the summary calculation Contractor shall return the amount of the savings.
2. At the time of the submission of the summary calculation Contractor may request to rollover some or all of any savings. The request must be made in writing to the Director of Behavioral Health & Recovery Services or her designee. The request shall identify specifically how the rollover funds will be spent, including a detailed budget. Savings shall not be spent until Contractor receives a written approval of the request. Approved rollover funds shall be spent only for the succeeding fiscal year and only for the specific purpose(s) requested and approved.
3. Contractor shall submit an accounting report of the rollover savings. This report shall include copies of the detailed expenses. The report is due 90 days after the specific purpose has been completed, or 90 days after the end of the fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.



4. If the specific purpose is not yet complete as of the end of the succeeding fiscal year, contractor may request to rollover the unspent funds to the succeeding second fiscal year by submitting a written request with the accounting report. The unspent rollover funds shall not be spent until the request is approved by the Director of Mental Health Services or her designee.
5. A final accounting of the rollover funds shall be submitted 90 days after the specific purpose has been completed, or 90 days after the end of the second fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.

T. Election of Third Party Billing Process

Contractor shall select an option for participating in serial billing of third-party payors for services provided through this Agreement through the completion of Attachment C – Election of Third Party Billing Process. The completed Attachment C shall be returned to the County with the signed Agreement. Based upon the option selected by the Contractor the appropriate following language shall be in effect for this Agreement.

1. Option One

- a. Contractor shall bill all eligible third-party payors financially responsible for a beneficiary's health care services that Contractor provides through this Agreement. Within ten (10) days of the end of each month, Contractor shall provide to County copies of the Explanation of Benefits or other remittance advice for every third-party payment and/or denial of such third-party payments for services provided by Contractor during such month. The amount of any such third-party payment shall be deducted from the total actual costs for all services rendered by Contractor as reflected on the Cost Report as defined in Paragraph K. of this Exhibit B. County accepts no financial responsibility for services provided to beneficiaries where there is a responsible third-party payor, and to the extent that County inadvertently makes payments to Contractor for such services rendered, County shall be entitled to recoup such reimbursement, through the Cost Report reconciliation.

- b. Contractor shall provide a copy of each completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this Agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

2. Option Two

- a. Contractor shall provide information to County so that County may bill applicable other third-parties for services provided by Contractor through this Agreement. County shall retain these revenues and shall not offset these revenues against payments to Contractor.
- b. Contractor shall provide a copy of the completed Payor Financial Form (Attachment D) and subsequent annual updates for all clients who receive services through this agreement. For clients who begin to receive services during the term of this Agreement, completed Payor Financial Forms shall be provided to the County with client registration forms. For clients who were receiving services prior to the start date of this Agreement and who continue to receive services through this Agreement, completed Payor Financial Forms are due within ten (10) days of the end of the first month of the Agreement.

- U. County anticipates the receipt of revenues from various sources to be used to fund services provided by Contractor through this Agreement. Should actual revenues be less than the amounts anticipated for any period of this Agreement, funding provided to the Contractor may be reduced accordingly.