

**SECOND AMENDMENT TO AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
MENTAL HEALTH ASSOCIATION OF SAN MATEO COUNTY**

THIS SECOND AMENDMENT TO THE AGREEMENT, entered into this _____ day of _____, 20____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and MENTAL HEALTH ASSOCIATION OF SAN MATEO COUNTY, hereinafter called "Contractor";

W I T N E S S E I 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 ("Original Agreement") for professional services on August 15, 2006; and

WHEREAS, the parties entered into an Amendment to the Agreement on April 10, 2007, and

WHEREAS, the parties wish to execute a Second Amendment to the Agreement to increase the agreement maximum by \$59,255 to a new maximum of \$4,193,769.

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

1. Paragraph 3. Payments is hereby deleted and replaced with the Paragraph 3. Payments below:

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 FOUR MILLION ONE HUNDRED NINETY-THREE THOUSAND SEVEN HUNDRED SIXTY-NINE DOLLARS (\$4,193,769).

2. Exhibit A is hereby deleted and replaced with the Exhibit A attached hereto.

3. Exhibit B is hereby deleted and replaced with the Exhibit B attached hereto.
4. All other terms and conditions of the Original Agreement, as amended on April 10, 2007 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: _____
Adrienne Tissier, President
Board of Supervisors, San Mateo County

Date: _____

MENTAL HEALTH ASSOCIATION OF
SAN MATEO COUNTY

Contractor's Signature

Date: _____

MENTAL HEALTH ASSOCIATION OF SAN MATEO COUNTY
EXHIBIT A
FY 2006 - 2008

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

I. INTRODUCTION AND DEFINITION OF TERMS - MENTAL HEALTH

- A. Outpatient Rehabilitative Mental Health Services focus on individual needs, strengths, and choices; the individual is always involved in service planning and implementation. The goal of rehabilitation is to help individuals take charge of their own lives through informed decision-making. Services are based on the individual's desired results from mental health services (long term goals) concerning his/her own life, and consider his/her diagnosis, functional impairments, symptoms, disabilities, life conditions and rehabilitation readiness. Services are focused on achieving specific shorter-term personal milestones (measurable objectives) to support the individual in accomplishing his/her desired results.
- B. Program staffing is multi-disciplinary and reflects the cultural, linguistic, ethnic, age, gender, sexual orientation and other social characteristics of the community that the program serves. Families, caregivers, human service agency personnel and other significant support persons are encouraged to participate in the planning and implementation process to help the individual meet his/her needs, choices, responsibilities and desires. Programs are designed to use both licensed and non-licensed personnel who are experienced in providing mental health services. Consumers and family members of consumers are valued as volunteer or paid staff.
- C. Services are optimal when delivered to individuals who live in housing of their own choice. Single room occupancy is a highly valued housing choice by consumers and is emphasized in resource development and service planning.
- D. Contractor shall provide emergency housing and support services, rehabilitation services, and administrative services including fiscal intermediary for Flexible Funds.

- E. These services shall be provided in a manner prescribed by the laws of California and in accord with the applicable laws, titles, rules and regulations, including quality improvement requirements of the Short-Doyle/Medi-Cal Program. The San Mateo County Mental Health Services Documentation Manual ("Documentation Manual") is included herein by reference. To the extent that there is inconsistency between a provision in the Documentation Manual and this Agreement, the provisions of the Documentation Manual shall prevail. The Short-Doyle/Medi-Cal Manual for the Rehabilitation Option and Targeted Case Management is included herein by reference. All payments under this Agreement must directly support services specified in this Agreement.

II. SERVICES

A. Emergency Housing/Shelter (Spring Street Shelter)

Contractor shall provide a fifteen (15) bed, twenty-four (24) hour facility for emergency and short-term housing, including at least two (2) meals per day, for mentally ill clients who require immediate shelter but who do not require care and supervision as defined by Section 80001 (a) (10) of Title 22 of Community Care Licensing Regulations ("Emergency Housing/Shelter"). In addition to providing Emergency Housing/Shelter, Contractor shall collaborate with other public and private services and resources to assist these clients in finding permanent housing and securing other basic needs. Clients shall be assisted in securing medical and psychiatric services as needed.

1. Emergency Housing/Shelter staff shall accept referrals between 8 a.m. and 10 p.m., seven (7) days per week.
2. Contractor shall admit only those clients who meet the following criteria:
 - a. Have a primary mental health problem; clients whose predominant problem is alcohol or substance abuse are not eligible;
 - b. Be at least eighteen (18) years of age or an emancipated minor;
 - c. Have no other identified resource for housing; and
 - d. Not be considered assaultive or suicidal, or present serious medical health problems.

3. Among clients eligible for Emergency Housing/Shelter, i.e., who meet all the criteria in Paragraph II.A.2. of this Exhibit A, Contractor shall give priority for beds on a space-available basis in the following order:
 - a. Clients who are confined at San Mateo Medial Center Inpatient Psychiatric Unit or at Psychiatric Emergency Services (PES) who need a residence in order to be released from the hospital.
 - b. Clients who, because they are identified by city police departments and the County Sheriff's Department as "nuisance" cases, might otherwise be taken inappropriately to one of the County emergency psychiatric facilities because of community or family complaints.
 - c. Clients who have not yet been deemed eligible for Supplemental Security Income or General Assistance benefits due to lack of residence.
 - d. Clients who, for whatever reason, are living on the street, in parks, and generally are without a residence of any sort, and are referred by community agencies, including churches.
 - e. County Behavioral Health and Recovery Services (BHRS) Adult Resource Management reserves the right to prioritize any client for Emergency Housing/Shelter.
4. At least two (2) staff persons shall be on duty at all times, twenty-four (24) hours per day. County BHRS staff shall provide consultation to Contractor's staff as deemed appropriate by the Mental Health Services Director or her designee.
5. The Emergency Housing/Shelter shall provide separate dormitory sections with showers and toilets for men and women. The facility shall also include a kitchen and office space. Accessibility shall be provided to the handicapped, and a sprinkler system shall be included throughout shelter.
6. Contractor shall provide five thousand one hundred ten (5,110) days of care to one hundred forty-five (145) unduplicated clients during the term of this Agreement. A client day shall be deemed to mean any and all services rendered by Contractor on behalf of one (1) client during any single day.
7. All clients who remain in the Emergency Housing/Shelter beyond three (3) days shall have a written plan of action.

8. At least seventy-five percent (75%) of all clients shall receive a minimum of two (2) rehabilitation services (exclusive of medication services) during their stay in the program.

B. Outpatient Services/Rehabilitation Services

Contractor shall provide seriously mentally ill adults with community-based rehabilitative mental health services ("Outpatient Services/Rehabilitation Services"). Outpatient Services/Rehabilitation Services are intended to identify and provide assistance in locating and obtaining adequate and appropriate living arrangements and supportive resources (medical, social, vocational and educational) to enhance clients' potential for successful community placement.

1. Ongoing Outpatient Services/Rehabilitation Services shall include, but not be limited to: assessment/evaluation, plan development, individual and group counseling, collateral services, rehabilitation services, case management, and crisis intervention. Ongoing Outpatient Services/Rehabilitation Services shall also include: 1) the Community Housing Rehabilitation Independent Skills ("CHRIS") program which provides living skills assessments and training provided by licensed occupational therapists and student interns for Spring Street Shelter residents, transitional housing and community clients; 2) services to clients in the community; and 3) the supported housing project at the Belmont Apartments.
2. Contractor shall provide three hundred ten thousand (310,000) minutes of Outpatient Services/Rehabilitation Services to one hundred thirty (130) unduplicated adult clients.
3. Referrals for Outpatient Services/Rehabilitation Services will be coordinated with County BHRS Adult Resource Management and/or Adult Supervising Mental Health Clinician as designated by Adult Resource Management.
4. At least ninety-five percent (95%) of all cases of clients who have not received care within the previous ninety (90) day period shall be closed.

C. Friendship Center/Community Friends

1. Contractor shall operate Friendship Centers community based social, recreational & educational programs and services at

least five (5) sites throughout San Mateo County ("Friendship Centers"). Friendship Centers shall include programs based in Daly City and East Palo Alto, and may include programs based in San Mateo, Belmont and Redwood City.

2. Contractor shall operate a Community Friends Program which will provide a companion/support network for isolated individuals so they can safely participate in community activities ("Community Friends Program"). Contractor will provide up to one thousand (1,000) hours of Community Friends Program services.
3. Contractor shall provide seven thousand (7,000) client days of services at the Friendship Centers. A "client day" is one client participation for one day.

D. Flexible Fund, Stipend Fund, and Pathways for Women Flexible Fund

- 1 Contractor shall manage the fiscal distribution of the Flexible Fund of the Adult Services System of Care ("Flexible Fund"). The Flexible Fund shall be managed by Contractor under a separate account. Upon receiving BHRS authorized requests for Flexible Funded goods and services, Contractor shall appropriate the amount requested to the specified vendor or to reimburse a provider.
2. Contractor shall manage the fiscal distribution of the Consumer/Family Member Stipend Fund of the Adult Services System of Care ("Stipend Fund(s)"). The Stipend Fund shall be managed by Contractor under a separate account. Upon receiving BHRS authorized requests for Stipend Funds, Contractor shall appropriate the amount requested to the specified consumer/family member.
3. Contractor shall manage the fiscal distribution of the Flexible Fund of the Pathways for Women program. ("Pathways for Women Flexible Fund"). The Pathways for Women Flexible Fund shall be managed by Contractor under a separate account. Upon receiving BHRS authorized requests for Pathways for Women Flexible Funded goods and services, Contractor shall appropriate the amount requested to the specified vendor or to reimburse a provider.

4. Contractor shall manage the fiscal distribution of the Flexible Fund of the AOD Housing Support program. ("AOD Housing Support Flexible Fund"). The AOD Housing Support Flexible Fund shall be managed by Contractor under a separate account. Contractor is responsible for dispensing one quarter of the available funds each quarter to Shelter Network to be used to pay flexible fund requests to landlords of graduates of treatment providers of Helping Addicts & Alcoholics Learning to Overcome (HAALO). Shelter Network will issue checks for payment to case managing entity upon receipt of AOD approval. AOD approvals will be issued upon receipt and approval of "utilization" financial plans for eligible program graduates.
5. Administrative costs include the following activities:
 - a. Processing checks (postal costs included);
 - b. Administrative time in receiving authorized funds, returning documentation of completed transactions and sending fiscal expenditure reports to Mental Health Services Division Administration; and
 - c. Bonding insurance coverage costs (liability coverage separate from typical malpractice requirements).
6. Specific administrative activities shall include:
 - a. Receiving and processing Flexible Fund, Stipend Fund, and Pathways for Women Flexible Fund authorization forms;
 - b. Issuance of checks to specified vendors, providers, or consumer/family members (for reimbursement purposes);
 - c. Maintaining proper documentation of checks distributed and transactions completed (e.g., receipts received);
 - d. Providing monthly fiscal reports of Flexible Fund, Stipend Fund, and Pathways for Women Flexible Fund expenditures; and
 - e. Providing a six (6) month and final year report showing fund distribution for the General Flexible Fund, Housing Assistance funds, Stipend Fund, AOD Housing Support Flexible Fund and Pathways for Women Flexible Fund.

E. Shelter Plus Care Project Coordination

Contractor shall provide the following services for the Shelter Plus Care Project:

1. Act as information and coordination hub for Shelter Plus Care Project.
2. Staff Shelter Plus Care Screening Committee.
3. Attend regional and relevant ad hoc Shelter Plus Care Committee meetings and disseminate information to Shelter Plus Care County representative and contract agencies.
4. Maintain current Program Information System.
5. Maintain computer and reporting system with contract agencies that track all data and information necessary for the completion of the HUD annual progress report, including the program's measurable objectives.
6. In conjunction with the Housing Authority, complete and submit to HUD the Annual Progress Report.

F. Continuum of Care Permanent Supportive Housing Project (SHP)

In cooperation with the Housing Authority of San Mateo, Contractor shall provide supportive services to assist participants in maintaining their housing in the community. These services shall include intensive case management, mental health and substance abuse services, health care, and access to educational and vocational programs. Services shall be provided to fifteen (15) homeless clients selected to participate in this project.

G. Property Management

County agrees and acknowledges that Contractor owns property used to provide permanent and transitional housing for adults with serious mental illness. Some properties are owned and their respective programs operated by Contractor, other properties are owned by Contractor with their respective programs operated in collaboration with other community based non-profit agencies.

1. For properties that are owned by Contractor and for which their respective programs are operated by Contractor, Contractor will provide services which include: Screening clients for eligibility as property residents; rental and leasing to clients; regular property inspections for health, safety, habitability, and County and local code compliance; rent collection; and staffing to ensure property repair and maintenance is completed in a timely manner. Such properties include: Villa Terrace, Burlingame Apartments, and Burlingame House.
2. For properties that are owned by Contractor and for which their respective programs are operated in collaboration with other community based non-profit agencies, Contractor will provide services which include: Completion of rental contracts between Contractor and clients; regular property inspections for health, safety, habitability of non-residential community areas, and County and local code compliance; rent collection; and staffing to ensure property repair and maintenance is completed in a timely manner. In cooperation with such other community based non-profit agencies, contractor will also participate in review of residential units as tenants move into or out of the property to assess needed repairs and assign responsibility for payment for repairs in excess of normal wear and tear. Such properties include: Clinton Street, 3rd Avenue, and Santa Barbara.

H. Mental Health Services Act funded Full Service Partnership Housing Support Program

1. Description of Start-up Services for Housing Support Program
 - a. Contractor shall provide start-up services to secure and manage 90 units of high-quality housing for enrollees of the Mental Health Services Act ("MHSA") funded Full Service Partnership ("FSP") (the "Housing Support Program"). For purposes of clarification, as of the date of this Agreement FSP providers are Telecare Corporation and Edgewood Children's Center, and are referred to herein as "FSP Providers".
 - b. Contractor shall be responsible for managing service enriched housing that offers integrated housing and support services for the Housing Support Program geared toward achieving maximum levels of residential stability and improved health outcomes for enrollees.

2. Description of Anticipated Housing Support Program

- a. Locate and obtain site control of ninety (90) units of housing.
- b. Ensure that leased housing remains in clean, safe, and habitable condition.
- c. Promote a “whatever it takes” attitude to ensure that seriously emotionally disturbed (“Seriously Emotionally Disturbed” or “SED”) and seriously mentally ill (“Seriously Mentally Ill” or “SMI”) clients are supported and encouraged to access and maintain housing.
- d. Work seamlessly and flexibly with FSP Providers to ensure that tenants receive all practical chances and opportunities to remain housed. This will require the utilization of creative, harm reduction based techniques that go well beyond standard property management practices and activities.
- e. Effectively manage relationship with property owners including timely payment of rent, monitoring and enforcement of lease provisions, and problem solving in the event of disruptive tenant behavior.
- f. When all reasonable interventions have been exhausted, manage eviction, transfer, or the voluntary vacating of the unit in a timely, professional, and consistent manner in compliance with all State and local housing laws.
- g. Definitions
 - i. Unit of Service: A Supportive Housing Day: One (1) “Supportive Housing Day” is defined as one (1) day of property management services for one (1) unit, including but not limited to rent collection, lease management, tenant move-in and move-out, repairs, maintenance, and janitorial services. The total number of Supportive Housing Days is based on a ten percent (10%) vacancy rate due to turn-over and move-in time. Annual units of service

for this contract at full rent up would be twenty-nine thousand five hundred sixty-five (29,565) Supportive Housing Days (90 units X 365 days X 90% (for vacancy) = 29,565 Supportive Housing Days).

- ii. Unduplicated Client Count: This count refers to the total number of clients that will occupy the ninety (90) units in one year. Given a ten percent (10%) turnover of clients in the ninety (90) units, the “Unduplicated Client Count” will be approximately ninety-nine (99).

3. Populations to Be Served

Populations to be served shall include:

- a. Ninety (90) clients made up of the following categories (numbers below are intended to be approximate):
 - i. Ninety (90) clients made up of youth ages 18 to 25 and emancipated minors ages 16 to 18 (collectively “Transition Age Youth”)
 - ii. Forty-five (45) adults (“Adults”)
 - iii. Twenty-five (25) adults who are medically fragile and/or older (“Medically Fragile”, “Older Adults” or “MF/OA”)
- b. SED and dually diagnosed Transition Age Youth at risk of or returning from residential placement or emancipating, with past juvenile justice or child welfare involvement.
- c. SED and dually diagnosed homeless Transition Age Youth and Transition Age Youth exiting school based, individual educational plan (IEP) driven services.
- d. Newly identified Transition Age Youth that are experiencing a “first break” and have been recently diagnosed with a psychotic disorder. This target population may or may not have had prior involvement with the mental health, juvenile justice and/or child welfare systems.

- e. Adults and Older Adults whose SMI and dual diagnosis results in frequent emergency room visits, hospitalizations, and/or homelessness that puts them at risk of criminal justice or institutional placement.
- f. Adults with SMI, often dually diagnosed, currently incarcerated for whom early discharge planning and post-release partnership structure and support may prevent recidivism and or re-hospitalization.
- g. Adults with SMI, often dually diagnosed, currently placed in locked mental health facilities. The FSP Provider will explicitly target individuals living in sub-acute locked facilities located outside the county as a step-down, enabling them to return to their community. It is understood that many of these individuals will have behavioral problems that have caused them to be placed in institutions for mental disease (IMD) or mental health rehabilitative centers (MHRC).
- h. SMI Older Adults and Medically Fragile SMI adults at risk of institutionalization or who are currently institutionalized and who, with more intensive supports, could live in a community setting. In many instances these individuals have co-occurring medical conditions, including dementia, which significantly impact their ability to remain at home or in a community based setting.

4. Housing Characteristics

- a. Contractor will ensure that tenants have safe, decent, affordable housing in a state of good repair, and that ongoing maintenance and repairs occur in a timely manner. Before leasing, each unit will be inspected by the Property Manager and Occupational Therapist (as each is defined in Paragraphs II.H.15.a.iii. and II.H.15.d. of this Exhibit A) to identify any deficits relating to housing occupancy standards (HOS). These items will require repair by the landlord prior to move-in.

- b. In addition to health and safety issues in identifying appropriate sites for housing, Contractor shall look at issues of access to transportation, banks, churches, parks, shopping and employment. All of these considerations will play a major role in identifying and selecting housing units for this project. On an individual basis, each unit must include a stove, refrigerator, smoke detectors, sufficient electricity to operate several appliances (at least 110 amps), window coverings, deadbolt locks, and the ability to have cable or satellite television and internet services.

5. Type of Housing

- a. The plan for identifying housing will incorporate both multiple units in single sites as well as single units in scattered sites located throughout San Mateo County so that tenants can access their health care and mental health care providers, may reside close to family and other supports, and can have opportunity and choice. These are all elements critical to successful housing.
- b. As appropriate, housing options will be identified which provide elements of assisted living and 24-hour care, semi-independent living, and/or board and care facilities.

6. Locating Units

To the extent it depends on the Contractor, Contractor agrees to collaborate with each of the FSP Providers to master lease in at least fifty percent (50%) of the units, and lease the balance on behalf of the clients. The apartment units will predominantly be studio and one (1) bedroom units. Two (2) bedroom units will be available for those individuals who require attendant care. Other types of housing will be made available as needed and as determined by clinical need or client preference.

7. Collaborative Approach

- a. Meetings between the Property Manager and the Program Supervisor (as each is defined in Paragraphs II.H.15.a.iii. and II.H.15.b. of this Exhibit A), and the FSP Provider representatives will occur on a regular basis.

County will ask each FSP Provider to assign one (1) person as the single point of responsibility for contact for that agency ("FSP Provider Administrator"). Contractor will also identify a primary person to serve as the single point of responsibility and contact for the Housing Support Program. These individuals will be responsible for the coordination of communication between the two (2) entities. Additionally, Contractor will be responsible for ensuring that the following specific activities occur:

- i. Contractor staff will notify the FSP Provider staff of any problematic behavior or other circumstances that could lead to housing instability within 24 hours of becoming aware of such behavior or circumstance, including late payment of rent.
- ii. Contractor staff will meet with the FSP Provider staff for regularly scheduled meetings at a minimum of once per month.
- iii. No eviction proceedings will begin without prior notification and/or case conference with the FSP Provider.
- iv. Contractor's Executive Director and Associate Director will meet with FSP Provider management on an as needed basis to resolve communication and other issues that arise between line staff.
- v. Contractor's Executive Director will meet regularly with County Deputy Director for Adult and Older Adult Services and the FSP Provider Administrator to review housing trends.
- vi. County Deputy Director for Adult and Older Adult Services will be the arbiter of conflicting needs requests and determine housing priorities in consultation with Contractor and FSP Provider Administrator.

- b. A Collaborative Advisory Board comprised of FSP Provider representatives, the Property Manager, the Program Supervisor and tenants will also be established and meet monthly to develop strategies to address incidents that jeopardize the safety and security of the tenants or employees, to plan community building activities or events, and to share information about activities that may be of interest to the larger group.
- c. Contractor agrees to take the lead in negotiating a memorandum of understanding (MOU) with each of the FSP Providers to govern their working relationship.

8. Client Selection and Placement

- a. Placement into housing will have two (2) phases. Property Manager and the Program Supervisor will 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 are 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.
- b. A personal meeting with the tenant will be held to complete the screening process. This will focus on assessing the likelihood that any applicant will be able to meet the essential requirements of tenancy as expressed in the lease as follows:
 - i. To pay rent and any other charges in a timely manner,

- ii. 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, to report significant maintenance needs in a timely manner.
 - iii. To respect the personal and property rights of others.
 - iv. To not engage in criminal activity that threatens the health and/or safety of other residents or staff.
 - v. To comply with health and safety codes and necessary and reasonable rules and program requirements.
- b. A personal meeting with the tenant will be held to complete the screening process. This will focus on assessing the likelihood that any applicant will be able to meet the essential requirements of tenancy as expressed in the lease as follows:
 - i. To pay rent and any other charges in a timely manner.
 - ii. 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, to report significant maintenance needs in a timely manner.
 - iii. To respect the personal and property rights of others.
 - iv. To not engage in criminal activity that threatens the health and/or safety of other residents or staff.
 - v. To comply with health and safety codes and necessary and reasonable rules and program requirements.
- c. 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.

- d. If problems, issues or concerns arise, the Property Manager will meet with FSP Provider Administrator to determine if accommodations of some type are required.
- 9. Specific expectations pertaining to the rent-up process include:
 - a. Adults, Older Adults and Medically Fragile Adults
 - i. One hundred percent (100%) of the units, or approximately seventy (70) units, will be secured and under contract with Contractor by April 1, 2007.
 - ii. Upon initial rent up, Contractor will have placed one hundred percent (100%) of the referred clients in housing by May 1, 2007.
 - b. Transition Age Youth
 - i. One hundred percent (100%) of the units, or approximately twenty (20) units, will be secured and under contract with Contractor by April 1, 2007.
 - ii. Upon initial rent up, Contractor will have placed one hundred percent (100%) of the referred clients in housing by May 1, 2007.
 - c. After initial rent up, when a unit becomes vacant, Contractor will ensure that such unit is ready for occupancy within four (4) weeks. If there are extenuating circumstances that cause placement to happen later than four (4) weeks, Contractor will notify the County.
 - d. Contractor will notify the FSP Provider that a unit has been vacated or that a vacancy is imminent within two (2) business days of such vacancy.
 - e. Upon Contractor receiving a valid referral from a FSP Provider for a vacant unit, Contractor will ensure that the client is placed in such vacant unit within four (4) weeks.
- 10. Rent And Tenant Relations

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

- a. Contractor will ensure that the Property Management Firm (as defined in Paragraph II.H.15.a.i.) will make themselves available by phone to tenants 24/7.
- b. Contractor staff will be available by phone or in person during regular business hours to assist tenants with a broad range of issues related to housing stability.
- c. Contractor will establish a clear and consistent method for tenants to pay rent, including standard practices for providing notice to tenants regarding late payment.
- d. When appropriate, Contractor will establish a 3rd party rent payment mechanism for tenants.
- e. Contractor will develop and administer a client satisfaction survey that assesses tenant satisfaction with housing and property management services.
- f. Should it be necessary to begin the eviction process, Contractor will ensure that the Property Management Firm will proceed according to all legal statutes and requirements.

11. 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 individual, the Property Manager, the Program Supervisor and the FSP Provider staff. 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 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 necessary supports to keep the individual successfully housed.

12. Maintenance And Unit Habitability

- a. One hundred percent (100%) of the units will meet local building and health codes at time of initial rent-up.
- b. One hundred percent (100%) of the units will receive a thorough annual housing quality inspection including but not limited to inspections of smoke detectors, plumbing, gas, electricity and heating systems
- c. Any hazards or other unsafe or unhealthy conditions that are reported by tenant, landlord, or program personnel will be investigated 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.
- d. One hundred percent (100%) of clients needing accessibility modifications will receive them prior to move-in.
- e. After thirty (30) days of trying to resolve a unit habitability issue, if a suitable resolution has not occurred, Contractor will report such occurrence to Deputy Director for Adult and Older Adult Services.

13. Landlord Relationship

- a. Contractor will ensure that the Property Management Firm responds to all non-emergency complaints or calls for assistance from program landlords within twenty-four (24) hours.
- b. Contractor will ensure that the Property Management Firm will respond to all emergency calls from landlords within two (2) hours.
- c. Contractor will ensure that all landlords receive their rent each month on or before the date stipulated in the rental agreement.
- d. Contractor will enter into rental agreements for all independent housing units rented and such agreement will include all customary tenant/landlord provisions.

- e. Contractor will make all reasonable efforts to maintain positive relationships with program landlords.

14. Furnishings

- a. At the point of assessment, the Property Manager, the Program Supervisor, and FSP Provider staff will work collaboratively upon referral to identify the most appropriate sites, required community amenities and resident needs. This information will all be used to create or find the optimal setting for each individual.
- b. All units will have a base level of amenities and Contractor will make every effort to obtain donated furnishing for tenants of this program. Only items of good quality or better will be accepted and used. Contractor will not be responsible for storage or transportation of items.

15. Staffing Operations

a. Property Management

- i. The parties agree and acknowledge that Contractor will contract with a property management firm to provide property management services ("Property Management Firm"). As of the date of this Agreement such Property Management Firm is Pinnacle AMS Property Management. Contractor will ensure that that such Property Management Firm agrees with and complies with all relevant sections of this Agreement.
- ii. In order to protect client privacy, Contractor will share with the Property Management Firm only the minimum client information necessary for the Property Management Firm to carry out its duties hereunder. Further, no confidential mental health information will be disclosed by Contractor to the Property Management Firm, nor any information prohibited from disclosure under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

- iii. The Property Management Firm will hire one (1.0) full-time equivalent ("FTE") property manager to provide property management services for the Housing Support Program ("Property Manager"). The Property Manager hours will be flexed to provide 24 hour coverage, much of it on-call after initial lease up. It is estimated that during the first six (6) months of the Housing Support Program up to ninety percent (90%) of the Property Manager's time will be dedicated to creating materials, contacting prospective landlords, marketing the program, negotiating leases and the leasing of properties or obtaining promises to lease up properties as they become available.
- iv. The Property Management Firm will provide twenty-four (24) hour phones response. At all times tenants and landlords will be able to reach a person to report or address a problem.
- v. The Property Management Firm will provide a property repair specialist (a handyman) to attend to minor repairs and maintenance of the sites.

b. Program Supervisor

Contractor shall provide a fifty percent (50%) FTE program supervisor ("Program Supervisor") for the Housing Support Program who will be responsible for working with the Property Manager in marketing the Housing Support Program and initially recruiting landlords. As prospective tenants are identified the Program Supervisor will be responsible for orienting them to health and safety aspects of their units, local transportation and other nearby amenities such as grocery stores and shopping center, parks, libraries, banks, churches, etc.

c. Associate Director

Contractor shall provide a twenty percent (20%) FTE associate director ("Associate Director") for the Housing Support Program who will function as the liaison between the Contractor and FSP Providers, representative payees, vendors, and will provide reporting details to funders. The Associate Director will provide general

oversight of the Housing Support Program and its operations, supervise all staff, ensure completion of all reports, budgets and financial statements, oversee the work of the Property Management Firm, and function as the Housing Support Program liaison between Contractor and County Mental Health Services.

d. Occupational Therapist

Contractor shall provide a twenty percent (20%) FTE occupational therapist ("Occupational Therapist") for the Housing Support Program. The Occupational Therapist will work with each resident to assure that he or she is knowledgeable about cleaning expectations and truly understand what products to use, how and when. Periodically the Occupational Therapist may return to the housing sites to work with clients who need additional support and assistance.

III. RECORDS AND ADMINISTRATIVE REQUIREMENTS

A. Paragraph 12 of the Agreement and Paragraph I.O.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 (18th) 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 Mental Health 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 Division 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 (including initial and quarterly notices, assessment and service plans, and progress notes). Documentation shall be completed in compliance with the Documentation Manual (as defined in Paragraph I.E. of this Exhibit A).
- 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.

H. Advance Directives

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

I. Beneficiary Rights

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

J. 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.

K. 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.

L. 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. These documents are available at www.sanmateo.networkofcare.org/mh. Follow the link "For Providers", to "Service Provider Forms" to "Documents". 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.

M. 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.

IV. GOALS AND OBJECTIVES

Contractor shall ensure that the following outcome objectives are pursued throughout the term of this Agreement:

A. Satisfaction

Goal : To enhance clients' satisfaction with the services provided.

Objective 1: At least ninety percent (90%) of customer survey respondents will rate services as good or better.

Objective 2: At least ninety percent (90%) of customer survey respondents will rate access to mental health services as good or better.

Objective 3: At least ninety percent (90%) of tenants will express satisfaction with the property management services.

Data collection to be completed by the County in cooperation with Contractor.

B. Shelter

Goal: Contractor shall increase the independence of clients by assisting them in obtaining any and all necessary support services (e.g., financial assistance, housing, medical/psychiatric services, etc.) to facilitate a higher level of self-sufficiency.

Objective: A minimum of fifty percent (50%) of clients shall obtain stable (permanent or transitional) housing upon discharge.

Data collection to be completed by the Contractor.

C. Outpatient Services/Rehabilitation Services and Continuum of Care Permanent Supportive Housing Project (SHP)

1. Hospitalizations

Goal: To increase or maintain the probability of clients remaining in the community and out of the hospital.

Objective: No more than fifteen percent (15%) of the clients in each of the programs listed above in this Paragraph IV. C. shall be hospitalized

Data to be collected by Contractor.

Note: Contractor shall establish baseline data for the contract year in order to set realistic outcomes for subsequent contract years.

2. Homeless

Goal: To increase or maintain the probability of clients remaining in community housing and not becoming homeless.

Objective: No more than five percent (5%) of clients in each of the programs listed above in this Paragraph IV.C. shall become homeless.

Data collection to be completed by Contractor.

3. Employment

Goal: To increase or maintain the probability of clients working in paid or unpaid positions, or actively seeking employment.

Objective: There shall be an increase of at least five percent (5%) in the number of clients in each of the programs listed above in this Paragraph IV.C. who are working in paid or unpaid positions, or actively seeking employment.

Note: Contractor shall establish baseline data for the contract year in order to set realistic outcomes for subsequent contract years.

Data collection to be completed by Contractor.

4. Incarcerations

Goal: To increase or maintain the probability of clients remaining in the community and not being incarcerated.

Objective: No more than five percent (5%) of clients in each of the programs listed above in this Paragraph IV.C. shall be incarcerated.

Data collection to be completed by Contractor

5. MHSA funded Full Service Partnership Housing Support Program

Goal: To increase or maintain the probability of clients remaining in housing.

Objective: At least eighty-five percent (85%) of situations that could result in eviction will be resolved without loss of housing for tenant.

To document success in meeting this objective, Contractor will develop, and submit to the County, a list of primary actions or behaviors that typically lead to eviction and a mechanism for tracking when those behaviors occur, what specific actions were taken to ameliorate the situation, and whether or not a loss of housing was avoided.

The overall evaluation of the program will be determined by tenants successfully maintaining housing. This will be tracked month by month by Contractor and reported to County.

MENTAL HEALTH ASSOCIATION OF SAN MATEO COUNTY
EXHIBIT B
FY 2006 - 2008

I. PAYMENTS

In full consideration of the services provided by Contractor and subject to the provisions of Paragraph 3 of this Agreement, County shall pay Contractor in the manner described below:

A. Maximum Obligation

1. The maximum amount that County shall be obligated to pay for all services provided under this Agreement shall not exceed FOUR MILLION ONE HUNDRED NINETY-THREE THOUSAND SEVEN HUNDRED SIXTY-NINE DOLLARS (\$4,193,769), the amount stated in Paragraph 3 of this Agreement.
2. FY 2006-07

County shall not pay or be obligated to pay more than the amounts listed below for each component of service required under this Agreement for the period July 1, 2006, through June 30, 2007:

Emergency Housing/Shelter (Spring St. Shelter)	391,423
Outpatient Services/Rehabilitative Services	
CHRIS Program	\$55,508
Services to clients in the community	284,395
Supported Housing Project (Belmont Apts.)	<u>183,900</u>
Subtotal	523,803
Friendship Center/Community Friends	83,000
Flexible Funds	
Flexible Funds	73,985
Flexible Funds administration	10,815
Stipend Funds	9,000
Stipend Funds administration	1,000
Pathways for Women Flexible Fund	7,200
Pathways for Women Flexible Fund Administration	<u>800</u>
Subtotal	102,800
Shelter Plus Care Project Coordination	59,111
Continuum of Care Supported Housing Project (SHP)	16,832
Property Management	56,859
MHSA Supported Housing	<u>821,429</u>
TOTAL FY 2006-07 OBLIGATION	<u>\$2,055,257</u>

3. FY 2007-08

County shall not pay or be obligated to pay more than the amounts listed below for each component of service required under this Agreement for the period July 1, 2007, through June 30, 2008:

Emergency Housing/Shelter (Spring St. Shelter)	\$403,166
Outpatient Services/Rehabilitative Services	
CHRIS Program	57,173
Services to clients in the community	292,927
Supported Housing Project (Belmont Apts.)	<u>189,417</u>
Subtotal	539,517
Friendship Center/Community Friends	85,490
Flexible Funds	
Flexible Funds	73,985
Flexible Funds administration	11,139
Stipend Funds	9,000
Stipend Funds administration	1,000
Pathways for Women Flexible Fund	28,800
Pathways for Women Flexible Fund Administration	3,200
AOD Housing Support Flexible Fund	24,000
AOD Housing Support Flexible Fund Administration	<u>1,000</u>
Subtotal	152,124
Shelter Plus Care Project Coordination	60,884
Continuum of Care Supported Housing Project (SHP)	17,337
Property Management	58,565
MHSA Supported Housing	<u>821,429</u>
TOTAL FY 2007-08 OBLIGATION	<u>\$2,138,512</u>

3. Subject to the maximum amount stated above and the terms and conditions of this Agreement, Contractor shall be reimbursed the full cost of providing services under this Agreement.
4. Budget modifications to the service components listed in Paragraph I.A.1. of Exhibit B may be approved by the Director of Health or her designee, subject to the Agreement maximum amount set forth in Paragraph 3 of this Agreement.
5. The parties acknowledge and agree that this Agreement may be amended for FY 2007-08 to take into consideration FY 2007-08 cost of living adjustments (COLA), if any are awarded, budgetary shifts, and mutually agreed upon program changes.
6. The parties acknowledge and agree that under a separate FY 2005-06 agreement between the parties, County has paid Contractor ONE HUNDRED THOUSAND DOLLARS (\$100,000) as start-up funds for the Housing Support Program described in

Paragraph II.H. of Exhibit A ("Start-up Funds"). By July 15, of each fiscal year of this Agreement, Contractor shall provide an accounting of how the Start-up Funds were spent. Any unspent Start-up Funds shall be returned to the County or rolled-over pursuant to Paragraph O.2. of this Exhibit B. The above notwithstanding, the parties agree that in order to mitigate the cash flow issues incumbent upon the Housing Support Program, and upon Contractor's request as outlined in Paragraph O.2. of this Exhibit B, any unspent Start-up Funds may be maintained by Contractor for as long as Contractor provides housing management services for the MHSA FSP, provided that the maintenance of any such funds is not in conflict with MHSA stipulations.

B. One-twelfth Payment

1. FY 2006-07

Unless otherwise authorized by the Director of Behavioral Health and Recovery Services or her authorized representative, the rate of payment by County to Contractor shall be one-twelfth (1/12) of the total obligation per month for following components of service:

Emergency Housing/Shelter (Spring Street Shelter)	\$ 391,423
Outpatient Services/Rehabilitative Services	523,803
Friendship Center/Community Friends	83,000
Shelter Plus Care Project Coordination	59,111
Supportive Housing Project	16,832
Property Management	56,859
MHSA Supported Housing	<u>821,429</u>
Total 1/12 portion of the contract for FY 2006-07	<u>\$1,952,457</u>

2. FY 2007-08

Unless otherwise authorized by the Director of Behavioral Health and Recovery Services or her authorized representative, the rate of payment by County to Contractor shall be one-twelfth (1/12) of the total obligation per Month for following components of service:

Emergency Housing/Shelter (Spring Street Shelter)	\$ 403,166
Outpatient Services/Rehabilitative Services	539,517
Friendship Center/Community Friends	85,490

Shelter Plus Care Project Coordination	60,884
Supportive Housing Project	17,337
Property Management	58,565
MHSA Supported Housing	<u>821,429</u>
Total 1/12 portion of the contract for FY 2007-08	<u>\$1,986,388</u>

C. Flexible Funds, Stipend Funds, and Pathways for Women Flexible Fund

1. Flexible Funds for FY 2006-07

- a. Subject to the availability of State funding, Contractor shall receive a maximum of EIGHTY-FOUR THOUSAND EIGHT HUNDRED THIRTY DOLLARS (\$84,800) for FY 2006-07 for the Flexible Fund expenditures and administrative costs. At the end of the fiscal year any unexpended funds remaining with Contractor shall be returned to County. Contractor shall invoice the County monthly for such services.
- b. The maximum Flexible Fund expenditures amount is SEVENTY-THREE THOUSAND NINE HUNDRED EIGHTY-FIVE DOLLARS (\$73,985) for FY 2006-07. At the beginning of the fiscal year, Contractor may request an advance of up to thirty percent (30%) of the maximum expenditure amount or TWENTY-TWO THOUSAND ONE HUNDRED NINETY-SIX DOLLARS (\$22,196).
- c. Contractor is entitled to TEN THOUSAND EIGHT HUNDRED FIFTEEN DOLLARS (\$10,815) for FY 2006-07 for administrative costs for managing the Flexible Fund.

2. Flexible Funds for FY 2007-08

- a. Subject to the availability of State funding, Contractor shall receive a maximum of ONE HUNDRED TEN THOUSAND ONE HUNDRED TWENTY-FOUR DOLLARS (\$110,124) for FY 2007-08 for the Flexible Fund expenditures and administrative costs. At the end of the fiscal year any unexpended funds remaining with Contractor shall be returned to County. Contractor shall invoice the County monthly for such services.

- b. The maximum Flexible Fund expenditures amount is NINETY-SEVEN THOUSAND NINE HUNDRED EIGHTY-FIVE DOLLARS (\$97,985) for FY 2007-08. At the beginning of the fiscal year, Contractor may request an advance of up to thirty percent (30%) of the maximum expenditure amount or TWENTY-NINE THOUSAND THREE HUNDRED NINETY-SIX DOLLARS (\$29,396).
- c. Contractor is entitled to TWELVE THOUSAND ONE HUNDRED THIRTY-NINE DOLLARS (\$12,139) for FY 2007-08 for administrative costs for managing the Flexible Fund.

3. Stipend Funds

Subject to the availability of State funding, Contractor shall receive a maximum of TEN THOUSAND DOLLARS (\$10,000) per fiscal year for the Stipend Fund expenditures and administrative costs. At the end of each fiscal year any unexpended funds remaining with Contractor shall be returned to County. Contractor shall invoice the County monthly for such services.

- a. The maximum Stipend Fund expenditures amount is NINE THOUSAND DOLLARS (\$9,000) per fiscal year.
- b. Contractor is entitled to ONE THOUSAND DOLLARS (\$1,000) per fiscal year for administrative costs for managing the Stipend Fund.

4. Pathways for Women Flexible Fund

Subject to the availability of State funding, Contractor shall receive a maximum of FORTY THOUSAND DOLLARS (\$40,000) for the Pathways for Women Flexible Fund expenditures and administrative costs: EIGHT THOUSAND DOLLARS (\$8,000) for FY 2006-07 and THIRTY-TWO THOUSAND DOLLARS (\$32,000) for FY 2007-08. At the end of each fiscal year any unexpended funds remaining with Contractor shall be returned to County. Contractor shall invoice the County monthly for such services.

- a. The maximum Pathways for Women Flexible Fund expenditures amount is THIRTY-SIX THOUSAND DOLLARS (\$36,000): SEVEN THOUSAND TWO HUNDRED DOLLARS (\$7,200) for FY 2006-07 and TWENTY-EIGHT THOUSAND EIGHT HUNDRED DOLLARS (\$28,800) for FY 2007-08. At the beginning of each fiscal year, Contractor may request an advance of up to thirty percent (30%) of the maximum expenditure amount or TWO THOUSAND ONE HUNDRED SIXTY DOLLARS (\$2,160) for FY 2006-07 and EIGHT THOUSAND SIX HUNDRED FORTY DOLLARS (\$8,640) for FY 2007-08.
- b. Contractor is entitled to FOUR THOUSAND DOLLARS (\$4,000) for administrative costs for managing the Pathways for Women Flexible Fund: EIGHT HUNDRED DOLLARS (\$800) for FY 2006-07 and THREE THOUSAND TWO HUNDRED (\$3,200) for FY 2007-08.

5. AOD Housing Support Flexible Fund

Subject to the availability of State funding, Contractor shall receive a maximum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000) for the AOD Housing Support Flexible Fund for FY 2007-08. Contractor is allowed to dispense TWENTY-FOUR THOUSAND DOLLARS (\$24,000) for expenditures and entitled to ONE THOUSAND DOLLARS (\$1,000) for administrative costs for managing the AOD Housing Support Flexible Fund during the period. At the end of FY 2007-08, any unexpended funds remaining with Contractor shall be returned to County. Contractor may invoice the County for such services.

- D. Contractor's FY 2006-2007 and FY 2007-08 budgets are attached and incorporated into this Agreement as Exhibits C and D respectively.
- E. Authorizing the Director of Health or the Director's designee to execute contract amendments which modify the County's Maximum Fiscal Obligation by no more than \$25,000 (in aggregate) and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.
- F. 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.

G. Monthly Reporting

1. 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. The invoice shall include a summary of services and changes for the month of service.
2. The summary ("Summary") shall include data on caseload, units of service, type of housing provided, vacancy rate, and other evaluative information as requested by County. Such Summary will accompany the invoice described above. The Summary shall become incorporated into an annual (fiscal year-end) report which shall include such information as the Director of BHRS or her authorized representative requires to permit reporting, monitoring, and evaluation of Contractor's program pursuant to this Agreement.
3. 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) or electronic format which provide detailed description of services provided including but not limited to: client name, mental health ID#, service date, type of service provided and duration of service (days/hour/minute format).
4. County reserves the right to change the Service Report Forms, Summary, instructions, and/or require the Contractor to modify their description of services as the County deems necessary.

H. 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 before billing Medi-Cal for services provided by Contractor through this Agreement. 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 M. 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 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.
- I. County anticipates 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, the maximum payment obligation and/or payment obligations for specific services may be reduced at the discretion of the Director of Health or designee.
- J. 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.
- K. 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.

L. Contractor shall provide all pertinent documentation required for federal Medi-Cal reimbursement (including initial and quarterly notices, assessment and service plans, and progress notes). The County may withhold payment for any and all services for which the required documentation is not provided, or if the documentation provided does not meet professional standards as determined by the Quality Improvement Manager of the San Mateo County Behavioral Health and Recovery Services Division. Contractor shall meet quarterly with County contract monitor, as designated by the Deputy Director of Adult and Older Adult Services, to review documentation and billing reports, and to take appropriate corrective action, as needed, to resolve any identified discrepancies.

M. Cost Report

1. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the expiration date 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 along with the Cost Report.
2. If the annual Cost Report provided to County shows that total payment to Contractor exceed the total actual costs for all of the services rendered by Contractor to eligible patients during the reporting period, 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. 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 and are retained in accordance with Paragraph I.P of this Exhibit B.
3. Where discrepancies between costs and charges are found on the Cost Report 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 to eligible patients during the reporting period. Likewise, a single payment shall be made to Contractor by County when the total actual costs exceed the total charges made for all of the services rendered to eligible patients during the reporting period and shall not exceed the total amount in Paragraph I.A.1 of this Exhibit B.

N. 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 except to collect other health insurance coverage, share of cost and co-payments. 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.

O. 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 III.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.

P. Rollover

Contractor may rollover unspent funding from the County according to the following procedures.

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 Mental Health 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 Behavioral Health and Recovery 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.

Q. In the event this Agreement is terminated prior to June 30, 2008, 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 of Behavioral Health and Recovery Services or her authorized representative.

