

**THIRD 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, on May 4, 2006, the parties approved Agreement 61000-06-C262 for professional services in the amount of \$100,000 for the term April 16, 2006 through June 30, 2006, and

WHEREAS, on June 20, 2006, by Resolution 68075, the parties authorized an Amendment to the Agreement 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, on January 29, 2008, by Resolution 69229, the parties authorized a Second Amendment to the Agreement increasing 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 (hereinafter referred to as the "Second Amendment"); and

WHEREAS, the parties wish to execute a Third Amendment to the Agreement for long-term health services increasing the Agreement maximum amount by \$320,000 to a new maximum amount of \$7,804,687 for the period beginning July 1, 2007 through June 30, 2009.

**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 and Exhibit D, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B, Exhibit C and Exhibit E. 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 EIGHT HUNDRED FOUR THOUSAND SIX HUNDRED EIGHTY-SEVEN DOLLARS (\$7,804,687).

2. Exhibit D and Exhibit E are hereby added and incorporated here in attached.
3. All other terms and conditions of the amended Agreement dated January 29, 2008, 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

Date: _____

ATTEST:

By: _____
Clerk of Said Board

TELECARE CORPORATION



Contractor

Date: 8-20-08

Telecare Corporation

Exhibit D

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

I. Description of Services to be Performed by Contractor

Contractor shall provide access to beds for individuals ("residents") requiring additional care and supervision beyond basic care and supervision and who are registered clients of County. These services are to be performed at the Residential Care Facility, Garfield Nursing Home, Inc., dba Garfield Neurobehavioral Center (SNF), located at 1451 28th Avenue, Oakland, CA 94601. The owner of the SNF is Telecare Corporation located at 1080 Marina Village Parkway, Suite 100, Alameda, CA 94501.

Definitions:

- A. "Basic Care and Supervision" refers to the resident services required by conditions of the license between the SNF and the State of California's Department of Health Services License and Certification (DHS).
- B. "Additional Basic Care and Supervision" refers to the County's expectation that residents covered by this Agreement will be participants in the SNF's individualized treatment program (see definition of this program below in Special Needs SNF Admission Criteria) and that residents covered by this Agreement are acknowledged to have special care needs that often require more staff supervision from time to time than that needed by residents without special care needs.
- C. "County Service Plan" refers to the plan of care authorized by the resident's assigned county care manager.
- D. "SNF Care Plan" refers to the plan of care on-site at the SNF, which is prepared by the SNF with input from the resident and county care manager.

SNF Duties:

- A. SNF shall cooperate with County to develop a SNF Care Plan to meet the goals, objectives, and activities outlined in the resident's County Service Plan subsequent to referral and authorization by County. The SNF Care Plan shall be developed with the individual resident, the facility interdisciplinary team, and the designated County Director of Placement or designee. The County Service Plan shall be kept on file at the SNF at all times. The SNF shall cooperate with County to ensure that the individual resident's needs for clinical services are continuously identified and reported to the County Director of Placement or designee.

- B. SNF warrants the possession of all licenses and/or permits necessary to provide the resident services as specified and required by the laws of the United States and State of California, and the County of San Mateo. Failure to maintain these licenses and permits shall constitute grounds for the termination of the Agreement by County, pursuant to the Termination article of this Agreement.
- C. SNF shall maintain separate individual resident records in accordance with requirements of State and Federal SNF regulations and County regulations. Such individual resident record shall be kept current regarding the name of the county case manager assigned to monitor the resident's care at SNF.
- D. SNF shall allow access to County, to the extent authorized by law, to County staff for the purpose of resident assessment, monitoring, crisis intervention, record review, and consultation.
- E. SNF shall maintain the capability to meet the identified needs of special need residents as documented in the SNF Care Plan.
- F. SNF shall notify County immediately when a resident becomes medically or psychiatrically unstable or exhibits uncontrollably violent behavior. County shall transport the resident to the hospital for treatment and shall bear the cost of hospitalization and transportation. Once stable, the resident shall be evaluated for appropriate placement by the County and SNF representatives. Placement could either be transferred back to SNF or to the hospital for continued hospitalization.
- G. SNF shall participate in resident satisfaction surveys as developed by County.
- H. SNF shall provide supplemental services for those residents who occupy beds covered by this Agreement as follows:
 - 1. SNF shall provide scheduled transportation to meet the resident's mental and physical/medical needs and to met the resident's needs to participate in any planned programs; SNF shall assist and support arrangement of medical care as appropriate.
 - 2. SNF shall encourage the resident to take increasing responsibility for his/her own treatment by supporting established goals as described in the SNF Care Plan and by supporting the resident's participation in organized treatment programs such as self-help activities.
 - 3. SNF shall encourage the resident's use of leisure time in a constructive manner, and maintenance of appropriate grooming.

4. SNF shall assist the resident in learning social relationship skills, such as communication with others and appropriate expression of feelings.
5. SNF shall participate with County staff in meetings concerning resident(s).
6. SNF shall support sobriety for residents who have a history of alcohol abuse.
7. SNF shall assist the resident in independent management of incontinence (i.e., reminders regarding toileting and use of incontinent garments as appropriate).
8. SNF shall provide those Additional Basic Care and Supervision services to residents who require the management of difficult behavior(s) consistent with the Care Plan.
9. SNF shall encourage resident to develop skills leading to greater independence.
10. SNF shall encourage resident participation in social/recreational activity outside the facility when indicated in the Resident Care Plan.
11. SNF shall accommodate the special needs of the resident's especially providing physical assistance with the resident's activities of daily living; including getting in and out of bed, toileting, dining, and outside activities.

Utilization Management:

Both County and SNF understand and agree that the overall goal is to assist the resident occupying a bed covered by this Agreement to ultimately move to a lower level of care and more independent living in the community; both County and SNF shall regularly review resident's progress and ability to move to a lower level of care in order to free up this resource for another County client.

SNF's beds are subject to availability and the SNF's determination that resident is compatible with other SNF residents and/or suitable for the SNF's programmatic and admission requirements.

County Duties:

- A. County shall provide SNF with as much complete information as possible regarding potential residents. County shall disclose if the potential resident has any history of violence, fire-setting, disregard for smoking rules, special dietary requirements, medical care needs, and/or infectious disease(s).

- B. County shall seek to place only those potential residents in beds covered by this Agreement who met "Special Needs SNF Admission Criteria" as established by the County and updated from time to time. Such criteria are described below in Special Needs SNF Admission Criteria.
- C. Community Programs-Placement of Placement or designee shall provide an Authorization Letter at time of resident's admission.
- D. County shall ensure that each resident has an assigned case manager and that the SNF Care Plan is reviewed and updated regularly.
- E. Community Programs-Placement shall transport resident to the County of San Mateo whenever necessary for court hearing regarding the continuation of conservatorship. The Community Programs-Placement case manager will maintain regular communication with the assigned conservator.

Special Needs SNF Admission Criteria:

- A. Potential resident must be a legal resident of the County and eligible for State Medi-Cal reimbursement. SNF will bill Medi-Cal rate.
- B. Potential resident must be a registered client within the County and being provided case management services. Potential resident must also have a conservatorship administered by the County's Office of Conservatorship Services.
- C. Potential resident must be authorized by the County prior to admission.
- D. Criteria for SNF Admission: Individuals must have a primary diagnosis of Dementia, Amnesic and other cognitive disorder, and Mental Disorders due to a General Medical Condition. (The latter disorders had previously been known as "organic" disorder, but this term has been eliminated in the DSM-IV. Classifications include 29-.xx, 293.xx, and 780.xx). Individual behavioral characteristics must be of the nature which can be managed at a SNF level of functioning, e.g., free of seriously and presentment aggressive or violent behavior. Individuals must not pose an imminent threat to themselves or others due to severe disinhibition or aggressive behavior. Individuals must be able to benefit from this level and intensity of intervention. Medical complications must be of the nature that can be medically managed at a Skilled Nursing level of care, i.e., individuals with severe or acute impairments with be screened by the SNF assessment team for appropriateness. Individuals may have a co-existing substance abuse or dependence disorder or psychiatric disorder, but neither can be primary or the principle focus of treatment.

- E. Each resident will be continuously assessed regarding continuing necessity to occupy the bed covered by this Agreement. If the County staff determines that the resident no longer requires the bed covered by this Agreement, then the resident's conservator will proceed to place the resident in another living arrangement.
- F. Potential resident will have special needs as defined by the County requiring assistance with special needs as indicated in the Resident Care Plan.
- G. Acute Stabilization: Individuals who require acute medical or psychiatric stabilization during the course of stay at Garfield will be sent out to local hospitals, unless otherwise designated or arranged by the referring County. If planned transfer for treatment is not possible, emergency ambulance or "5150" transfers will be employed. Responsibility for subsequent inner-County transfer will be addressed between the referring County and the local admitting hospital.
- H. Bed Hold: There will be a seven-day bed hold when residents are sent out for acute treatment and have the exception of return.
- J. Limitations of Service: Individuals with the following will not be accepted for admission:
- Individuals whose medical condition as assessed by the contractor is deemed to be beyond the scope of resources of the facility, e.g., individuals on ventilators or receiving intravenous fluids or tube feedings, or individuals whose complex medical needs are beyond the resources of the facility at any given period;
 - Individuals in extremely debilitated states, e.g., severe contractures; or
 - Individuals not able to benefit from services at a Skilled Nursing Facility level of care.

Please note: an individual's acuity, e.g., disinhibition and assaultiveness will be assessed and an admission decision made based on the facility's ability to safely provide services. Therefore, individuals with severe disinhibition and violent behaviors may not be accepted into the program.

TELECARE CORPORATION

Exhibit E

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

I. Payments:

In full consideration of the services provided by Contractor and subject to the provisions of Paragraph 3. ("Payments") of this Agreement, County shall pay Contractor in the manner described below, except that any and all payments shall be subject to the conditions contained in this Agreement.

For Fiscal Year 2007-08 the County recognizes the following compensation levels for additional care and supervision: \$220.65 per client per bed day. If client is not Medi-Cal eligible, an additional rate of \$213.57 per client per day and additional charges for physicians and ancillary will be billed. This additional charge of \$213.57 is set at the State Medi-Cal rate and will be adjusted if the Medi-Cal rate changes. If client is not Medi-Cal eligible, County will be notified within 30 days following SNF's receipt of written notice of such lack of eligibility.

For Fiscal Year 2008-09 the County recognizes the following compensation levels for additional care and supervision: \$220.65 per client per bed day. If client is not Medi-Cal eligible, an additional rate of \$218.43 per client per day and additional charges for physicians and ancillary will be billed. This additional charge of \$218.43 is set at the State Medi-Cal rate and will be adjusted if the Medi-Cal rate changes. If client is not Medi-Cal eligible, County will be notified within 30 days following SNF's receipt of written notice of such lack of eligibility.

All compensation will be payable during the month following the month of days utilized by residents covered by this Agreement ("Utilization Month") unless the absence of Medi-Cal eligibility is not determined until later. In the event that Medi-Cal eligibility is denied after the Utilization Month, then SNF may bill and be paid for the denied service. Bed will be considered occupied if bed is on "Bed Hold" while resident is receiving acute treatments.

Payment for the access to beds for individuals that require additional care beyond basic care and supervision who are registered clients of the County shall not exceed \$320,000 for the term July 1, 2007 through June 30, 2009.

In any event the total payment to the contractor for services shall not exceed SEVEN MILLION EIGHT HUNDRED FOUR THOUSAND SIX HUNDRED EIGHTY-SEVEN DOLLARS (\$7,804,687) for the term of this Agreement. County shall have the right to withhold payment if County determines that the quality of work performed is unacceptable.

II. Monthly Reporting to Aging and Adult Services regarding the utilization of beds for individuals who require additional care beyond basic care and supervision.

A. Payment by County to Contractor shall be monthly. Contractor shall submit one monthly invoice to the County on or before the tenth (10th) working day of each month for the prior month. The invoice shall include the facility name, client name, and a summary of services and charges for the month of service. The invoice must document the resident's Authorization Number and Units of Service.

B. In addition contractor shall provide back-up to the invoice. Such back-up shall be in the form of:

1. County provided service reporting form(s) ("Service Reporting Form(s)") completed by Contractor according to the instructions accompanying the Service Reporting Form(s), or

2. County approved form(s) which provide detailed description of services provided including but not limited to: patient names, number of patient days, daily negotiated rate, and type of service provided (Ex: Day Treatment, etc).

3. Invoices shall be sent to:
Aging and Adult Services
225 37th Avenue
San Mateo, CA 94403