

## AGREEMENT FOR SERVICES #395-S1211 AMENDMENT II

**THIS AMENDMENT II** to that Agreement #395-S1211, is made and entered into by and between County of El Dorado, a political subdivision of the State of California (hereinafter referred to as “County”), and California Psychiatric Transitions, Inc., a fully licensed Mental Health Rehabilitation Center (“MHRC”) whose principal place of business is 9226 Hinton Avenue (mailing address P.O. Box 339) Delhi, CA 95315, and whose Agent for Service of Process is Donna June McGowan 9226 N. Hinton Avenue, Delhi, CA 95315 (hereinafter referred to as “Contractor”).

### R E C I T A L S

**WHEREAS**, Contractor has been engaged by County to provide long term, twenty-four (24) hour a day programs and facilities for seriously mentally ill adults (hereinafter referred to as Clients) on an “as requested” basis for the County of El Dorado Health and Human Services Agency, Mental Health Division in accordance with Agreement for Services #395-S1211 dated June 26, 2012, and Amendment I to Agreement for Services #395-S1211 dated December 17, 2013, incorporated herein and made by reference a part hereof; and

**WHEREAS**, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

**WHEREAS**, the parties hereto have mutually agreed to update certain provisions, thereby amending **Article I – Scope of Services**, to extend the term of the Agreement, thereby amending **Article II – Term**, to increase the maximum obligation of this Agreement, thereby amending **Article III – Compensation for Services**, and to update certain provisions, thereby amending **Article XV – Notice to Parties, XXIV**; and

**WHEREAS**, the parties hereto have mutually agreed to incorporate new County standardized language thereby adding **Article XXXIV – No Third Party Beneficiaries**, and renumbering **Article XXXIV – Entire Agreement** to accommodate the insertion of the aforementioned Article.

**NOW THEREFORE**, the parties do hereby agree that Agreement for Services #395-S1211 shall be amended a second time as follows:

1. **Articles I – Scope of Services, II – Term, III – Compensation for Services, and XV – Notice to Parties** shall be amended in their entirety to read as follows:

## ARTICLE I

### Scope of Services:

#### Section 1.01 Contractor Responsibilities

- (a) Contractor acknowledges that this Agreement is funded in whole or in part with funds from the State of California. Contractor shall adhere to all terms and conditions herein and shall specifically adhere to all terms and conditions as set forth in the Article titled, "Special Terms and Conditions;" Confidentiality and Information Security Provisions set forth in Exhibit A; and Exhibit B DMH Letter 10-02.
- (b) Contractor shall maintain a staff including a minimum of two (2) on-site psychiatrists; one (1) on-site medical doctor; and sufficient nursing staff scheduled twenty-four (24) hours a day, seven days a week, to meet the needs of the clients.
- (c) Provide psychiatric treatment and rehabilitation services including but not limited to:
  - (i) A treatment plan designed specifically for each resident, focusing on medication, behavioral and psychiatric needs;
  - (ii) A daily agenda to assist Clients with elementary functions including activities of daily living, interactive groups, both cognitive and rudimentary, as well as group outings and associated work programs; and
  - (iii) A highly structured program that caters to a wide spectrum of the mental health community, with a goal to allow Clients to develop into self-reliant human beings and thus allow their return to a less restrictive setting in the community.

#### Section 1.02 Programs

- (a) **MHRC Main Program** employs a highly structured daily program that allows both developmental growth and self-reliance. The daily program assists Clients with rudimentary skills including activities of daily living and interactive groups.
  - (i) *Cognitive sessions* focus on such topics as; anger management, medication awareness, and impulse control, provide necessary tools for each resident to realize their potential.
  - (ii) *Group therapy sessions* provided on a weekly schedule, conducted by the Staff Psychiatrist, the Director of Nursing, Team Leader(s) and staff. These sessions help identify and isolate resident concerns, progress, and reoccurring issues and gauge the overall progress of the unit.
  - (iii) *One-on-one sessions* also referred to as "Resident Staffing," are designed to delve further into the root causes of behavior as well as the specific needs of the individual resident, addressing behavioral issues, medication changes and program compliance. One-on-one supervisions shall be provided on an "as needed" basis as determined by medical order of the Contractor's staff psychiatrist and with approval within twenty-four (24) hours of the Health and Human Services Agency Director or Director's designee. The purpose of one-on-one supervision is to maintain placement and reduce the possibility of injury to self or others.
  - (iv) The program examines the progress of each resident as it pertains to their needs and gauges their individual success.
- (b) The **Diversion Program** is designed to serve court ordered diversion and Incompetent to Stand Trial – Penal Code 1370 (IST 1370) individuals. The individuals in this program have been incarcerated facing charges of either misdemeanor or felony and are unable to stand trial due to a mental illness or a mental illness with a co-occurring developmental disability.
  - (i) The program goal is to use a structured daily program to allow for competency restoration and diversionary programs. By treating these individuals, the Contractor can assess whether or not an individual is competent to stand trial or is in need of further psychiatric evaluation and treatment.

- (ii) The daily program assists Clients with rudimentary skills including activities of daily living and interactive/cognitive groups as well as comprehensive treatment plans designed to address their individual mental health needs.
- (iii) Specific training sessions addressing competency restoration focus on such topics as; an understanding of courtroom proceedings; penalties, charges and defenses; legal terminology, and various tests used to determine levels of competency.
- (iv) There are five (5) levels within the Diversion Program, as below noted. Individuals admitted to Level 4 remain at that level until/unless deemed to be competent to stand trial by the Court. Clients converted from a PC 1370 (Level 4) status (via Murphy's Conservatorship) to LPS or 6500 Conservatorship(s) shall convert to a Level 0.

Level 4	Entry to Incompetent to Stand Trial (IST) – Penal Code 1370
Level 3	Resident declared either trial competent or non-restorable to trial competency, or resident has been admitted from jail to this program unrelated to “IST – Penal Code 1370.”
Level 2	Behavior has improved enough to gain additional in-residence privileges.
Level 1	Behavior has improved enough to go on Supervised Outings.
Level 0	Resident converted from “IST – Penal Code 1370” to LPS Conservatorship and pending transfer to Main Program or discharge.

- (v) Contractor shall obtain written authorization from County prior to moving Clients from their level on admission to a higher level of care. Movement to a lower level of care is at the discretion of the Contractor or upon request from County. If Client is moved to a lower level of care but remains an IST 370 Client, there shall be no rate reduction for movement to said lower level of care. If Client does not remain an IST 370 Client after movement to a lower level of care, County may request, in writing, a rate reduction from Contractor. Approval of this rate reduction request shall be at the sole discretion of Contractor.
  - (vi) The program examines the progress of each resident as it pertains to their needs and gauges their varying levels of competency and individual successes. Once competency is determined, the individual may be remanded back to the county of jurisdiction for further proceedings, or, if applicable, further treatment may be ordered.
- (c) The **Disruptive Behavioral Unit (DBU)** provides individuals an intensive therapeutic program that will focus directly on disruptive behaviors. These behaviors inhibit treatment and have the potential to affect other resident's progress. Placing individuals that are disruptive in one common area allows the Contractor to formulate and implement specific types of treatment plans designed to identify the stressors that may be causing the disruptive behaviors.
- (i) This highly structured program creates an atmosphere that minimizes distraction and focuses on recovery. Behaviors that are deemed severely disruptive and counterproductive to treatment include but are not limited to the following:
    - 1) Assaultive behavior;
    - 2) Clients at risk of being absent without leave (AWOL);
    - 3) Damage to property;
    - 4) Hygienically inappropriate;
    - 5) Hyper-sexual; and
    - 6) Noncompliance with treatment plan.
  - (ii) Admission of a Client to the DBU requires written preauthorization by the Health and Human Services Agency Director, or designee.
  - (iii) Clients whose symptoms stabilize in the DBU are admitted directly to the MHRC program to ensure continuity of care.

- (iv) DBU Staffing:
  - 1) The unit at full capacity has a ratio of three (3) Clients to one (1) staff member. This ratio provides the attention and rehabilitative skills necessary for a quicker recovery.
  - 2) In addition to the 3:1 staffing ratio, a twenty-four (24) hour nursing staff provides medications necessary to reduce agitation levels as needed, as well as activity personnel to provide group and leisure activities.
  - 3) A Team Leader and Program Clerk are also assigned to the unit for treatment plan implementation, progress reviews, and quarterly reporting.
- (v) The DBU program includes:
  - 1) Weekly one-on-one staffing sessions addressing behavioral issues, medication changes, and program compliance are conducted by Board Certified Forensic Psychiatrist.
  - 2) Weekly group therapy sessions that gauge the overall progress of the unit are also conducted by the psychiatrist.

**Section 1.03 Notification of Occurrences**

Contractor shall notify the County Contract Administrator, in writing, within forty-eight (48) hours of becoming aware of any occurrence of a serious nature, including, but not limited to: being absent without leave, medical emergencies, accidents, injuries, death, self-harm or a danger to others, or acts of negligence, related in any way to the provision of services pursuant to this Agreement.

**Section 1.04 County-Contractor Information Sharing**

County and Contractor agree that their respective clinic staffs shall fully communicate and cooperate in the development of treatment planning and determining length of stay, including readiness for discharge and a planned transition back into the community. Toward this end, County and Contractor may freely exchange patient information.

**Section 1.05 County Responsibilities**

- (a) **Evaluation of Contractor's Performance:** The Contractor's performance under this Agreement shall be evaluated by the County after completion of the Agreement. A copy of any written evaluation shall be maintained in the County contract file.
- (b) Each service to be approved under this Agreement shall be approved by the County Contract Administrator. The County's determination as to satisfactory work shall be final absent fraud or mistake.
- (c) County shall provide written, fourteen (14) calendar days' notice to Contractor of request to discharge any Client. Absent the aforementioned written fourteen (14) day notice, Contractor may, in its discretion, invoice County the daily rate applicable to the specific Client for those days.
- (d) County shall provide written authorization by the Health and Human Services Agency Director or designee for changes in service levels as noted in Section 1.02(b)(v).
- (e) County shall provide written preauthorization by the Health and Human Services Agency Director or designee for any Client admitted to the DBU, pursuant to Section 1.02(c)(ii).

**ARTICLE II**

**Term:** This Agreement shall cover the period May 10, 2012 through March 31, 2016 unless earlier terminated pursuant to the Articles titled "Fiscal Considerations" or "Default, Termination, and Cancellation."

**ARTICLE III**

**Compensation for Services:** Contractor shall submit monthly invoices no later than thirty (30) days following the end of a "service month" except in those instances where Contractor obtains written approval from County Health and Human Services Agency (HHS) Director or Director's designee granting an extension of the time to complete billing for services or expenses. For billing purposes, a

“service month” shall be defined as a calendar month during which Contractor provides services in accordance with Article I – Scope of Services.

For services provided herein, County agrees to pay Contractor monthly in arrears and within thirty (30) days following the County’s receipt and approval of itemized invoice(s) identifying services rendered. For the purpose of this Agreement, the billing rates shall be in accordance with Section 3.02.

It is expressly understood and agreed between the parties hereto that the County shall make no payment for County-responsible Clients and have no obligation to make payment to Contractor unless the services provided by Contractor hereunder received prior written authorization from the Health and Human Services Agency Director, or Director’s designee. It is further agreed that County shall make no payments for services unless Contractor has provided County with evidence of insurance coverage as outlined in Article XX hereof. County may provide retroactive authorization when special circumstances exist, as determined by the Health and Human Services Agency Director, or Director’s designee, based upon Contractor’s written request.

**Section 3.01 Bed Hold and Discharge Days**

Payment shall be made for services rendered and shall not be made for services the Client did not attend or receive, except for:

- Bed hold days – only bed hold days authorized in writing by County.
- Discharge days without written notice – any days Client is discharged at the request of County absent the required fourteen (14) calendar day’s written notice, as indicated in Section 1.05(c).
- Bed hold and unauthorized discharge days shall be paid at the rates indicated in Section 3.02.

**Section 3.02 Rates**

Program Type	Level of Service	Rates		
		Effective 5/20/12	Effective Upon execution of Amendment I	Effective Upon execution of Amendment II
Mental Health Resource Center	Level 3	\$300 per day	\$350 per day	\$350 per day
	Level 2	\$275 per day	\$325 per day	N/A
	Level 1	\$240 per day	\$300 per day	N/A
Diversion Program	Level 4	\$525 per day	\$525 per day	\$525 per day
	Level 3	\$475 per day	\$475 per day	\$475 per day
	Level 2	\$450 per day	\$450 per day	\$450 per day
	Level 1	\$425 per day	\$425 per day	\$425 per day
	Level 0	\$350 per day	\$350 per day	\$350 per day
Disruptive Behavior Unit	n/a	\$699 per day	\$699 per day	\$700 per day
One-on-one Supervision	n/a	\$30 per hour	\$30 per hour	\$40 per hour

**Section 3.03 Not-to-Exceed**

The maximum contractual obligation over the term of this Agreement shall be \$1,226,000.00.

Section 3.04 Invoices/Remittances

Invoices / Remittances shall be addressed as indicated in the table below or to such other location as County or Contractor may direct per Article XV – Notice to Parties.

<b>Mail invoices to:</b>	<b>Mail remittance to:</b>
Health and Human Services Agency 3057 Briw Road, Suite B Placerville, CA 95667 Attn: Finance Unit	California Psychiatric Transitions, Inc. P.O. Box 339 Delhi, CA 95315 Attn: Accounts Receivable

**ARTICLE XV**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO  
HEALTH & HUMAN SERVICES AGENCY  
3057 BRIW ROAD, SUITE A  
PLACERVILLE, CA 95667  
ATTN: CONTRACTS UNIT

With a copy to:

COUNTY OF EL DORADO  
PROCUREMENT AND CONTRACTS DIVISION  
360 FAIR LANE, LOWER LEVEL  
PLACERVILLE, CA 95667  
ATTN: PURCHASING AGENT, or SUCCESSOR

Or to such other location as the County directs. Notices to Contractor shall be addressed as follows:

CALIFORNIA PSYCHIATRIC TRANSITIONS, INC.  
P.O. BOX 339  
DELHI, CA 95315  
ATTN: JOHN T. HACKETT, M.D., CEO, or SUCCESSOR

Or to such other location as the Contractor directs.

Change of Address: In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing pursuant to the provisions contained herein this Agreement under the Article titled "Notice to Parties." Said Notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

In the event of a change in address for any County office or location referred to or impacted by this Agreement, County shall notify Contractor in writing pursuant to the provisions contained herein this

Agreement under the Article titled "Notice to Parties." Said Notice shall become a part of this Agreement and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

- 2. Article XXXIV shall be added, and Article XXXIV – Entire Agreement shall be renumbered to accommodate the insertion of the aforementioned Articles.

**ARTICLE XXXIV**

**No Third Party Beneficiaries:** Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this Agreement.

**ARTICLE XXXV**

**Entire Agreement:** This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

Except as herein amended, all other parts and sections of that Agreement #395-S1211 shall remain unchanged and in full force and effect.

**REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:**

By:  Dated: 3/6/15  
Dennis Plunkett, MC, CC, Manager of Mental Health Programs  
Health and Human Services Agency

**REQUESTING DEPARTMENT HEAD CONCURRENCE:**

By:  Dated: 3/6/15  
Don Ashton, M.P.A., Director  
Health and Human Services Agency

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IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to that Agreement for Services #395-S1211 on the dates indicated below.

-- COUNTY OF EL DORADO --

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Brian Veerkamp, Chair  
Board of Supervisors  
"County"

ATTEST:  
James S. Mitrisin  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

Dated: \_\_\_\_\_

-- CONTRACTOR --

CALIFORNIA PSYCHIATRIC TRANSITIONS, INC.  
A CALIFORNIA CORPORATION

By: John T. Hackett, CEO  
John T. Hackett, M.D., CEO  
"Contractor"

Dated: 3/12/15

By: Dina Hackett, Sec  
Corporate Secretary

Dated: 3/12/15

hl/dao