

AGREEMENT

THIS AGREEMENT is made and entered into as of this 1st day of July, 2008, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY, a political subdivision of the State of California, hereinafter referred to as "CONTRACTOR".

RECITALS

WHEREAS, Sacramento County Department of Health and Human Services desires to provide Mental Health Services to residents of Sacramento County; and

WHEREAS, the Sacramento County Board of Supervisors approved Resolution Number 2008-0535 on May 27, 2008, authorizing the Department of Health and Human Services to enter into an agreement with CONTRACTOR as a provider of mental health services; and

Whereas, the Director of the Department of Health and Human Services has delegated signature authority as established by Sacramento County Code Section 2.61.100 (a) 1. of Chapter 2.61 of Title 2; and

WHEREAS, CONTRACTOR has appropriate training and licensure to provide mental health services for mentally ill clients residing in Sacramento County; and

WHEREAS, COUNTY AND CONTRACTOR desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, COUNTY and CONTRACTOR agree as follows:

I. SCOPE OF SERVICES

CONTRACTOR shall provide services in the amount, type, and manner described in Exhibit A, which is attached hereto and incorporated herein.

II. TERM

This Agreement shall be effective and commence as of the date first written above and shall end on June 30, 2009.

III. NOTICE

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

TO COUNTY

TO CONTRACTOR

DIRECTOR
Department of Health & Human Services
7001-A East Parkway, Suite 1000
Sacramento, CA 95823-2501

El Dorado County Psychiatric Health Facility
344 Placerville Dr, #20
Placerville, CA 95667

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

IV. COMPLIANCE WITH LAWS

CONTRACTOR shall observe and comply with all applicable federal, state, and county laws, regulations, and ordinances.

V. GOVERNING LAWS AND JURISDICTION

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

**VI. LICENSES, PERMITS, AND CONTRACTUAL GOOD STANDING**

- A. CONTRACTOR shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, County of Sacramento, and all other appropriate governmental agencies, including any certification and credentials required by COUNTY. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by COUNTY.
- B. CONTRACTOR further certifies to COUNTY that it and its principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or county government contracts. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.

**VII. PERFORMANCE STANDARDS**

CONTRACTOR shall perform its services under this Agreement in accordance with the industry and/or professional standards applicable to CONTRACTOR's services. COUNTY may evaluate CONTRACTOR's performance of the scope of services provided in Exhibit A in accordance with performance outcomes determined by COUNTY. CONTRACTOR shall maintain such records concerning performance outcomes as required by COUNTY and provide the records to COUNTY upon request.

**VIII. OWNERSHIP OF WORK PRODUCT**

All technical data, evaluations, plans, specifications, reports, documents, or other work products developed by CONTRACTOR hereunder shall be the exclusive property of COUNTY and shall be delivered to COUNTY upon completion of the services authorized hereunder. CONTRACTOR may retain copies thereof for its files and internal use. Publication of the information directly derived from work performed or data obtained in connection with services rendered under this Agreement must first be approved in writing by COUNTY. COUNTY recognizes that all technical data, evaluations, plans, specifications, reports, and other work products are instruments of CONTRACTOR's services and are not designed for use other than what is intended by this Agreement.

**IX. STATUS OF CONTRACTOR**

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto. CONTRACTOR's assigned personnel shall not be entitled to any benefits payable to employees of COUNTY. COUNTY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement; and as an independent contractor, CONTRACTOR hereby indemnifies and holds COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.
- B. It is further understood and agreed by the parties hereto that CONTRACTOR in the performance of its obligation hereunder is subject to the control or direction of COUNTY as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by CONTRACTOR for accomplishing the results.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such person shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR, and COUNTY shall have no right or authority over such persons or the terms of such employment.
- D. It is further understood and agreed that as an independent contractor and not an employee of COUNTY, neither CONTRACTOR nor CONTRACTOR's assigned personnel shall have any entitlement as a COUNTY employee, right to act on behalf of COUNTY in any capacity whatsoever as agent, nor to bind COUNTY to any obligation whatsoever. CONTRACTOR shall not be covered by workers' compensation; nor shall CONTRACTOR be entitled to compensated sick leave, vacation leave, retirement entitlement, participation in group health, dental, life, and other insurance programs, or entitled to other fringe benefits payable by COUNTY to employees of COUNTY.
- E. It is further understood and agreed that CONTRACTOR must issue W-2 and 941 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel under the terms and conditions of this Agreement.

**X. CONTRACTOR IDENTIFICATION**

CONTRACTOR shall provide COUNTY with the following information for the purpose of compliance with California Unemployment Insurance Code Section 1088.8 and Sacramento County Code Chapter 2.160: CONTRACTOR's name, address, telephone number, social security number or tax identification number, and whether dependent health insurance coverage is available to CONTRACTOR.

**XI. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS**

- A. CONTRACTOR's failure to comply with state and federal child, family, and spousal support reporting requirements regarding a contractor's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family, and spousal support obligations shall constitute a default under this Agreement.
- B. CONTRACTOR's failure to cure such default within ninety (90) days of notice by COUNTY shall be grounds for termination of this Agreement.

**XII. BENEFITS WAIVER**

If CONTRACTOR is unincorporated, CONTRACTOR acknowledges and agrees that CONTRACTOR is not entitled to receive the following benefits and/or compensation from COUNTY: medical, dental, vision and retirement benefits, life and disability insurance, sick leave, bereavement leave, jury duty leave, parental leave, or any other similar benefits or compensation otherwise provided to permanent civil service employees pursuant to the County Charter, the County Code, the Civil Service Rule, the Sacramento County Employees' Retirement System and/or any and all memoranda of understanding between COUNTY and its employee organizations. Should CONTRACTOR or any employee or agent of CONTRACTOR seek to obtain such benefits from COUNTY, CONTRACTOR agrees to indemnify and hold harmless COUNTY from any and all claims that may be made against COUNTY for such benefits.

**XIII. CONFLICT OF INTEREST**

CONTRACTOR and CONTRACTOR's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property or source of income which could be financially affected by or otherwise conflict in any manner or degree with the performance of services required under this Agreement.

**XIV. LOBBYING AND UNION ORGANIZATION ACTIVITIES**

- A. CONTRACTOR shall comply with all certification and disclosure requirements prescribed by Section 319, Public Law 101-121 (31 U.S.C. § 1352) and any implementing regulations.
- B. If services under this Agreement are funded with state funds granted to COUNTY, CONTRACTOR shall not utilize any such funds to assist, promote, or deter union organization by employees performing work under this Agreement and shall comply with the provisions of Government Code Sections 16645 through 16649.

**XV. NONDISCRIMINATION IN EMPLOYMENT, SERVICES, BENEFITS, AND FACILITIES**

- A. CONTRACTOR agrees and assures COUNTY that CONTRACTOR and any subcontractors shall comply with all applicable federal, state, and local anti-discrimination laws, regulations, and ordinances and to not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment, employee or agent of COUNTY, or recipient of services contemplated to be provided or provided under this Agreement, because of race, ancestry, marital status, color, religious creed, political belief, national origin, ethnic group identification, sex, sexual orientation, age (over 40), medical condition (including HIV and AIDS), or physical or mental disability. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment, the treatment of COUNTY employees and agents, and recipients of services are free from such discrimination and harassment.
- B. CONTRACTOR represents that it is in compliance with and agrees that it will continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), the Fair Employment and Housing Act (Government Code § 12900 et seq.), and regulations and guidelines issued pursuant thereto.

- C. CONTRACTOR agrees to compile data, maintain records, and submit reports to permit effective enforcement of all applicable anti-discrimination laws and this provision.
- D. CONTRACTOR shall include this nondiscrimination provision in all subcontracts related to this Agreement.

**XVI. MUTUAL INDEMNIFICATION**

- A. CONTRACTOR shall defend, indemnify, and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees, and volunteers from and against all demands, claims, actions, liabilities, losses, damages, and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in part by the negligent or intentional acts or omissions of CONTRACTOR's officers, directors, agents, employees, or subcontractors.
- B. COUNTY shall defend, indemnify, and hold harmless, CONTRACTOR, its officers, directors, agents, employees, and subcontractors from and against all demands, claims, actions, liabilities, losses, damages, and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in part by the negligent or intentional acts or omissions of COUNTY's Board of Supervisors, officers, directors, agents, employees, or volunteers.
- C. It is the intention of COUNTY and CONTRACTOR that the provisions of this paragraph be interpreted to impose on each party responsibility to the other for the acts and omissions of their respective officers, directors, agents, employees, volunteers, COUNTY's Board of Supervisors, and CONTRACTOR's subcontractors. It is also the intention of COUNTY and CONTRACTOR that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officers, directors, agents, employees, volunteers, COUNTY's Board of Supervisors, and CONTRACTOR's subcontractors.

**XVII. INSURANCE**

Without limiting CONTRACTOR's indemnification, CONTRACTOR shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance as specified in Exhibit B. It is the responsibility of CONTRACTOR to notify its insurance advisor or insurance carrier(s) regarding coverage, limits, forms, and other insurance requirements specified in Exhibit B. It is understood and agreed that COUNTY shall not pay any sum to CONTRACTOR under this Agreement unless and until COUNTY is satisfied that all insurance required by this Agreement is in force at the time services hereunder are rendered. Failure to maintain insurance as required in this Agreement may be grounds for material breach of contract.

**XVIII. INFORMATION TECHNOLOGY ASSURANCES**

CONTRACTOR shall take all reasonable precautions to ensure that any hardware, software, and/or embedded chip devices used by CONTRACTOR in the performance of services under this Agreement, other than those owned or provided by COUNTY, shall be free from viruses. Nothing in this provision shall be construed to limit any rights or remedies otherwise available to COUNTY under this Agreement.

**XIX. WEB ACCESSIBILITY**

CONTRACTOR shall ensure that all web sites and web applications provided by CONTRACTOR pursuant to this Agreement shall comply with COUNTY's Web Accessibility Policy adopted by the Board of Supervisors on February 18, 2003, as well as any approved amendment thereto.

**XX. COMPENSATION AND PAYMENT OF INVOICES LIMITATIONS**

- A. Compensation under this Agreement shall be limited to the Maximum Total Payment Amount set forth in Exhibit C, or Exhibit C as modified by COUNTY in accordance with express provisions in this Agreement.
- B. CONTRACTOR shall submit an invoice on the forms and in accordance with the procedures prescribed by COUNTY on a monthly basis. Invoices shall be submitted to COUNTY no later than the fifteenth (15th) day of the month following the invoice period, and COUNTY shall pay CONTRACTOR within thirty (30) days after receipt of an appropriate and correct invoice.

- C. COUNTY operates on a July through June fiscal year. Invoices for services provided in any fiscal year must be submitted no later than July 31, one (1) month after the end of the fiscal year. Invoices submitted after July 31 for the prior fiscal year shall not be honored by COUNTY unless CONTRACTOR has obtained prior written COUNTY approval to the contrary.
- D. CONTRACTOR shall maintain for four (4) years following termination of this Agreement full and complete documentation of all services and expenditures associated with performing the services covered under this Agreement. Expense documentation shall include: time sheets or payroll records for each employee; receipts for supplies; applicable subcontract expenditures; applicable overhead and indirect expenditures.
- E. In the event CONTRACTOR fails to comply with any provisions of this Agreement, COUNTY may withhold payment until such non-compliance has been corrected.

**XXI. LEGAL TRAINING INFORMATION**

If under this Agreement CONTRACTOR is to provide training of County personnel on legal issues, then CONTRACTOR shall submit all training and program material for prior review and written approval by County Counsel. Only those materials approved by County Counsel shall be utilized.

**XXII. SUBCONTRACTS, ASSIGNMENT**

- A. CONTRACTOR shall obtain prior written approval from COUNTY before subcontracting any of the services delivered under this Agreement. CONTRACTOR remains legally responsible for the performance of all contract terms including work performed by third parties under subcontracts. Any subcontracting will be subject to all applicable provisions of this Agreement. CONTRACTOR shall be held responsible by COUNTY for the performance of any subcontractor whether approved by COUNTY or not.
- B. This Agreement is not assignable by CONTRACTOR in whole or in part, without the prior written consent of COUNTY.

**XXIII. AMENDMENT AND WAIVER**

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach, or condition precedent shall not be construed as a waiver of any other default, breach, or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon COUNTY unless agreed in writing by DIRECTOR and counsel for COUNTY.

**XXIV. SUCCESSORS**

This Agreement shall bind the successors of COUNTY and CONTRACTOR in the same manner as if they were expressly named.

**XXV. TIME**

Time is of the essence of this Agreement.

**XXVI. INTERPRETATION**

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

**XXVII. DIRECTOR**

As used in this Agreement, "DIRECTOR" shall mean the Director of the Department of Health and Human Services, or his/her designee.

## **XXVIII. DISPUTES**

In the event of any dispute arising out of or relating to this Agreement, the parties shall attempt, in good faith, to promptly resolve the dispute mutually between themselves. Pending resolution of any such dispute, CONTRACTOR shall continue without delay to carry out all its responsibilities under this Agreement unless the Agreement is otherwise terminated in accordance with the Termination provisions herein. COUNTY shall not be required to make payments for any services that are the subject of this dispute resolution process until such dispute has been mutually resolved by the parties. If the dispute cannot be resolved within fifteen (15) calendar days of initiating such negotiations or such other time period as may be mutually agreed to by the parties in writing, either party may pursue its available legal and equitable remedies, pursuant to the laws of the State of California.

## **XXIX. TERMINATION**

- A. Either party may terminate this Agreement without cause upon thirty (30) days' written notice to the other party. Notice shall be deemed served on the date of mailing. If notice of termination for cause is given by COUNTY to CONTRACTOR and it is later determined that CONTRACTOR was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to this paragraph (A).
- B. COUNTY may terminate this Agreement for cause immediately upon giving written notice to CONTRACTOR should CONTRACTOR materially fail to perform any of the covenants contained in this Agreement in the time and/or manner specified. In the event of such termination, COUNTY may proceed with the work in any manner deemed proper by COUNTY. If notice of termination for cause is given by COUNTY to CONTRACTOR and it is later determined that CONTRACTOR was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph (A) above.
- C. COUNTY may terminate or amend this Agreement immediately upon giving written notice to CONTRACTOR, 1) if advised that funds are not available from external sources for this Agreement or any portion thereof; 2) if funds in COUNTY's yearly proposed and/or final budget are not appropriated by COUNTY for this Agreement or any portion thereof; or 3) if funds that were previously appropriated for this Agreement are reduced, eliminated, and/or re-allocated by County as a result of mid-year budget reductions.
- D. If this Agreement is terminated under paragraph A or C above, CONTRACTOR shall only be paid for any services completed and provided prior to notice of termination. In the event of termination under paragraph A or C above, CONTRACTOR shall be paid an amount which bears the same ratio to the total compensation authorized by the Agreement as the services actually performed bear to the total services of CONTRACTOR covered by this Agreement, less payments of compensation previously made. In no event, however, shall COUNTY pay CONTRACTOR an amount which exceeds a pro rata portion of the Agreement total based on the portion of the Agreement term that has elapsed on the effective date of the termination.
- E. CONTRACTOR shall not incur any expenses under this Agreement after notice of termination and shall cancel any outstanding expense obligations to a third party that CONTRACTOR can legally cancel.

## **XXX. REPORTS**

CONTRACTOR shall, without additional compensation therefore, make fiscal, program evaluation, progress, and such other reports as may be reasonably required by DIRECTOR concerning CONTRACTOR's activities as they affect the contract duties and purposes herein. COUNTY shall explain procedures for reporting the required information.

## **XXXI. AUDITS AND RECORDS**

Upon COUNTY's request, COUNTY or its designee shall have the right at reasonable times and intervals to audit, at CONTRACTOR's premises, CONTRACTOR's financial and program records as COUNTY deems necessary to determine CONTRACTOR's compliance with legal and contractual requirements and the correctness of claims submitted by CONTRACTOR. CONTRACTOR shall maintain such records for a period of four (4) years following termination of the Agreement, and shall make them available for copying upon COUNTY's request at COUNTY's expense. COUNTY shall have the right to withhold any payment under this Agreement until CONTRACTOR has provided access to CONTRACTOR's financial and program records related to this Agreement.

### **XXXII. PRIOR AGREEMENTS**

This Agreement constitutes the entire contract between COUNTY and CONTRACTOR regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between COUNTY and CONTRACTOR regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

### **XXXIII. SEVERABILITY**

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

### **XXXIV. FORCE MAJEURE**

Neither CONTRACTOR nor COUNTY shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

### **XXXV. SURVIVAL OF TERMS**

All services performed and deliverables provided pursuant to this Agreement are subject to all of the terms, conditions, price discounts and rates set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions, and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation, or termination of this Agreement shall so survive.

### **XXXVI. DUPLICATE COUNTERPARTS**

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

### **XXXVII. AUTHORITY TO EXECUTE**

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

### **XXXVIII. LIMITED ENGLISH PROFICIENCY**

To ensure equal access to quality care by diverse populations, CONTRACTOR shall:

- A. Promote and support the attitudes, behaviors, knowledge, and skills necessary for staff to work respectfully and effectively with clients and each other in a culturally diverse work environment.
- B. Have a comprehensive management strategy to address culturally and linguistically appropriate services, including strategic goals, plans, policies, procedures, and designated staff responsible for implementation.
- C. Develop and implement a strategy to recruit, retain and promote qualified, diverse and culturally competent administrative, clinical, and support staff that are trained and qualified to address the needs of the racial and ethnic communities being served.
- D. Require and arrange for ongoing education and training for administrative, clinical, and support staff in culturally and linguistically competent service delivery.
- E. Provide all clients with limited English proficiency access to bilingual staff or interpretation services.

- F. Provide oral and written notices, including translated signage at key points of contact, to clients in their primary language informing them of their right to receive no-cost interpreter services.
- G. Translate and make available signage and commonly-used written client educational material and other materials for members of the predominant language groups in the service area.
- H. Ensure that interpreters and bilingual staff can demonstrate bilingual proficiency and receive training that includes the skills and ethics of interpreting, and knowledge in both languages of the terms and concepts relevant to clinical or non-clinical encounters. Family or friends are not considered adequate substitutes because they usually lack these abilities.
- I. Ensure that the clients' primary spoken language and self-identified race/ethnicity are included in the provider's management information system as well as any client records used by provider staff.

**XIV. ADDITIONAL PROVISIONS**

The additional provisions contained in Exhibits A, B, C, D, and E attached hereto are part of this Agreement and are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

**COUNTY OF SACRAMENTO, a political subdivision of the State of California**

**EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY**

By \_\_\_\_\_  
Lynn Frank, Director, Department of Health and Human Services. Approval delegated pursuant to Sacramento County Code Section 2.61.012 (h)

By \_\_\_\_\_  
**CHAIRMAN OF THE BOARD OF SUPERVISORS**  
El Dorado County

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

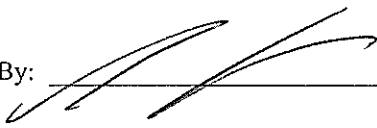
Date: \_\_\_\_\_

By \_\_\_\_\_  
Clerk of the Board

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



CONTRACT AND CONTRACTOR TAX STATUS  
REVIEWED AND APPROVED BY COUNTY COUNSEL

By:  Date: 7-23-08

**EXHIBIT A TO AGREEMENT**  
**between the COUNTY OF SACRAMENTO,**  
**hereinafter referred to as "COUNTY" and**  
**EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY,**  
**hereinafter referred to as "CONTRACTOR"**

**DESCRIPTION OF SERVICES**

**I. SERVICE LOCATION**

**Facility Name(s):** El Dorado County Psychiatric Health Facility  
**Name and Title:** John Bachman, Director  
**Street Address:** 935-B Spring Street  
**City and Zip Code:** Placerville, CA 95667

**II. SERVICE PERFORMANCE MONITOR**

**Name and Title:** Dorian Kittrell, Executive Director  
**Organization:** Mental Health Treatment Center, County of Sacramento  
**Street Address:** 2150 Stockton Blvd.  
**City and Zip Codes:** Sacramento, CA 95817

**III. DESCRIPTION OF SERVICES:**

- A. CONTRACTOR shall provide high quality, efficient, effective, culturally competent, and timely acute psychiatric inpatient services within the program requirements and standards as promulgated by this Agreement to patients referred by COUNTY of the age of eighteen (18) years or older who are eligible for COUNTY mental health services. COUNTY may place either male or female patients at CONTRACTOR's acute psychiatric health facility (PHF).
- B. This agreement requires the CONTRACTOR to provide psychiatric services during the stay of the patient at the CONTRACTOR'S facility.
- C. All personnel, supplies, equipment, furniture, quarters and operating expenses of any kind required for the performance of this Contract shall be provided by CONTRACTOR in performance of contracted services.

**IV. SERVICE REQUIREMENTS:**

**A. Service Eligibility Requirements:**

**1. Admission Criteria:**

- a. Patients shall be referred by the Mental Health Treatment Center (MHTC); and
- b. Patients shall be the age of eighteen (18) years or older and are eligible for COUNTY mental health services; and
- c. Exclusive of triage and assessments, 100% of admitted clients will meet the Division of Mental Health's operations definition of acutely mentally ill. This will be verified by documentation in the assessment and/or progress report. The operational definition of acutely mentally ill is defined by the presence of all of the following criteria:

Criteria A: Presence of one of the four Acute Symptom Clusters. (a) suicide lethality; (b) homicide - lethality; (c) psychotic; (d) mood disturbance accompanied with two of the following symptoms (a.) suicidal ideation; (b.) psychotic; (c) sleep or appetite disturbance; (d) feelings of helplessness or hopelessness; or (e) marked decrease in level of activity.

AND Criteria B. Current GAF of 50 or below

AND Criteria C. A shift in baseline as measured by a change in the current GAF as compared with the highest GAF within the past year (if available).

- d. COUNTY understands and accepts that patients are encouraged and permitted to sign in as a voluntary commitment when possible pursuant to Welfare & Institutions Code Section 5250(c).
- e. All persons referred for admission to CONTRACTOR'S facility will be medically cleared for admission to a non-medical facility prior to admission to CONTRACTOR'S facility. This medical clearance will be provided directly or indirectly and payment arranged or provided by COUNTY. Criteria and requirements for medical clearance will be determined by CONTRACTOR. All transportation costs to and from CONTRACTOR'S facility for medical care and clearance are the responsibility of COUNTY.
- f. CONTRACTOR shall not be required to accept referrals for treatment of individuals housed in jail or other penal institutions.

## 2. Discharge Criteria & Planning

- a. Patients will be deemed appropriate for discharge when they no longer meet the criteria of the Division of Mental Health's operations definition of acutely mentally ill as defined above. Determination and documentation of whether a patient continues to meet these criteria is the responsibility of CONTRACTOR.
- b. COUNTY will be responsible for aftercare and placement of all patients (LPS and non-LPS [Lanterman-Petris-Short Act]) covered by this Agreement upon their discharge from CONTRACTOR'S facility or any subsequent placement facility.
- c. CONTRACTOR's clinical staff shall have final determination on length of stay of each patient.
- d. COUNTY and CONTRACTOR will work collaboratively with regard to discharge planning and placement of patients served by CONTRACTOR.
- e. CONTRACTOR will refer 100% of discharged clients to either the COUNTY ACCESS TEAM, or the client's outpatient provider.
- f. CONTRACTOR will improve functioning of 89% of the clients admitted as measured by the GAF score by 10 points or more.
- g. COUNTY reserves the right to require transfer of a client back to the MHTC upon request. Consultation for such transfers will take place with the CONTRACTOR and the COUNTY Administrator on Duty, or Executive Team Member (Executive Director, Director of Nursing, Clinical Director of Inpatient, or Director of Crisis Services). If such request for transfer is not granted by the CONTRACTOR, the COUNTY reserves the right to de-authorize payment for subsequent services provided to client. CONTRACTOR reserves the right to request the COUNTY to transfer clients back to the MHTC if CONTRACTOR'S bed capacity reaches a level that prevents admission of El Dorado County patients.
- h. CONTRACTOR shall provide COUNTY with a full copy of each patient's chart within one month of patient's discharge. All Protected Health Information (PHI) being transferred via United States Postal Service (USPS) or private delivery service (i.e. FedEx, UPS) must be sent to:

Mental Health Treatment Center  
 Attention: Debi Wing  
 2150 Stockton Blvd.  
 Sacramento, CA 95817

The CONTRACTOR certifies that the following processes are in place:

1. CONTRACTOR must use packaging materials as necessary to ensure charts/records are received by the COUNTY in good condition and remain sealed.
2. CONTRACTOR must use a mail service that provides sender with a mailing receipt.
3. CONTRACTOR must use a mail service that provides delivery verification.
4. CONTRACTOR must keep a complete copy of all charts/records being mailed until delivery is confirmed by the COUNTY.
5. CONTRACTOR must implement a tracking procedure to document, at a minimum, which charts/records have been mailed, to whom, and when.

B. Service Standards:

1. COUNTY and CONTRACTOR clinical staffs will fully communicate and cooperate with each other in the development of treatment planning, determining length of stay and readiness for discharge, and, to this end, may freely exchange patient information as a unitary treatment program.
2. COUNTY will provide ongoing referral sources and placement assistance with regard to patient discharge planning.
3. CONTRACTOR's discharging physician will provide patient with prescription for 30-day supply of medications.
4. COUNTY Mental Health Managed Care Plan will set forth the program requirements to determine the appropriateness of placement based on clinical necessity criteria. CONTRACTOR will make every reasonable effort to arrange its occupied bed days to permit COUNTY to place a patient at any time in accordance with agreed upon admissions criteria.
  - a. CONTRACTOR shall make determination of admission for referred clients within 3 hours or less of referral by the MHTC liaison.
5. COUNTY shall have verified Medical (for Medi-cal eligible patients) eligibility prior to referral and admission, as well as complete UMDAP forms prior to admission.
6. Upon admission, if patient is thought to have no insurance or Medi-cal insurance, but later during treatment is discovered to have private insurance or Medicare; CONTRACTOR will bill the patient's primary insurer.
7. If it is determined, either before or after admission to CONTRACTOR'S facility, that the patient has Medi-Cal eligibility in another County, it is the responsibility of the COUNTY to notify the County of financial responsibility that one of its Medi-Cal beneficiaries has been admitted to the CONTRACTOR'S facility. It is also the responsibility of the COUNTY to provide documentation of authorization from the responsible County to the CONTRACTOR, who will then bill the County of responsibility, or other insurance when applicable, for reimbursement.
8. Unless COUNTY has provided CONTRACTOR with documentation of authorization from another responsible County, COUNTY is responsible for payment in full for CONTRACTOR'S services regardless of a patient's County Medi-Cal eligibility or other insurance.
9. CONTRACTOR and COUNTY will communicate daily with regard to bed availability at CONTRACTOR'S facility.
10. Transportation:
  - a. COUNTY will provide, or make arrangements for, transportation of clients to the CONTRACTOR'S facility for admission.
  - b. COUNTY will provide transportation, in a timely manner, of discharged or transferred clients from the CONTRACTOR'S facility to the placement of discharge when necessary and requested by CONTRACTOR.
11. CONTRACTOR shall notify COUNTY of any and all Unusual Occurrences (as defined by the State Department of Mental Health, Psychiatric Health Facility Regulations, Title 22, Division 5, Section 77036), involving a COUNTY placement within 24 hours of the incident.
12. CONTRACTOR will provide COUNTY with all final documentation related to the Unusual Occurrence that is provided to the State Department of Mental Health. All Unusual Occurrences are reviewed by the COUNTY Department of Mental Health's Quality Improvement Committee and the Service Performance Monitor (or designee), and any recommendations will be forwarded both to the COUNTY Mental Health Director and the CONTRACTOR'S Administrator.
13. CONTRACTOR shall furnish COUNTY with a copy of its Quality Assurance Policies and Procedures and its Client Grievance Procedure within thirty (30) days of execution of this Agreement.

V. **ADDITIONAL PROVISIONS:**

A. Licensing Requirements:

CONTRACTOR shall comply with all necessary County or State licensing requirements and must maintain appropriate licenses and display same in a location that is reasonably conspicuous. CONTRACTOR shall abide by the Bronzan-McCorquodale Act (WIC, Division 5, Part II, Section 5600 et seq.), CCR Title 9 and Title 22, the State Cost Reporting/Data Collection Manual (CR/DC) and State Department of Mental Health Policy Letters. Any changes in

status, licensure, or ability to perform activities within the contracted services must be reported to the COUNTY immediately. The CONTRACTOR shall maintain appropriate staffing levels to assure safety and program compliance as dictated by the State, Federal, and local code/regulations.

CONTRACTOR shall furnish COUNTY within thirty (30) days of execution of this Agreement:

1. A Program Schedule
2. Treatment Staff Roster (including license number or evidence of credentialing) on an annual basis or whenever staffing changes occur upon execution of this agreement.

B. Clinical Records:

CONTRACTOR shall maintain adequate records. Patient records must comply with all appropriate State and Federal requirements.

CONTRACTOR certifies that the following processes are in place:

- a. Records shall be kept on all patients admitted or accepted for treatment. All required records, either as original or as accurate reproductions of the contents of the originals shall be maintained in a confidential manner, legible, and readily accessible upon request of persons authorized by law to have access to such records.
- b. The CONTRACTOR shall safeguard the information in the record against loss, defacement, tampering or use by unauthorized persons.
- c. Patient health records or reproductions shall be safely preserved for a minimum of seven years following discharge of the patient.
- d. If the CONTRACTOR ceases operation, the COUNTY shall be informed within 48 hours prior to cessation, of the arrangements made for safe preservation of patient health records.
- e. Patients records shall be filed in an easily accessible manner in the facility or in an approved health record storage facility off facility premises.
- f. Patient records shall be completed within 14 days following the patient's discharge.
- g. All information and records obtained in the course of providing either voluntary or involuntary services shall be confidential and may be disclosed only in accordance with Sections 5328 through 5330 of the Welfare and Institutions Code.

COUNTY shall have access within 24 hours to all appropriate COUNTY patient records requested, whether stored on site or off site, weekends and holidays excluded.

CONTRACTOR shall provide COUNTY with required records for billing purposes, utilization review, and other purposes as may be required under terms of this Agreement in a timely manner.

C. Certification Of Program Integrity:

CONTRACTOR shall comply with all State and Federal statutory and regulatory requirements for certification of claims including Title 42, Code of Federal Regulations (CFR) Part 438.

1. For each Medi-cal beneficiary for whom COUNTY is submitting a claim for reimbursement:
  - a. CONTRACTOR will conduct an assessment of the Medi-Cal beneficiary in compliance with the requirements established in the Mental Health Plan (MHP) contract between COUNTY and the State Department of Mental Health, a copy of which will be provided to CONTRACTOR by COUNTY under separate cover.
  - b. CONTRACTOR will assure the services included in the claim were actually provided to the beneficiary.
  - c. CONTRACTOR will assure medical necessity was established for the beneficiary as defined in statute for the service or services provided, for the timeframe in which the services were provided, except when COUNTY decides to place patient or to keep patient in PHF without medical necessity.
  - d. CONTRACTOR will assure a client plan was developed and maintained for the beneficiary that met all client plan requirements established in the MHP contract between COUNTY and the State Department of Mental Health. Authority: Sections 5775, 14043.75 and 14680 Welfare and Institutions Code.

2. CONTRACTOR certifies that the following processes are in place:
  - a. Written policies, procedures and standards of conduct that articulates the CONTRACTOR'S commitment to comply with all applicable Federal and State standards.
  - b. The designation of a compliance officer and a compliance committee that is accountable to senior management.
  - c. Effective training and education for the compliance officer and the CONTRACTOR'S employees.
  - d. Enforcement of standards through well-publicized disciplinary guidelines.
  - e. Provisions for internal monitoring and auditing.
  - f. Provision for prompt response to detected offenses, and for development of corrective action initiatives relating to the provision of mental health services.

D. HIPAA Compliance:

CONTRACTOR agrees, to the extent required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), including but not limited to Title 42, United States Code, Section 1320d et seq. and its implementing regulations (including but not limited to Title 45, Code of Federal Regulations (CFR), Parts 142, 160, 162, and 164) to comply with applicable requirements of law and subsequent amendments relating to protected health information, as well as any task or activity CONTRACTOR performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements. More specifically, CONTRACTOR will not use or disclose confidential information other than as permitted or required by this contract and will notify COUNTY of any discovered instances of breaches of confidentiality.

Without limiting the rights and remedies of COUNTY elsewhere as set forth in this agreement, COUNTY may terminate this agreement without penalty or recourse if determined that CONTRACTOR violated a material term of the provisions of this section. CONTRACTOR ensures that any subcontractors' agents receiving health information related to this Agreement agree to the same restrictions and conditions that apply to CONTRACTOR with respect to such information.

E. National Provider Number:

CONTRACTOR will provide COUNTY with organizational and individual staff's NPI (National Provider Number) within 30 days of execution of contract.

**VI. BACKGROUND CHECKS:**

CONTRACTOR shall comply with all provisions of Welfare & Institutions code 5405, in part, requiring DOJ and FBI background checks on all employees, contractors, or volunteers who may have contact with patients or residents in the provision of services.

**EXHIBIT B to Agreement**  
**between the COUNTY OF SACRAMENTO,**  
**hereinafter referred to as "COUNTY", and**  
**EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY,**  
**hereinafter referred to as "CONTRACTOR"**

**INSURANCE REQUIREMENTS FOR CONTRACTORS**

Without limiting CONTRACTOR's indemnification, CONTRACTOR shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by CONTRACTOR, its agents, representatives, or employees. COUNTY shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If in the opinion of the County Risk Manager, insurance provisions in these requirements do not provide adequate protection for COUNTY and for members of the public, COUNTY may require CONTRACTOR to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. COUNTY's requirements shall be reasonable, but shall be imposed to assure protection from and against the kind and extent of risks that exist at the time a change in insurance is required.

**I. VERIFICATION OF COVERAGE**

CONTRACTOR shall furnish COUNTY with certificates evidencing coverage required below. **Copies of required endorsements must be attached to provided certificates.** The County Risk Manager may approve self-insurance programs in lieu of required policies of insurance if, in the opinion of the Risk Manager, the interests of COUNTY and the general public are adequately protected. All certificates, evidences of self-insurance, and additional insured endorsements are to be received and approved by County before performance commences. COUNTY reserves the right to require that CONTRACTOR provide complete, certified copies of any policy of insurance offered in compliance with these specifications.

**II. MINIMUM SCOPE OF INSURANCE**

Coverage shall be at least as broad as:

- A. **General Liability:** Insurance Services Office's Commercial General Liability occurrence coverage form CG 0001. Including, but not limited to Premises/Operations, Products/Completed Operations, Contractual, and Personal & Advertising Injury, without additional exclusions or limitations, unless approved by the County Risk Manager.
- B. **Automobile Liability:** Insurance Services Office's Commercial Automobile Liability coverage form CA-0001.
  - 1. Commercial Automobile Liability: Auto coverage symbol "1" (any auto) for corporate/business-owned vehicles. If there are no owned or leased vehicles, symbols 8 and 9 for non-owned and hired autos shall apply.
  - 2. Personal Lines automobile insurance shall apply if vehicles are individually owned.
- C. **Workers' Compensation:** Statutory requirements of the State of California and Employer's Liability Insurance.
- D. **Professional Liability or Errors and Omissions Liability** insurance appropriate to CONTRACTOR's profession.
- E. **Umbrella or Excess Liability** policies are acceptable where the need for higher liability limits is noted in the Minimum Limits of Insurance and shall provide liability coverages that at least follow form over the underlying insurance requirements where necessary for Commercial General Liability, Commercial Automobile Liability, Employers' Liability, and any other liability coverage (other than Professional Liability) designated under the Minimum Scope of Insurance.

### III. MINIMUM LIMITS OF INSURANCE

CONTRACTOR shall maintain limits no less than:

- A. General Liability shall be on an Occurrence basis (as opposed to Claims Made basis). Minimum limits and structure shall be:

General Aggregate:	\$2,000,000
Products Comp/Op Aggregate:	\$2,000,000
Personal & Adv. Injury:	\$1,000,000
Each Occurrence:	\$1,000,000
Fire Damage:	\$ 100,000

Building Trades Contractors and Contractors engaged in other projects of construction shall have their general liability Aggregate Limit of Insurance endorsed to apply separately to each job site or project, as provided for by Insurance Services Office form CG-2503 Amendment-Aggregate Limits of Insurance (Per Project).

- B. Automobile Liability:

1. Commercial Automobile Liability for Corporate/business-owned vehicles including non-owned and hired, \$1,000,000 Combined Single Limit.
2. Personal Lines Automobile Liability for Individually owned vehicles, \$250,000 per person, \$500,000 each accident, \$100,000 property damage.

- C. Workers' Compensation: Statutory.

- D. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.

- E. Professional Liability or Errors and Omissions Liability: \$1,000,000 per claim and aggregate.

### IV. DEDUCTIBLES AND SELF-INSURED RETENTION

Any deductibles or self-insured retention that apply to any insurance required by this Agreement must be declared and approved by COUNTY.

### V. CLAIMS MADE PROFESSIONAL LIABILITY INSURANCE

If professional liability coverage is written on a Claims Made form:

- A. The "Retro Date" must be shown, and must be on or before the date of the Agreement or the beginning of Agreement performance by CONTRACTOR.
- B. Insurance must be maintained and evidence of insurance must be provided for at least one (1) year after completion of the Agreement.
- C. If coverage is canceled or non-renewed, and not replaced with another claims made policy form with a "Retro Date" prior to the contract effective date, CONTRACTOR must purchase "extended reporting" coverage for a minimum of one (1) year after completion of the Agreement.

### VI. OTHER INSURANCE PROVISIONS

The insurance policies required in this Agreement are to contain, or be endorsed to contain, as applicable, the following provision:

- A. All Policies:

1. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A-VII. The County Risk Manager may waive or alter this requirement, or accept self-insurance in lieu of any required policy of insurance if, in the opinion of the Risk Manager, the interests of COUNTY and the general public are adequately protected.



2. Maintenance of Insurance Coverage: CONTRACTOR shall maintain all insurance coverages in place at all times and provide COUNTY with evidence of each policy's renewal ten (10) days in advance of its anniversary date. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, reduced in coverage, or reduced in limits, except after thirty (30) days' written notice for cancellation or sixty (60) days' written notice for non-renewal has been given to COUNTY. For non-payment of premium ten (10) days' prior written notice of cancellation, certified mail, return receipt requested is required.

## **VII. COMMERCIAL GENERAL LIABILITY AND/OR COMMERCIAL AUTOMOBILE LIABILITY**

- A. Additional Insured Status: COUNTY, its officers, directors, officials, employees, and volunteers are to be endorsed as additional insureds as respects: liability arising out of activities performed by or on behalf of CONTRACTOR; products and completed operations of CONTRACTOR; premises owned, occupied or used by CONTRACTOR; or automobiles owned, leased, hired, or borrowed by CONTRACTOR. The coverage shall contain no endorsed limitations on the scope of protection afforded to COUNTY, its officers, directors, officials, employees, or volunteers.
- B. Civil Code Provision: Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.
- C. Primary Insurance: For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be endorsed to be primary insurance as respects: COUNTY, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by COUNTY, its officers, directors, officials, employees, or volunteers shall be excess of CONTRACTOR's insurance and shall not contribute with it.
- D. Severability of Interest: CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- E. Subcontractors: CONTRACTOR shall be responsible for the acts and omissions of all its subcontractors and additional insured endorsements as provided by CONTRACTOR's subcontractor.

## **VIII. PROFESSIONAL LIABILITY**

Professional Liability Provision: Any professional liability or errors and omissions policy required hereunder shall apply to any claims, losses, liabilities, or damages, demands and actions arising out of or resulting from professional services provided under this Agreement.

## **IX. WORKERS' COMPENSATION**

Workers' Compensation Waiver of Subrogation: The workers' compensation policy required hereunder shall be endorsed to state that the workers' compensation carrier waives its right of subrogation against COUNTY, its officers, directors, officials, employees, agents, or volunteers, which might arise by reason of payment under such policy in connection with performance under this Agreement by CONTRACTOR. Should CONTRACTOR be self-insured for workers' compensation, CONTRACTOR hereby agrees to waive its right of subrogation against COUNTY, its officers, directors, officials, employees, agents, or volunteers.

## **X. PROPERTY**

- A. Course of Construction (COC) Waiver of Subrogation: Any Course of Construction (COC) policies maintained by CONTRACTOR in performance of the Agreement shall contain the following provisions:
  1. COUNTY shall be named as loss payee.
  2. The Insurer shall waive all rights of subrogation against COUNTY.
- B. Inland Marine Waiver of Subrogation: Any Inland Marine insurance policies maintained by CONTRACTOR in performance of the Agreement shall be endorsed to state that the insurer shall waive all rights of subrogation against COUNTY.

**XI. NOTIFICATION OF CLAIM**

If any claim for damages is filed with CONTRACTOR or if any lawsuit is instituted against CONTRACTOR, that arise out of or are in any way connected with CONTRACTOR's performance under this Agreement and that in any way, directly or indirectly, contingently or otherwise, affect or might reasonably affect COUNTY, CONTRACTOR shall give prompt and timely notice thereof to COUNTY. Notice shall be prompt and timely if given within thirty (30) days following the date of receipt of a claim or ten (10) days following the date of service of process of a lawsuit.

**EXHIBIT C to Agreement**  
**between the COUNTY OF SACRAMENTO,**  
**hereinafter referred to as "COUNTY", and**  
**EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY**  
**hereinafter referred to as "CONTRACTOR"**

**FISCAL PROVISIONS**

**I. MAXIMUM PAYMENT TO CONTRACTOR**

Maximum Contract Payment: **\$3,163,940.00**

- A. CONTRACTOR shall receive payment for services rendered in the order that CONTRACTOR's claim is received by COUNTY. If COUNTY determines that the total amount of claims received from all providers of acute psychiatric inpatient services for mentally ill adults in Sacramento County exceeds **\$3,163,940.00** COUNTY shall immediately notify CONTRACTOR of this fact by certified mail. Upon receipt of such notification, CONTRACTOR shall be under no further obligation to provide any additional services under the Agreement.
- B. CONTRACTOR understands and agrees that COUNTY'S obligation to pay for any services rendered by CONTRACTOR pursuant to this Agreement shall be limited to paying claims submitted by CONTRACTOR in the order received until the total allocation of **\$3,163,940.00** is exhausted. Once said amount is exhausted, CONTRACTOR shall not be entitled to any payment for any services rendered pursuant to this Agreement.

**II. COMPENSATION FOR SERVICES**

- A. It is understood that the validity of such monthly invoices, in terms of their compliance with state regulations, is subject to the review of the State of California and the COUNTY (and/or its authorized designees) and that COUNTY will be making payments on said invoices in advance of said review and approval by the State, and in advance of other reimbursement by the State to COUNTY for sums expended thereunder. In the event any invoice is disapproved by the State, CONTRACTOR shall take all actions necessary to obtain such approval. In the event that COUNTY is not reimbursed by the State for any amount it has paid to CONTRACTOR hereunder, CONTRACTOR shall reimburse COUNTY in the amount of such overpayment within thirty (30) days or, at the sole discretion of DIRECTOR, COUNTY may withhold such amounts from any payments due under this Agreement or any successor Agreement.
- B. It is understood that any records of revenues or expenditures under this contract may be subject to compliance with applicable regulations, including but not limited to Federal, State and County regulations, and may be audited by the appropriate agency for compliance. In the event of an audit disallowance of any claimed cost which is subject to compliance with regulations, COUNTY shall not be liable for any lost revenue resulting there from.
- C. All invoices submitted to COUNTY shall meet compliance with Health Insurance Portability and Accountability Act (of 1996) and would specifically contain the most current International Classification of Diseases (ICD) codes for all diagnosis.
- D. Any funds due and owing to COUNTY may be collected, at the sole discretion of DIRECTOR, by cash payment or by a credit on funds due to be paid to CONTRACTOR under the terms of this Agreement and in accordance with Division of Mental Health Financial Recoupment policy and procedure.

**III. USE OF FUNDS AND PAYMENT LIMITATION**

- A. CONTRACTOR shall use the funds provided by COUNTY exclusively for the purposes of performing the services described in Exhibit "A".
- B. COUNTY agrees to pay at the all-inclusive rate of **Six Hundred and Fifty Dollars (\$650.00)** per bed, per day regardless of status of patient. CONTRACTOR will be responsible for billing Medi-Cal for all Medi-Cal eligible clients.
- C. As per regulations, it is further acknowledged that the COUNTY will not reimburse for the day of discharge.
- D. COUNTY shall reimburse CONTRACTOR every month after submittal of invoice for services.

- E. CONTRACTOR shall submit to COUNTY every month, an invoice and supporting documentation identifying: beneficiary, service provider, type of service and requisite service code, date of service, time of day and length of time of services.
- F. If for any reason CONTRACTOR is unable to perform the duties as outlined in this Agreement, CONTRACTOR shall refund COUNTY for all services not rendered within 30 days from the date services ceased.
- G. The CONTRACTOR will not bill a patient directly for any services, such as unmet share of cost, deductibles, etc. CONTRACTOR does not file Medi-Cal appeals.

IV. **SUBMITTING BILLS AND MAKING PAYMENTS:**

Bills and payment shall be made in writing and may be given by personal delivery or mail. Bills and payments sent by mail should be addressed as follows:

**COUNTY**

Mental Health Treatment Center  
Attn: Elene C, Zuehlk, Administrative Director  
2150 Stockton Blvd.  
Sacramento, CA 95817

**CONTRACTOR**

John Bachman, Director  
El Dorado County, Department of Mental Health  
935-B Spring Street  
Placerville, CA 95667

And when addressed as shown above, shall be deemed given upon deposit in the United States mail, postage prepaid. In all other instances, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the name and addresses of the person to who bills and payments are to be given by giving notice pursuant to this paragraph.

**EXHIBIT D to Agreement  
between the COUNTY OF SACRAMENTO,  
hereinafter referred to as "COUNTY", and  
EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY,  
hereinafter referred to as "CONTRACTOR"**

**ADDITIONAL PROVISIONS**

**I. LAWS, STATUTES, AND REGULATIONS**

- A. CONTRACTOR shall abide by all applicable state, federal, and county laws, statutes, and regulations, including but not limited to the Bronzan-McCorquedale Act (Welfare and Institutions Code, Divisions 5, 6, and 9, Sections 5600 et seq., and Section 4132.44), Title 9 and Title 22 of the California Code of Regulations, Title XIX of the Social Security Act, State Department of Mental Health Policy Letters, and Title 42 of the Code of Federal Regulations, Section 434.6 and 438.608, in carrying out the requirements of this Agreement.
- B. CONTRACTOR shall comply with all Policies and Procedures adopted by COUNTY to implement federal/state laws and regulations.
- C. CONTRACTOR shall comply with the requirements mandated for culturally competent services to diverse populations as outlined in the Sacramento County Phase II Consolidation of Medi-Cal Specialty Mental Health Services—Cultural Competence Plan 1998, 2002, 2003. CONTRACTOR agrees to abide by the Assurance of Cultural Competence Compliance document, as provided by COUNTY, and shall comply with its provisions.

**II. LICENSING, CERTIFICATION, AND PERMITS**

- A. CONTRACTOR agrees to furnish professional personnel in accordance with the regulations, including all amendments thereto, issued by the State of California or COUNTY. CONTRACTOR shall operate continuously throughout the term of this Agreement with at least the minimum of staff required by law for provision of services hereunder; such personnel shall be qualified in accordance with all applicable laws and regulations.
- B. CONTRACTOR shall make available to COUNTY, on request of DIRECTOR, a list of the persons who will provide services under this Agreement. The list shall state the name, title, professional degree, and work experience of such persons.

**III. OPERATION AND ADMINISTRATION**

- A. CONTRACTOR agrees to furnish at no additional expense to COUNTY beyond the amounts identified as NET BUDGET/MAXIMUM PAYMENT TO CONTRACTOR in Exhibit C, all space, facilities, equipment, and supplies necessary for its proper operation and maintenance.
- B. CONTRACTOR, if incorporated, shall be in good standing and operate according to the provisions of its Articles of Incorporation and By-Laws. Said documents and any amendments thereto shall be maintained and retained by CONTRACTOR and made available for review or inspection by DIRECTOR at reasonable times during normal business hours.
- C. CONTRACTOR shall forward to DIRECTOR all copies of its notices of meetings, minutes, and public information, which are material to the performance of this Agreement.
- D. CONTRACTOR agrees that all materials created for public dissemination shall reflect the collaborative nature of all programs and/or projects. All Program Announcements, Brochures, and Press Releases shall reflect **Sacramento County Department of Health and Human Services, Division of Mental Health** as a collaborator in said program and/or project.

#### **IV. CONFIDENTIALITY**

- A. CONTRACTOR is subject to, and agrees to comply and require his or her employees to comply with the provisions of Sections 827, 5328, 5330, 5610 and 10850 of the Welfare and Institutions Code, Division 19-000 of the State of California Department of Social Services Manual of Policies and Procedures, Code of Federal Regulations Title 45, Section 205.50, and all other applicable laws and regulations to assure that:
1. All applications and records concerning an individual made or kept by CONTRACTOR, COUNTY, or any public officer or agency in connection with the Welfare and Institutions Code relating to any form of public social services or health services provided under this Agreement shall be confidential and shall not be open to examination for any purpose not directly connected with the administration of such public social or health services.
  2. No person will publish or disclose, or use or cause to be published, disclosed, or used, any confidential information pertaining to an applicant or recipient of services. Applicant and recipient records and information shall not be disclosed by CONTRACTOR to third parties without COUNTY's consent or the consent of the applicant/recipient.
- B. CONTRACTOR agrees to inform all of his/her employees, agents, subcontractors and partners of the above provisions and that knowing and intentional violation of the provisions of said state and federal laws is a misdemeanor.
- C. CONTRACTOR is subject to, and agrees to comply when applicable, with the Health Insurance Portability and Accountability Act of 1996 (HIPAA)(42 USC § 1320d) and regulations promulgated thereunder by the U.S. Department of Health and Human Services and other applicable laws and regulations.

#### **V. CLINICAL REVIEW AND PROGRAM EVALUATION**

- A. CONTRACTOR shall permit, at any reasonable time, personnel designated by DIRECTOR to come on CONTRACTOR's premises for the purpose of making periodic inspections and evaluations. CONTRACTOR shall furnish DIRECTOR with such information as may be required to evaluate fiscal and clinical effectiveness of the services being rendered.
- B. DIRECTOR or his designee shall represent COUNTY in all matters pertaining to services rendered pursuant to this Agreement, including authorization for admission, care, and discharge of all clients for whom reimbursement is required under this Agreement.

#### **VI. REPORTS**

- A. CONTRACTOR shall provide accurate and timely input of services provided in the Client Activity Tracking System (CATS), or any replacement system, in accordance with COUNTY's Department of Health and Human Services' Division of Mental Health Provider Manual, so that COUNTY can generate a monthly report of the units of service performed.
- B. In the event that CONTRACTOR is required to file cost settlement reports or pre-payment reports with federal, state, or county agencies, copies of such reports shall be filed with COUNTY, together with a reconciliation of all such reports and amounts covered by this Agreement to CONTRACTOR's total costs and revenues.
- C. CONTRACTOR shall provide COUNTY with a fiscal year-end cost settlement report no later than sixty (60) days after the close of the fiscal year. Such report shall be in compliance with the Cost Reporting Data Collection Manual.
- D. Upon request of DIRECTOR, CONTRACTOR shall provide COUNTY with a mid-fiscal year cost settlement report prepared in the same manner as the report required by subparagraph C., above, but which shall be due no later than 30 days after the close of the mid-fiscal year.
- E. CONTRACTOR shall, without additional compensation therefore make further fiscal, program evaluation and progress reports as may be reasonably required by DIRECTOR or by the State Department of Mental Health concerning CONTRACTOR's activities as they affect the contract duties and purposes herein. COUNTY shall explain procedures for reporting the required information.

## VII. RECORDS

- A. Patient Records: CONTRACTOR shall maintain adequate patient records on each individual patient, which shall include diagnostic studies, records of patient interviews, treatment plans, progress notes, and records of services provided by various professional and paraprofessional personnel, in sufficient detail to permit an evaluation of services. Such records shall comply with all applicable federal, state, and county record maintenance requirements.
- B. Service and Financial Records: CONTRACTOR shall maintain complete service and financial records, which clearly reflect the actual cost and related fees received for each type of service for which payment is claimed. The patient eligibility determination and the fees charged to and collected from patients shall also be reflected therein. Any apportionment of costs shall be made in accordance with generally accepted accounting principles.
- C. Review, Inspection, and Retention of Records: At reasonable times during normal business hours, the State Department of Mental Health, COUNTY or DIRECTOR, the appropriate audit agency of any of them, and the designee of any of them shall have the right to inspect or otherwise evaluate the cost, quality, appropriateness and timeliness of services performed and to audit and inspect any books and records of CONTRACTOR which pertain to services performed and determination of amount payable under this Agreement. Upon expiration or termination of this Agreement all patient records shall be kept for a minimum of seven (7) years from the date of discharge and in the case of minors, for at least one (1) year after the minor patient's eighteenth (18<sup>th</sup>) birthday, but in no case less than seven (7) years from the date of discharge. Service and financial records shall be retained by CONTRACTOR for a minimum period of four (4) years after the termination of this Agreement, or until audit findings are resolved, whichever is later.

## VIII. PATIENT FEES

- A. The Uniform Method of Determining Ability to Pay prescribed by the State Director of Mental Health shall be applied when services to patients are involved.
- B. Charges for services to either patients or persons responsible shall approximate estimated actual cost.
- C. CONTRACTOR shall use the Uniform Billing and Collection Guidelines prescribed by the State Director of Mental Health (non-billing providers excluded).

## IX. AUDIT/REVIEW REQUIREMENTS

- A. The following standards are applicable to the Audits and Reviews required pursuant to this provision.
  1. In the event that CONTRACTOR receives federal funds, CONTRACTOR shall submit to DIRECTOR, on an annual basis either a financial and compliance audit (Audit) or Review of Documentation Supporting Requests for Reimbursement or limited scope audit (Review) as determined by paragraph B or C of this provision. Such annual Audit/Review must include a documented Reconciliation of the Cost Report(s) data for the Audit/Review period.
  2. An independent auditor must prepare the Audit/Review. Audits shall be conducted in accordance with generally accepted auditing standards and the latest revision of the Government Auditing Standards issued by the Comptroller General of the United States and shall comply with OMB Circular A-133 (States, Local Governments and not-for-profit agencies). Reviews shall be conducted in accordance with either American Institute of Certified Public Accountants' (AICPA) generally accepted auditing standards (GAAS) or generally accepted accounting principles (GAAP).
  3. The Audit/Review shall be performed on the basis of COUNTY's fiscal year; July 1 through June 30, unless CONTRACTOR's fiscal year is different, in which case it may be based on CONTRACTOR's fiscal year. If the Audit/Review is performed on the basis of CONTRACTOR's fiscal year, then the Reconciliation of the Cost Report data shall also be based on CONTRACTOR's fiscal year. If the Agreement is terminated for any reason during the contract period, the independent Audit/Review shall cover the entire period of the Agreement for which services were provided.
  4. CONTRACTOR must submit to Sacramento County Department of Health and Human Services three (3) copies of the Audit/Review, as described in OMB Circular A-133, within the earlier of thirty (30) days after receipt of the auditor's report(s) or no later than six (6) months following the end of the contract year or termination of the Agreement. Should there be any delay anticipated, CONTRACTOR shall immediately inform DIRECTOR of the delay. The Audit/Review shall be sent to the following address:

- B. Pursuant to OMB circular A-133 if CONTRACTOR expends less than \$500,000 per year in total Federal funds from all sources (excluding Drug/Medi-Cal), COUNTY shall monitor on an annual basis CONTRACTOR's activities to ensure that such funds are used for authorized purposes in compliance with laws, regulations, and the provisions of this Agreement and that performance goals are achieved. In addition, COUNTY shall utilize Reviews provided by CONTRACTOR to meet monitoring objectives. Such reviews shall include, but are not limited to; copies of invoices, canceled checks, and time sheets.
- C. Pursuant to OMB Circular A-133, if CONTRACTOR expends \$500,000 or more per year in federal funds from all sources (excluding Drug/Medi-Cal), CONTRACTOR is required to have an agency-wide single audit, or CONTRACTOR may elect a program specific audit if all federal funding is utilized for only one (1) program. CONTRACTOR shall forward three (3) copies of the "Reporting Package" and completed "Data Collection Form", as described in OMB Circular A-133, to COUNTY. CONTRACTOR must also simultaneously submit one (1) copy of the "Reporting Package" and one (1) copy of the completed "Data Collection Form", to the Federal Audit Clearinghouse. The address of the Federal Audit Clearinghouse is:

Federal Audit Clearinghouse  
Bureau of the Census  
1201 E. 10<sup>th</sup> Street  
Jacksonville, IN 47132

- D. COUNTY Division of Audits, or designee, shall examine all Audits/Reviews submitted for conformance to these provisions. Should CONTRACTOR have other federal financial assistance which would require it to have an agency-wide single audit done in conformance with OMB Circular A-133, COUNTY shall be allowed access to all financial and program records as COUNTY deems necessary to determine that the COUNTY program is in compliance with legal and contractual requirements.
- E. Should any deficiencies be noted in the Audit/Review CONTRACTOR must submit an Action Plan with the Audit/Review detailing how the deficiencies will be addressed. CONTRACTOR shall correct all deficiencies within six (6) months of the date that the Audit/Review is received by CONTRACTOR from its independent auditor, as required by Federal regulations.
- F. Should any overpayment of funds be noted in the Audit/Review or the year-end Cost Report, CONTRACTOR shall reimburse COUNTY the amount of the overpayment within 30 days of the date of submission of the Audit/Review. If the Audit/Review and the Cost Report indicated an overpayment, but in different amounts, CONTRACTOR shall reimburse COUNTY the larger of the overpayment amounts.
- G. Audit Exceptions of Medi-Cal Eligibility:

Audit exceptions of Medi-Cal eligibility may be based on a statistically valid sample size of Short-Doyle/Medi-Cal billings by mode of service for a fiscal year projected across the total of Short-Doyle/Medi-Cal billings by mode of service by provider. Parameters for the statistically valid sample size are covered in MHP 78-39. For purposes of Medi-Cal billings "mode of service" means "facility classification," which is divided into four (4) categories: Inpatient Hospital; Outpatient Hospital; Clinic Services; and Psychiatric Hospital; as delineated in Title 42, Code of Federal Regulations and DMH 80-38.

- H. Audit Exceptions for Medicaid Administration:

CONTRACTOR shall have full liability for any and all exceptions resulting from audits pertaining to reimbursement for the Medicaid Administration requirements. CONTRACTOR shall maintain files and records as required under Medicaid Administrative claiming and comply with all federal, state and local laws, regulations, and guidelines.

- I. In the event that this Agreement is funded in whole or in part by state funds, the contracting parties shall be subject to examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code, Section 8546.7).



**X. SYSTEM REQUIREMENTS**

- A. CONTRACTOR shall adhere to the guidelines, policies and procedures issued by the County Information Technology Services (ITS) for use of COUNTY computers, software, and systems.
- B. CONTRACTOR shall adhere to the guidelines, policies and procedures issued by COUNTY for use of CATS, or any replacement system.

**XI. EQUIPMENT OWNERSHIP**

COUNTY shall have and retain ownership and title to all equipment identified to be purchased by CONTRACTOR under Exhibit C of this Agreement. CONTRACTOR shall furnish, and amend as necessary, a list of all equipment purchased under this Agreement together with the bills of sale and any other documents as may be necessary to show clear title and reasonableness of the purchase price. The equipment list shall specify the quantity, name, description, purchase price, and date of purchase of all equipment. CONTRACTOR shall make all equipment available to COUNTY during normal business hours for tagging or inventory. CONTRACTOR shall deliver all equipment to COUNTY upon termination of this Agreement.

**XII. PATIENTS RIGHTS/GRIEVANCES**

- A. CONTRACTOR shall give to all patients written notice of their rights pursuant to and in compliance with California Welfare and Institutions Code Section 5325 et seq.; California Code of Regulations Title 9, Section 860 et seq.; Title XIX of the Social Security Act; and Title 42, Code of Federal Regulations. In addition, in all facilities providing the services described herein, CONTRACTOR shall have prominently posted in the predominant language of the community a list of the patient's rights.
- B. As a condition of reimbursement, CONTRACTOR shall provide the same level of treatment to beneficiaries served under this Agreement as provided to all other patients served.
- C. CONTRACTOR shall not discriminate against any beneficiary of services provided under this Agreement in any manner.
- D. CONTRACTOR agrees to provide a system through which recipients of service shall have the opportunity to express and have considered their views, grievances, and complaints regarding the delivery of services, including affording recipients notice of adverse determination and a hearing thereon to the extent required by law.

**XIII. ADMISSION POLICIES**

CONTRACTOR's admission policies (if applicable) shall be in writing and available to the public and shall include a provision that patients are accepted for care without discrimination as described in this Agreement.

**XIV. HEALTH AND SAFETY**

- A. CONTRACTOR shall maintain a safe facility.
- B. CONTRACTOR shall store and dispense medication in compliance with all applicable state, federal, and county laws and regulations.

**XV. MANDATED REPORTING**

CONTRACTOR shall comply with the training requirements for identification and reporting of child abuse, adult, and dependent adult abuse as defined in Penal code Section 11165.7 and the Welfare and Institutions Code Section 15630-15632. All training shall be documented in an individual personnel file. CONTRACTOR shall establish procedures for paid and volunteer staff for reporting suspected child abuse cases.

**XVI. FINGERPRINTING**

CONTRACTOR shall conduct background checks, including fingerprinting, on all staff and volunteers who are reasonably anticipated to have direct contact with recipients of services.

**XVII. BASIS FOR ADVANCE PAYMENT**

- A. This Agreement allows for advance payment when CONTRACTOR submits a request in writing, and request is approved in writing by DIRECTOR or DIRECTOR's designee.
- B. If DIRECTOR finds both that CONTRACTOR requires advance payment in order to perform the services required by this Agreement and that the advance payment will not create an undue risk that payment will be made for services which are not rendered, DIRECTOR, or DIRECTOR's designee, may authorize, in her/his sole discretion, an advance in the amount not to exceed ten percent (10%) of the "Net Budget/Maximum Payment to CONTRACTOR" as indicated in Exhibit C.
- C. In the case of Agreements with multiple-year terms, DIRECTOR or DIRECTOR's designee may authorize annual advances of not more than ten percent (10%) of the "Net Budget/Maximum Payment to CONTRACTOR" for each fiscal year as indicated in the Exhibit C.
- D. CONTRACTOR's written request for advance shall include a detailed written report substantiating the need for such advance payment, and such other information as DIRECTOR or DIRECTOR's designee may require.
- E. All advanced funds shall be offset against reimbursement submitted during the fiscal year, beginning with the third (3rd) month of the fiscal year.
- F. COUNTY reserves the right to withhold the total advance amount from any invoice.
- G. These provisions apply unless specified otherwise in Exhibit C of this Agreement.

**XVIII. AMENDMENTS**

- A. DIRECTOR may execute an amendment to this Agreement provided that:
  - 1. An increase in the maximum contract amount resulting from the amendment does not exceed DIRECTOR's delegated authority under Sacramento County Code Section 2.61.100 (c) or any amount specified by Board of Supervisor's resolution for amending this Agreement, whichever is greater; and
  - 2. Funding for the increased contract obligation is available within the Department's allocated budget for the fiscal year.
- B. The budget attached to this Agreement as Exhibit C is subject to revision by COUNTY upon written notice by COUNTY to CONTRACTOR as provided in this Agreement. Upon notice, CONTRACTOR shall adjust services accordingly and shall within thirty (30) days submit to DIRECTOR a revised budget. Said budget revision shall be in the form and manner prescribed by DIRECTOR and, when approved in writing, shall constitute an amendment to this Agreement.
- C. The budget attached to this Agreement as Exhibit C may be modified by CONTRACTOR making written request to DIRECTOR and written approval of such request by DIRECTOR. Approval of modifications requested by CONTRACTOR is discretionary with DIRECTOR. Said budget modification shall be in the form and manner prescribed by DIRECTOR and, when approved, shall constitute an amendment to this Agreement.

**EXHIBIT E to Agreement  
between the COUNTY OF SACRAMENTO,  
hereinafter referred to as "COUNTY", and  
EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY,  
hereinafter referred to as "CONTRACTOR"**

**CERTIFICATION REGARDING DEBARMENT AND SUSPENSION**

CONTRACTOR agrees to comply with 45 CFR Part 76.100 (Code of Federal Regulations), which provides that federal funds may not be used for any contracted services, if CONTRACTOR is debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.

I (We) certify to the best of my (our) knowledge and belief, that CONTRACTOR named below and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. Have not within a three (3)-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three (3)-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State, or local) terminated for cause or default.
5. Shall notify COUNTY within ten (10) days of receipt of notification that CONTRACTOR is subject to any proposed or pending debarment, suspension, indictments or termination of a public transaction.
6. Shall obtain a certification regarding debarment and suspension from all its subcontractors that will be funded through this Agreement.
7. Hereby agree to terminate immediately, any subcontractor's services that will be/are funded through this Agreement, upon discovery that the subcontractor is ineligible or voluntarily excluded from covered transactions by any federal department or agency.

**EL DORADO COUNTY PSYCHIATRIC HEALTH FACILITY**

BY: \_\_\_\_\_

DATE: \_\_\_\_\_



**Certificate Holder:** **County of Sacramento**  
Department of Health and Human Services  
7001-A East Parkway, Suite 1000  
Sacramento, CA 95823-2501

**As Respects:** **El Dorado County Psychiatric Health Facility (PHF)**  
Negotiated Rate Agreement No. 7223-09-058

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**Certificate of Self- Insurance**  
**GENERAL LIABILITY, ERRORS & OMISSIONS/PROFESSIONAL LIABILITY,**  
**AUTOMOBILE LIABILITY AND WORKERS' COMPENSATION**

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This is to certify that El Dorado County is covered for its general liability, errors and omissions (E&O)/professional liability, motor vehicle and worker's compensation exposures through a self-insurance program, in conjunction with excess coverage. The County maintains reserve funds within its self-insurance program that are deemed to be adequate by annual review by an independent outside actuary. This Certificate evidences the following:

**General Liability, E&O/Professional Liability and Automobile Liability:** Risk is retained up to \$1,000,000 per occurrence and self-funded as described above. Excess coverage is provided through the California State Association of Counties - Excess Insurance Authority (CSAC-EIA) Liability Pool Program II.

**Workers' Compensation:** The County is permissibly self-insured pursuant to Certificate of Consent number 5015-001 issued by the State of California, Department of Industrial Relations. Risk is retained up to \$300,000 per occurrence and self-funded as described above. Excess coverage is provided through the California State Association of Counties - Excess Insurance Authority (CSAC - EIA).

**Public Employee Dishonesty/Faithful Performance Bond:** Risk is retained and self-funded as described above up to \$25,000 per occurrence. Excess coverage is provided through the California State Association of Counties - Excess Insurance Authority (CSAC - EIA).

Dated: August 20, 2008

A handwritten signature in cursive script that reads "Larry D. Costello".

Larry D. Costello  
Sr. Risk Management Analyst