

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND  
TELECARE CORPORATION**

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

W I T N E S S E T H:

WHEREAS, 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, it is necessary and desirable that Contractor be retained for the purpose of the professional services hereinafter described for the Health System, Aging and Adult Services, Behavioral Health and Recovery Services and Community Health Divisions.

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

**1. Exhibits and Attachments**

The following exhibits and attachments are included hereto and incorporated by reference herein:

Exhibit A—Services  
Exhibit B—Payments and rates  
Exhibit C—License Agreement  
Exhibit D—Contractor's FY 2009-10 Budget  
Exhibit E—County Equipment  
Attachment C—Election of Third Party Billing Process  
Attachment D—Payor Financial Form  
Attachment I—§ 504 Compliance

**2. Services to be performed by Contractor**

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A."

### **3. Payments**

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed SEVEN MILLION SIX HUNDRED TWENTY-ONE THOUSAND FOUR HUNDRED THIRTY DOLLARS (\$7,621,430).

### **4. Term and Termination**

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2009 through June 30, 2010.

This Agreement may be terminated by Contractor, the Chief of the Health System or designee at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

### **5. License**

In consideration of services provided under this Agreement, in addition to payments as described in Section 3 and in Exhibit B, Contractor shall have use and possession of the Cordilleras Mental Health Center facility as describe in License Agreement, Exhibit C.

### **6. Equipment**

A. It is hereby agreed that those equipment items and other materials listed in Exhibit E, County Equipment, are the sole property of County and Contractor makes no claim thereto.

- B. It is further agreed that any fixed asset, equipment, supplies, or other such items purchased and charged as an operating expense under this Agreement will, to the extent that Contractor has a vested interest, become at County's option, property of County, and Contractor will make no claim thereto. Where fixed assets and/or equipment have been purchased by Contractor and County charged for such depreciation thereto, County shall have the option to purchase said fixed assets and/or equipment at the net book value thereof, in the event that this Agreement should be terminated by either party or expires. Contractor agrees, wherever leases of equipment of are involved, to enter into open-ended leases with options as if County were Contractor with the same vested interests as Contractor. Contractor shall be obligated to obtain County approval prior to the purchase and/or lease of any equipment.

**7. Availability of Funds**

The County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds, by providing written notice to Contractor as soon as is reasonably possible after the County learns of said unavailability of outside funding.

**8. Relationship of Parties**

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

**9. Mutual Hold Harmless**

- A. Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.
- B. The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

- C. County shall indemnify and save harmless Contractor, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind and description, brought for, or on account of: (1) injuries to or death of any person, including County, or (2) damage to any property of any kind whatsoever and to whomsoever belonging, or (3) any sanctions, penalties or claims of damages resulting from County's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1966 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (4) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of Contractor, its officers, agents, employees, or servants, resulting from the performance of any work required by County, provided that this shall not apply to injuries or damage for which Contractor has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.
- D. The duty of County to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.
- E. Concurrent Negligence.  
In the event of concurrent negligence of County, its officers and/or employees, and Contractor, its officers and an/or employees, then the liability for any and all claims for injuries or damage to persons and/or property which arise out of terms and conditions of this Agreement shall be apportioned according to the California theory of comparative negligence.

#### **10. Assignability and Subcontracting**

Contractor shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without the County's prior written consent shall give County the right to automatically and immediately terminate this Agreement.

#### **11. Insurance**

The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained and such insurance has been approved by Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. The Contractor shall furnish the County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the County of any pending change in the limits of liability or of any cancellation or modification of the policy.

(1) **Worker's Compensation and Employer's Liability Insurance** The Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and will comply with such provisions before commencing the performance of the work of this Agreement.

(2) **Liability Insurance** The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from contractors operations under this Agreement, whether such operations be by himself/herself or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below.

Such insurance shall include:

- (a) Comprehensive General Liability . . . . . \$1,000,000
- (b) Motor Vehicle Liability Insurance . . . . . \$1,000,000
- (c) Professional Liability . . . . . \$1,000,000

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

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

## **12. Fire Legal Insurance**

Contractor, as "Licensee" of property provided by County, under Exhibit C, "License Agreement", shall obtain and maintain, at its expense, fire legal insurance on the Premises with a limit of at least FIFTY THOUSAND DOLLARS (\$50,000). The policy shall be issued in the names of County and Licensee as their interests appear hereunder. The policy shall provide that any proceeds shall be payable to Licensor.

## **13. Compliance with laws; payment of Permits/Licenses**

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Federal Regulations promulgated thereunder, as amended, and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment "I," which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. Further, Contractor certifies that the Contractor and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware.

In the event of a conflict between the terms of this Agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

## **14. Non-Discrimination and Other Requirements**

- A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.
- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.

- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
- i) termination of this Agreement;
  - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
  - iii) liquidated damages of \$2,500 per violation;
  - iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

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

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

**15. Compliance with Contractor Employee Jury Service Ordinance**

Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service in San Mateo County. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employees' regular pay the fees received for jury service.

**16. Retention of Records, Right to Monitor and Audit**

- A. CONTRACTOR shall maintain all required records for three (3) years after the COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.
- B. Reporting and Record Keeping: CONTRACTOR shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the COUNTY.
- C. CONTRACTOR agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

**17. Merger Clause**

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement or specification set forth in this body of the agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this agreement, the provisions of this body of the agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

**18. Controlling Law and Venue**

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

**19. Notices**

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when both (1) transmitted via facsimile to the telephone number listed below and (2) either deposited in the United States mail, postage prepaid, or when deposited for overnight delivery with an established overnight courier that provides a tracking number showing confirmation of receipt, for transmittal, charges prepaid, addressed to:



In the case of County, to:  
San Mateo County  
Behavioral Health and Recovery Services  
225 37<sup>th</sup> Avenue  
San Mateo, CA 94403

In the case of Contractor, to:  
Telecare Corporation  
1080 Marina Village Parkway, Suite 100  
Alameda, CA 94501-1043

In the event that the facsimile transmission is not possible, notice shall be given both by United States mail and an overnight courier as outlined above.

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

COUNTY OF SAN MATEO

By: \_\_\_\_\_  
Mark Church, President  
Board of Supervisors, San Mateo County

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

ATTEST:

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

TELECARE CORPORATION

\_\_\_\_\_  
Contractor's Signature

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

Long Form Agreement/Business Associate v 8/19/08



TELECARE CORPORATION: FY 2009-2010  
Exhibit "A"

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

- I. Care for Patients in the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients (July 1, 2009 – June 30, 2010)
  - A. Provision of these services shall be subject to program terms and conditions as established by California Department of Health Services, Tuberculosis Control Branch. It is the intention of both parties to amend this agreement as necessary to maintain compliance with these same terms and conditions.
  - B. Contractor is a provider/partner with San Mateo County Community Health Division (County) in providing a secure locked facility at Cordilleras Center for certain patients requiring special housing and treatment for tuberculosis in California.
  - C. Contractor will maintain one bed for 365 days for patient(s) referred by a California Local Health Justification (LHJ) in the program of Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients.
  - D. Contractor will provide additional beds for participants on a space available basis.
  - E. Contractor will accept patients and provide services based on the current protocols, policies and procedures issued by the state Tuberculosis Control Branch (TBCB).
  - F. Contractor will work with each LHJ to assure the appropriateness of each patient placed at Cordilleras Center.
  - G. Contractor will inform the County Tuberculosis Control Officer (650-573-2346) on or before the first day of confinement of each patient to be placed.
  - H. Contractor will inform the County Tuberculosis Control Officer (650-573-2346) on the day of discharge of each patient.
  - I. County shall give 30-days notice to Contractor prior to the cancellation of the Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients Program.

## II. Garfield Neurobehavioral Center (SNF)

### A. Description of Services to be performed at the SNF

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 28<sup>th</sup> Avenue, Oakland, CA 94601. The owner of the SNF is Telecare Corporation located at 1080 Marina Village Parkway, Suite 100, Alameda, CA 94501.

#### 1. 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.

#### 2. 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 staff to the extent authorized by law 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 be 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 meet 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.

3. 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.

4. 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, Director 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 staff shall transport resident to the County of San Mateo whenever necessary for court hearings regarding the continuation of conservatorship. The Community Programs-Placement case manager will maintain regular communication with the assigned conservator.
5. 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 persistent 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 will 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.
- i. 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.

### III. Mental Health Services

In full consideration of the payments herein provided for in Exhibit B, Paragraph IV.A.1., Contractor shall provide services described herein (collectively referred to herein as “Services”) authorized by the Behavioral Health and Recovery Services (BHRS) Division of San Mateo County and as meet medical necessity. These services shall be provided in 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. All payments as identified in Exhibit B, Paragraph III. must directly support services specified in this Agreement. The San Mateo County Mental Health Services Documentation Manual (“County Documentation Manual”) is included herein by reference. To the extent that there is inconsistency between a provision in the County Documentation Manual and this Agreement, the provisions in the County Documentation Manual shall prevail. The Documentation Manual is available at [sanmateo.networkofcare.org/mh](http://sanmateo.networkofcare.org/mh) by following the link For Providers, and then the link to Service Provider Forms and Documents.

#### A. Uniform Program Requirements – All Mental Health Services

##### 1. Minimum Staffing Requirements

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

##### 2. Organizational Chart

Contractor shall have a current organization plan on file that reflects Contractor’s current operating structure. As changes in the organization’s operating structure are made, updated organization changes shall be forwarded to the office of County’s Behavioral Health and Recovery Services (BHRS) Director.

##### 3. Psychiatric Treatment Record Requirements

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

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

b. Management of Medical Records

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

- c. Paragraph 16 of the Agreement and Exhibit B, Section III.R.4. notwithstanding, Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

4. Community Liaison

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

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

5. Discharge Criteria, Planning, and Placement

- a. Discharge planning shall be the responsibility of Contractor in consultation with designated San Mateo County BHRS staff. Discharge planning shall begin upon client admission.
- b. Discharge planning shall include evaluation of level of care needed for placement, referral to appropriate setting, pre-discharge coordination of appropriate community-based services, including benefits and outpatient mental health services.
- c. Discharge plans shall be in writing and shall be included as part of the client's record.
- d. For voluntary clients, Contractor shall be responsible for applications for financial aid as necessary, Medi-Cal processing, General Assistance, filing of change of address, transportation to and from volunteer work, transportation to vocational rehabilitation and notification of responsible parties.
- e. Contractor shall provide monthly reports to the BHRS, Deputy Director or designee, that will detail admissions and discharges to the community. County designated staff shall collaborate with Admission Coordinator in pre-discharge planning and shall share responsibility with Clinical Director and Admissions Coordinator for coordinating appropriate community support resources.
- f. The Clinical Director and Admissions Coordinator shall be actively involved in BHRS meetings and activities that involve community housing resources, treatment, and rehabilitation and recovery services. The Clinical Director and Admissions Coordinator shall cooperate fully with the County Resource Management Team, to include, but not be limited to, participation in discharge planning meetings twice per month. Minutes of those meetings shall be taken by Contractor and provided to meeting participants and to the BHRS, Deputy Director.

g. The Clinical Director and Admission Coordinator shall participate in weekly administrative day meetings on unit 3AB at the San Mateo Medical Center. Admission Coordinator shall interview prospective clients and shall be pro-active in obtaining prospective client information in a timely manner. Admission Coordinator as needed will visit other acute inpatient facilities in San Mateo County to interview prospective clients and to obtain relevant client information.

6. Court Testimony

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

7. Reporting

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

8. Quality Improvement

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

B. Cordilleras Mental Health Center

For the term of this Agreement as herein specified, Contractor shall operate a Mental Health Rehabilitation Center (MHRC) at the Cordilleras Mental Health Center facility at 200 Edmonds Road in Redwood City, California. This facility is licensed at a capacity of sixty-eight (68) beds. Of these, sixty-one (61) beds are dedicated exclusively for residents of San Mateo County. Contractor may, at County's discretion, market the excess beds to other entities requiring these services. In addition contractor shall provide forty-nine (49) residential care beds. The total bed capacity for San Mateo County clients shall be one hundred ten (110) beds.

1. MHRC Capacity

- a. Contractor shall provide a dedicated capacity of sixty-one (61) beds for mentally disordered clients who are eighteen (18) years of age and older; who suffer moderate to severe mental impairment or lack of ability to function; and who require a locked setting, including such eligible clients of the BHRS of the San Mateo County Health System, hereinafter referred to as "System," as may be referred to Cordilleras Center by Division staff, duly authorized by the Director of BHRS.
- b. Contractor and County shall work jointly to maximize admissions to available beds. County shall be guaranteed first (1<sup>st</sup>) option for psychiatric services on any open bed. Dedicated beds will be held open awaiting a County placement unless County agrees to Contractor seeking a non-County resident to fill the open bed. Contractor will accept direct community admissions. These admissions will follow written guidelines and will be approved by the Program Administrator.

2. Adult Residential Facility Capacity

Contractor shall operate a residential care programs for clients who can be served in an unlocked setting called Edgewood Suites ("Suites"), licensed for a combined capacity of forty-nine (49) residential beds. The Suites includes Willow Suites, a twenty (20) bed unit.

3. Resident Eligibility/Limitations of Service

- a. Clients for the Suites must be between eighteen (18) years of age and sixty (60) years of age.
- b. Residents of the MHRC must be at least eighteen (18) years of age. Clients sixty-five (65) years of age or older may be placed by mutual consent of Contractor and County.
- c. Clients who have co-occurring illnesses that include substance abuse, organic brain syndrome, mild mental retardation, or developmental disabilities will not be excluded from admission provided they meet other admission criteria. Clients whose degree of organicity, dementia, mental retardation, or developmental disabilities impairs their ability to function in the Cordilleras setting will be reviewed by the Cordilleras Review Committee prior to admission.
- d. Clients with medical problems or conditions which require medical attention beyond that available through outpatient care shall be admitted upon mutual consent of Contractor Administrator, the BHRS Deputy Director for Adult and Older Adult Services, and the BHRS Medical Director.
- e. Clients who are potentially dangerous to themselves or others will be closely screened to determine if they can be managed and treated adequately in the program. The decision to admit such clients will be based on clinical assessment, current staffing, census, and the capacity to tolerate abnormally disruptive behavior within the facility at the time of referral.
- f. By virtue of its license as an MHRC (#02 68 015), Cordilleras Mental Health Center will serve criminal justice system clients on an exception basis while adhering to BHRS Policy No. 92-2 upon mutual consent of Contractor Administrator, the BHRS Deputy Director for Adult and Older Adult Services, and the BHRS Medical Director.
- g. Clients may be admitted on a voluntary basis or on a temporary or full LPS conservatorship.
- h. Clients under a hold in accordance with W&I code 5150 or 5250 will not be admitted.

- i. All admissions shall be subject to screening procedures and standards mutually agreeable to Contractor and County. Such procedures and standards shall be developed to insure the admission of all persons able to benefit from the services provided. Such standards and procedures shall exclude the admission of persons whose disabilities or degree of disabilities would be inappropriate to the level of service intended to be provided by Contractor.

#### 4. Services to be Provided

For the term of this Agreement, psychiatric treatment services provided by Contractor shall include the following services to eligible clients as defined in Exhibit A, Paragraph II.B.3., Resident Eligibility.

##### a. MHRC Services

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

Services shall include, but are not limited to, the following services. These services shall be provided in a manner consistent with the terms and provisions of this Agreement and subject to procedures and standards mutually agreed upon by Contractor and County. Transportation support shall be provided for groups that take place away from Cordilleras.

##### 1) Wellness Management and Recovery

Contractor shall assist clients to develop strategies for managing mental illness and progressing in recovery. Staff shall provide information strategies and skills to be used by clients to further their own recoveries. Emphasis shall be on setting and pursuing personal goals, and on utilizing recovery strategies. The following groups shall be provided:

- a) Daily Community Meeting
- b) Self-Help Group
- c) Exercise and Walk Group



- d) Women's Group
- e) Men's Group
- f) Healing Hour
- g) Client Council
- h) Movement
- i) Creative Writing
- j) Story Telling (Drama Therapy)

2) Skill Building (Cognitive Behavioral Emphasis)

Staff shall assist clients in the development of skills needed to succeed in living in the community. The focus of these activities shall be to increase clients' understanding of their cognitive and emotional processes and how these affect their behavior. The following groups shall be provided:

- a) Illness Management and Recovery
- b) Grooming
- c) Banking
- d) Stress Reduction
- e) Independent Living Skills
- f) Social Skills
- g) Making Changes (Anger Management)
- h) Community and Friendship Center Outings
- i) Medication/Symptom Management Group

3) Dual Recovery Groups

Contractor shall offer the following groups for clients needing services to address mental illness and substance abuse issues.

- a) Relapse Prevention
- b) Narcotics Anonymous meetings and Redwood Center and at Cordilleras
- c) Check-In
- d) Dual Recovery
- e) Alcoholics Anonymous meetings in San Carlos, Redwood Center and at Cordilleras

4) Health Education

Contractor shall provide the following Health Education groups:

- a) Women's Health Group
  - b) Tai Chi
  - c) Acupuncture
  - d) Health Education
- 5) Family education groups monthly and family meetings as clinically indicated.
  - 6) Occupational therapy/arts and crafts groups.
  - 7) Indoor and outdoor sports activities.
  - 8) Active discharge planning.
  - 9) Transportation and support to clients to attend community reintegration activities.

b. MHRC Client Services

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

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

2) Program Monitoring

The State of California and County and their appropriate agencies have the right to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed and to audit and

inspect any books and records of Contractor with respect to services performed of services capacity specified under this Agreement.

c. MHRC Dual Diagnosis Program

Contractor shall provide dual diagnosis treatment services for clients who have a co-existing mental illness and substance abuse diagnosis.

- 1) The program is designed to serve clients who require a sub-acute treatment program structure and have been identified as being dually diagnosed and likely to benefit from this program.
- 2) Clients may be referred from the general MHRC population. Admissions can be referred directly from the community, upon mutual agreement of Contractor and County.

d. MHRC Medical Director

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

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

- g) Involvement in reviews and surveys by oversight agencies and Telecare Corporation, as well as the development of the resulting plan of correction.

2) Administrative Supervision of Physician Staff

The Medical Director will provide assistance to the Program Administrator, who will provide administrative oversight of physicians, in the areas of:

- a) Contracts, rates, and billing issues, and other areas related to reimbursement: and
- b) Hours worked availability, and timely responsiveness to calls from program staff.

3) Clinical Supervision of Physician Staff

- a) Provide clinical supervision of psychiatrists, including medical practice, peer review of psychopharmacologic and clinical interventions for clinical and cost effectiveness.
- b) Provide coordination and general clinical oversight of non-psychiatric physicians, such as internists, podiatrists, pharmaceutical services, and other clinical services as needed.
- c) Promptly investigate complaints or concerns regarding physician services, and take appropriate action(s).
- d) Participate in interdisciplinary meetings or other processes that review administrative and clinical issues. Foster communication among the clinical disciplines and management staff, coordinating efforts to resolve conflicts if they occur.
- e) Develop and maintain program standards of psychiatric care in collaboration with psychiatric staff, incorporating corporate psychiatric standards. This includes monitoring the quality of physicians' documentation in the medical record.

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

4) Consultation

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

- b) Provide consultation as needed to psychiatrists, other physicians, teams, staff, program management, case conference attendees, and other care providers in the system of care.
  - c) Provide staff training as identified by management and the QI process. Training shall include Cognitive Behavioral Treatment modalities.
  - d) Provide case consultation for specific Behavioral Treatment plans.
- 5) Contractor shall provide an average of forty (40) hours of service per week.
- 6) Case documentation shall be maintained in compliance with Short-Doyle Medi-Cal standards as described in DMH Notice 94-14, the Rehabilitation option including completion of the Physician's Initial Note, Mental Health Services' Medication Consent Forms, and progress and prescribing notes. Charts shall be subject to annual medication monitoring review.
- e. Adult Residential Facility Services (Suites)
- 1) Program is designed to serve clients who are able to leave the locked setting, yet require the structure of a facility like Cordilleras Center.
  - 2) Clients may be referred from the general MHRC population. Admissions may also be referred directly from the community, upon the mutual agreement of Contractor and County.
  - 3) To gain greater independence, clients shall be encouraged to participate in community activities. Contractor shall provide transportation and support to assist residential clients in attending community activities when appropriate.
  - 4) Contractor will provide Admissions Coordinator to provide intake and discharge coordination.
  - 5) Contractor shall initiate usage of the SAMHSA Recovery Tool Kit.

- 6) Contractor shall provide the following supplemental services and mental health services:
  - a) Supplemental Services
    - i. Transportation and support to clients to attend community reintegration activities.
    - ii. Medication management services
    - iii. Coordination of medical appointments, including transportation
    - iv. Development of a personal support system in the community
    - v. Practicing social skills
    - vi. Planning and implementing leisure activities, including the use of community resources
    - vii. Learning basic living skills, including:
      - o meal preparation
      - o shopping
      - o housekeeping
      - o personal hygiene
      - o recreation
      - o physical fitness
      - o use of public transportation
      - o money management
      - o use of community resources
  - b) Mental health services:
    - i. Service coordination, including case management services
    - ii. Crisis intervention services
    - iii. A.M. and P.M. Resident Community Meetings, which may address the following topics:
      - o recovery
      - o weekly goals
    - iv. Contractor shall provide documentation in compliance with Short-Doyle Medical requirements.
    - v. Completion of Behavioral Protocols & Chain Analysis
    - vi. Pre-vocational Counseling
    - vii. Securing long-term community housing

7) Willow Suites

The Willow Suites is a step-up program within the Suites for clients who have been unsuccessful in other residential care settings due to high level of psychiatric acuity, presence of impulsive behaviors (typically due to Axis II conditions), lack of independent living skills and support, and/or the presence of a complex behavioral disorder. The program assists clients in acquiring and applying interpersonal and community living skills and developing personal community support systems in order to minimize the risk of hospitalization and enhance the clients' ability to live in the community. On-site services shall include comprehensive case management services, comprehensive psychopharmacological services as needed, and Dialectical Behavioral Therapy.

- a) Staff shall be formally trained in, and shall provide dialectical behavior therapy (DBT) interventions to maximize positive outcomes. Staff shall conduct weekly DBT skills acquisition groups and skills practice groups. Program clients will receive individual therapy and participate in the DBT Skills Group at the South County Mental Health Center. Program staff will work with County BHRS staff to coordinate DBT services.
- b) A minimum of 20% of the clients in the program will be diagnosed with AXIS II.

8) Peer Counseling Case Management

Contractor shall provide part-time peer counselor case management services at County contracted board and care facilities countywide. The peer counselor shall work with clients who have been discharged from Cordilleras to maintain placement in the least restrictive environment. The peer counselor shall work in consultation with the County Resource Management team.



9) WRAP Planning

Contractor shall provide WRAP planning services for clients.

10) Reporting

Contractor shall report the following data to County:

- a) The total number of hospital days for clients annually; and
- b) The total number of days of employment for clients annually.
- c) The total number of days of homelessness for program clients annually.

f. Physician Services

Contractor shall provide licensed, qualified psychiatrists to provide psychiatry services. The staff psychiatry responsibilities will include:

- 1) Case Documentation (all services).  
Case documentation shall be maintained in compliance with California State Department of Mental Health guidelines and regulations for the Medi-Cal program, and in accordance with the BHRS Documentation Manual. Documentation shall include completion of the Physician's Initial Note, BHRS' Medication Consent Forms, and progress and prescribing notes. Charts shall be subject to annual medication monitoring review.
- 2) Adequate coverage in the provision of psychiatric services for facility clients. (MHRC only.)
- 3) Provision of court testimony. (MHRC only.)
- 4) Scheduled coverage five (5) days per week (Monday through Friday) in such a format to allow admissions and discharges to be made five (5) days per week. (MHRC only.)

5. Vegetable Garden and Fruit Trees

Contractor shall work with clients to develop and maintain a vegetable garden and fruit tree orchard. Garden and orchard produce shall be used to supplement the client food supply.

IV. Goals and Objectives

A. Mental Health Services

1. MHRC

Goal: To develop new skills and supports and decrease maladaptive behaviors enabling clients to live in a less restrictive, more independent residential environment.

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they “strongly agree” or “agree” with the statement “I do better in social situations.”

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they “strongly agree” or “agree” with the statement “I am better able to deal with crisis.”

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they “strongly agree” or “agree” with the statement “I am getting along better with my family.”

Contractor to provide MHSIP response data.

Goal: To minimize client seclusion

Objective: Client seclusion rate shall be less than 1.99 days per 1,000 bed days.

Contractor to provide data.

Goal: To enhance client satisfaction with services received

Objective: A minimum of ninety percent (90%) of clients who complete a satisfaction survey will be satisfied with the program. A satisfaction survey will be administered on a voluntary basis at discharge.

Contractor to provide data.

Objective: A minimum of seventy-five percent (75%) of clients shall report that Contractor staff are sensitive to cultural and ethnic background of client.

Contractor to provide data.

Goal: Increase flow of client admissions and discharges in the acute/sub acute service system.

Objective: 132 admissions will be made per contract year.

Contractor to provide data.

Objective: Community discharges will be maintained at 89 during FY 2008-09.

Contractor to provide data.

#### Hospitalizations

Goal: To increase or maintain the probability of clients remaining in the current or a lower level of care and out of the hospital.

Objective: No more than fifteen percent (15%) of clients shall be hospitalized

Contractor to provide data.

## 2. Adult Residential Facility

Goal. To develop new skills and supports and decrease maladaptive behaviors enabling clients to live in a less restrictive, more independent residential environment.

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they “strongly agree” or “agree” with the statement “I do better in social situations.”

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they “strongly agree” or “agree” with the statement “I am better able to deal with crisis.”

Objective: A minimum of eighty percent (80%) of clients who respond to the MHSIP will indicate that they “strongly agree” or “agree” with the statement “I am getting along better with my family.”

Contractor to provide MHSIP response data.

Objective: At least ten (10) clients will have a completed WRAP Plan within six (6) months of admission.

Contractor to provide data.

Goal: To enhance client satisfaction with services received

Objective: A minimum of ninety percent (90%) of clients who complete a satisfaction survey will be satisfied with the program. A satisfaction survey will be administered on a voluntary basis at discharge.

Contractor to provide data.

Objective: A minimum of seventy-five percent (75%) of clients shall report that Contractor staff are sensitive to cultural and ethnic background of client.

Contractor to provide data.

### 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 clients shall be hospitalized

Contractor to provide data.

Goal: To minimize inappropriate or unnecessary acute hospitalization.

Objective: Program clients will have no more than a total of 4 Psychiatric Emergency Services visits per month.

Contractor to provide data.

#### Homelessness

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 shall become homeless.

Contractor to provide data.

#### 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 who are working in paid or unpaid positions, or actively seeking employment.

Contractor to provide data.

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

A. Paragraph 16 of the Agreement and Exhibit B, Section III.R.4. notwithstanding, Contractor shall maintain medical records required by the California Code of Regulations. Notwithstanding the foregoing, Contractor shall maintain beneficiary medical and/or clinical records for a period of seven (7) years, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18<sup>th</sup>) birthday or b) for a period of seven (7) years beyond the date of discharge, whichever is later.

B. Administering Satisfaction Surveys

Contractor agrees to administer/utilize any and all survey instruments as directed by the County BHRS Division, including outcomes and satisfaction measurement instruments.

C. Cultural Competency

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;

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; and

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 BHRS Deputy Director of Adult and Older Adult Services 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).

F. Contractor shall maintain certification through San Mateo County to provide Short-Doyle Medi-Cal reimbursable services.

- G. Contractor may not employ any persons deemed an Ineligible Person by the Office of the Inspector General in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An “Ineligible Person” is an individual who (1) is currently excluded, suspended, debarred or otherwise ineligible to participate in Federal health care programs, or (2) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment or ineligibility. Ineligibility may be verified by checking: [www.Exclusions.OIG.HHS.Gov](http://www.Exclusions.OIG.HHS.Gov).
- H. Contractors providing state funded health services may not employ any persons deemed an Ineligible Person by the California Department of Health Services (CDHS) in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An “Ineligible Person” is an individual who has been (1) convicted of a crime involving fraud or abuse of the Medi-Cal program, or (2) suspended from the federal Medicare program for any reason. Ineligibility may be verified by checking: <http://files.medical.ca.gov/pubsdoco/publications/bulletins/part1/part1bull.asp>.
- I. Advance Directives
- Contractor will comply with County policies and procedures relating to advance directives.
- J. Beneficiary Rights
- Contractor will comply with County policies and procedures relating to beneficiary’s rights and responsibilities.
- K. Physician Incentive Plans
- Contractor shall obtain approval from County prior to implementing a Physician Incentive Plan as described by Title 42, CFR, Section 438.6(h). The County will submit the Physician Incentive Plan to the State for approval. The State shall approve the Contractor’s request for a Physician Incentive Plan only if the proposed Physician Plan complies with all applicable federal and state regulations.

L. Availability and Accessibility of Service

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

M. Compliance Plan and Code of Conduct

Contractor shall read and be knowledgeable of the compliance principles contained in the Mental Health Compliance Plan and Code of Conduct. In addition, Contractor shall assure that Contractor's workforce is aware of compliance mandates, and are informed of the existence and how to use the Compliance Improvement Hotline Telephone Number (650) 573-2695.

N. Beneficiary Brochure and Provider Lists

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



TELECARE CORPORATION: FY 2009 – 2010  
Exhibit "B"

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

I. Total Maximum Obligation

Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of exceed SEVEN MILLION SIX HUNDRED TWENTY-ONE THOUSAND FOUR HUNDRED THIRTY DOLLARS (\$7,621,430) for services provided under this Agreement for the period of July 1, 2009, through June 30, 2010. This amount includes payment for the service components described more fully below.

II. Payments—Care for Patients in the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients

A. Payment for services as described in Paragraph I. of Exhibit A shall be contingent upon receipt of funding designated for these services from the California Department of Health Services, subject to the program terms and conditions as established by California Department of Health Services, Tuberculosis Control Branch. It is the intention of both parties to amend this agreement as necessary to maintain compliance with these same terms and conditions.

B. Contractor agrees to make all efforts to bill any eligible third-party payor, including Medi-Cal and Medicare, for these services. The payments made under the terms of this Agreement are designed to assure that there is a fair minimum payment made to the Contractor for services.

C. Room and Board:

1. County shall pay for the one bed reserved for the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients at a rate of TWO HUNDRED FORTY-EIGHT DOLLARS (\$248) per day, not to exceed NINETY THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$90,520).

2. Quarterly invoices for the bed will be sent to: Community Health Director, San Mateo County Health System, 225 37<sup>th</sup> Avenue, San Mateo CA, 94403, Attn: Beth Schultz.

3. If the number of bed days exceeds three hundred sixty-five (365), Contractor shall bill the sending local health jurisdiction (“LHJ”) (including San Mateo County if the TB detention client is a San Mateo County resident) on a quarterly basis at the rate of TWO HUNDRED FORTY-EIGHT DOLLARS (\$248) per day.
  4. In the event that a TB client requires services not covered in Exhibit A, the need for these services must be discussed with and approved in writing by the sending LHJ before such services are rendered. If such services are rendered and the payment by a third party insurer, less deductibles and co-payments, for these services falls below the Medi-Cal rate for such services, the Contractor shall bill and be reimbursed by the sending LHJ. CDHS TBCB may reimburse the sending LHJ up to SEVENTY-FIVE DOLLARS (\$75) per day for such services.
- D. Total Room and Board payments for the one (1) bed for three hundred and sixty-five days (365) reserved for the State/Local Program for Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients services for the Regional Civil Detention of Persistently Non-Adherent Tuberculosis Patients Program shall not exceed NINETY THOUSAND FIVE HUNDRED TWENTY DOLLARS (\$90,520) for the period of July 1, 2009 through June 30, 2010.

### III. Payments—Garfield Neurobehavioral Center (SNF)

- A. For Fiscal Year 2009-10 the County recognizes the following compensation levels for additional care and supervision: TWO HUNDRED TWENTY DOLLARS AND SIXTY-FIVE CENTS (\$220.65) per client per bed day. If client is not Medi-Cal eligible, an additional rate of TWO HUNDRED THIRTY DOLLARS AND NINETEEN CENTS (\$230.19) per client per day and additional charges for physicians and ancillary will be billed. This additional charge of TWO HUNDRED THIRTY DOLLARS AND NINETEEN CENTS (\$230.19) 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 THREE HUNDRED TWENTY THOUSAND DOLLARS (\$320,000) for the term July 1, 2009 through June 30, 2010.

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

1. Payment by County to Contractor shall be monthly. Contractor shall submit one monthly invoice to the County on or before the tenth (10<sup>th</sup>) 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.

C. 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 37<sup>th</sup> Avenue  
San Mateo, CA 94403

IV. Payments—Mental Health Services

In full consideration of the mental health treatment services provided by Contractor pursuant to this Agreement it is hereby agreed by the parties hereto that County shall pay Contractor in the manner described below, except that any and all such payments shall be subject to the conditions contained in this Agreement.

A. Maximum Obligation

1. Notwithstanding the method of payment set forth herein, in no event shall County pay or be obligated to pay Contractor more than the sum of SEVEN MILLION TWO HUNDRED TEN THOUSAND NINE HUNDRED TEN DOLLARS (\$7,210,910) for services provided at Cordilleras Mental Health Center for the period of July 1, 2009 through June 30, 2010.

County shall be obligated to pay a negotiated net amount for services described in Exhibit A, Paragraph III, according to the following schedule:

MHRC Services	Adult Residential Facility Services:	Program Total
\$ 5,526,887	\$1,684,023	\$ 7,210,910

2. Psychiatric Services

County shall be obligated to provide funding for psychiatric services described in Exhibit A, Paragraph III.B.4.d. (Program Medical Director) and Exhibit A, Paragraph III.B.4.f. (Physician Services), (collectively “Psychiatric Services”). Funding for Psychiatric Services shall not exceed TWO HUNDRED TWENTY-THREE THOUSAND DOLLARS (\$223,000); however such funding is included in the Total Maximum Obligation described in Exhibit B, Paragraph IV.A.1. (above), and County shall not pay nor be obligated to pay additionally for such Psychiatric Services.

3. Gross Operating Income

The Gross Operating Income described in Exhibit D (Budget) shall not exceed THREE HUNDRED NINETY-SEVEN THOUSAND THREE HUNDRED SEVENTY-TWO DOLLARS (\$397,372) without the express written consent of the Chief of the Health System. Funding for such Gross Operating Income is included in the Total Maximum Obligation set forth in Exhibit B, Paragraph I (above), and County shall not pay nor be obligated to pay additionally for such Gross Operating Income.

4. Payment for residential treatment services provided at Cordilleras is based on net costs. Contractor may bill and retain any Supplemental Security Income (SSI) or State Supplemental Payment (SSP) income payable by clients for room and board costs.

5. The daily rates for MHRC beds shall be TWO HUNDRED FORTY EIGHT DOLLARS (\$248) per bed per day for the period of July 1, 2009 through June 30, 2010.

B. Payments

Unless otherwise authorized by the Chief of the Health System or the Chief's designee, the rate of payment by County to Contractor for mental health services shall be one-twelfth (1/12) of the maximum obligation, as established in Paragraph IV.A.1 of this Exhibit B, per month for the period July 1, 2009 through June 30, 2010. These monthly payments shall be in the amount of SIX HUNDRED THOUSAND NINE HUNDRED NINE DOLLARS AND SIXTEEN CENTS (\$600,909.16).

C. Budget modifications may be approved by the Chief of the Health System or the Chief's designee, subject to the maximum obligation set forth in Paragraph 3 of the Agreement and the Gross Operating Income Limitations.

D. The Chief of the Health System or the Chief's designee is authorized 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.

- E. Contractor shall bill County on or before the tenth (10<sup>th</sup>) working day of each month for the current month. All claims shall clearly reflect and in reasonable detail give information regarding the services, as described in Exhibit A, for which claim is made.
- F. Contractor shall provide a monthly written summary of services provided, including caseload, units of service, and vacancy rates per service. This summary shall be provided on the services reporting form provided by the County, and shall accompany the monthly invoice.
- G. 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.
- H. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the expiration date of each contract year for the term of this Agreement. This report shall be in accordance with the principles and format outlined in the Cost Reporting/Data Collection (CR/DC) Manual. Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report shall be submitted to County along with the Cost Report.
- I. If the annual Cost Report provided to County reveals that total payments to contractor, less the Gross Operating Income as established in Paragraph III.A.3 of this Exhibit B, exceed the total allowable costs for all of the services rendered by Contractor to eligible clients during the reporting period, a single payment in the account of the contract savings shall be made to County by Contractor, unless otherwise authorized by the Chief of the Health System or the Chief's designee.
- J. 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 Chief of the Health System or the Chief's designee.

- K. 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.
- L. 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.
- M. 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 County BHRS Quality Improvement Manager.
- N. In the event this Agreement is terminated prior to June 30, 2010, 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 BHRS Director.
- O. Contractor may rollover unspent funding from the County according to the following procedures.
  - 1. Contractor shall submit a summary calculation of any savings ninety (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 BHRS Director or the Director's 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 ninety (90) days after the specific purpose has been completed, or ninety (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 BHRS Director or the Director's designee.
5. A final accounting of the rollover funds shall be submitted ninety (90) days after the specific purpose has been completed, or ninety (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.

P. 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.

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

R. Claims Certification and Program Integrity

- 1. Contractor shall comply with all state and federal statutory and regulatory requirements for certification of claims, including Title 42, Code of Federal Regulations (CFR) Part 438, Sections 438.604, 438.606, and, as effective August 13, 2003, Section 438.608, as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are hereby incorporated by reference.

2. Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

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

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

Executed at \_\_\_\_\_ California, on \_\_\_\_\_, 20\_\_

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 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 supplemental specialty mental health services included in the claim, all requirements for Contractor payment authorization for supplemental 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; and
  - 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 Exhibit A, Paragraph IV.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.

**EXHIBIT C (Schedule C)**  
**LICENSE FOR USE OF REAL PROPERTY**

**between**

**COUNTY OF SAN MATEO**

**and**

**TELECARE CORPORATION**

**Granting a revocable license for the use of**

**The Cordilleras Mental Health Center  
Redwood City, California**

**July 1, 2009**

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
1. BASIC LICENSE INFORMATION .....	1
2. PREMISES; AS IS CONDITION.....	3
2.1..... License Premises.....	3
2.2..... As Is Condition.....	3
3. TERM.....	3
3.1..... License Term. ....	3
3.2..... Confirmation of Commencement Date.....	3
4. FEE .....	3
4.1..... Fee. ....	3
4.2..... Default Interest.....	3
5. USE.....	3
5.1..... Permitted Use. ....	4
5.2..... No Unlawful Uses, Nuisances or Waste. ....	4
6. NOT USED .....	4
7. ALTERATIONS.....	4
7.1..... Licensee's Alterations. ....	4
7.2..... Title to Improvements.....	4
7.3..... Licensee's Personal Property. ....	4
7.4..... County's Personal Property. ....	4
7.5..... County's Alterations of the Building and Building Systems. ....	4
8. REPAIRS AND MAINTENANCE .....	4
8.1..... County's Repairs. ....	5
8.2..... Licensee's Repairs.....	5
9. LIENS AND ENCUMBRANCES .....	5
9.1..... Liens.....	6
9.2..... Encumbrances. ....	6
10. UTILITIES AND SERVICES .....	6
10.1..... Utilities and Services.....	6
10.2..... Mandatory or Voluntary Restrictions.....	6
10.3..... Floor Load .....	6
11. COMPLIANCE WITH LAWS AND RISK MANAGEMENT REQUIREMENTS .....	6
11.1..... Compliance with Laws. ....	6
11.2..... Regulatory Approvals.....	7
11.3..... Compliance with County's Risk Management Requirements. ....	7
11.4..... Security. ....	7
12. SUBORDINATION.....	7
13. INABILITY TO PERFORM.....	7
14. DAMAGE AND DESTRUCTION .....	8
14.1..... Damage and Destruction. ....	8
14.2..... Licensee Waiver.....	8
15. EMINENT DOMAIN .....	8
15.1..... Definitions. ....	8
15.2..... General. ....	8
15.3..... Total Taking; Automatic Termination. ....	8
15.4..... Partial Taking; Election to Terminate. ....	8
15.5..... Fee; Award.....	9
15.6..... Partial Taking; Continuation of License. ....	9
15.7..... Temporary Takings.....	9
16. ASSIGNMENT AND SUBLETTING.....	9
17. DEFAULT; REMEDIES.....	9
17.1..... Events of Default.....	9
17.2..... Remedies.....	10

	17.3.....County's Right to Cure Licensee's Defaults.....	10
18.	WAIVER OF CLAIMS; INDEMNIFICATION.....	10
	18.1.....Limitation on County's Liability; Waiver of Claims.....	10
	18.2.....Licensee's Indemnity.....	10
19.	INSURANCE.....	11
	19.1.....Licensee's Insurance.....	11
	19.2.....Licensee's Personal Property.....	11
	19.3.....County's Self Insurance.....	11
	19.4.....Waiver of Subrogation.....	11
20.	ACCESS BY COUNTY.....	11
21.	LICENSEE'S CERTIFICATES.....	12
22.	NOT USED.....	12
23.	NOT USED.....	12
24.	SURRENDER OF PREMISES.....	12
25.	HAZARDOUS MATERIALS.....	12
	25.1.....Definitions.....	12
	25.2.....No Hazardous Materials.....	13
	25.3.....Licensee's Environmental Indemnity.....	13
26.	GENERAL PROVISIONS.....	13
	26.1.....Notices.....	13
	26.2.....No Implied Waiver.....	14
	26.3.....Amendments.....	14
	26.4.....Authority.....	14
	26.5.....Parties and Their Agents; Approvals.....	14
	26.6.....Interpretation of License.....	14
	26.7.....Successors and Assigns.....	14
	26.8.....Brokers.....	15
	26.9.....Severability.....	15
	26.10.....Governing Law.....	15
	26.11.....Entire Agreement.....	15
	26.12.....Time of Essence.....	15
	26.13.....Cumulative Remedies.....	15
	26.14.....Survival of Indemnities.....	15
	26.15.....Signs.....	15
	26.16.....Relationship of the Parties.....	15
	26.17.....Taxes, Assessments, Licenses, Permit Fees and Liens.....	15
	26.18.....Non-Liability of County Officials, Employees and Agents.....	16
	26.19.....No Relocation Assistance; Waiver of Claims.....	16
	26.20.....Amendments.....	16
	26.21.....Further Instruments.....	16
	26.22.....Reasonableness and Good Faith.....	16

## **TABLE OF EXHIBITS**

EXHIBIT 1 - PREMISES

**EXHIBIT C (Schedule C)**

**REVOCABLE LICENSE TO ENTER AND USE REAL PROPERTY  
BY AND BETWEEN  
THE COUNTY OF SAN MATEO  
AND  
TELECARE CORPORATION  
(No. 5106)**

THIS REVOCABLE LICENSE TO ENTER AND USE REAL PROPERTY (this "License"), dated for reference purposes only as of July 1, 2009, is between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Licensor"), and TELECARE CORPORATION, a California corporation ("Licensee" or "Contractor")

**RECITALS**

This agreement is made with reference to the following facts:

- a. County and Contractor are parties to that certain agreement for professional services to which this License is attached as Schedule C, and which is titled *Agreement With Telecare Corporation For Professional Services* and dated July 1, 2009 (the "Agreement"). This License is incorporated as part of the Agreement, and sets forth the rights and obligations of the parties in relation to the use of certain real property, which use is necessary in performance of the Agreement.
- b. Licensee's use and occupancy of the Premises as set forth in Section 5, hereof, shall be on the terms and conditions set forth herein.

**AGREEMENT**

Therefore, for good and valuable consideration as set forth in the Agreement, the receipt and sufficiency of which are hereby acknowledged, the County grants to Licensee and Licensee accepts from the County the revocable rights set forth in this License.

**1. Basic License Information**

The following is a summary of Basic License information (the "Basic License Information"). Each item below shall be deemed to incorporate all of the terms in this License pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this License, the more specific provision shall control.

License Reference Date:	July 1, 2009
Licensor:	COUNTY OF SAN MATEO
Licensee:	TELECARE CORPORATION
Building (Section 2.1):	That certain skilled nursing facility located at 200 Edmonds Road, Redwood City, California, and commonly known as Cordilleras Mental Health Center (the "Building")
Premises (Section 2.1):	All of that certain portion of San Mateo Assessor's Parcel 050-470-050 as more particularly described in the attached Exhibit 1, together with the improvements thereon (the "Premises").



Term (Section 3.1):	Commencement date:
Expiration date:	Upon termination of the Agreement or as otherwise set forth herein.
Base Fee (Section 4.1):	Consideration for the Use of the Premises under this License is included in the terms of the Agreement. Additional Charges and other amounts due from Licensee shall be referred to herein as Fee.
Use (Section 5.1):	Licensee shall use the Premises solely for the purpose of providing professional services as set forth in the Agreement, and for no other purpose without the expressed written consent of Licensor.
Licensee Improvements: (Section 7.1)	None
Utilities and Services (Section 10.1):	Provided by the Licensee at its sole cost and expense.
Security	Licensee shall be solely responsible for the security of the Premises. No measure shall be established which in any way interferes with County's security at its surrounding facilities.
Notice Address of County (Section 27.1):	Fax No.: (650) 363-4832  County of San Mateo Real Property Services 400 County Center Redwood City, California 94063
Telephone No.:	(650) 599-1388
Notice Address for Licensee (Section 26.1):	Richard Panell Telecare Corporation 1080 Marina Village Parkway, #100 Alameda, CA 94501-1043 Tel: 1 (510) 337-7950; Fax No.: 1 (510) 337-7969
Key Contact for Licensee:	William Kruse
Telephone No.:	(650) 367-1890
Brokers (Section 26.8):	None

## **2. PREMISES; AS IS CONDITION**

2.1. License Premises. County confers to Licensee a revocable, personal, unassignable, non-exclusive and non-possessory privilege to enter upon and use the Premises identified in the Basic License Information and shown on Exhibit 1, for the limited purpose and subject to the terms, conditions and restrictions set forth below. This License gives Licensee a license only, revocable at any time at the will of County, and notwithstanding anything to the contrary herein, this License does not constitute a grant by County of any ownership, leasehold, easement or other property interest or estate whatsoever in the Premises, or any portion thereof. The Premises, including the land upon which the Building is located and all other improvements on and appurtenances to such land are referred to collectively as the "Property."

2.2. As Is Condition. LICENSEE ACKNOWLEDGES AND AGREES THAT THE PREMISES ARE BEING LICENSED AND ACCEPTED IN THEIR "AS IS" CONDITION, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND SUBJECT TO ALL APPLICABLE LAWS, RULES AND ORDINANCES GOVERNING THEIR USE, OCCUPANCY AND POSSESSION. LICENSEE REPRESENTS AND WARRANTS TO COUNTY THAT LICENSEE HAS INVESTIGATED AND INSPECTED, EITHER INDEPENDENTLY OR THROUGH AGENTS OF LICENSEE'S OWN CHOOSING, THE CONDITION OF THE PREMISES AND THE SUITABILITY OF THE PREMISES FOR LICENSEE'S INTENDED USE. LICENSEE HAS DETERMINED, BASED SOLELY ON ITS OWN INVESTIGATION, THAT THE PREMISES ARE SUITABLE FOR LICENSEE'S BUSINESS AND INTENDED USE.

## **3. TERM**

3.1 License Term. The privilege given to Licensee pursuant to this License is temporary only and for a term (the "Term") that shall commence on the date of commencement of the Agreement (the "Commencement Date"), or such earlier date upon which County delivers and Licensee accepts possession of the Premises or any portion of the Premises, and shall expire on the termination of the Agreement unless earlier terminated under this License. Without limiting any of its rights hereunder, County may at its sole option freely revoke this License at any time, without cause and without any obligation to pay any consideration to Licensee. County shall deliver the Premises to Licensee on the Commencement Date in their then existing as-is condition as further provided above, with no alterations being made by County.

3.2 Confirmation of Commencement Date. The dates on which the Term commences and terminates pursuant hereto are referred to respectively as the "Commencement Date" and the "Expiration Date."

## **4. FEE**

4.1 Fee. This License is granted in consideration of the services provided under the Agreement. Throughout the Term beginning on the Commencement Date, Licensee shall pay all financial obligations set forth in this License ("Additional Charges") as such obligations become due. As used in this License, the term "Fee" shall include the Additional Charges and any other amounts Licensee is obligated to pay hereunder, whether or not any such amounts are specifically characterized as a fee.

4.2 Default Interest. Any Fee due to Licensor, if not paid within five (5) days following the due date, shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under law. However, interest shall not be payable on late charges incurred by Licensee nor on any amounts on which late charges are paid by Licensee to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Licensee.

## **5. USE**

5.1 Permitted Use. Licensee shall use and continuously occupy the Premises during the Term solely for the purposes set forth in the Agreement as necessary to meet its obligations under the Agreement and for no other purpose.

5.2 No Unlawful Uses, Nuisances or Waste. Without limiting the foregoing, Licensee shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Licensee shall take all precautions to eliminate any nuisances or hazards relating to its activities on or about the Premises. Licensee shall not conduct any business, place any sales display, or advertise in any manner in areas outside the Premises or on or about the Property.

## **6. NOT USED**

## **7. ALTERATIONS**

7.1 Licensee's Alterations. Licensee shall not make or permit any alterations to the Premises or to the heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical, communications systems of the Premises ("Building Systems"), and shall not make or permit any alterations, installations, additions or improvements, structural or otherwise (collectively, "Alterations"), in, on or about the Premises, without County's prior written consent in each instance. All Alterations shall be done in accordance with plans and specifications approved by County, only by duly licensed and bonded contractors or mechanics approved by County, and subject to any conditions that County may reasonably impose.

7.2 Title to Improvements. Except for Licensee's Personal Property (as described in the next section), or as may be specifically provided to the contrary in approved Plans, all appurtenances, fixtures, improvements, equipment, additions, and other property attached or affixed to or installed in the Premises at the Commencement Date or during the Term, including, without limitation, any Alterations shall, at County's sole discretion, remain County's property or be removed at the termination of this License. Licensee may not remove any such property at any time during or after the Term unless County so requests as further provided in Section 24 [Surrender of Premises], below.

7.3 Licensee's Personal Property. All furniture, trade fixtures, office equipment and articles of movable personal property installed in the Premises by or for the account of Licensee, without expense to County, and that can be removed without structural or other damage to the Premises (collectively, "Licensee's Personal Property") shall be and remain Licensee's property. Licensee may remove its Personal Property at any time during the Term, subject to the provisions of Section 24 [Surrender of Premises], below. Licensee shall pay any taxes or other impositions levied or assessed upon Licensee's Personal Property, at least ten (10) days prior to delinquency, and shall deliver satisfactory evidence of such payment to County upon request.

7.4 County's Personal Property. Licensee may use County's personal property itemized in Schedule E to the Agreement in connection with providing services under the Agreement. Licensee shall be responsible for the maintenance, repair, and replacement of said personal property. Upon termination or expiration of this License, Licensee shall return to County said personal property in good condition, reasonable wear and tear excepted.

7.5 County's Alterations of the Building and Building Systems. County reserves the right at any time to make alterations, additions, repairs, deletions or improvements to the common areas or any other part of the Building or the Building Systems, provided that any such alterations or additions shall not materially adversely affect the functional utilization of the Premises for the Permitted Use set forth in Section 4.1 [Permitted Use].

## **8. REPAIRS AND MAINTENANCE**

8.1 County's Repairs. Except for damage arising from the willful or negligent act of Licensee, County shall, at its cost, repair and maintain the structural portions of the Premises, including the Building Systems and the common areas; provided, however, Licensee shall reimburse County for any damage, excluding normal wear and tear, caused by any act or omission of Licensee, its Agents or Invitees (as such terms are defined in Section 26.5 [Parties and their Agents], below). For the purpose of making any such repairs, County may use structures in the Premises where reasonably required by the character of the work to be performed, provided that such work shall not block the main entrance to the Parking Lot or Building nor unreasonably interfere with Licensee's business. Licensee waives any claim for damages for any injury or inconvenience to or interference with Licensee's business, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned thereby. County will maintain the Building in a manner that will minimize breakdowns and loss of use of the Premises by Licensee as a result of deferred or inadequate maintenance. The County specifically agrees, during the Term of this License, to provide the following repairs, maintenance and services:

- (a) plant maintenance and operations;
- (b) carpentry, plumbing, and electrical services;
- (c) maintenance of existing refrigeration, boilers, radiators, sump pumps, domestic water tanks, hot water tanks, heating and cooling, locks, and all related building systems and equipment;
- (d) landscape maintenance, including irrigation, pruning and lawn-cutting;
- (e) maintenance of parking lot and exterior grounds;
- (f) elevator maintenance;
- (g) pest control;
- (h) maintenance of storm drains, weirs, culverts and sanitary sewers;
- (i) maintenance of emergency generators, fire sprinkler system, fire and smoke detection systems and nurse call systems;
- (j) maintenance of window frames and walls (excluding glass and doors), roof, gutters and downspouts;
- (k) painting of interior and exterior portions of the Premises, as such is determined by the County to be necessary, provided that touch-ups and phasing of such work shall be at the sole election of the County.

Licensee shall report in writing in a timely manner to the Director of Mental Health Services, with a copy to the Director of Public Works, any need for repair and maintenance services called for herein, and failure to do so will relieve the County of any liability for failure to make such repairs or provide such maintenance services. Decisions regarding the scheduling of maintenance, repair and replacement as set forth herein shall otherwise be at the sole discretion of the Director of Public Works.

8.2 Licensee's Repairs. Except as provided hereinabove, Licensee shall, at its cost, maintain the Premises in good repair and working order and in a clean, secure, safe and sanitary condition. Licensee shall maintain, without limitation, all of County's personal property, signs, plate glass, windows, floors, built-in furniture, fixtures, and furnishings as part of the Premises, and shall at all times maintain Licensee's personal property in the Premises in good condition and repair. Licensee shall promptly make all required repairs and replacements: (a) at its sole expense, (b) through the County per the terms of the Agreement or by licensed contractors or qualified mechanics approved by County, (c) so that the same shall be at least equal in quality, value and utility to the original work or installation, (d) in a manner and using equipment and materials that will not interfere with or impair the operations, use or occupation of the Premises or the Building Systems, and (e) in accordance with all applicable laws, rules and regulations. Licensee hereby waives all rights to make repairs at County's expense under Sections 1941 and 1942 of the California Civil Code or under any similar law, statute or ordinance now or hereafter in effect.

## **9. LIENS AND ENCUMBRANCES**

9.1 Liens. Licensee shall keep the Premises and the rest of the Property free from any liens arising out of any work performed, material furnished or obligations incurred by or for Licensee. In the event Licensee does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, County shall have, in addition to all other remedies, the right, but not the obligation, to cause the lien to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by County and all expenses incurred by it in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to County by Licensee upon demand. County shall have the right to post on the Premises any notices that County may deem proper for the protection of County, the Premises, and the Building, from mechanics' and materialmen's liens. Licensee shall give to County at least fifteen (15) days' prior written notice of commencement of any repair or construction on the Premises.

9.2 Encumbrances. Licensee shall not create, permit or suffer any liens or encumbrances affecting any portion of the Premises, the Property or County's interest therein or under this License.

## **10. UTILITIES AND SERVICES**

10.1 Utilities and Services. Licensee shall, at its cost, make arrangements for service and provide all utilities and services to the Building including, without limitation, gas, electricity, water, telephone service, janitorial service, trash collection, and all connection charges. If the County allows the use of any part of the Building by an occupant other than Licensee, County and Licensee shall agree on an equitable reimbursement to Licensee of the cost of such Utilities and Services. Such reimbursement shall be computed based on the ratio of the floor area of the Building occupied by others as compared to the total floor area of the Building.

10.2 Mandatory or Voluntary Restrictions. In the event any law, ordinance, code or governmental or regulatory guideline imposes mandatory or voluntary controls on County or the Property or any part thereof, relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions, or the provision of any other utility or service provided with respect to this License, or in the event County is required or elects to make alterations to any part of the Premises in order to comply with such mandatory or voluntary controls or guidelines, such compliance and the making of such alterations shall in no event entitle Licensee to any damages, relieve Licensee of the obligation to pay the Additional Charges reserved hereunder or to perform each of its other covenants hereunder or constitute or be construed as a constructive or other eviction of Licensee.

10.3 Floor Load. Without County's prior written consent, which County may give or refuse in its sole discretion, Licensee shall not place or install in the Premises any equipment that weighs in excess of the normal load-bearing capacity of the floors of the Building. If County consents to the placement or installation of any such machine or equipment in the Premises, County shall reinforce the floor of the Premises prior to the installation of such machine or equipment.

## **11. COMPLIANCE WITH LAWS AND RISK MANAGEMENT REQUIREMENTS**

11.1 Compliance with Laws. Licensee shall promptly comply, at its sole expense, with all present or future laws, orders, regulations and requirements of all governmental authorities relating to the Premises or the use or occupancy thereof, whether in effect at the time of the execution of this License or adopted at any time thereafter and whether or not within the present contemplation of the parties. Licensee further understands and agrees that it is Licensee's obligation, at its sole cost, to cause the Premises and Licensee's uses thereof to be conducted in compliance with the Americans With Disabilities Act, 42 U.S.C.A. §§ 12101 et seq. Licensee shall not be required to make any structural Alterations in order to comply with such laws unless such Alterations shall be occasioned, in whole or in part, directly or indirectly, by the Licensee Improvements or any other Alterations, Licensee's use of the Premises, or any act or omission of Licensee, its Agents or Invitees. Any Alteration made by or on behalf of Licensee

pursuant to the provisions of this Section shall comply with the provisions of Section 8.2, Licensee's Repairs, above.

#### 11.2 Regulatory Approvals.

(a) Responsible Party. Licensee understands and agrees that Licensee's use of the Premises may require authorizations, approvals or permits from governmental regulatory agencies with jurisdiction over the Premises. Licensee shall be solely responsible for obtaining any and all such regulatory approvals. Licensee shall not seek any regulatory approval without first obtaining the written consent of County hereunder. Licensee shall bear all costs associated with applying for and obtaining any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval. Any fines or penalties levied as a result of Licensee's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Licensee, and County shall have no liability, monetary or otherwise, for any such fines or penalties. Licensee shall Indemnify County and the other Indemnified Parties hereunder against all Losses arising in connection with Licensee's failure to obtain or comply with the terms and conditions of any regulatory approval.

(b) County Acting as Owner of Real Property. Licensee further understands and agrees that County is entering into this License in its capacity as a property owner, and not as a regulatory agency. Nothing in this License shall limit in any way Licensee's obligation to obtain any required approvals from County departments, boards or commissions having jurisdiction over the Premises. By entering into this License, County is in no way modifying or limiting Licensee's obligation to cause the Premises to be used and occupied in accordance with all applicable laws, as provided further above.

11.3 Compliance with County's Risk Management Requirements. Licensee shall not do anything, or permit anything to be done, in or about the Premises which would be prohibited by or increase the rates under a standard form fire insurance policy or subject County to potential premises liability. Licensee shall faithfully observe, at its expense, any and all requirements of County's Risk Manager with respect to Licensee's use and occupancy of the Premises, so long as such requirements do not unreasonably interfere with Licensee's use of the Premises.

11.4 Security. Licensee shall be solely responsible for the security of the Premises. No measure shall be established that in any way interferes with County's security at its surrounding facilities.

## **12. SUBORDINATION**

This License is and shall be subordinate to any reciprocal easement agreement, ground lease, facilities lease or other underlying leases or licenses and the lien of any mortgage or deed of trust, that may now exist or hereafter be executed affecting the Property, or any part thereof, or County's interest therein. Notwithstanding the foregoing, County or the holder shall have the right to subordinate any such interests to this License. If any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Licensee shall attorn to the successor-in-interest to County, at the option of such successor-in-interest. The provisions of this Article shall be self-operative and no further instrument shall be required. Licensee agrees, however, to execute and deliver, upon demand by County and in the form requested by County, any additional documents evidencing the priority or subordination of this License.

## **13. INABILITY TO PERFORM**

If County is unable to perform or is delayed in performing any of County's obligations under this License, by reason of acts of God, accidents, breakage, repairs, strikes, lockouts, other labor disputes, protests, riots, demonstrations, inability to obtain utilities or materials or by any other reason beyond County's reasonable control, no such inability or delay shall constitute an actual or constructive eviction, in whole or in part, or entitle Licensee to any abatement or diminution of fee or relieve Licensee from any of its obligations under this License, or impose any liability upon County or its Agents by reason of

inconvenience, annoyance, interruption, injury or loss to or interference with Licensee's business or use and occupancy or quiet enjoyment of the Premises or any loss or damage occasioned thereby.

#### **14. DAMAGE AND DESTRUCTION**

14.1 Damage and Destruction. If the Premises or the Building is damaged by fire or other casualty County shall have no obligation to repair the Premises or Building, County shall use reasonable efforts to promptly notify Licensee whether or not such damage can be repaired. In no event shall County be required to repair any damage to Licensee's Personal Property or any interior or exterior finishes or fixtures such as paneling, decorations, railings, floor coverings, or any Licensee Alterations installed or made on the Premises by or at the expense of Licensee.

14.2 Licensee Waiver. County and Licensee intend that the provisions of this Section govern fully in the event of any damage or destruction and accordingly, County and Licensee each hereby waives the provisions of Section 1932, subdivision 2, and Section 1933, subdivision 4, of the Civil Code of California or under any similar law, statute or ordinance now or hereafter in effect.

#### **15. EMINENT DOMAIN**

##### 15.1 Definitions.

(a) "Taking," means a taking or damaging, including severance damage, by eminent domain, inverse condemnation or for any public or quasi-public use under law. A Taking may occur pursuant to the recording of a final order of condemnation, or by voluntary sale or conveyance in lieu of condemnation or in settlement of a condemnation action.

(b) "Date of Taking" means the earlier of (i) the date upon which title to the portion of the Property taken passes to and vests in the condemnor or (ii) the date on which Licensee is dispossessed.

(c) "Award" means all compensation, sums or anything of value paid, awarded or received for a Taking, whether pursuant to judgment, agreement, settlement or otherwise.

15.2 General. If during the Term or during the period between the execution of this License and the Commencement Date, there is any Taking of all or any part of the Premises or any interest in this License, the rights and obligations of Licensee shall be determined pursuant to this Section. County and Licensee intend that the provisions hereof govern fully Licensee's rights in the event of a Taking and accordingly, Licensee hereby waives any right to terminate this License in whole or in part under Sections 1265.120 and 1265.130 of the California Code of Civil Procedure or under any similar law now or hereafter in effect.

15.3 Total Taking; Automatic Termination. If there is a total Taking of the Premises, then this License shall terminate as of the Date of Taking.

##### 15.4 Partial Taking; Election to Terminate.

(a) If there is a Taking of any portion (but less than all) of the Premises, then this License shall terminate in its entirety under either of the following circumstances: (i) if all of the following exist: (A) the partial Taking renders the remaining portion of the Premises unsuitable for continued use by Licensee, (B) the condition rendering the Premises unsuitable either is not curable or is curable but County is unwilling or unable to cure such condition, and (C) Licensee elects to terminate; or (ii) if County elects to terminate.

(b) If Licensee elects to terminate under the provisions of this Section 15 Licensee shall do so by giving the written notice to the County before or within thirty (30) days after the Date of Taking, and thereafter this License shall terminate upon receipt of such notice.

15.5 Fee; Award. Upon termination of this License pursuant to an election under Section 15.4 above, then: (i) Licensee's obligation to pay fee shall continue up until the date of termination, and thereafter shall cease, except that fee shall be reduced as provided in Section 15.6 below for any period during which this License continues in effect after the Date of Taking, and (ii) County shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of Licensee's interest under this License), and Licensee shall have no claim against County for the value of any unexpired term of this License, provided that Licensee may make a separate claim for compensation, and Licensee shall receive any Award made specifically to Licensee, for Licensee's relocation expenses or the interruption of or damage to Licensee's business or damage to Licensee's Personal Property.

15.6 Partial Taking; Continuation of License. If there is a partial Taking of the Premises under circumstances where this License is not terminated in its entirety under Section 15.4 above, then this License shall terminate as to the portion of the Premises so taken, but shall remain in full force and effect as to the portion not taken, and the rights and obligations of the parties shall be as follows: (a) Base Fee shall be reduced by an amount that is in the same ratio to the Base Fee as the area of the Premises taken bears to the area of the Premises prior to the Date of Taking; provided, however, in no event shall the monthly Base Fee be reduced to less than seventy-five percent (75%) of the monthly Base Fee immediately prior to the Date of Taking, and (b) County shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of the Licensehold estate created by this License), and Licensee shall have no claim against County for the value of any unexpired term of this License, provided that Licensee may make a separate claim for compensation, and Licensee shall receive any Award made specifically to Licensee, for Licensee's relocation expenses or the interruption of or damage to Licensee's business or damage to Licensee's Personal Property.

15.7 Temporary Takings. Notwithstanding anything to contrary in this Section, if a Taking occurs with respect to all or any part of the Premises for a limited period of time not in excess of one hundred eighty (180) consecutive days, this License shall remain unaffected thereby, and Licensee shall continue to pay fee and to perform all of the terms, conditions and covenants of this License. In the event of such temporary Taking, Licensee shall be entitled to receive that portion of any Award representing compensation for the use or occupancy of the Premises during the Term up to the total fee owing by Licensee for the period of the Taking, and County shall be entitled to receive the balance of any Award.

## 16. ASSIGNMENT AND SUBLETTING

Restriction on Assignment and Subletting. Licensee shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Licensee), voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer (collectively, "Assignment") any part of its interest in or rights with respect to the Premises, or permit any portion of the Premises to be occupied by anyone other than itself, or sublet or license any portion of the Premises (collectively, "Subletting"), without County's prior written consent in each instance.

## 17. DEFAULT; REMEDIES

17.1 Events of Default. Any of the following shall constitute an event of default by Licensee hereunder:

(a) a failure to pay any Fee when due, and such failure continues for three (3) days after the date of written notice by County.

(b) a failure to comply with any other covenant, condition or representation made under this License and such failure continues for fifteen (15) days after the date of written notice by County,



provided that if such default is not capable of cure within such 15-day period, Licensee shall have a reasonable period to complete such cure if Licensee promptly undertakes action to cure such default within such 15-day period and thereafter diligently prosecutes the same to completion within sixty (60) days after the receipt of notice of default from County. County shall not be required to provide such notice more than twice in any twelve (12) month period and after the second notice in any calendar year, any subsequent failure by Licensee during such 12-month period shall constitute an event of default hereunder;

(c) a vacation or abandonment of the Premises for a continuous period in excess of five (5) business days; or

(d) an appointment of a receiver to take possession of all or substantially all of the assets of Licensee, or an assignment by Licensee for the benefit of creditors, or any action taken or suffered by Licensee under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated within sixty (60) days.

17.2 Remedies. Upon the occurrence of an event of default by Licensee, County shall have the right to terminate the Agreement in addition to all other rights and remedies available to County at law or in equity:

17.3 County's Right to Cure Licensee's Defaults. If Licensee defaults in the performance of any of its obligations under this License, then County may, at its sole option, remedy such default for Licensee's account and at Licensee's expense by providing Licensee with three (3) days' prior written or oral notice of County's intention to cure such default (except that no such prior notice shall be required in the event of an emergency as determined by County). Such action by County shall not be construed as a waiver of such default or any rights or remedies of County, and nothing herein shall imply any duty of County to do any act that Licensee is obligated to perform. Licensee shall pay to County upon demand, as additional fee, all costs, damages, expenses or liabilities incurred by County, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such default. Licensee's obligations under this Section shall survive the termination of this License.

## **18. WAIVER OF CLAIMS; INDEMNIFICATION**

18.1 Limitation on County's Liability; Waiver of Claims. County shall not be responsible for or liable to Licensee, and Licensee hereby assumes the risk of, and waives and releases County and its Agents from all Claims (as defined below) for, any injury, loss or damage to any person or property in or about the Premises by or from any cause whatsoever including, without limitation, (i) any act or omission of persons occupying adjoining premises or any part of the Building adjacent to or connected with the Premises which are not occupied by County, (ii) theft, (iii) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination, (iv) stopped, leaking or defective Building Systems, (v) Building defects, and (vi) any other acts, omissions or causes. Nothing herein shall relieve County from liability caused solely and directly by the gross negligence or willful misconduct of County or its Agents, but County shall not be liable under any circumstances for any consequential, incidental or punitive damages.

18.2 Licensee's Indemnity. Licensee, on behalf of itself and its successors and assigns, shall indemnify, defend and hold harmless ("Indemnify") County including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, including, without limitation, its Health Services Agency and Real Property Services Division and all of its respective Agents, and their respective heirs, legal representatives, successors and assigns (individually and collectively, the "Indemnified Parties"), and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without limitation, direct and vicarious liability of every kind (collectively, "Claims"), incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, including, without limitation, employees of Licensee, or loss of or damage to property, howsoever or by whomsoever caused, occurring in or about the Property; (b) any default by Licensee in the observation or performance of any of the terms,

covenants or conditions of this License to be observed or performed on Licensee's part, including without limitation the terms, covenants or conditions of the Contractor Services Agreement; (c) the use or occupancy or manner of use or occupancy of the Premises by Licensee, its Agents or Invitees or any person or entity claiming through or under any of them; (d) the condition of the Premises; (e) any construction or other work undertaken by Licensee on the Premises whether before or during the Term of this License; or (f) any acts, omissions or negligence of Licensee, its Agents or Invitees, in, on or about the Premises or the Property; all regardless of the active or passive negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on, the Indemnified Parties, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this License and further except only such Claims as are caused exclusively by the willful misconduct or gross negligence of the Indemnified Parties. The foregoing Indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and County's costs of investigating any Claim. Licensee specifically acknowledges and agrees that it has an immediate and independent obligation to defend the County from any claim which actually or potentially falls within this indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to Licensee by County and continues at all times thereafter. Licensee's obligations under this Section shall survive the termination of the License.

## **19. INSURANCE**

19.1 Licensee's Insurance. Licensee, at its sole cost, shall procure and keep in effect at all times during the Term insurance for the Premises in the form and amounts and under the terms and conditions specified in the Agreement and in compliance with County Risk Management guidelines.

19.2 Licensee's Personal Property. Licensee shall be responsible, at its expense, for separately insuring Licensee's Personal Property.

19.3 County's Self Insurance. Licensee acknowledges that County self-insures against casualty, property damage and public liability risks and agrees that County may at its sole election, but shall not be required to, carry any third party insurance with respect to the Building, the Premises or otherwise.

19.4 Waiver of Subrogation. Notwithstanding anything to the contrary contained herein, to the extent permitted by their respective policies of insurance, County and Licensee each hereby waive any right of recovery against the other party and against any other party maintaining a policy of insurance covering the Building or the contents, or any portion thereof, for any loss or damage maintained by such other party with respect to the Building or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of such other party. If any policy of insurance relating to the Premises carried by Licensee does not permit the foregoing waiver or if the coverage under any such policy would be invalidated due to such waiver, Licensee shall obtain, if possible, from the insurer under such policy a waiver of all rights of subrogation the insurer might have against County or any other party maintaining a policy of insurance covering the same loss, in connection with any claim, loss or damage covered by such policy.

## **20. ACCESS BY COUNTY**

County reserves for itself and any of its designated Agents, the right to enter the Premises as follows: (i) on a regular basis without advance notice to supply any necessary or agreed-upon service to be provided by County hereunder; (ii) on an occasional basis, at all reasonable times after giving Licensee reasonable advance written or oral notice, to show the Premises to prospective Licensees or other interested parties, to post notices of non-responsibility, to conduct any environmental audit of Licensee's use of the Premises, to repair, alter or improve any part of the Building, Building Systems or the Premises, and for any other lawful purpose; and (iii) on an emergency basis without notice whenever County believes that emergency access is required. County shall have the right to use any means that it deems proper to open doors in an emergency in order to obtain access to any part of the Premises, and

any such entry shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of, the Premises, or an eviction, actual or constructive, of Licensee from the Premises or any portion thereof. Licensee shall not alter any lock or install any new or additional locking devices without the prior written consent of County. All locks installed in the Premises (excluding Licensee's vaults, safes or special security areas, if any, designated by Licensee in writing to County) shall be by keyed to the Building master key system, and County shall at all times have a key with which to unlock all such doors. County rights to access shall be subject to State and federal laws concerning privacy.

## **21. LICENSEE'S CERTIFICATES**

Licensee, at any time and from time to time upon not less than ten (10) days' prior notice from County, shall execute and deliver to County or to any party designated by County a certificate stating: (a) that Licensee has accepted the Premises, (b) the Commencement Date and Expiration Date of this License, (c) that this License is unmodified and in full force and effect (or, if there have been modifications, that the License is in full force and effect as modified and stating the modifications), (d) whether or not there are then existing any defenses against the enforcement of any of Licensee's obligations hereunder (and if so, specifying the same), (e) whether or not there are any defaults then existing under this License (and if so specifying the same), (f) the dates, if any, to which the Base Fee and Additional Charges have been paid, and (g) any other information that may be required.

## **22. NOT USED**

## **23. NOT USED**

## **24. SURRENDER OF PREMISES**

Upon the Expiration Date or other termination of the Term of this License, Licensee shall immediately peaceably quit and surrender to County the Premises together with all Alterations approved by County in good order and condition, except for normal wear and tear after Licensee's having made the last necessary repair required on its part under this License, and further except for any portion of the Premises condemned and any damage and destruction for which Licensee is not responsible hereunder. The Premises shall be surrendered free and clear of all liens and encumbrances other than liens and encumbrances existing as of the date of this License and any other encumbrances created by County. Immediately before the Expiration Date or other termination of this License, Licensee shall remove all of Licensee's Personal Property as provided in this License, and repair any damage resulting from the removal. Notwithstanding anything to the contrary in this License, County can elect at any time prior to the Expiration Date or within thirty (30) days after termination of this License, to require Licensee to remove, at Licensee's sole expense, all or part of the Alterations or other improvements or equipment constructed or installed by or at the expense of Licensee. Licensee shall promptly remove such items and shall repair, at its expense, any damage to the Premises or the Building resulting from such removal. Licensee's obligations under this Section shall survive the Expiration Date or other termination of this License. Any items of Licensee's Personal Property remaining in the Premises after the Expiration Date or sooner termination of this License may, at County's option, be deemed abandoned and disposed of in accordance with Section 1980 et seq. of the California Civil Code or in any other manner allowed by law.

## **25. HAZARDOUS MATERIALS**

25.1 Definitions. As used herein, the following terms shall have the meanings set forth below:

(a) "Environmental Laws," "Hazardous Material," and "Investigate and Remediate" shall have the meanings provided in Section 11.1 of the Contractor Services Agreement.

(b) "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Premises, or in, on, under or about any other part of the Property or into the environment.

25.2 No Hazardous Materials. Licensee covenants and agrees that neither Licensee nor any of its Agents or Invitees shall cause or permit any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Property or adjacent County-Owned Property, or transported to or from the Property, with the sole exception that Licensee may keep and use such substances in the Premises in such reasonably limited amounts as are customarily used for general office purposes (such as copy toner and other normal office and cleaning supplies) so long as such storage and use are in compliance with all applicable Environmental Laws at all times. Licensee shall immediately notify County if and when Licensee learns or has reason to believe a Release of Hazardous Material on or about the Premises or any other part of the Property has occurred that may require any Investigation or Remediation.

25.3 Licensee's Environmental Indemnity. If Licensee breaches any of its obligations contained in this Article, or, if any act or omission of Licensee, its Agents or Invitees, results in any Release of Hazardous Material in, on, under or about the Premises or any other part of the Property, then, without limiting Licensee's Indemnity contained in Section 18.2, Licensee shall, on behalf of itself and its successors and assigns, Indemnify the Indemnified Parties, and each of them, from and against all Claims (including, without limitation, damages for decrease in value of the Premises or the Property, the loss or restriction of the use of rentable or usable space or of any amenity of the Premises or the Property and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term of this License and relating to such Release. The foregoing Indemnity includes, without limitation, costs incurred in connection with activities undertaken to Investigate and Remediate Hazardous Material and to restore the Property to its prior condition, fines and penalties imposed by regulatory agencies, and any natural resource damages. Without limiting the foregoing, if Licensee or any of its Agents or Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or any other part of the Property or adjacent County-Owned Property, Licensee shall immediately and at no expense to County take any and all appropriate actions to return the Premises or the Property affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. Licensee shall afford County a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

## **26. GENERAL PROVISIONS**

26.1 Notices. Any notice given under this License shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail or certified mail with a return receipt requested or by overnight courier, return receipt requested, with postage prepaid, to: (a) Licensee (i) at Licensee's address set forth in the Basic License Information, if sent prior to Licensee's taking possession of the Premises, or (ii) at the Premises if sent on or subsequent to Licensee's taking possession of the Premises, or (iii) at any place where Licensee or any Agent of Licensee may be found if sent subsequent to Licensee's vacating, abandoning or surrendering the Premises; or (b) County at County's address set forth in the Basic License Information; or (c) to such other address as either County or Licensee may designate as its new address for such purpose by notice given to the other in accordance with the provisions of this Section at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by telefacsimile to the telephone number set forth in the Basic License Information or such other number as may be provided from time to time; however, neither party may give official or binding notice by facsimile.

26.2 No Implied Waiver. No failure by County to insist upon the strict performance of any obligation of Licensee under this License or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial Base Fee or Additional Charges during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of County, shall constitute a waiver of such breach or of County's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this License. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. Any consent by County hereunder shall not relieve Licensee of any obligation to secure the consent of County in any other or future instance under the terms of this License.

26.3 Amendments. Neither this License nor any term or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by both parties hereto.

26.4 Authority. If Licensee signs as a corporation or a partnership, each of the persons executing this License on behalf of Licensee does hereby covenant and warrant that Licensee is a duly authorized and existing entity, that Licensee has and is qualified to do business in California, that Licensee has full right and authority to enter into this License, and that each and all of the persons signing on behalf of Licensee are authorized to do so. Upon County's request, Licensee shall provide County with evidence reasonably satisfactory to County confirming the foregoing representations and warranties.

26.5 Parties and Their Agents; Approvals. The words "County" and "Licensee" as used herein shall include the plural as well as the singular. If there is more than one Licensee, the obligations and liabilities under this License imposed on Licensee shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party, and the term "Invitees" when used with respect to Licensee shall include the clients, customers, invitees, guests, licensees, assignees or sublicensees of Licensee. All approvals, consents or other determinations permitted or required by County hereunder shall be made by or through County's Manager of Real Property Services unless otherwise provided in this License, subject to applicable law.

26.6 Interpretation of License. The captions preceding the articles and sections of this License and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this License. This License has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this License. Provisions in this License relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or County holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this License, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

26.7 Successors and Assigns. Subject to the provisions of this License relating to Assignment and Subletting, the terms, covenants and conditions contained in this License shall bind and inure to the benefit of County and Licensee and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any sale, assignment or transfer by County named herein (or by any subsequent Licensor) of its interest in the Building as owner or lessee, including any transfer by operation of law, County (or any subsequent Licensor) shall be relieved from all subsequent obligations and liabilities arising under this License subsequent to such sale, assignment or transfer.

26.8 Brokers. Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the License contemplated herein except as identified in the Basic License Information, whose commission, if any is due, shall be paid pursuant to a separate written agreement between such broker and the party through which such broker contracted. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes a claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Claims incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this License.

26.9 Severability. If any provision of this License or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this License, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this License shall be valid and be enforceable to the fullest extent permitted by law.

26.10 Governing Law. This License shall be construed and enforced in accordance with the laws of the State of California.

26.11 Entire Agreement. The Agreement together with this instrument, including the exhibits hereto, which are made a part of this License, contain the entire agreement between the parties and all prior written or oral negotiations, understandings and agreements are merged herein. The parties further intend that this License shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this License. Licensee hereby acknowledges that neither County nor County's Agents have made any representations or warranties with respect to the Premises, the Building or this License except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Licensee by implication or otherwise unless expressly set forth herein.

26.12 Time of Essence. Time is of the essence with respect to all provisions of this License in which a definite time for performance is specified.

26.13 Cumulative Remedies. All rights and remedies of either party hereto set forth in this License shall be cumulative, except as may otherwise be provided herein.

26.14 Survival of Indemnities. Termination of this License shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this License, nor shall it affect any provision of this License that expressly states it shall survive termination hereof.

26.15 Signs. Licensee agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from public corridors or other portions of any common areas of the Building or from the exterior of the Premises, without County's prior written consent, which County may withhold or grant in its sole discretion.

26.16 Relationship of the Parties. County is not, and none of the provisions in this License shall be deemed to render County, a partner in Licensee's business, or joint venturer or member in any joint enterprise with Licensee. Neither party shall act as the agent of the other party in any respect hereunder. This License is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

26.17 Taxes, Assessments, Licenses, Permit Fees and Liens. (a) Licensee recognizes and understands that this License may create a possessory interest subject to property taxation and that Licensee may be subject to the payment of property taxes levied on such interest. (b) Licensee agrees to

pay taxes of any kind, including possessory interest taxes, that may be lawfully assessed on the interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Licensee's usage of the Premises that may be imposed upon Licensee by law, all of which shall be paid when the same become due and payable and before delinquency. (c) Licensee agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Licensee, if so desiring, may have reasonable opportunity to contest the validity of the same.

26.18 Non-Liability of County Officials, Employees and Agents. No elective or appointive board, commission, member, officer, employee or other Agent of County shall be personally liable to Licensee, its successors and assigns, in the event of any default or breach by County or for any amount which may become due to Licensee, its successors and assigns, or for any obligation of County under this Agreement.

26.19 No Relocation Assistance; Waiver of Claims. Licensee acknowledges that it will not be a displaced person at the time this License is terminated or expires by its own terms, and Licensee fully RELEASES, WAIVES AND DISCHARGES forever any and all Claims against, and covenants not to sue, County, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from County under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260 et seq.), except as otherwise specifically provided in this License with respect to a Taking.

26.20 Amendments. Except as expressly amended as provided herein, the Agreement shall continue unmodified and remain in full force and effect. The Agreement as amended by this License constitutes the entire agreement between County and Contractor and may not be modified except by an instrument in writing signed by the party to be charged. In relation to issues effecting real property, in the event of any conflict between the terms of the Agreement and the terms of this License, the terms of this License shall control.

26.21 Further Instruments. The parties hereto agree to execute such further instruments and to take such further actions as may be reasonably required to carry out the intent of this License.

26.22 Reasonableness and Good Faith. Except as limited elsewhere in this License, whenever this License requires County or Licensee to give its consent or approval to any action on the part of the other, such consent or approval shall not be unreasonably withheld or delayed.

## **EXHIBIT 1 - PREMISES**



**TELECARE CORPORATION  
FY 2009 - 2010 BUDGET  
EXHIBIT D**

<b>Cordilleras MHRC / Suites</b>	<b>FY 2009-10</b>
	Amount
<b>Expenses</b>	
Salaries	\$ 4,414,560
Benefits	\$ 1,455,027
Sub-total	\$ 5,869,587
Services and Supplies	
Psychiatrists	\$ 223,000
Utilities (Gas, electricity)	\$ 196,293
Other Services and Supplies	\$ 1,565,579
Operating Income	\$ 397,372
Total	\$ 8,251,831
<b>Revenues</b>	
San Mateo	
MHRC	\$ 5,526,887
Residential with Case Management	\$ 1,684,023
Sub-total	\$ 7,210,910
VA	\$ 417,229
Santa Cruz	\$ -
Sonoma	\$ -
TB @ \$248 Per Day / Community Health	\$ 90,520
SSI	\$ 533,384
Sub-total	\$ 1,041,133
Total	\$ 8,252,044
Surplus (deficit)	\$ 213
<b>Cost per Day</b>	
MHRC	\$ 248
<b>Total for Telecare Cordilleras and TB Beds paid through Community Health Division (CH). [Does not include \$320,000 designated for Garfield Neurobehavioral Center (GNC) paid through Aging and Adult Services (AAS)]</b>	<b>\$ 7,301,430</b>
<b>Agreement Maximum (MHRC-Cordilleras, CH, and AAS)</b>	<b>\$ 7,621,430</b>

**TELECARE CORPORATION: FY 2009-2010  
EXHIBIT E (Schedule E)  
COUNTY EQUIPMENT**

Storage area:

20 center pieces out of rooms  
30 bed Frames  
29 Box Mattresses  
21 Head Boards

Kitchen:

Walk-ins Refer boxes  
Sinks Steam tables  
Pizza Oven  
Counters

Basement:

Alex's Office (except our phone)  
County workshop  
Boilers

Admin area:

Water fountain  
Walk-in safe  
Shelves in the wall

Clinic:

All but the Phones and medical equipment

Magnolia:

12 Beds  
12 nightstands  
7 standing closets

Edgewood:

17 Beds  
17 nightstands  
11 Standing closets  
Lockers  
1 Desk  
Dishwasher  
Oven

Auditorium:

6 square tables

Willow:

23 Beds  
23 nightstands  
23 Chairs  
2 desks

2<sup>nd</sup> Floor North Wing:

2 Beds  
3 Desks

2<sup>nd</sup> East Wing:

Water Fountain  
5 Desks  
2 square tables  
4 chairs  
6 Dinning tables  
24 Dinning Chairs

3<sup>rd</sup> Floor South Wing:

23 Beds

3<sup>rd</sup> East Wing:

6 Beds  
1 Square table

3<sup>rd</sup> North Wing:

24 Beds

Fire Extinguishers

**Attachment C**  
**Election of Third Party Billing Process**

San Mateo County Health System is required to bill all other insurance (including Medicare) before billing Medi-Cal for beneficiaries who have other coverage in addition to Medi-Cal. This is called "serial billing." All claims sent to Medi-Cal without evidence of other insurance having been billed first will be denied.

In order to comply with the serial billing requirement you must elect which of the two following options to use in our contract with you. In either case, you will need to establish the eligibility of your clients through the completion of the standard form (Payor Financial Form) used to collect this information. Please select and complete one of the two options below:

Option One

Our agency will bill other insurance, and provide San Mateo County Behavioral Health and Recovery Services (BHRS) with a copy of the Explanation of Benefits provided by that insurance plan before billing BHRS for the remainder.

We Telecare Corporation (agency name) elect option one.

\_\_\_\_\_  
Signature of authorized agent

\_\_\_\_\_  
Name of authorized agent

\_\_\_\_\_  
Telephone number

Option Two

Our agency will provide information to San Mateo County Behavioral Health and Recovery Services (BHRS) so that BHRS may bill other insurance before billing Medi-Cal on our agency's behalf. This will include completing the attached client Payor Financial Form and providing it to the BHRS Billing Office with the completed "assignment" that indicates the client's permission for BHRS to bill their insurance.

We Telecare Corporation (agency name) elect option two.

\_\_\_\_\_  
Signature of authorized agent

\_\_\_\_\_  
Name of authorized agent

\_\_\_\_\_  
Telephone number

Please note if your agency already bills private insurance including Medicare for services you provide, then you must elect Option One. This is to prevent double billing. Please return this completed form to:

Doreen Avery, Business Systems Manager  
Behavioral Health and Recovery Services  
225 37<sup>th</sup> Avenue  
San Mateo, CA 94403  
(650) 573-2284

**Attachment D - Payor Financial Form**

<b>AGENCY NAME:</b>		
Client's Last Name/MH ID # (if known)	First Name                      M.I.	Alias or other names Used
Client Date of Birth	Undocumented? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, Social Security Number (Required)	26.5 (AB3632) <input type="checkbox"/> Yes <input type="checkbox"/> No IEP (SELPA) start date _____

Does Client have Medi-Cal?  Yes  No    Share of Cost?  Yes  No    Client's Medi-Cal Number (BIC Number)? \_\_\_\_\_  
**Please attach copy of MEDS Screen**    **If client is Full scope Mcal, skip the remaining sections of this form and fax to MIS/Billing Unit – 573-2110**  
Is Client Potentially Eligible for Medi-Cal Benefits?  Yes  No    Client Referred to Medi-Cal?  Yes, give date: \_\_\_\_\_  No  
Is this a Court-ordered Placement?  Yes  No  
Does Client have Medicare?  Yes  No    If yes, please check all that apply \_\_\_\_ Part A \_\_\_\_ Part B \_\_\_\_ Part D (effective 1/1/06)  
What is the Client's Medicare Number? \_\_\_\_\_

**Responsible Party's Information (Guarantor):**  
Name \_\_\_\_\_ Phone \_\_\_\_\_ Relationship to Client \_\_\_\_\_  Self  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Refused to provide Financial Information and will be charged full cost of service.

**FINANCIAL ASSESSMENT – Annual UMDAP (Uniform Method of Determining Ability to Pay)**

<b>Gross Monthly Income (include all in the Household)</b> A. Self .....\$ _____ B. Parents/Spouse/Domestic Partner ....\$ _____ C. Other .....\$ _____ Number of Persons Dependent on Income _____	<b>Allowable Expenses</b> A. Court Ordered Monthly Obligation            \$ _____ B. Monthly Child Care Payments (Only if Necessary for Employment)        \$ _____ C. Monthly Dependent Support Payments        \$ _____ D. Monthly Medical Expense Payments         \$ _____ E. Monthly Mandated Deductions for Retirement Plan (Do not include Social Security).....\$ _____ F. Housing Cost (Mortgage/Rent)                 \$ _____
<b>Asset Amount (List all liquid assets)</b> A. Savings.....\$ _____ B. Checking.....\$ _____ C. Stocks.....\$ _____	

**3<sup>rd</sup> Party HEALTH INSURANCE INFORMATION**

<b>Health Plan or Insurance Company (Not employer)</b> Name of Company _____ Street Address _____ City _____ State _____ Zip _____ Insurance Co. phone number _____	Policy Number _____ Group Number _____ Name of Insured Person _____ Relationship to Client _____ Social Security Number of Insured Person _____ (if other than client)
<b>Does this Client have Healthy Families Insurance?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, complete San Mateo County Mental Health SED form.	<b>Does this Client have Healthy Kids Insurance?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>Does this Client have HealthWorx Insurance.?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No

**CLIENT AUTHORIZATION –This section is not required for Full scope Medi-Cal Clients**

I affirm that the statements made herein are true and correct. I understand that I am responsible for paying the UMDAP liability amount or cost of treatment received by myself or by members of my household during each 1-year period. If the cost of service is more than the UMDAP liability amount, I pay the lesser amount. It is my responsibility and I agree to provide verification of income, assets and expenses. If I do not, I will be billed in full for services received. I authorize San Mateo County Mental Health to bill all applicable mental health services to Medi-Care and/or my insurance plan, including any services provided under 26.5. I authorize payment of healthcare benefits to San Mateo County Mental Health.

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
Signature of Client or Authorized Person                          Date    Reason if client is unable to sign

**Client Refused to Sign Authorization:**  (Please check if applicable)    Date \_\_\_\_\_ Reason \_\_\_\_\_

Name of Interviewer \_\_\_\_\_ Phone Number \_\_\_\_\_ Best Time to Contact \_\_\_\_\_

**FAX COMPLETED COPY TO: MIS/BILLING UNIT (650)-573-2110**

<b>ENTERED BY</b>	<b>San Mateo County Mental Health Services Use Only</b>	<b>CLIENT ACCOUNT #</b>	<b>DATA ENTRY DATE</b>
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**MEDI-CAL AND HEALTHY FAMILIES/HEALTHY KIDS/HEALTH WORKS ELIGIBILITY**

Below are instructions for accessing the State's MEDS (Medi-Cal Eligibility Determination System) to determine eligibility and clearing share of cost through the internet. If you do not have access to the internet, please call Bernadette Ortiz (phone: 650-573-2712) or Analiza Salise (phone:650-573-2442) to verify eligibility.

**Instructions for Obtaining Medi-Cal Eligibility Using Internet**

- Double click on Internet Explorer
- Type in the address box: <https://www.medi-cal.ca.gov/eligibility>
- From the Login Center Transaction Services screen, enter  
Userid: **usually 5 zeros followed by your provider number**
- Enter state assigned password – call Medi-Cal Provider Relations Phone Support @  
1-800-541-5555
- Click on Submit or press enter
- From the Transaction Services screen, double click on Determine Patient's Eligibility
- From Perform Eligibility screen fill in the following fields:
  - Recipient ID – enter the client's Social Security # (without dashes)
  - Date of Birth – enter the client's DOB (mm/dd/yyyy)
  - Date of Card Issue – if unknown, enter today's date (mm/dd/yyyy)
  - Date of Service – enter the date on which the service is to be performed (mm/dd/yyyy)
  - Click on Submit or press enter

**Note:**

Click on Back - to return to Transaction Services screen

Clear – press this button to clear the fields in the form

Patient Recall – once any transaction has been performed on a client, pressing this button will fill in the common fields with all of the information from the last transaction. This is useful for using the same client on different transaction (such as an eligibility verification, then a Share of Cost) or for correcting data when a transaction has gone through with incorrect data.

## **Instructions for Clearing Medi-Cal Share of Cost Using Internet**

- Double click on Internet Explorer
- Type in the address box: <https://www.medi-cal.ca.gov/eligibility>
- From the Login Center Transaction Services screen, enter  
Userid: **your provider number preceded by 5 zeros**
- Enter state assigned password - call Medi-Cal Provider Relations Phone Support @  
1-800-541-5555
- Click on Submit or press enter
- From the Transaction Services screen, double click on Determine  
Share of Cost
- From Perform SOC screen fill in the following fields:
  - Recipient ID – enter the client’s Social Security # (without dashes)
  - Date of Birth – enter the client’s DOB (mm/dd/yyyy)
  - Date of Card Issue – if unknown, and clearing service for the current month, enter today’s date. If you are clearing a retroactive service, you must have the BIC issue date. (mm/dd/yyyy)
  - Date of Service – enter service date for the “SOC Clearance.” (mm/dd/yyyy)
  - Procedure Code – enter the procedure code for which the SOC is being cleared. The procedure code is required. (90862, 90841, 90882, etc.)
  - Billed Amount – enter the amount in dollars and cents of the total bill for the procedure code. (ex. 100 dollars would be entered as 100.00). If you do not specify a decimal point, a decimal followed by two zeros will be added to the end of the amount entered.
  - Share of Cost Case Number – optional unless applying towards family member’s SOC case
  - Amount of Share of Cost – optional unless a SOC case number was entered
  - Click on Submit or press enter

### **Note:**

Click on Back - to return to Transaction Services screen

Clear – press this button to clear the fields in the form

Patient Recall – once any transaction has been performed on a client, pressing this button will fill in the common fields with all of the information from the last transaction. This is useful for using the same client on different transaction (such as an eligibility verification, then a Share of Cost) or for correcting data when a transaction has gone through with incorrect data.

Select SOC Case – this item affects how the Patient Recall button (described above) functions. Simply select the circle above the SOC case number that you want the Patient Recall button to use when it fills out the form. Note that the SOC case numbers are only available if the previous transaction was an Eligibility transaction.

The “Last Used” choice contains the SOC Case number that was used if the previous transaction was a SOC transaction. This is also a default choice if none are selected.

ATTACHMENT I

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

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

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

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

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

\_\_\_\_\_  
Name of 504 Person - Type or Print

\_\_\_\_\_  
Telecare Corporation  
\_\_\_\_\_  
Name of Contractor(s) - Type or Print

\_\_\_\_\_  
1080 Marina Village Parkway, Suite 100  
\_\_\_\_\_  
Street Address or P.O. Box  
Alameda, California 94501

\_\_\_\_\_  
City, State, Zip Code

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title of Authorized Official

\_\_\_\_\_  
Date

\*Exception: DHHS regulations state that:

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