



HEALTH SERVICES AGENCY
ADMINISTRATION

COUNTY OF SANTA CRUZ

HEALTH SERVICES AGENCY

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May 6, 1998

AGENDA: June 2, 1998

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

RE: Approval of FY 1997/98 State Department of Mental Health Performance Contract

Dear Board Members:

Beginning in 1989, counties have been required to enter into annual Performance contracts with the State for the provision of local mental health services. The contract for FY 1997/98 is attached for your Board's approval. Due to rate negotiations, managed care priorities, and other delays at the State level, this contract was not received until May 4, 1998.

This contract provides for Short-Doyle/MediCal (SDMC) rates, numbers of state hospital beds, costs for state hospitals, general requirements as specified in state law, descriptions of state allocations and general assurances. Each year, changes in state law result in changes to the contract. However, this year, no major changes have been made to this contract and it is, in essence, the same as for FY 1996/97.

The SDMC rates reflected in this contract are equal to the rates included in the revenue estimates for the approved budget for FY 1997/98 and, therefore, do not impact previously budgeted revenues.

The Local Mental Health Advisory Board has reviewed and accepted the attached State Performance contract.

It is, therefore, RECOMMENDED that your Board:

1. Adopt the attached resolution approving the State Performance Contract and authorize the Health Services Administrator to sign the contracts; and

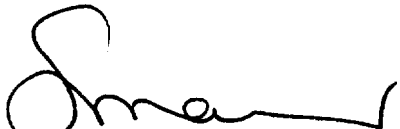
2. Direct the Clerk of the Board to prepare three certified copies of the Board Resolution for Health Services Agency to send to the State Department of Mental Health.

Sincerely,



Charles M. Moody, Administrator
Health Services Agency

RECOMMENDED:



Susan A. Mauriello
County Administrative Officer

CM/GK/amg

attachment

cc: **CAO**
Auditor-Controller
County Counsel
HSA Administrator
Community Mental Health

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA

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RESOLUTION NO. _____

On the motion of Supervisor _____
duly seconded by Supervisor _____
the following resolution is adopted.

RESOLUTION APPROVING THE "STATE PERFORMANCE CONTRACT"
BETWEEN THE STATE DEPARTMENT OF MENTAL HEALTH AND THE
COUNTY OF SANTA CRUZ HEALTH SERVICES AGENCY-MENTAL HEALTH

WHEREAS, the Board of Supervisors of Santa Cruz County desires to enter into a contract with the State Department of Mental Health as provided by the Welfare and Institutions Code for FYI 997-98, for purposes of providing mental health services for the mentally disabled and for continued funding of existing programs.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the Board of Supervisors, are hereby authorizing the Health Services Administrator to sign and execute such a contract and its attachment on behalf of Santa Cruz County.

PASSED AND ADOPTED, by the Board of Supervisors of the County of Santa Cruz, State of California, this 2nd day of June 1998, by the following vote (requires four-fifths approval):

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSTAIN: SUPERVISORS

Chairperson of said Board

ATTEST:

CLERK OF SAID BOARD

APPROVED AS TO FORM:


Assistant County Counsel

Distribution:

County Administrative Officer
Auditor-Controller
County Counsel
Health Services Agency Administration
Community Mental Health

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COUNTY OF SANTA CRUZ
REQUEST FOR APPROVAL OF AGREEMENT

314

TO: Board of Supervisors
County Administrative Officer
County Counsel
Auditor-Controller

FROM: HEALTH SERVICES AGENCY (Mental Health) (Dept.)
C. Moody (Signature) 5/14/98 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

- Said agreement is between the County of Santa Cruz (Community Mental Health) (Agency) and, the State of California Department of Mental Health, 1600 9th St., Sacramento CA 95814 (Name & Address)
- The agreement will provide mental health services funding and State hospital access for residents of Santa Cruz County.
- The agreement is needed. to provide the above.
- Period of the agreement is from July 1, 1997 to June 30, 1998
- Anticipated cost is \$ N/A (Fixed amount; Monthly rate; Not to exceed)
- Remarks: _____
- Appropriations are budgeted in N/A (Index#) N/A (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74 ,

Appropriations are available and have been encumbered.
are not N/A will be

Contract No. R-622 Date 5/19/98
GARY A. KNUTSON, Auditor - Controller
By Julia Ward Deputy

Proposed by Health Services Administrator recommended that the Board of Supervisors approve the agreement and authorize the Health Services Administrator to execute the same on behalf of the

HEALTH SERVICES (Agency).

Remarks:

6/1/98 (Analyst)

County Administrative Officer
By 6/1/98 Date 5/20/98

Agreement approved as to form. Date "_____"

Distribution: .

Bd. of Supv. • White
Auditor-Controller - Blue
County Counsel - Green •
Co. Admin. Officer - Canary
Auditor-Controller • Pink
Originating Dept. • Goldenrod

To Orig. Dept. if rejected.

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ADM - 29 (6/95)

State of California)
County of Santa Cruz) ss

I _____ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered in the minutes of said Board on _____

_____ 19 _____ By _____ Deputy Clerk

STANDARD AGREEMENTAPPROVED BY THE
ATTORNEY GENERAL

STD. 2 (REV. 6.91)

CONTRACT NUMBER
97-77175

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TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER
94-6000534THIS AGREEMENT, made and entered into this 1st day of July, 19 97,
in the State of California, by and between State of California, through its duly elected or appointed, qualified and actingTITLE OF OFFICER ACTING FOR
DEPUTY DIRECTORAGENCY
Department of Mental Health

, hereafter called the State, and

CONTRACTOR'S NAME
Santa Cruz County Mental Health

, hereafter called the Contractor

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulations of the State hereinafter expressed, does hereby agree to furnish to the State services and materials as follows: (Set forth service to be rendered by Contractor, amount to be paid Contractor, time for performance or completion, and attach plans and specifications, if any.)

WHEREAS, pursuant to Sections 5602 and 4330 of the California Welfare and Institutions Code, the County is responsible for establishing a community mental health service to cover the entire area of the County, and for reimbursing the Department for its use of state hospital beds: and

WHEREAS, the State has jurisdiction over Atascadero, Metropolitan, Napa, and Patton State Hospitals, which provide services to persons with mental disorders, in accordance with the California Welfare and Institutions Code Section 4100 et seq.; and

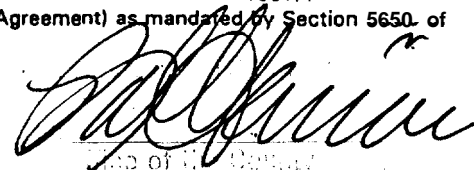
WHEREAS, the County desires to contract with the State for the provision of professional and inpatient hospital services to persons who are acutely mentally ill, including mentally ill persons who require health care services; and

WHEREAS, the County is committed to providing an integrated and coordinated range of services appropriate to the needs of each client, with the State Hospital(s) functioning as one of the providers in this range of services: and

WHEREAS, the State is agreeable to the rendering of such services on the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual promises and covenants stated in this Contract, the County and the State agree as follows:

The documents attached hereto and incorporated herein by this reference do hereby constitute the Fiscal Year 1997/1998 mandated County Performance Contract (including the County Use of State Hospitals Agreement) as mandated by Section 5650 of the Welfare and Institutions Code.



CONTINUED ON _____ SHEETS, EACH BEARING NAME OF CONTRACTOR AND CONTRACT NUMBER

The provisions on the reverse side hereof constitute a part of this agreement.

IN WITNESS WHEREOF, this agreement has been executed by the parties hereto, upon the date first above written.

STATE OF CALIFORNIA		CONTRACTOR			
AGENCY Department Of Mental Health		CONTRACTOR Santa Cruz County Mental Health			
BY (AUTHORIZED SIGNATURE)		BY (AUTHORIZED SIGNATURE)			
PRINTED NAME OF PERSON SIGNING LINDA A. POWELL, DEPUTY DIRECTOR		PRINTED NAME AND TITLE OF PERSON SIGNING			
TITLE 'Administrative Services		ADDRESS P.O. Box 962 Santa Cruz, CA 95061			
AMOUNT ENCUMBERED BY THIS DOCUMENT \$ 0.00	PROGRAM/CATEGORY (CODE AND TITLE)		FUND TITLE		Department of General Services Use Only Exempt from compliance with the Public Contract Code, the State Administrative Manual, and from approval by the Department of General Services per Section 5706 and 4330 of the Welfare and Institutions Code.
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT \$ 0.00	(OPTIONAL USE)				
TOTAL AMOUNT ENCUMBERED TO DATE \$ 0.00	ITEM	CHAPTER 282	STATUTE 1997	FISCAL YEAR 97-98	
OBJECT OF EXPENDITURE (CODE AND TITLE)					
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.					
SIGNATURE OF ACCOUNTING OFFICER Not Applicable		T.B.A. NO.		B.R. NO.	
DATE					

c | ☐ CONTRACTOR ☐ STATE AGENCY ☐ DEPT. OF GEN. SER. ☐ CONTROLLER ☐



STANDARD AGREEMENT

STD. 2 (REV. S-91) (REVERSE)

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1. The Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this contract.
2. The Contractor, and the agents and employees of Contractor, in the performance of the agreement, shall act in an independent capacity and not as officers or employees or agents of the State of California.
3. The State may terminate this agreement and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. The cost to the State shall be deducted from any sum due the Contractor under this agreement, and the balance, if any, shall be paid the Contractor upon demand.
4. Without the written consent of the State, this agreement is not assignable by Contractor either in whole or in part.
5. Time is of the essence in this agreement.
6. No alteration or variation of the terms of this contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.
7. The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

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COUNTY PERFORMANCE CONTRACT

Fiscal Year 1997/98

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Attachment 1 - APPROVED NEGOTIATED RATES-FOR.SHORT-DOYLE
MEDI-CAL REIMBURSEMENT (If Appropriate)
a n d / o r ,
APPROVED'NEGOTIATED RATES FOR MEDI-CAL SPECIALTY MENTAL
HEALTH SERVICES REIMBURSEMENT '(If Appropriate)

Attachment 2 - REQUEST FOR WAIVER PURSUANT TO SECTION 5751.7
OF THE WELFARE AND INSTITUTIONS CODE

Attachment 3 - SPECIFIC, COUNTY COST COMPUTATION

I -- PERFORMANCE CONDITIONS

PART A - GENERAL ASSURANCES AND PROGRAM PRINCIPLES

SECTION 1 - MAINTENANCE OF EFFORT

The County is in compliance with the expenditure requirements of Welfare and Institutions Code (WIC), Section 17608.05.

SECTION 2 - ADMINISTRATIVE ASSURANCES

Part I of this agreement includes the following County assurances:

- a. The County will **comply** with all requirements necessary for Short-Doyle/Medi-Cal reimbursement for mental health services provided to Medi-Cal eligible individuals, including, but not limited to, the provisions set forth in WIC, Section 5718 through 5724. If the County has entered into a contract with the Department of Mental Health (DMH) under WIC, Section 5775, to provide Medi-Cal Specialty Mental Health Services, the County will comply with the requirements of that contract and the provisions of Title 9, California Code of Regulations, Division 1, Chapter 11. Medi-Cal Specialty Mental Health Services are those services described in Title 9, California Code of Regulations, Sections 1810.247 and 1810.345.
- b. The County attests that the Local Mental Health Board has reviewed and approved procedures ensuring citizen and professional involvement in the planning process.
- c. The County will provide other information required, pursuant to State or Federal statutes.
- d. The County is in compliance with the expenditure requirements of WIC, Sections 5704.5 and 5704.6:
- e. The County and its subcontractors shall provide services in accordance with all applicable Federal and State statutes and regulations.
- f. The County has a certification review hearing procedure in force which shall comply with applicable State statutes.
- g. The County assures that all recipients of services are provided information in accordance with provisions of WIC, Sections 5325 through 5331 pertaining to their rights as patients, and that the County has established a system whereby recipients of service may file a complaint for alleged violations of their rights. The County further assures compliance with Title VI of the Civil Rights Act of 1964 and Federal regulations at 45 CFR, Parts 80 and 84.

- h. All professional level persons employed by the County mental health program (**directly or** through contract) providing Short-Doyle/Medi-Cal services have met applicable professional licensure requirements pursuant to the WIC and the Business and Professions Codes.
- i. To comply with Public Law 99-660, the County agrees to provide case management services to all adults who are seriously mentally ill and children who are seriously emotionally disturbed children who receive substantial amounts of public mental health funds or services.
- j. The County agrees to pursue a culturally competent system of care.

SECTION 3 - ROUTINE INFORMATION NEEDS

- a. The County shall continue to submit Client Data System (CDS) data and cost reports for the term of this agreement pursuant to WIC, Sections 5610(a), 5651(a) (8) and (d), **5664(a) and (b)**, and 5664.5.
- b. The County shall submit CDS data within 60 days after the end of the month to which the data applies. The State Department of Mental Health (DMH) **shall** process the County data and return an edit listing or advise the County of the results of the edit process within 25 days. The County shall **return the** edit listing **with** corrections, within **30 days of receipt**. Any exceptions to these conditions will be considered on an individual County basis.
- c. The County and its subcontractors shall submit a fiscal year-end Short-Doyle/Medi-Cal cost report, due **December 31**, in accordance with WIC, Sections **5651(a) (4)**, 5664(a) and (b), and 5664.5. The statewide maximum **upper** limits of **reimbursement** for Short-Doyle/Medi-Cal services shall be those specified in Section 51516, Title 22, California Code of Regulations, pursuant to WIC, Section 5720. The statewide maximum **upper limits** of reimbursement for Medi-Cal, Specialty Mental Health Services shall be those specified in Section 1840, Title 9, California Code of Regulations.

SECTION 4 - PROGRAM PRINCIPLES

The DMH and the County agree that, to the extent funds are available, the **program** principles and the array of treatment options are in accordance with WIC, Sections 5600.2 through 5600.9.

SECTION 5 - PROGRAM REIMBURSEMENT METHODS

Two methods of County reimbursement are applicable for PART I of this agreement during Fiscal Year-1997-98.

- a. The first method of reimbursement applies only to former "SB 900" counties. Reimbursement, for Federal Grants' shall; be subject to Federal cost containment requirements and availability of funds. Reimbursement for Short-Doyle/Medi-Cal services- shall- be based on legal entity negotiated rates pursuant to Section-.51516(b) of Title 22, California Code of Regulations. Reimbursement for Medi-Cal Specialty Mental Health Services shall be based on legal entity negotiated rates pursuant to Section 1840.105' of Title 9, California Code of Regulations. If this method is used, the County must adhere to Attachment 1, "APPROVED NEGOTIATED RATES FOR SHORT-DOYLE/MEDI-CAL REIMBURSEMENT".
- b. The second method of reimbursement applies to all "non-SB 900" counties. Under this method, reimbursement for Short-Doyle/Medi-Cal, and Federal Grants shall be settled to actual cost, subject to existing State and Federal cost containment requirements and principles.

SECTION 6 - UTILIZATION REVIEW/QUALITY ASSURANCE

- a. The County and its subcontractors shall establish and use systems to review the quality and appropriateness of services in accordance with applicable Federal and State statutes and regulations and guidelines operative during the term of this contract. If the County has a contract with DMH under WIC, Section 5775, the County shall also comply with the terms of that contract.
- b. The 'DMH shall' review the existence and effectiveness of the County's and' subcontractor's utilization review systems in accordance with applicable Federal and State laws and regulations.

SECTION 7 - CHILDREN'S SYSTEMS OF CARE

ALAMEDA, BUTTE, CONTRA COSTA, DEL NORTE, **HUMBOLDT, KERN**, LOS ANGELES, **MADERA**, MERCED, MONTEREY, PLACER, RIVERSIDE, SACRAMENTO, SAN DIEGO, SAN JOAQUIN, SAN LUIS OBISPO, SAN MATEO, **SANTA CLARA, SANTA CRUZ**, STANISLAUS, SHASTA,. SISKIYOU; **TEHAMA, TUOLUMNE, VENTURA, AND YOLO** COUNTIES ONLY

The DMH will assure the AB 377/AB 3015 counties (hereafter referred to as "Children's System of Care" - CSOC - counties) the following:

- a. Effective July 1, 1997 and until the end of the fiscal year, the DMH shall make monthly payments from either the State General Fund

(SGF) or federal **block** grant Substance Abuse and Mental Health Services Administration (SAMHSA) funds to each of the SGF and SAMHSA funded CSOC counties in amounts equal to 1/12 of 95% of the respective fiscal year 1997-98 SGF allocations,

- b. Provision of technical assistance, training, and consultation, as resources allow, to assist the respective SOC county to achieve the goals/objectives specified in its submitted Fiscal Year 1997-98 "Scope of Work **Plan**" which is required as a condition to assure that the goals/objectives of the enabling legislation (Part 4 of Division 5 of the Welfare and Institutions Code) are met.

Each **SOC county assures** the DMH that it will comply with all the state goals and measurable objectives, terms, conditions and all other requirements contained in the DMH approved "Scope of Work **Plan**" for Fiscal Year 1997-98 and by this reference incorporated herein. Each federally funded SOC county shall also assure the DMH that it will comply with federal terms **and** conditions, both fiscal and program-related, to the SAMSHA federal block grant.

SECTION 8 - PERFORMANCE OUTCOMES

- a. Adults: The County agrees to participate in the planning and/or testing of adult outcome measures and provide input for the overall design of the adult performance outcome system.
 - (1) The County agrees to implement the adult **performance** outcome system **according** to the **implementation** plan, once it has been completed, and according to the **timeline** that will be issued by the DMH.
 - (2) The DMH **will** provide the County with a report documenting the development of the adult performance outcome program and an implementation schedule.
- b. Children and Adolescents: The County agrees to implement the Children and Adolescent Performance, **Outcome** Program in accordance with the DMH **timeline** developed in consultation with the **California** Mental Health Planning **Council** and the **California** Mental Health Directors Association.
 - (1) The County **agrees** to report **outcome information** to the DMH for children and adolescent clients as required by the Director of the DMH pursuant to Chapter 89, Statutes of 1991.
 - (2) The County agrees to **administer** the **battery** of selected instruments "for each child and **adolescent** client within 60 days of admission," at annual case review, and upon discharge from the **program**.

- (3) The County 'agrees .to enter and maintain data collected from the administration of these survey instruments in a county management information system.
 - (4) The County agrees to provide the DMH-, with a copy of their performance outcome data in the computerized format specified by the DMH at periodic intervals as designated by Director'of the DMH.
 - (5) The DMH will provide the County with- relevant summaries and analyses of County and statewide data related to mental health performance outcomes.
- c. Older Adults: The County agrees to participate in the planning of Older Adult outcome measures and provide 'input for' the overall design of the older adult performance outcome system. The DMH will provide the County with a report documenting the development of the older adult performance outcome program and an implementation schedule.

The County agrees to implement the older adult performance outcome system according to the implementation plan, once it has been completed, and according to the timeline that will be issued by DMH

SECTION 9 - RESTRICTION OF INPATIENT PSYCHIATRIC TREATMENT OF MINORS WITH ADULTS

- a. The County is aware that WIC, Section 5751.7 establishes an absolute prohibition against minors being admitted for psychiatric treatment into the same treatment ward as any adult receiving treatment who is in custody of any jailer for a violent crime, or is a known registered sex offender, or has a known history of, or exhibits inappropriate; sexual or other violent behavior which would present a threat to the physical safety of minors.
- b. The County agrees to ensure that, whenever feasible, -minors shall not be admitted into psychiatric treatment with adults if the health facility has no specific separate housing arrangements, treatment staff, and treatment programs designed to serve children or adolescents.
- c. If the requirements of 9b. create an undue hardship for the County, the County may be granted a waiver if requested.
- d. If the County has not been granted a waiver, it must comply with the provision of 9b.
- e. WIC, Section 5751.7 delineates a procedure by which a county may request a waiver from the Director of the DMH. All counties

requesting a waiver pursuant to WIC, Section 5751.7 must complete Attachment 2 and submit it with the Performance Contract.

- f. Each admission of a minor to a facility that has an approved waiver shall be reported to the Local Mental Health Director, or his or her designee, in such a manner as prescribed by the Local Mental Health Director.

PART B - SPECIFIC PROVISIONS

1. The DMH has designated the Deputy Director, Administrative Services, to be its Project Coordinator for all issues relating to I PERFORMANCE CONDITIONS of this contract. Except as otherwise **provided** herein, all communication concerning I PERFORMANCE CONDITIONS of this contract shall be with the Project Coordinator.
2. The DMH shall make allocations to the County, in relation to conditions in PART I, from budget sources as follows:
 - a. **4440-101-0001(a) COMMUNITY SERVICES - OTHER**
 - b. **4440-101-0001(b) ADULT SYSTEM OF CARE**
 - c. **4440-101-0001(c) CHILDREN'S MENTAL HEALTH SERVICES**
 - d. **4440-131-0001, S.E.P. ASSESSMENT, TREATMENT, AND CASE MANAGEMENT**

These allocations shall be consistent with the statutory provisions governing their allocation and the County's expenditure of these funds shall be consistent with the statutory provisions governing their expenditure.

3. The County agrees that if it accepts Federal PATH and/or SAMHSA (formally ADAMHA) Block Grant funds, the County will abide by the specific conditions of Section 290aa et seq. and Section 300xx et seq. of Title 42 of the United States Code as well as those conditions established by other Federal and State laws, regulations, policies, and guidelines.
4. The DMH agrees to make payment to the County as follows:
 - a. Upon the effective date of the agreement, the DMH shall pay the County; at the beginning of each month, 1/12 of 95% of the funds allocated by the DMH in accordance with the budget for the current fiscal year.

- b. The County agrees that all funds paid out by the DMH pursuant to this agreement: and any interest accrued locally shall be used exclusively for: providing mental health services, including defraying operating and capital costs and allowable County overhead.
5. The County shall be reimbursed by the DMH with Federal Title XIX funds for the cost of federally eligible Short-Doyle/Medi-Cal or Medi-Cal Specialty Mental Health services rendered to federally eligible Medi-Cal beneficiaries. Reimbursement of expenditures will be made to the County upon receipt of these funds from the Department of Health Services in accordance with current procedures and provided the County has submitted the required claims in the prescribed format and within time lines.
6. If the County chooses to reimburse Short-Doyle/Medi-Cal subproviders or Medi-Cal Specialty Mental Health organizational providers using negotiated rates, the negotiated rates shall be specified in Attachment I, incorporated herein,, labeled "APPROVED NEGOTIATED RATES FOR **SHORT-DOYLE/MEDI-CAL** REIMBURSEMENT" and shall be approved by the DMH pursuant to WIC, Section 5716. If the County is using negotiated rates, the "**APPROVED** NEGOTIATED RATES FOR SHORT/DOYLE MEDICAL REIMBURSEMENT" Attachment I may be made part of this contract by processing an amendment at a later date when the rates are established.
7. Any funds allocated for conditions specified within I PERFORMANCE CONDITIONS of this contract that by Federal or **State legislative** requirement, regulation or DMH policy are to be expended in specified program categories shall be spent only in accordance these requirements.
8. Should a dispute arise relating to any issue within I **PERFORMANCE** CONDITIONS of this contract, the County shall, prior to exercising any other remedies which may be available, provide **written** notice within a thirty-day period of the particulars of such dispute to:

Director
Department of Mental Health
1600 9th Street
Sacramento, CA 95814

Such written notice shall contain the contract number. The Director, or his/her designee, shall meet with the County, review the factors in the dispute, and recommend a means of resolving the dispute before a written response is given to the County. The Director, or his/her designee, shall provide a written response within thirty days of receipt of the County written notice.

9. If the county chooses to participate in the Mental Health Medi-Cal Administrative Activities (**MAA**) claiming process, the county

agrees to submit claims only for those activities included and defined in the County's Mental Health **MAA** Claiming Plan as approved by the DMH, the Department of Health Services, and the federal Health Care Financing Administration. The County agrees to comply with all applicable federal statutes and regulations and, with the exception of the approved **MAA** activities and claiming policies that are unique for mental health programs, agrees in all other respects to comply with WIC, Section 14132.47 and **MAA** Regulations promulgated by the Department of Health **Services** in Title 22 of the CCR.

II -- STATE HOSPITAL BED USAGE

PART A -- TERMS AND CONDITIONS

SECTION 1 - FACILITIES, PAYMENTS, AND SERVICES

The County shall compensate the State and the State agrees to provide the services including, staffing, facilities, equipment-, and supplies in accordance with PART A of II of this Contract.. The State shall operate the Hospital(s) continuously throughout the term, as indicated in III of this Contract, with at least the minimum number and type of staff which meet applicable State and Federal regulations, and which are necessary for the provision of the services hereunder. Notwithstanding the above, youth services at Napa may be closed around January 1, 1998. If this occurs, comparable services will continue to be available at Metropolitan State Hospital." Payment(s) shall be made in accordance with PART B of II of this Contract.

SECTION 2 - COUNTY RESPONSIBILITIES

- a. The County shall review the quantity and quality of services, provided pursuant to this Agreement, including the following.
 - (1) Medical and other records of County Patients. A copy of the review report, if any, shall be provided to the State.
 - (2) The Hospital(s) procedures for Utilization Review and Quality Assurance, and related committee -minutes and records, except for privileged communications and documents.
 - (3) Periodic meetings regarding the quantity and quality of services are encouraged with the Hospital's Medical Director, or designee.-
- b. The County shall screen, determine the appropriateness of, and authorize all referrals for admission of County patients to the Hospital(s). The County shall, at the time of admission, provide admission authorization, identify the program to which the patient is being referred; and identify the estimated length of stay for each County Patient. The Hospital(s) Medical Director or designee shall make the determination of the appropriateness of a County referred patient for admission to the hospital(s) and assign the patient to the appropriate level of care and treatment unit.
- c. The County shall provide such assistance as is necessary to assist the Hospital(s) Social Services staff to initiate; develop and finalize discharge planning and necessary follow-up services.

- d. The County shall provide such assistance as is necessary to assist in the screening of County Patients for alternative placements, and shall facilitate such placements.
- e. The County shall provide case management services, as defined in Section 8 of PART A in II of this contract.

SECTION 3 - DESCRIPTION OF COVERED HOSPITAL SERVICES

- a. The State shall provide Lanterman-Petris-Short (LPS) hospital . . . services only to those persons referred by the County specifically for services under this Contract, including those admitted pursuant to Sections 1370.01 of the Penal Code and **Murphy Conservatorship** (Section 5008(h) (1) (B) of the Welfare and Institutions Code). When patients committed pursuant to **provisions of the Penal Code** are converted to LPS billing status they shall become, the financial responsibility of the county of first admission and- part of that **County's** LPS dedicated bed capacity as described in this contract...

Former inmates of the 'California Department of Corrections (CDC) who convert to **Murphy** Conservatees following. concurrent Incompetent to Stand Trial (**IST**) commitments will be the responsibility of the county that sent the inmate to prison at the expiration of their CDC commitment.,-

The County Mental Health Director, or designee, shall be involved in the conversion process and the conversion shall be made in accordance with the provisions of Section 16 D. of this contract and the provisions of Divisions 5 and 6 of the Welfare and Institutions Code.

The following services are provided:

(1) Long Range Planning

The State shall provide for the participation of counties in long range planning through the counties' involvement with the regional planning groups of the Future. of State Hospital Resources Task.. Force, and their . participation in the activities of the various committees of the California Mental Health Directors Association (**CMHDA**)..

(2) Psychiatric and Ancillary Services

- (a) The 'State shall provide inpatient psychiatric health care and support services, including appropriate care and treatment to County Patients in the Hospital(s) who suffer from mental, emotional or behavioral disorders and who have been referred to the Hospital(s) by the County.

- (b) .The State shall not refuse to admit patient referrals from the County when the County has a bed available within its dedicated capacity and the patient, in the judgment of the Hospital(s) Medical Director or designee, meets the established criteria for admission, and **any** other provisions contained in this Contract.
- (c) The Hospital(s) shall provide psychiatric treatment and other services **in** accordance **with all** applicable laws and regulations, including, but not limited to, Title 22 and Title 9 of the California Code of Regulations.
- (d) The Hospital(s) shall provide all ancillary services necessary for the evaluation and treatment of **psychiatric** conditions. To the extent possible, medical procedures performed prior to a patient's admission to the hospital shall not be duplicated.

b. Expert Testimony :

The State and the Counties shall provide or cause, to be provided expert witness . . testimony.' by appropriate **mental** health professionals in **legal** proceedings required: for the **institutionalization**, admission, or treatment of County Patients. These proceedings may include, but not be limited to, writs of habeas corpus, **capacity hearings (Reise) as provided** in Section 5332 et seq. of the **W&I Code.**, conservatorship, **probable** cause hearings, court-ordered evaluation, and appeal **and post-**certification proceedings.

c. Health Care Services' . . .

The State: shall provide or cause to be **provided any** health care services, including physician or other 'professional services, required by County Patients served pursuant to this 'Agreement. In cases **where** non-emergent or elective medical/surgical care is recommended **by hospital** medical staff and where the cost for such care is likely **to exceed** \$2,000, the Hospital(s) **Medical** Director shall confer **with** the 'County's Medical: **Director, or** designee, regarding the provision of service,, including the option that, at the County's discretion, the County may make arrangements for the provision **of such service.**

d. Electra-Convulsive Therapy

The Hospital(s) **may** cause to be provided Electra-Convulsive Therapy, herein referred to as **"ECT,"** in accordance with applicable laws, regulations, and **established** State policy.

e. Transportation

- Transportation to and from the Hospital(s), including court appearances, **County-based** medical appointments or services, and pre-placement visits and final placements, shall be the responsibility of the County. The County shall also be responsible **for** transportation between hospitals when the transfer is initiated by the County. Other transportation between state hospitals and transportation to and from local medical appointments or services shall be the responsibility of the Hospital(s).

SECTION 4 - STANDARDS OF CARE

a. Staffing

- (1) The State shall staff each Hospital unit which provides services under this Agreement in accordance with acceptable standards of clinical practice, applicable State staffing **standards** and any applicable **court orders** or consent decrees. The State shall provide administrative and clerical staff to support the staffing specified and the services provided hereunder.
- (2) The County shall be **provided access** to Hospital staffing information upon request (i.e. name, title, **professional** degree, work experience, etc.) for program evaluation purposes.
- (3) The State shall make a good faith effort to provide sufficient bilingual staff with experience in a multicultural community sufficient to meet the needs of patients treated pursuant to this Contract.

b. Licensure

The Hospital(s) shall comply with all applicable Federal and State laws, licensing regulations and shall provide **services** in accordance with generally accepted practices and standards prevailing in the professional community at the time of treatment. The Hospital(s) which are **accredited** shall make a good faith effort to remain accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) throughout the term of this Contract.

c. Patient Rights

- (1) The Hospital(s) shall in all respects comply with Federal and State requirements regarding patient rights in accordance with Sections 5325 and 5325.1 of the Welfare and Institutions Code and Sections 862 through 868 of Title 9 of the California Code

of Regulations. The Hospital(s) shall include ECT reporting, as **required** by law, in its quarterly "Electro-Convulsive Therapy" report submitted to the State.

- (2) The State Hospital(s) shall follow established procedures for resolving patient complaints. Patient complaints relating to violations of their rights during their hospitalization shall be handled and resolved by the Department's Contract Advocate, Protection and Advocacy Incorporated' (PAI). Patient's rights issues, pertaining to matters outside the jurisdiction of the hospital, shall be the responsibility of the County's patients' rights advocate. Issues relating to the denial of patients' rights pursuant to Section 5325 of the Welfare and Institutions Code, shall be reported quarterly to the state, as required by law, on the Department of Mental Health's "Denial of Rights" form:

d. Informed Consent

The Hospital(s) shall comply with applicable law relating to informed consent.

SECTION 5 - PLANNING

The county may participate in regional committees of the CMHDA Long Term Care Committee. Staff from the Department of Mental Health's Long Term Care Services Division and staff from the state hospitals used by regional members may meet with the regional committee at the Chairpersons request to discuss program, staffing, and capacity changes. These types of issues may also be discussed between the State and the counties as part of the agenda of the CMHDA Long Term Care Committee and when appropriate with the CMHDA Executive Board.

SECTION 6 - ADMISSION AND DISCHARGE PROCEDURES

a. Admission and Discharges Procedures

(1) Admission Procedures

- (a) The County shall be directly involved, in referring County Patients for admission to the Hospital(s), discharge planning, and the actual discharge process. When an individual committed pursuant to provisions of the Penal Code is converted to an LPS commitment the County Mental Health Director, or designee, shall be involved as provided in this Contract and in accordance with the provisions of Divisions 5 and 6 of the Welfare and Institutions Code:

- (b) If the County is below dedicated capacity,, it shall have immediate access to a bed for any County Patient who is determined by the Hospital(s) Medical Director, or designee,

to be clinically appropriate for the available bed/service. Admission shall be accomplished in accordance with the Hospital(s) admitting procedures and admission hours. The hospital(s) shall make a good faith effort to flexibly accommodate patients referred for admission in a manner which maximizes access to appropriate hospital beds and services.

- (c) The hospital(s) shall maintain statistics regarding: (1) the total number of **referrals** for admission from each county for the month; (2) the number and percentage of instances, by county, when patients were denied admission, (3) the reason for each denial; and, (4) the final resolution each case where referral for admission was denied. This data shall be made available to the County upon request.
- (d) If the 'County is at or above its dedicated capacity, the County may arrange a bed exchange with another County which is **below** its dedicated capacity. At the time of admission the hospital shall be provided written authorization from both the referring County and the County **whose bed will** be used.
- (e) If, for any reason, a County Patient is in a bed which is inappropriate to that patient's needs, the attending physician **shall develop**, in consultation **with** the treatment team and the County, except **when** the urgency of the patient's situation precludes such consultation, a plan for transfer of the patient to an appropriate unit in **accordance** with the treatment plan.
- (f) All denials of admission shall be in writing with an **explanation for** the denial. Denials shall not occur if the **patient meets** the admission criteria and the County has dedicated capacity available, or has obtained authorization from another **County to use its available dedicated** capacity. A denial of admission may be appealed as provided in paragraph b(1) within this Section.

b. Discharge Procedures

- (1) Discharge planning shall begin at admission.
- (2) The development of a discharge **plan** and the setting of an estimated discharge date shall be done jointly by the treatment team and the Case Manager. The treatment plan shall identify the discharge plan.
- (3) The Hospital(s) shall discharge a patient at the County's request or in accordance with the approved discharge plan except: (1) **if** at the time the discharge is to occur, the **Hospital(s)'s** Medical Director, or designee, determines that the patient's condition and the circumstances of the discharge would pose an imminent danger to the safety of the patient or

others; or, (2) when a duly appointed conservator refuses to approve the patient's discharge or placement. A denial of discharge may be appealed as provided in paragraph C.2. within this Section.* I

c. Appeal Procedures

- (1) **ADMISSIONS** - When agreement cannot be reached between the County's staff and the Hospital(s) admitting staff regarding whether a patient meets or does not meet the admission criteria for the bed(s) available the following appeal process shall be followed. When the County's staff feel that impasse has been reached and further discussions would not be productive, the denial of admission may be appealed, along with all available data and analysis to the Hospital's Medical Director and the County Mental Health Director. Such appeals may be made immediately by telephone. If the Hospital(s) Medical Director and the County Mental Health Director are unable to achieve agreement, the case may be referred to the Deputy Director, Long Term Care Services within two (2) working days. The Deputy Director shall discuss the case with the County Mental Health Director and may obtain additional consultation. The Deputy Director shall render a final decision within two (2) working days after receiving the documented basis on which the appeal is based.
- (2) **DISCHARGES** - When the Hospital(s) Medical Director, or designee, determines that discharge cannot occur in accordance with the approved plan, or upon the request of the County, he/she will contact the County's Mental Health Director or designee immediately to review the case and make every effort to resolve the issues preventing the discharge. If this process does not result in agreement, the case may be referred to the Deputy Director, Long Term Care Services, by the County Mental Health Director within one (1) working day of the Hospital's denial. The Deputy Director after consultation with the County Mental Health Director and others will make the final decision within two (2) working days of receiving the documentation of the basis of the disagreement regarding discharge, and communicate this decision to the County Mental Health Director and the Hospital Medical Director by telephone followed by written confirmation.

d. Penalties

- (1) Should the State fail to process appeals from the County relating to the denial of admissions or discharges within the timelines specified in #1 and #2 above, the County shall be allowed to use additional bed days equal to the number of days lost due to the State's failure to respond within the established time lines. The penalty days thus provided shall

be in the cost center to which the patient in question was referred.

- (2) If the decision on appeal shall be **against** the hospital(s), the County shall be allowed to use additional bed days equal to the number of days lost due to 'the Hospital(s)' failure to admit or discharge the patient in accordance with the County's request.

SECTION 7 - PRIOR AUTHORIZATION

The County shall, prior to admission, provide the Hospital(s) with a completed Short-Doyle Authorization Form (MH 1570) and all applicable Court commitment orders. An initial projected length of stay shall be identified by the County and addressed in the patient's treatment plan and discharge plan.

SECTION 8 - ORDINATION OF TREATMENT / CASE

The parties agree that client services must be integrated and coordinated across levels of care, and that an active case management system is a critical factor in this continuity of care. Accordingly, the parties agree to the following case management system:

- a. The County shall develop an operational case management system for County Patients, and shall identify a case manager or case management team for each County Patient.. The **duties** of the case manager include, but are not limited to:

- (1) **Providing available assessment** information on patients admitted to the Hospital(s)..

- (2) Participating in person or by telephone in an initial meeting with the patient and the hospital 'treatment team within a reasonable **time** frame after admission, 'for purposes of participating in the development of a treatment plan and a discharge plan, and to determine the level of the case manager's involvement **during** 'the patient's hospitalization. The treatment plan. shall form 'the basis' for the treatment and **services** provided to the County Patient.'

- (3) **Meeting**, in person, with the, County Patient and with the Hospital treatment **team** on a regular basis, not to exceed 180 days between meetings, to provide direct input into the development and implementation of the patient's treatment plan.

- (4) Ensuring that 'appropriate alternative placement options are developed 'as **a** part of the discharge planning process, and working closely with the Hospital(s) 'treatment teams to assure that discharges take place **when and in** a manner agreed upon by the Hospital(s) Medical Director or designee, and the County Mental Health Director or designee.

- b. The Hospital(s) shall encourage and facilitate the involvement of the case **managers** in the treatment team process, by providing, among other services, notification of treatment plan conferences or **90-day** reviews **no less** than two weeks prior to the date of the conference or review. The Hospital(s) shall identify an appropriate treatment **team** member to function as the primary contact for the case manager or the case management team.
- c. A treatment plan shall be used for planning services for 'each' County Patient, **and it** shall, identify **each goal**, and **objective** for the patient **with** projected time lines -for their **completion**. Development of the treatment plan shall be the responsibility of the Hospital(s) with County consultation **as** requested. The County case manager is to review **the treatment** plan and indicate in writing his/her agreement or disagreement. The treatment plan shall be **developed in** accordance with the following requirements:
- (1) The plan shall address reasons for admission..
 - (2) Patient treatment **and** stabilization directed toward expediting discharge shall be considered, the desired **outcome** for **all** County Patients, and all interventions shall relate to achieving discharge.
 - (3) **Any** special treatment needs shall be addressed in the treatment plan.
 - (4) The Hospital(s) shall provide programs which **assist** patients in achieving the objective of returning to a level of community living, (i.e., a facility **offering** a protective environment, a residential facility, a board and care facility, independent **living**, etc.).
 - (5) The treatment plan shall identify responsibility for each item included in the plan.
 - (6) The treatment plan shall not **be** changed **solely** based upon staffing changes within the Hospital(s).
 - (7) The County case manager/case management team **shall be** consulted whenever substantial changes to a patient's treatment plan are under consideration.
- d. The case manager shall be encouraged to participate in treatment **team** meetings, clinical reviews or utilization review meetings and in clinical rounds which relate to County Patients.
- e. Primary criteria for continued treatment in **the Hospital(s)** shall include, but not be limited to, the medical necessity of hospitalization within the state hospital **setting**, including LPS criteria, as reflected within the medical record. The County's Director of Mental Health or designee may conclude that a County

Patient no longer meets these primary criteria and may direct that the Hospital(s) discharge the patient to a facility the County determines to be more appropriate to the patient's treatment requirements. In such cases, discharge must occur within two (2) days of the date an alternative placement option is identified and available except as provided in B(2) (c) of this PART or otherwise required by law.

- f. When agreement cannot be reached between case manager and the treatment team regarding treatment, transfer, and/or discharge planning, the issues shall be referred to the Hospital's Medical Director and the County Mental Health Director within **three** days. On specific treatment issues the Medical Director's decision shall be final. Any contract or program policy issues arising from discussions which are not resolved between the Medical Director and the County Mental Health Director may be referred to the Assistant Deputy Director, Long Term Care Services within five (5) working days. The Assistant Deputy Director will review the case with the County Mental Health Director. A response on the referred issue will be communicated to the County's Mental Health Director, within two (2) working days after the Assistant Deputy Director receives the documented basis for the appeal.

SECTION 9 - BED USAGE

a. General Provisions

- (1) During the **1997/98** Fiscal Year, the State **shall** provide, within the Hospital(s), specific numbers of beds dedicated to the care of only those patients referred by the County, including those admitted pursuant to Section **1370.01** of the Penal Code and Murphy Conservatorships (Section 5008(h)(1)(B) of the **Welfare** and Institutions Code).. The number and type of beds is specified in Attachment 3. For Counties who are members of the Small County Bed Pool the number and types of beds in the Pool and the special Performance Contract provision relating to the Small County Bed Pool participation are contained in II, PART **"A"**, Section 19 and in Attachment 3.
- (2) For the purposes within PART **II** of this Contract the term "dedicated **beds**" shall mean that the **hospital(s)** shall ensure that **the number** of beds contracted **for** by a County in a particular cost center category shall be available to the County at **all** times for patients who are appropriate for the services and facilities included in that cost center at the **hospital** to which the **patient is** being referred. The County **expressly** agrees that the Hospital(s) **admissions, intra-hospital transfers, referrals to outside medical care, and discharges** are made in accordance with the admission criteria

established by the State, and the Counties, and the judgment of the Hospital(s) Medical Director or designee.'

- (3) The county shall be considered to have exceeded its dedicated capacity on **any given** day on which 'more' county patients are assigned to a cost center, than the; **county has** dedicated capacity in that **cost center**. The **county shall** only be permitted to use beds in excess of its dedicated capacity when use does not result **in** denial of access of other! counties to their dedicated capacity. **The County's use** in, excess of the contract: amount shall, be calculated as provided in Attachment 3 of this contract.

The State shall review the county's use of state hospital beds in accordance with this contract in January 1998, for the period July 1 **through December 31, 1997, and in July 1998**, for the period January 1 through June 30, 1998 to determine if the county has **used bed/days** in excess of its dedicated capacity during the respective **half year periods**: of the **Performance Contract**.

In calculating excess **use in** the **Youth and Continuing Medical Care (SNF)** cost centers at **Napa and Metropolitan State Hospitals**,, the use **in excess** of, dedicated capacity shall be calculated by subtracting under use from over use **by** individual cost center and by hospital for the respective **half year period**. The County shall be obligated **to pay** for the net number of bed/days **it used** above the contracted number of beds/days for the period, -at the rate established for the cost center in **this contract**.

Use in excess: of dedicated capacity: for Acute, ICF - Psychiatric Subacute, ICF - Psychiatric Rehabilitation, and Alternate Care cost centers during each half of the contract year **shall be** calculated by reducing the number of excess bed/days used during the period in any of these cost centers by the number of bed/days underused in any of these cost centers **during the same period** at each hospital respectively. The county shall be obligated to pay the net dollar value of its use in **these cost** centers if that value exceeds the amount to be paid for the beds in these cost centers, as reflected in this contract.

The County's obligation shall not **be** reduced below the contract amount set forth in Attachment 3. Use in excess of the contract amount for counties which are members of the Small County Bed Pool shall be calculated **in** accordance with the provisions of II, Section 19 of this contract.

- (4) If the county does not contract for any state hospital beds, it may purchase access to the dedicated bed capacity of the

Small County Bed Pool or from other counties. Notwithstanding the fact that the county does not purchase any state hospital dedicated bed capacity, the county shall be financially responsible for its use of state hospital resources resulting from, but not limited to, the conversion of Penal Code commitments to Murphy Conservatorships (Section 5008(h) (1) (B) of the Welfare and Institutions Code).

- (5) There shall be no increase or decrease in the number of beds provided by the State within the Hospital(s) and within a cost center, unless this Contract is amended by mutual agreement. If youth beds at the **Napa State Hospital** are closed during the fiscal year, comparable services will continue to be available at Metropolitan State Hospital.
- (6) When the County has a patient at Patton or Atascadero State Hospital, it shall use one of its vacant dedicated beds, in an equivalent cost center at its primary. use **LPS hospital**, to cover the costs- of that patient's care at Patton or Atascadero. If the County has no available dedicated capacity, it must obtain the required capacity by purchasing **it from** a county that has available capacity in the proper **cost center**, purchase the services from the State as provided in Item #3 above, or by amending this Contract as provided herein.
- (7) The **State**, in consultation with the agencies who refer patients to the hospital(s), may provide special programs for patients with **unique** needs; e.g., hearing impairment, Neurobehavioral problems, etc...; The County may have access to these beds. on a first come first served basis. If the County's dedicated capacity for **the cost** center in which the **specialty unit(s)** reside is all in use or if the County does not have any dedicated capacity in the cost center, the County may use **any other** of its available dedicated capacity to support the admission to the specialty unit(s).

b. County First Right of Refusal to Purchase LPS Beds

The State shall not unilaterally reduce the number of available LPS beds during **the term** of the contract., If a county, or group of counties, reduces its contracted level of LPS state hospital beds the State shall offer these LPS beds to other counties prior to making them available to any other purchaser. When LPS beds become available the State shall notify **the** county mental health directors: and the directors shall have **ten** (10) working days from **the date** of notification to submit requests to purchase the excess beds.

SECTION 10 - UTILIZATION REVIEW (UR)

- a. The Hospital(s) shall have an ongoing utilization review program which is designed to assure appropriate allocation of the hospital(s) resources by striving to provide quality patient care in the most **cost-effective manner**. The utilization review program is to address over-utilization, under-utilization, and the scheduling or distribution of resources. The Hospital(s) Utilization Review **Plan** shall describe the utilization review program and identify the mechanisms for governing its operations. The Plan is approved by the medical staff, the administration, and the Director of the State Department of Mental Health, who is also the chairperson of the Hospital(s) Governing Body. Policy and operational direction regarding the **Hospital(s) Utilization Review Plan** is provided in the Department of Mental Health's Special Order Number DSH-144. Hospital(s) that provide services which are certified for participation in the Federal Medicare or Medi-Cal programs shall meet any additional requirements imposed by those certification regulations.
- b. County representatives shall take part in the utilization review and quality assurance activities at the Hospital(s) program and unit level relating to County Patients. County Case Manager participation, in utilization review and discharge planning may include attendance at treatment team and **program** meetings. The **Hospital(s)** shall include the County's monitoring of the quality and **appropriateness** of the care provided to County Patients. Hospital(s) shall conduct hospitalwide utilization **review** in a way that maximizes the County's access to the utilization review process **concerning County Patients**. **Hospital(s)** shall provide the County with information regarding the schedule of hospitalwide and patient specific utilization review activities. The Hospital(s) shall also provide the County, upon request, summary aggregate data regarding special incidents.
- c. Utilization **Review** activities shall address the appropriateness of hospital admissions and discharges, clinical treatment, length of stay and allocation of hospital resources to most effectively and efficiently meet patient care needs.

SECTION 11 - QUALITY ASSURANCE (QA)

- a. The **Hospital(s)** shall have an ongoing QA program designed to objectively and systematically evaluate the quality and appropriateness of patient care, pursue opportunities to improve patient care, and resolve identified problems. The written plan for the Hospital(s) QA program shall describe the program's objectives, organization, scope, and mechanisms for overseeing the effectiveness of monitoring, evaluation, and problem-solving activities. The Plan shall be updated at least annually and

approved by the Director of the Department of Mental Health, who is also the Chairperson of the Hospital(s) Governing Body.

- b. The Hospital(s) ' QA Plan shall address all of the elements of QA which are required by applicable **sections of the** California Code of Regulations (Title 22), Federal Medicare certification regulations, and the standards of the Joint Commission on the Accreditation of Healthcare Organizations. It shall also describe the operational linkages between the risk management functions related to **the** clinical aspects of patient care and safety and quality assurance functions. The Hospital(s) shall provide to the County summary data relating to aggregate **review** of incident reports, reports of untoward events, and related trend analysis. Hospital(s) shall provide the County with information regarding the schedule of hospitalwide and patient specific quality assurance activities.
- c. QA activities **shall address** the quality of records, including but **not limited to**, quality review **studies and analysis**, peer review and medication monitoring procedures, drug use studies, medical care evaluation and standards studies, profile analysis and clinical care standards addressing patient care.
- d. In accordance with the provisions outlined in paragraph B of Section 10 within this PART, County representatives shall take part in QA activities at the Hospital(s), program and unit levels and in monitoring the quality and appropriateness of care provided to County Patients.

SECTION 12 - EXCHANGE OF INFORMATION

- a. 'The parties agree to make a' good faith effort to exchange as much information as is possible, to the extent authorized by law. Such information **may** include, but not be limited to, medication history, **physical** health status and history, financial status, summary of course of treatment in the Hospital(s) or County, summary of treatment needs, and discharge summary.
- b. The exchange of information will apply only to patients referred **by** the County who are to be hospitalized, are currently hospitalized, or have been discharged from the Hospital(s). Requests for information regarding any other patient must be accompanied by an authorization to release information signed by the patient.

SECTION 13 - RECORDS

a. 'PATIENT RECORDS

The Hospital(s) shall **maintain adequate medical records on each** individual patient. These medical records shall include legal

status, diagnosis, psychiatric evaluation, medical history, individual treatment plan, records of patient interviews, progress notes, **recommended** continuing care plan, discharge summary and records of services provided **by** various professional and paraprofessional personnel in sufficient detail to permit an evaluation of services.

b. **FINANCIAL RECORDS**

The State shall prepare and **maintain** accurate, and complete financial records of **the** Hospital(s) operating expenses and revenue. Such records shall reflect the actual **cost** of the type of service for which payment is claimed, **on** an accrual basis. Additionally, such records shall identify costs, attributable to **the** County's LPS patients, versus **other types of patients** to whom the Hospital(s) provides services. Any apportionment of or distribution of costs, including indirect costs, to or between programs or cost centers of the **Hospital(s)** shall be documented, and shall be made in accordance with generally accepted accounting principles, and applicable laws, regulations and State policies. The patient eligibility determination and **any** fee charged to and collected from patients, together with a record of all billings rendered and revenues received from any source, **on** behalf of patients treated pursuant to this Agreement, must be **reflected** in the State's financial records.

c. R E T E N T I O N

- (1) All financial or patient records for patients who have not yet been discharged shall be retained **until** **the** patient has been discharged, at which time the record retention requirements in 2. through 4. below shall apply.
- (2) **Financial records** shall be retained by the State in **accordance with the provisions** of the State Administrative Manual, Section 1671. This Section requires that most financial records, including **CALSTARS** Reports, be kept two (2) years, after two (2) years they are **to be kept until audited** or four (4) years which ever **occurs** first. County financial records relating to this contract shall be retained in accordance with applicable law, regulation, and County policy.
- (3) **Patient records** for adults (age 18 and over) shall be retained by the State for a minimum of seven (7) years from the date of discharge.
- (4) Patient records of **persons** under the age of eighteen (18) years who have been discharged shall be retained for one (1) year past the person's, eighteenth (18th) birthday, or for seven (7) years, **whichever** is greater.

- (5) Records which relate to litigation or settlement of claims arising out of the performance of this Agreement, or costs and expenses of this Agreement as to which exception has been taken by the parties to this agreement, shall be retained by the parties until disposition of such appeals, litigation, claims, or exceptions are completed.
- (6) Except for records which relate to litigation or settlement of claims, the parties may, in fulfillment of their obligations to retain the financial and patient records as required by this Agreement, substitute photographs, micro-photographs, or other authentic reproductions of such records which are mutually acceptable to the parties, after the expiration and two (2) years following termination of this Agreement, unless a shorter period is authorized, in writing, by the parties.

SECTION 34 - REVENUE

The County and the State agree to comply with all of the applicable provisions of Sections 7275 through **7278** of the California Welfare and Institutions Code **and** the applicable provisions of the Budget Act of 1995 regarding the collection and deposit of revenues for state hospital services.

The State shall collect revenues from patients, and/or responsible third parties, e.g., Medicare, Medi-Cal, and insurance companies, in accordance with the provisions of **the above** cited sections of the Welfare and Institutions Code and related state laws, regulations and policies. When the county acts as the conservator of the patient and has control of the patient's estate it shall, on behalf of the patient's estate, pay the State for state hospital care in the same way that it pays other financial obligations of the patient's estate.

SECTION 15 - INSPECTIONS AND AUDITS

- a. Consistent with confidentiality provisions of Section 5328 of the Welfare and Institutions Code, any authorized representative of the County shall have reasonable access to the books, documents and records, including medical and financial records and audit reports of the State for the purpose of conducting any budget or fiscal review, audit, evaluation, or examination during the periods of retention set forth in the Records paragraph of this Agreement. The County representative may at all reasonable times inspect or otherwise evaluate the **services** provided pursuant to this Agreement, and the premises in which **they are** provided. The County's mental health department shall not duplicate investigations conducted by other responsible agencies or

jurisdictions, e.g., State Department of Health Services (Hospital Licensing), County Coroner's Office, District Attorney's Office, and other review, or. **regulatory** agencies. "Practitioner specific peer review information" and information., relating to staff discipline is confidential and shall not be made available for review.

- b. The Hospital(s) shall actively cooperate with any person specified in subparagraph A.' above, in any evaluation or monitoring of the services provided pursuant to this Agreement, and shall provide the above-mentioned persons adequate space to conduct such evaluation or monitoring. As each of the Hospital(s) have contracts with several Counties, the County agrees that the Executive Director of the Hospital(s) shall coordinate the access described in paragraph a, above, in such a manner as to not disrupt the regular operations of the Hospital(s).

I.

SECTION 16 - NOTICES

- a. Except as otherwise provided in this contract, all notices, claims, correspondence, reports, and/or statements authorized or required by PART II of contract shall be effective when deposited in the United States mail, first class postage prepaid and addressed as specified in PART II of this Contract.
- b. State has designated the Deputy Director; Long Term Care Services to be its Project Coordinator for all issues relating to PART II of this Contract. Except as otherwise provided herein, all communications concerning this contract shall be with the State's Project Coordinator. The County has designated the following as its Project Coordinator and except as otherwise provided herein, all communication concerning this contract shall be with the County Project Coordinator:

Rama Khalsa, Ph.D., Director

- c. The Hospital(s) shall notify the County immediately by telephone or **FAX**, and in writing, within twenty-four (24) hours of becoming aware of any occurrence of a serious nature which involves one of the County's patients. Such occurrences may include, but are not limited to, homicide, suicide, accident, injury, battery, patient abuse, **rape**, significant loss or damage to patient property, and AWOL.
- d. The Hospital(s) shall notify the County Mental Health Director or designee by telephone at the earliest possible time, but not later than three (3) working days after the **treatment team** determines that a patient on a Penal Code **commitment** will likely require continued treatment and supervision under a county LPS commitment after the **patient's** Penal Code **commitment expires**. Such telephone notification shall be followed by a written notification to the

County Mental Health Director, or designee, which shall be submitted within ten (10) working days of the date the treatment team's determination that continued treatment and supervision should be recommended to the county. The written notice must include the basis for the Hospital's recommendation and the date on which the Penal Code commitment will expire. (See "E." below)

The above notices to the County Mental Health Director, or designee, shall be given not less than thirty (30) days prior to the expiration of the Penal Code commitment. If the hospital(s) does not notify the county at least thirty (30) days prior to the expiration of the Penal Code commitment, the county's financial responsibility shall not commence until thirty (30) days after the hospital(s) telephone notification.

The county shall be responsible for making the decision regarding the establishment of an LPS commitment at the expiration of the Penal Code commitment. The county shall notify the hospital, in writing, at least fifteen (15) days prior to the expiration of a patient's Penal Code commitment of its decision regarding the establishment of an LPS commitment and continued hospitalization.

The Hospital(s) shall notify the County Mental Health Director, or designee, of the conversion of a patient on LPS status to a Penal Code commitment status that results in the state becoming financially responsible for the placement of the patient and removes the patient from the county's dedicated capacity as defined in SECTION 9 above. The hospital shall notify the County Mental Health Director, or designee, by telephone at the earliest possible time, but not later than three (3) working days after such conversion. Such telephone notification shall be followed by a written notification to the County Mental Health Director, or designee, which shall be submitted no later than ten (10) working days after the patient's conversion.

For purposes of this Agreement, any notice to be provided by the County to the State shall be given by

Rama Khalsa, Ph.D., Director

or by other authorized representatives designated in writing by the County.

SECTION 17 - NOT - ON - OF DEATH

- a. The Hospital(s) shall notify the County by telephone immediately upon becoming aware of the death of any person served hereunder, if the patient is an inpatient in the Hospital or is on leave from the Hospital but is still considered an inpatient at the time of death. However, such notice need only be given during normal business hours. In addition, the Hospital(s) shall use its best

efforts to, within twenty-four (24) hours after such death, send a FAX written notification of death to the County.

- b. The telephone report and; written notification of death shall contain the name of the deceased, the date and time of death, .the nature and circumstances of the death, and the name of the Hospital representative to be contacted for additional information.. regarding the patient's death..

SECTION 18 - REPORTS

During the fiscal year 1997/98, the parties shall continue to work on improving the information system. The state will continue to work with the CMHDA and county representatives to define more detailed data needs and develop the specification of staff, financial, physical and technological resources needed to pursue an arrangement whereby data can be delivered directly to the counties.

The state will create a data file on a weekly basis containing state hospital midnight census and year-to-date totals by level-of-care for all counties., The file will be available for downloading .to the California Mental health Directors Association (CMHDA) via a computer at CMHDA and at each county, :at the county's request.

The state will provide the counties with quarterly reports showing the status of revenue. collections from third parties,. for services to county LPS patients. This report. will identify the anticipated sources of revenue, the amounts projected to be received and the amount received year to date.

SECTION 19 - SMALL COUNTY BED POOL (SCBP)

- a. This Section applies only to the counties that have indicated that they are members of the. SCBP as reflected in Attachment 3 of this agreement.
- b. As a member of the Small County Bed. Pool, 'the County is contracting for the number and types of State Hospital beds described in Attachment 3 (Cost Computation) of this contract. These beds are to be considered as part of the Small County Bed Pool and may be used by any member of the pool. The County's access to the SCBP's beds shall be coordinated on behalf of the member counties by the . California, Mental Health Directors Association, hereinafter referred to as the "Pool Coordinator". The County shall refer patients and provide authorization for admission as described in this contract. In addition, the County agrees to be bound by the decisions of the SCBP's Utilization Review Committee and the Pool Coordinator regarding access to SCBP

beds. When a patient is referred for admission, the Hospital(s) shall be provided written authorization from both the referring County and the Pool Coordinator. The Pool Coordinator shall also represent the County in its capacity of SCBP member on issues relating to utilization review and quality assurance activities.

- c. The purpose of the Small County Bed Pool (SCBP) is to facilitate the efficient and economical utilization of state hospital beds by small counties who could only purchase a few beds with their own resources. Member counties purchase a portion of the SCBP's total dedicated capacity, but have access to the number and mix of beds in the total pool. As indicated in Attachment 3, an average cost per SCBP bed has been calculated by determining the actual cost of the number and mix of beds to be purchased by the SCBP and then dividing that amount by the total number of beds purchased.

The dedicated capacity and excess use provisions set forth in Section 9, PART A, II of this contract apply to the SCBP as though it were a single county user. The SCBP's excess use, if any, for the first six (6) months of this contract shall be added to the excess use, if any, during the last six (6) months of the contract year. The cost of the resulting annual use in excess of the SCBP's dedicated capacity, if any, shall be charged to member counties in accordance with instructions given to the state by the Pool Coordinator at the end of the 1997/98 fiscal year.

- d. The County shall pay the amount identified in Attachment 3 as the County's contribution to the SCBP and that portion, if any, of the SCBP's annual excess use amount identified by the Pool Coordinator at the end of the contract year as being the responsibility of the County.

After the SCBP members identified the number and mix of beds to be purchased as the SCBP's dedicated capacity for fiscal year 1997/98, the State calculated the average cost per bed by dividing the actual cost of the beds by the number of beds. As indicated in Attachment 3, the county is charged this average rate for the bed(s) it purchases regardless of the cost center of bed.

Notwithstanding the provisions of Section 9 (A)(3) of this contract, use in excess of the SCBP's dedicated capacity during each half of the contract year shall be calculated, in January for the period July 1 through December 31, 1997 and in July for the period January 1 through June 30, 1998, by reducing the number of bed/days used in excess of the SCBP's dedicated capacity in all cost centers at a hospital during the period by the number of bed/days underused in all cost centers at that hospital during the same period.

The State shall determine the dollar value of the bed/days actually used by the SCBP and compare that amount with the dollar

value of the SCBP's dedicated capacity for the period. SCBP members will be charged the contract amount, or the value of the SCBP's actual use, whichever is greater.

This method of calculation notwithstanding; the SCBP members' obligation shall not be reduced below the contract amount set forth in Attachment 3. The SCBP's use in excess of its dedicated capacity for the two half year periods shall be added together and charged to the member counties at the end of the contract year in accordance with instructions given to the State by the Pool Coordinator.

B - SPECIFIC PROVISIONS

1. The State has designated the Deputy Director, Long Term Care Services for all issues relating to PART II of this contract, to be its Project Coordinator.. Except as otherwise provided herein, all communications concerning PART II of this contract shall be with the Project Coordinator.

2. No amendment or modification to the terms and conditions of PART II of this contract, whether written or verbal, shall be valid unless made in writing and formally executed, by both parties and approved by the State Department of Mental Health.

Any amendments to PART II of this Contract may include increases or decreases in the number of beds purchased within a cost center for the remainder of the current Contract term. In the case of a decrease in the number of beds purchased within a cost center, the County will remain responsible for the fixed costs of the beds which are eliminated pursuant to such Contract amendment, unless the State contracts these bed(s) to another entity, in which case the County shall be absolved of all charges for such bed(s). In the case of an increase in the number of beds purchased within a cost center, the purchase cost shall be the rate established for, those beds for the current fiscal year.

3. The parties understand and agree that PART II of this Contract shall not be terminated during its term., The provisions for altering PART II of this Contract during its life are articulated in paragraph 2 above:

Section 4331 of the Welfare and Institutions Code. defines the process to be followed in renewing the County's contract for state hospital services. It is understood by the parties that this annual renewal process is for the purpose of ensuring an orderly adjustment in the use of state hospitals by the counties.

4. Should the State's ability to meet its obligations under the terms of this Contract be substantially impaired due to loss of license to operate, damage or malfunction of the physical facilities, labor unions, or other cause, the State and the County shall

negotiate modifications to the terms of this Contract which ensure the safety and health of County patients.

5. The amount payable by the Contractor to the State concerning all aspects of PART II of this Contract shall be \$0.00. The contract amount reflected here was computed based on the information contained in Attachment 3. The amount represents the application of the "1997/98 Gross Rate to Counties", as published in a letter from DMH to Local Mental Health Directors dated July 12, 1997 entitled "**STATE HOSPITAL RATES AND PLANNING ASSUMPTIONS FOR FISCAL YEAR 1997/98**" which by this reference is made a part hereof, to the county's contracted beds, less \$90.41 per day to reflect the application of anticipated revenue and estimated savings.
6. Any County use in excess of the contracted amount, as defined in II, PART A, Section 9(A) (2), or Section 19(D) for Small County Bed Pool Members, during the 1997-98 fiscal year, shall be an additional cost to the county and collected by adjusting the State Controller's Schedule "B" in February 1998 and **August 1998**.
7. To the degree that revenue **projections** are not realized, the **county shall be responsible** for the cost of its State Hospital use up to the "1997/98 Gross Rate to Counties" published in ATTACHMENT "A" of the DMH letter referenced in #5 above. Determination of available revenue shall be completed by the State by September 30, 1998.
8. If the pro rata share payments do not equal the total contract amount, the county shall pay the difference to the State for deposit to the State Hospital Account of the Mental Health Facilities Fund. The final County payment is due after adjustments are made according to WIC 4330(d) "Distribution of unencumbered funds." See paragraph 10 below.
9. If the State borrows money because a county elects a pro rata share, there may be an interest charge levied against the County. Interest charged by the State Controller for the loan of money is in addition to and separate from the County Performance Contract which encompasses State Hospital Services.
10. During Fiscal Year 1997/98 the State and the Counties shall review the current method of identifying, organizing, reporting and charging for state hospital ancillary services. The product of these efforts shall clearly define the methodology to be used in subsequent contracts to identify and categorize these services and fairly reimburse the State for the associated costs.
11. Should a dispute arise relating to any issue within PART II of this contract, the County shall, prior to exercising any other remedies which may be available, except those described in Section 6.C. of PART II, provide written notice within a thirty-day period of the particulars of such dispute to:

Director
Department of Mental Health
1600 9th Street
Sacramento, CA 95814

Such written notice shall contain the contract number. The Director, or his designee, shall meet with the County, review the factors in the dispute before a written response is given to the County. The Director, or his designee, shall provide a written response within thirty days.

12. INDEMNIFICATION AND **INSURANCE**

- a. Except as provided in the following paragraph B., and to the extent authorized by law, and as provided for in Section 895 of the California Government Code the State shall indemnify and hold harmless the County, its officers, agents and employees from all claims, losses and demands or actions for injury or death of persons or property damage arising out of acts or omissions of the State, its officers, agents or employees in performance related to PART II of this Contract.
- b. County warrants that it is self-insured or maintains policies of insurance **placed** with reputable **insurance** companies licensed to do business in the State of California which insure the perils of bodily injury, medical, professional liability and property damage. The County shall indemnify and hold harmless **and defend** the State, its officers; ., agents and employees from all -claims, losses. and demands **or actions** for injury or death of persons or damages to property arising out of acts or omissions of the County, its officers, agents or employees in performance related to PART II of this Contract.

13. LICENSES AND **LAW**

The State, its officers, agents, employees and subcontractors shall, throughout the term of this Agreement, maintain all licenses, permits, approvals, certificates, waivers and exemptions necessary for the provision of the services hereunder and required by applicable laws and regulations. The State shall immediately notify the County in writing of its inability to obtain or maintain, irrespective of the **pendency** of an appeal, such permits, licenses, approvals, certificates, waivers and exemptions. ,

III -- GENERAL PROVISIONS

A. TERM

- . The term of, the Fiscal Year 1997/98 County Performance Contract shall be July 1, 1997 through June 30, 1998.

B. BUDGET CONTINGENCIES

All parties agree that relating to Short-Doyle/Medi-Cal, the contract is based upon the following:

1 Federal Budget

- a. It is mutually understood between the parties that this contract may have been written before ascertaining the availability of congressional appropriation of funds. This was done to avoid program and fiscal delays which ~~would~~ occur: if it were written **after** that determination was **made**.
- b. It is **mutually** agreed that, if the Congress does not appropriate sufficient funds for the, program, the State has the option to void the contract or to amend the contract to reflect **any** reduction of funds. Such amendment, however, shall require County approval.
- c. The contract is **subject to any** additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the **provisions**, terms, or funding of this contract in any manner.
- d. The State, and the County **agree that** if Congress enacts such changes during the term **of this** contract, both parties shall meet and confer to renegotiate the terms of this Contract affected by the restrictions, limitations, conditions, or statute enacted by Congress.

2. State Budget

- a. This contract is subject to any restrictions, limitations, or conditions enacted by the Legislature and contained in the Budget Act or any statute enacted by the Legislature which may affect the provisions, terms, or funding of this contract in any manner. The State and the County mutually agree that if statutory or regulatory changes occur during

the term of this contract which affect this contract, both parties **may** renegotiate the terms of this Contract affected by the statutory or regulatory changes.

- b. This contract ~~may~~ be amended upon mutual consent of the parties. Such amendments shall be executed by a duly authorized representative of each party.
- c. It is mutually agreed that if the, Budget Act does not appropriate sufficient funds for the program, this Contract shall be void and of no further force and effect. In such an event, the State **shall have** no further liability to pay any funds whatsoever to the County or to furnish any other considerations **under this** Contract, and the County, shall -not be obligated to perform **any** provisions of this contract or to provide services intended to be funded pursuant to this contract.

C. **CONFIDENTIALITY**

1. The parties to **this** agreement shall comply with applicable laws and regulations, including but not limited to Section 5328 et seq. of the Welfare and Institutions Code regarding the confidentiality of patient information...
2. The County shall protect, from unauthorized disclosure, names and **other** identifying information concerning persons receiving services pursuant to this contract, - except - for statistical information. **This pertains** to any and all persons **receiving** services pursuant to a Department of Mental Health funded program. County shall not use such identifying information for any purpose other than carrying out the County's obligations under this contract.
3. The County shall not disclose, except as otherwise **specifically permitted by** this contract or authorized by the client/patient, any such identifying information to anyone other than the State without prior written authorization from the State in accordance with State and Federal Laws.
4. For purposes of the above paragraphs, identifying information shall include, but not be limited to, name, identifying number, **symbol**, or other identifying particular assigned to the individual, such as finger **or** voice print, or a photograph.

D. **NONDISCRIMINATION**

1. The State and the County shall not employ **any** unlawful discriminatory practices in the admission of patients, assignment of **accommodations**, treatment, evaluation, employment of personnel, or in any other respect on the basis

of race, color, gender, religion, marital status, national origin, age, sexual preference, or mental or physical handicap, in accordance with the requirements of applicable Federal or State law.

2. During the performance of this contract, the County and its subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, mental or physical handicap, medical condition, marital status, age, or sex. The County and subcontractors shall comply with the provisions of the Americans with Disabilities Act of 1990, the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The County shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900, set forth in Chapter 5, Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. The County and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
3. The County shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Welfare Agency, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.
4. The County shall include the nondiscrimination and compliance provisions of this contract in all subcontracts to perform work under this contract.
5. The County assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

E. STATEMENT OF COMPLIANCE

The County agrees, unless specifically exempted, compliance with Government Code Section 12900 (a-f) and California Code of Regulations, Title 2, Division 4, Chapter 5 in matters relating to reporting requirements and the development, implementation and

maintenance of a **Nondiscrimination** Program. County agrees not to unlawfully discriminate,,, harass or allow harassment against any employee or applicant for employment **because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care' leave.**

F. **PATIENTS' RIGHTS**

The parties to this 1997/98 County Performance Contract. shall comply with applicable laws, regulations. **and State** policies relating to patients' rights.

G. **RECORDKEEPING**

1. The County agrees to maintain books, records, documents, and other evidence necessary to facilitate contract monitoring and audits pursuant to Section 640, Title 9, **of the California Code of Regulations and Department** of Mental Health policy.
2. The County agrees that the.. -State shall have. access to facilities, programs, documents, records, staff, clients/patients, or other material or **persons the State** deems necessary to monitor and audit services rendered:

H. **RELATIONSHIP OF THE PARTIES**

The State and the County are, and shall at all times **be deemed to be,** independent agencies.: Each party to **this Agreement** shall be wholly responsible **for the** manner in which it performs the **services required of** it by the terms of this Agreement. Nothing herein contained shall be construed as creating **the** relationship of employer and employee, or principal' and. agent, between the parties or **any of** their agents or employees. Each party assumes exclusively the responsibility for the acts **of** its employees or agents as they relate to the services to be provided during the course and scope of their employment. The State, its agents and employees, shall not be entitled to any rights or privileges of County employees and shall not be considered in any manner **to be** County employees.' The County, its agents and employees, shall not be entitled to any rights or privileges of State employees and shall not be considered in any manner to be State employees.

I. **REPORTS**

1. Any products or reports which are produced pursuant to this contract, shall name the Department of Mental Health, the contract' number, and the dollar amount of the contract (Government Code, Section 7550).

2. The State reserves the right to use and reproduce all reports and data produced and delivered pursuant to this Contract, and reserves the right to authorize others to use or reproduce such materials, unless of a confidential nature.

J. SEVERABILITY

If any provision of this Contract or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or is found by a court to be in contravention of any Federal or State law or regulation, the remaining provisions of this Contract or the application thereof shall not be invalidated thereby and shall remain in full force and effect, and to that extent the provisions of this Contract are declared severable.

K. SUBCONTRACTING

The County agrees to place in each of its subcontracts, which are in excess of \$10,000 and utilize State funds, a provision that: "The contracting parties shall be subject to the examination and audit of the Auditor General for a period of three years after final payment under contract (Government Code, Section 8546.7)". The County shall also be subject to the examination and audit of the Auditor General for a period of three years after final payment under contract (Government Code, Section 8546.7).

L. W A I V E R

Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Contract.

M. DRUGFREE WORKPLACE CERTIFICATION

By signing this contract, the Contractor hereby certifies under penalty of Perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace doing all of the following:

- A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

- B. Establish a Drug-Free Awareness Program as required by Government Code Section 8355(a), to inform employees about all of the following:
1. the dangers of drug abuse in the workplace.,
 2. the person's or organization's policy of maintaining a drug-free workplace,
 3. any available counseling, rehabilitation and employee assistance programs, and
 4. penalties that may be imposed upon employees for drug, abuse violations.
- C. Provide as required by Government Code Section 8355(a) that every employee who works on the proposed contract or grant:
1. will receive a copy of the company's drug-free policy statement, and
 2. will agree to abide by the terms of the company's statement as a condition of employment on the contract or grant.

Failure to comply with these requirements may result in suspension of payments under the contract or termination of the contract or both and the contractor may be ineligible for award of any future state contracts if the Department determines that any of the following has occurred: (1) the contractor has made a false certification or, (2) violates the certification by failing to carry out the requirements as noted above.

ATTACHMENT 1

PART I - PERFORMANCE CONDITIONS

**APPROVED NEGOTIATED RATES FOR
SHORT-DOYLEMEDI-CAL REIMBURSEMENT**

LEGAL ENTITY - SANTA CRUZ COUNTY MENTAL HEALTH
LEGAL ENTITY NUMBER - 00044

PROVIDER NUMBER	PROVIDER NAME
44AI,	DOMINICAN CRISIS-SATELITE
4416	NORTH COUNTY MENTAL HEALTH
4430	CHILDREN'S MENTAL HEALTH SERVICES
4475	SOUTH COUNTY MENTAL HEALTH

MODE OF <u>SERVICE</u>	SERVICE <u>FUNCTION(S)</u>	NEGOTIATED <u>RATE</u>
10	20-29	\$61.84
10	85-89	\$149.97
10	95-99	\$69.22
15	01-09	\$1.09
15	10-19, 30-59	\$1.15
1 3	60-69	\$1.92
15	70-79	\$1.04

Contract No. 97-77 175

Contractor: Santa Cruz County Mental Health

LEGAL ENTITY - SANTA CRUZ COMMUNITY COUNSELING
CENTER, I-NC.

LEGAL ENTITY NUMBER - 00440

PROVIDER NUMBER

4408

4424

44AR

4 4 A W

PROVIDER NAME

STEPPING OUT SERVICES, SCCCC, INC.

SUPPORTIVE OUTREACH SERVICES

RESOURCE CENTER

YOUTH SERVICES

EL DORADO RESIDENTIAL

<u>MODE OF SERVICE</u>	<u>SERVICE FUNCTION(S)</u>	<u>NEGOTIATED RATE</u>
05	65-79	\$106.22
10	95-99	\$56.54
15	01-09	\$1.50
15	10-19, 30-59	\$1.23
15	70-79	Cost, up to SMA

LEGAL ENTITY - VOLUNTEER CENTER

LEGAL ENTITY NUMBER - 00439

PROVIDER NUMBER

4403

PROVIDER NAME

COMMUNITY CONNECTIONS CLINIC

<u>MODE OF S E R</u>	<u>SERVICE V I C E</u>	<u>NEGOTIATED - RATE</u>
10	95-99	\$73.89
15	01-09	\$1.15
15	10-19, 30-59	\$1.16
15	70-79	Cost, up to SMA

Contract No. 97-77 175
Contractor: Santa Cruz County Mental Health

LEGAL ENTITY - MID-COAST VNA COMPREHENSIVE CARE, INC.
LEGAL ENTITY NUMBER - 00437

PROVIDER'NUMBER 44AJ **PROVIDER NAME** MID-COAST VISITING NURSE ASSOCIATION

<u>MODE OF SERVICE</u>	<u>SERVICE FUNCTION(S)</u>	<u>NEGOTIATED RATE</u>
15	01-09	\$1.50
15	10-19, 30-59	\$1.59
15	60-69	\$1.60
15	70-79	Cost, up to SMA

LEGAL ENTITY - SENECA CENTER
LEGAL ENTITY NUMBER - 00115

PROVIDER NUMBER 44AP **PROVIDER NAME** SENECA CENTER
44AS SANTA CRUZ ALTERNATIVES PROGRAM

<u>MODE OF SERVICE</u>	<u>SERVICE FUNCTION(S)</u>	<u>NEGOTIATED RATE</u>
10	85-89	\$149.97
15	01-09	\$1.50
15	10-19, 30-59	\$1.92
15	60-69	\$3.57
15	70-79	\$2.88

ATTACHMENT 2

REQUEST FOR WAIVER PURSUANT TO SECTION 575 1.7 OF THE
WELFARE AND INSTITUTIONS CODE

_____ hereby requests a waiver for the following public or private health facilities pursuant to Section 575 1.7 of the Welfare and Institutions Code for the term of this contract. These are facilities where minors may be provided psychiatric treatment with nonspecific separate housing arrangements, treatment staff, and treatment programs designed to serve minors.

The request for waiver must include, as an attachment, the following:

1. A description of the hardship to the county due to inadequate or unavailable alternative resources that would be caused by compliance with the state policy regarding the provision of psychiatric treatment to minors.
2. The specific **treatment protocols** and administrative procedures established by the county for identifying and providing appropriate treatment to minors admitted with adults.

Execution of this contract shall constitute approval of this waiver. Any waiver granted in the prior fiscal year's contract shall be deemed to continue until execution of this contract.

ATTACHMENT 3

Santa Cruz County
STATE HOSPITAL COST COMPUTATION
July 1, 1997, through June 30, 1998

1. BEDS REQUESTED BY HOSPITAL, 88 COST CENTER

Cost Center		Total Beds Requested	
Acute Psychiatric/Spec.	0	Acute Psychiatric/Spec.	0
Youth Services	0	Youth Services	0
Skilled Nursing (SNF)	0	Skilled Nursing (SNF)	0
Psychiatric Subacute (ICF)	0	Psychiatric Subacute (ICF)	0
Psychiatric Rehabilitation	0	Psychiatric Rehabilitation	0
Alternate Care (ICF)	0	Alternate Care (ICF)	0
Total Beds Requested		0	
Metropolitan		0	
Napa		0	
Total		0	

2. COUNTY NET RATE FOR 1997-98

Cost Center		Metropolitan		Napa	
Acute Psychiatric/Spec.	\$328.38	Acute Psychiatric/Spec.	\$328.38	Acute Psychiatric/Spec.	\$0.00
Youth Services	\$307.56	Youth Services	\$307.56	Youth Services	\$307.56
Skilled Nursing (SNF)	\$283.47	Skilled Nursing (SNF)	\$283.47	Skilled Nursing (SNF)	\$317.96
Psychiatric Subacute (ICF)	\$302.48	Psychiatric Subacute (ICF)	\$302.48	Psychiatric Subacute (ICF)	\$288.49
Psychiatric Rehabilitation	\$241.91	Psychiatric Rehabilitation	\$241.91	Psychiatric Rehabilitation	\$0.00
Alternate Care (ICF)	\$162.11	Alternate Care (ICF)	\$162.11	Alternate Care (ICF)	\$0.00

3. TOTAL COMPUTED COSTS FOR CONTRACTED BEDS

Methodology: Multiply the county net rate times 365 to find the annualized cost for the cost center. Multiply the annualized cost times the number of beds requested in the cost center to find the annual cost per cost center.

Cost Center		Metropolitan		Napa	
Acute Psychiatric/Spec.	\$0	Acute Psychiatric/Spec.	\$0	Acute Psychiatric/Spec.	\$0
Youth Services	\$0	Youth Services	\$0	Youth Services	\$0
Skilled Nursing (SNF)	\$0	Skilled Nursing (SNF)	\$0	Skilled Nursing (SNF)	\$0
Psychiatric Subacute (ICF)	\$0	Psychiatric Subacute (ICF)	\$0	Psychiatric Subacute (ICF)	\$0
Psychiatric Rehabilitation	\$0	Psychiatric Rehabilitation	\$0	Psychiatric Rehabilitation	\$0
Alternate Care (ICF)	\$0	Alternate Care (ICF)	\$0	Alternate Care (ICF)	\$0
Total County Costs		\$0		\$0	
Metropolitan		\$0		\$0	
Napa		\$0		\$0	
Total		\$0		\$0	

ATTACHMENT 3, SANTA CRUZ COUNTY
STATE HOSPITAL COST COMPUTATION
1997-98 FISCAL YEAR
Page 2

4. NET UTILIZATION CALCULATION METHODOLOGY

For the 1997-98 Performance Contract the following methodology will be used to calculate the county's of state hospital resources, if any, in excess of the contract amount specified in this Agreement.

A. Excess use will be calculated twice during the fiscal year-once in January 1998 for the first six (6) month period and again in July 1998 for the second six (6) month period. The State Controller will be directed to make an adjustment in the Schedule "B" for the county to reflect any excess use as a charge.

B. Net use will be calculated for each cost center at each hospital separately. Net excess use of Youth and/or Continuing Medical Care (SNF) beds at each hospital will be charged at the published rate for the cost center for each day in excess of the contracted number of beds/days.

C. Napa has only one category of adult psychiatric beds (ICF-Psychiatric Subacute). The net use for this cost center at Napa will be charged separately. The net use of adult psychiatric beds (Acute Psychiatric-Specialized, ICF-Psychiatric Subacute, ICF-Psychiatric Rehabilitation and Alternate Care (ICF)) at Metropolitan will be combined to determine if the net value of the beds/days used during the period exceeded the dollar value of the beds/days purchased in the contract for the period. The value of the beds used at each hospital in these cost centers in excess of the net contract amount for the hospital, if any, will be charged to the county as described in "A" above.

D. Youth Services at Napa may be closed around January 1, 1998. If this occurs, comparable services will continue to be available at Metropolitan State Hospital. Youth rates are the same for Napa and Metropolitan and, for the purpose of excess use calculation, the two youth cost centers will be treated as one. A consolidation of contract beds from Napa to Metropolitan during the fiscal year will not have any rate implications or require a contract amendment.

5. BASE CONTRACT AMOUNT

The total of item 3 in this Attachment is \$0. This amount appears in II, "B," item #5 of this Performance Contract. This amount may be increased as indicated above and to reflect any required adjustment in the \$90.41 per day offset as described in the Performance Contract.