

**AGREEMENT FOR SERVICES #059-S0911
BETWEEN EL DORADO COUNTY
AND VICTOR TREATMENT CENTERS, INC.**

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and Victor Treatment Centers, Inc., a California Corporation duly qualified to conduct business in the State of California, whose principal place of business is 2561 California Park Drive, Chico, CA 95928 (Mailing: P.O. Box 5361 Chico, CA 95927-5361), (hereinafter referred to as "Contractor");

W I T N E S S E T H

WHEREAS, County has obtained twenty-four hour residential services for County-authorized minors with serious emotional problems (hereinafter referred to as "Clients") from Contractor under a separate agreement with El Dorado County Human Services Department;

WHEREAS, County has determined that it is necessary to obtain a Contractor to provide intensive day treatment, medication support services and other mental health services to Clients for the County's Mental Health Department;

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;

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of these services provided by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

NOW, THEREFORE, County and Contractor mutually agree as follows:

ARTICLE I

Scope of Services. Contractor agrees to furnish licensed facilities, personnel and services necessary to provide the services set forth in Exhibit "A" marked "Program Description" and Exhibit "B", marked Victor Treatment Centers General Program Description, incorporated herein and made by reference a part hereof.

The conduct of the work and services under this agreement is subject to the terms of a contract between County and the State Department of Mental Health, the applicability of which shall be determined by the County. Contractor further agrees to comply with all applicable laws and regulations, including but not limited to that contained in Title 9 of the California Code of Regulations, in providing the work and services called for by this agreement.

Contractor shall provide County an annual legal entity Cost Report, as prescribed by State Department of Mental Health in the Short-Doyle Medi-Cal cost report instructions, no later than October 31st of each year this Agreement is in effect. In addition to the annual Cost Report, Contractor will furnish County within sixty (60) days after receipt, a certified copy of an Audit Report from an independent CPA firm. This Audit Report will cover Contractor's fiscal year which most nearly coincides with County's fiscal year. The findings of the annual Cost Report shall be subject to an audit by County and State. The State of California may make such audits as it deems necessary for the purpose of determining reimbursement due County.

The County Mental Health Director or designee shall represent the County in all matters pertaining to services rendered pursuant to this Agreement and shall administer this Agreement on behalf of the County, including authorization for admission, care, and discharge of all County responsible patients for whom reimbursement is provided under this Agreement.

Contractor shall permit personnel designated by the County Mental Health Director on its premises for the purpose of making periodic inspections. Contractor will furnish such data and information as County may request, including data and information required to conduct a formal evaluation, or for other data collection purposes of the clinical and fiscal effectiveness of the services being rendered.

A formal evaluation of the program will result in a written report to the Contractor within fifteen (15) working days of the conclusion of the evaluation. Any report that results from a site visit will be submitted to the Contractor within fifteen (15) working days of the site visit. Contractor may submit a written response within fifteen (15) working days of receipt of report and such response will be part of the official report.

ARTICLE II

Term: This agreement shall become effective when fully executed by both parties hereto and shall cover the period of July 19, 2008 through June 30, 2010.

ARTICLE III

Compensation for Services: The total amount of this Agreement shall not exceed NINETY-FIVE THOUSAND DOLLARS (\$95,000.00) for the two (2) year period.

Contractor shall not charge any patients or third party payors any fee for service unless directed to do so in writing by the County Mental Health Director at the time the patient is referred for services. When directed to charge for services, Contractor shall use the uniform billing and collection guidelines prescribed by the State Department of Mental Health. Charges shall approximate estimated actual cost.

It is expressly understood and agreed between the parties hereto that the County shall make no payment for County-responsible patients and have no obligation to make payment to Contractor unless the Medi-Cal services provided by Contractor hereunder received prior written authorization from County Mental Health Director or the 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 in compliance with County requirements. County may provide retroactive authorization when special circumstances exist, as determined by the County Mental Health Director or the Director's designee.

In accordance with Title 9, California Administrative Code, Section 563, reimbursement for services under this Agreement shall be limited to persons who are unable to obtain private care. Such persons are those who are unable to pay for private care or for whom no private care is available within a reasonable distance from their residence.

Contractor agrees to offset claims submitted to the County for any reimbursements received on behalf of patients covered by this Agreement on the claims for the month in which the revenue was received, unless otherwise directed by the County Mental Health Director or designee. Claim for final payments must be received within sixty (60) days of the expiration date of this Agreement.

It is understood that any payments received from County for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to any other source for reimbursement for the units of service provided under this Agreement, except as stated above, or with specific authorization from the Mental Health Director or designee.

For services provided herein, County agrees to pay Contractor monthly in arrears. Payment shall be made within ninety (90) days following the County's receipt and approval of itemized invoice(s) detailing services rendered. Each monthly invoice will show services actually provided and the units of service provided. For the purposes hereof, the billing rate shall be in accordance with Exhibit "A", marked "Program Description". Claim for final payments must be submitted within sixty (60) days of the expiration date of this Agreement.

Audit Exceptions: Contractor agrees to accept responsibility for receiving, replying to, and complying with any audit exceptions by appropriate County, State or Federal audit agencies occurring as a result of its performance of this Agreement.

Contractor also agrees to pay to the County within 30 days of demand by County the full amount of the County's obligation, if any, to the State and/or Federal government resulting from any audit exceptions, to the extent such are attributable to the Contractor's failure to perform properly any of its obligations under this Agreement.

ARTICLE IV

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE V

Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

ARTICLE VI

Assignment and Delegation: Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign

services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE VII

Independent Contractor/Liability: Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and sub-contractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

ARTICLE VIII

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE IX

Default, Termination, and Cancellation:

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

- B. Bankruptcy: This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part upon seven (7) calendar days written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise.

ARTICLE X

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
MENTAL HEALTH DEPARTMENT
670 PLACERVILLE DRIVE, SUITE 3
PLACERVILLE, CA 95667
ATTN: BARRY WASSERMAN, CHILDREN'S SERVICES PROGRAM MANAGER

and

COUNTY OF EL DORADO
MENTAL HEALTH DEPARTMENT
670 PLACERVILLE DRIVE, SUITE 3
PLACERVILLE, CA 95667
ATTN: CONTRACTS

and/or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

VICTOR TREATMENT CENTERS, INC.
PO BOX 5361
CHICO, CA 95927-5361
ATTN: DAVID C. FAVOR

or to such other location as the Contractor directs, with a carbon copy to:

COUNTY OF EL DORADO
CHIEF ADMINISTRATIVE OFFICE
PROCUREMENT AND CONTRACTS DIVISION
330 FAIR LANE
PLACERVILLE, CA 95667
ATTN: BONNIE H. RICH, PURCHASING AGENT

ARTICLE XI

Indemnity: The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorneys fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subcontractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XII

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000.00 per occurrence.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County

Risk Manager as evidence that the insurance required above is being maintained.

- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that:
 - 1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
 - 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.

- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for the protection of the County.

ARTICLE XIII

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XIV

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XV

Conflict of Interest: The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this contract and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation".

ARTICLE XVI

California Residency (Form 590): All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XVII

Taxpayer Identification Number (Form W-9): All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XVIII

County Business License: It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

ARTICLE XIX

Administrator: The County Officer or employee with responsibility for administering this Agreement is Barry Wasserman, Children's Services Program Manager, Mental Health Department, or successor.

ARTICLE XX

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XXI

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XXII

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE XXIII

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.

ARTICLE XXIV

HIPAA Compliance: All data, together with any knowledge otherwise acquired by Consultant during the performance of services provided pursuant to this Agreement, shall be treated by Consultant and Consultant's staff as confidential information. Consultant shall not disclose or use, directly or indirectly, at any time, any such confidential information. If the Consultant receives any individually identifiable health information ("Protected Health Information" or "PHI"), the Consultant shall maintain the security and confidentiality of such PHI as required by applicable laws and regulations, including the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations promulgated thereunder.

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REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:

By: _____ Dated: _____
Barry Wasserman, Children's Services Program Manager
Mental Health Department

REQUESTING DEPARTMENT HEAD CONCURRENCE:

By: _____ Dated: _____
John Bachman, Director
Mental Health Department

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this Agreement.

-- COUNTY OF EL DORADO --

Dated: _____

By: _____
Chairman
Board of Supervisors
"County"

ATTEST:
Cindy Keck, Clerk
of the Board of Supervisors

By: _____ Date: _____
Deputy Clerk

-- CONTRACTOR --

Dated: _____

VICTOR TREATMENT CENTERS, INC.
A CALIFORNIA CORPORATION

By: _____
David C. Favor, Chief Executive Officer
"Contractor"

By: _____
Corporate Secretary

Dated: _____

EXHIBIT A

Program Description

Contractor: Victor Treatment Centers, Inc.

Contractor Services: Contractor is providing 24-hour residential services under separate Agreement with County. Under this Agreement Contractor is providing Mental Health intensive day treatment, rehabilitative day treatment, medication support services and other mental health services to the Mental Health Department.

Executive Director: David C. Favor, LCSW

Corporate Status: Non-profit Corporation

Incorporated: 1966

Owner's Name: N/A

Address: P.O. Box 5361, Chico, CA 95927-5361

Telephone: (530) 893-0758

Officers, attached
Board of Directors:

ITEMS APPLICABLE TO ALL SERVICES:

Hours for
Services: Supplemental Mental Health Services
7 days a week, 24 hours a day

Medi-Cal Services:
5 days/week, 4+ hours/day, up to 220 days/year

Geographic Area: California

Target Group: El Dorado County seriously emotionally disturbed children and their families.

Selection for
Admission to
Service: Upon referral only from County Mental Health Department. In the event that the child is referred by an agency other than the County Mental Health Department, County shall make no payment for

services, and have no obligation to make payment to Contractor, unless the services provided by Contractor, received prior authorization from the County Mental Health Director or designee. A child may be approved for services on the basis of verbal authorization from the County by mutual consent of the County and Contractor.

Goals of Program:

1. To assist children to maintain in their current placements, avoid placement in a more restrictive setting, and return to a more normal and less restrictive setting within the shortest amount of time possible.
2. To assist emotionally disturbed children to gain the social and functional skills necessary for age-appropriate development and social integration.
3. To assist parents and other primary caregivers to gain a comprehensive understanding of the social and psychological needs of their children and develop the skills necessary to support their children's development and eventual return to the family home and community.

Objectives:

1. To provide the most effective treatment plan for children, tailored to meet each child's abilities and needs, and geared toward improving their capacity for success in their home and school environments.
2. To reduce the frequency and severity of maladaptive behaviors that interfere with home, school and community adjustment and replace these behaviors with positive productive skills.
3. To develop each child's capacity to function as an independent individual commensurate with developmental age. Skills in this area include decision-making, problem-solving, and the use of good judgment and reasoning.
4. To increase each child's ability to assume responsibility for participation in the treatment process. This includes the ability to identify and understand one's current problems, as well as the recognition of one's own role in the self-management of emotional disorders.
5. To prepare and support family member/primary caregivers for healthy involvement in their children's treatment, improve parenting skills, and enhance the level of functioning within the family system.

Services Provided:

A. Day Treatment Services

A concentrated and comprehensive mental health program provided five days per week to address each child's learning and developmental needs through psychotherapy, therapeutic, recreational and expressive arts activities. The program is structured, multi-disciplinary and emphasizes activities that enhance self-sufficiency and competence through group work and integration with the community. The program may be an alternative to hospitalization, avoid placement in a more restrictive setting, or maintain the child in a community setting. The program is tailored for each child, building upon the child's strengths, the cultural and familial context to which they will eventually return, and addressing behavioral, medical, academic and emotional components. To the extent feasible, family/primary caregivers participate in ongoing service planning and review. Day Treatment activities are integrated with each child's overall service plan to ensure family support and clinical oversight.

Day Treatment Services include:

1. Assessment and evaluation
2. Plan development
3. Individual, group and family therapy
4. Recreational and creative arts groups
5. Psycho-education activities
6. Monthly support group for family members when logistically possible.

Day Treatment Intensive shall be in compliance with the State Department of Mental Health regulations and program directives and staffed by the required ratios and disciplines. Children and youth in these programs shall meet medical necessity criteria as determined by the State Department of Mental Health and authorized by the County Department of Mental Health.

B. Medication Support Services

Prescribing, administering, dispensing and measuring of psychiatric medications or biological agents necessary to alleviate the symptoms of serious emotional disturbance in children. Medication Support Services are provided by staff consistent with scope of practice regulations.

Medication Support Services include:

1. Evaluation of the need for medication
2. Plan development
3. Evaluation of clinical effectiveness and side effects of medication

4. Obtaining informed consent
5. Medication education (including discussing risks, benefits, and alternatives with parents or other primary caregivers)
6. Prescribing, dispensing, and administering of psychiatric medications and related laboratory tests

Reports:

1. Contractor shall submit to County's Mental Health Director or designee, weekly written progress reports, data collection reports and expenditure reports in the time, form and manner required by County.

2. Contractor shall submit on or before August 15 or 45 days following the termination of this Agreement, whichever comes first, to County's Mental Health Director or designee, a written Final Activity Report which shall include, but not be limited to, an evaluation of the quantity, quality, and impact of the work undertaken in conducting services provided under this Agreement.

Contractor agrees to furnish professional personnel in accordance with the regulations, including any future changes or amendments thereto, issued by the State Department of Mental Health or the County Mental Health Director. Contractor shall operate continuously throughout the term of this Agreement with at least the minimum staff required by Code for provision of services hereunder. Such personnel shall be qualified in accordance with all applicable requirements of Code and any amendments thereto. Contractor agrees to make available to County on request a list of persons by name, title, professional degree, State license number (if applicable), and experience who are to provide such services.

Cultural
Competency:

Contractor shall be responsible for using applicable staff resources to provide bilingual/bicultural services. The Contractor shall be responsible for providing services to non-English speaking clients in their own language. The Contractor shall be responsible for providing services that incorporate the cultural background of the client. This requirement takes into consideration the language, family structure, religion, and belief system of the client.

Records of Service:

Records of services provided by the various professional disciplines shall also contain all of the data necessary in reporting to the State Department of Mental Health and, in addition, such other records as may be required by the County Mental Health Director on forms that the Director may prescribe. All clinical records will conform to Medi-Cal requirements and standards.

Confidentiality of client records shall be assured in accordance with the provisions of Welfare and Institutions Code Section 5328.

Discharge Planning: Discharge planning is the joint responsibility of Contractor staff and the appropriate County staff responsible for placement in the program. Discharge planning is initiated at the time of admission and continues throughout the child's stay. Contractor staff will coordinate work with the family/primary caregiver, County staff, and other appropriate parties. Discharge plans and goals will be documented in the child's record at admission and updated at least quarterly. Program records shall provide documentation supporting the rationale for discharge and details of the disposition. Discharge summaries will routinely be provided by the Contractor to the County Contract Officer and placement staff within thirty (30) days.

In the event of unanticipated discharge, Contractor shall give notice to the child's family and County placement staff prior to the actual discharge. Facility shall attempt to assist the County and family/primary caregiver in an orderly transfer, providing notice of impending discharge in advance if possible.

**Coordination of
Services with
County:**

The County designated Contract Administrator will be the primary liaison between the County and Contractor for the purpose of administering this Agreement. Programmatic, child-specific coordination will occur between County placement staff and Contractor.

**Quality Assurance
And Utilization
Review:**

Contractor shall comply with policies established by the County Quality Management Plan, including utilization controls, and State Department of Mental Health Letters and Notices, as well as Sections 5777(g) and 5778(n) of the Welfare and Institutions Code and regulations adopted pursuant thereto.

Evaluation:

Contractor shall provide County with a complete description of the methodology and procedure used to evaluate its programs. Contractor shall participate in the State Department of Health mandated Children's Performance Outcomes System, the County Children's System of Care evaluation program and other County evaluation activities deemed necessary by the County Mental Health Director.

Compensation: All Services provided by Contractor shall have prior written authorization by the County Mental Health Director or designee. All compensation for Medi-Cal services shall be based on actual costs as determined by the Contractor yearly cost report and shall not exceed the Statewide Maximum Allowable (SMA) rate as determined by the State Department of Mental Health.

Provisional Rates:

County shall pay Contractor the provisional rates for the following services:

Mental Health Medication Support Services

*Day Rehabilitation, full day

Day Treatment Intensive, full day

Therapeutic Behavioral Services (TBS)

- * There may be times when County authorizes its client to receive intensive day treatment services and later authorizes the same client to receive rehabilitative day treatment services. Contractor provides only a full day intensive day treatment program. As directed by the Mental Health Department, when an MHP determines a beneficiary meets medical necessity for day rehabilitation and no day rehabilitation program is reasonably available to the beneficiary, an MHP may determine that those service needs could be met through a program certified as day treatment intensive. Services would be authorized and reimbursed as day rehabilitation. In such cases units of service shall be reported by Contractor to County as rehabilitative units for billing purposes.

Daily rates for FY 08/09:

Redding Program	\$180.00 per day
Stockton Program	\$180.00 per day
Santa Rosa Program (deaf clients)	\$237.00 per day
San Bernardino, Riverside, Santa Rosa Program (hearing clients)	\$180.00 per day

EXHIBIT "B"

VICTOR TREATMENT CENTERS GENERAL PROGRAM DESCRIPTION

Purpose, Methods, and Goals

Victor Treatment Centers provides an intensive residential treatment program for seriously emotionally disturbed children and adolescents in the least restrictive environment possible. Full Day Intensive Day Treatment (5 days/week following the school calendar) and Medication Support Services are offered to all clients attending our non public school.

Our residential treatment program offers a high staff to client ratio in a home-like atmosphere. Each residential facility is staffed exceeding Community Care requirements and in addition to the awake night staff, the residential programs have staff who float between facilities to add additional support. Each residential unit is limited in number to insure a non-institutional environment.

It is within the residential unit that our clients learn daily living skills in a cooperative environment. Staff and clients together work as a team to practice the essentials of positive social relationships.

Our highly trained interdisciplinary team of psychiatrists, licensed clinical staff, and residential counselors follow an individualized treatment plan to assure each child an opportunity to have a successful experience.

Services provided include; intensive supervision, intensive behavior management program, positive behavioral reinforcement and intensive treatment planning.

Individual, group and family therapy is made available within the structure of the residential program as well as the day treatment program.

Victor's residential program is specifically designed to encourage community involvement, personal health and safety education, leisure skills training and independent living skills.

All children referred to Victor Treatment Center are first screened by an interagency screening committee or IEP team to establish eligibility as Severely Emotionally Disturbed. The individual is then assessed by a Victor mental health professional, through application and personal interview.

Several assessments are made at intake. A psychosocial assessment is made to determine the social needs of the child. A psychiatric evaluation is completed to assess the current need for psychotropic medication. An educational assessment is completed within the

school environment to assess the special education needs. When necessary a psychological evaluation is completed. As a result of these assessments and evaluations a comprehensive treatment plan is developed.

Treatment intervention is provided through an established behavioral reinforcement system that is integrated into all elements of the child's treatment including residential, school and day treatment.

The treatment plan is reviewed, evaluated, and renewed at least every 90 days. This review is completed by an interdisciplinary team consisting of the psychiatrist, residential staff, clinical staff, education staff, parents and placement officials.

Planned Activities/Use of Community Resources

Each individual is involved in social and recreational activities as an integral part of the treatment program. The day treatment program integrates social skills training with socialization activities as part of the day treatment day. The Non-Public School includes physical education as part of the daily curriculum.

After school activities include recreation and leisure time activities such as team sports, individual sports, table games and community outings. Community resources are utilized including informal recreation programs, libraries, and church youth groups. Outings include camping, backpacking, and out-of-town excursions, etc.

Off-site recreation and socialization activities are geared for the specific population. Each individual is judged based on their ability to control their own impulses and follow staff direction to determine eligibility for involvement.

Many individuals referred to Victor Treatment Centers have been previously assessed for Special Education. The individuals who are not currently on an IEP are assessed by the school study team. Most individuals determined to be eligible for special education services at a non-public school are enrolled in North Valley School, the "on-grounds school." The final determination for school attendance lies with the IEP team. All students are considered, on an ongoing basis, for mainstream to the public education system.

Special Services/Programs Offered

Deaf and Hard of Hearing Program (Santa Rosa only)

Supplemental services are available for the deaf and hard of hearing youth, including a full-signing environment, a wide variety of communication methods, fully certified contracted interpreters, state of the art communication equipment, i.e. TDD, telephone amplifiers, and closed-caption devices.

Equine Therapy (Redding & Stockton only)

The mission of the Horse Program is to take advantage of the healing power of nature and the kinesthetic metaphor presented by human-animal interaction in order to restore trust, balance, self-esteem, and build confidence in it's clients.

There are two separate components to the Horse Program. *Horse group* is offered clients during day treatment hours with a combination of community clients and residential clients. *Horse Club* is then offered after school to the residential clients only. Horse Club is offered three afternoons a week to three houses at a time. Both components deal with therapeutic issues and referrals are made by the client's therapist or the Director of Student Services at North Valley School.

Medical/Dental

Each program has a professional relationship established with medical and dental professionals in the community. Each program has one staff available that is responsible for assuring initial and follow-up appointments are scheduled and coordinating transportation to those appointments.

Clients are assisted in the self-administration of medication. All staff is trained in the passing of medication.

Each client has consent for medical treatment, signed by their authorized representative, in their case file.

Each facility has posted in a prominent place the name and telephones number of the emergency medical care and dental care provider.

Psychiatric emergencies are handled through local contract and/or agreement.

Discharge/Removal

Discharge Planning is an integral part of the treatment planning process. Each individual is aware of their specific goals of treatment and objectives by which eligibility for discharge is established. These objectives are generalized to the population in that each individual is aware of their standings within the common level system. However, the objectives are individualized for each client based on their specific circumstances and treatment needs.

The individual, parent (when appropriate) and authorized representative are an integral part of the discharge planning process.

Criteria considered to be eligible for discharge include:

- 1) attainment of the highest level of functioning for the individual
- 2) completion of the service plan
- 3) mainstream to public school
- 4) ability to complete progressively more challenging individual contracts
- 5) ability to actively participate in community activities
- 6) attainment of majority status (legal adult)
- 7) inability to utilize and participate or make any commitment to the program
- 8) repeated behavior that puts self or others in a dangerous situation

In the case of #7 and/or #8 the authorized representative is given at least a seven-day notice of discharge. In most cases this follows numerous attempts, in collaboration with the authorized representative, to resolve the problem.

Emergency Discharge

Emergency discharge shall occur when the individual is found to be a danger to themselves or others. This discharge is usually to an inpatient hospital or juvenile hall. In most cases the authorized representative is notified in advance of the pending problem and possible discharge. In cases of extreme emergency the individual is removed in advance of notification of the authorized representative.

Visitation Rules and Policy

Victor Treatment Centers encourages family involvement in the treatment of all clients. However, many of our clients have had a long history of familial conflict. Coordination of family contact and visitation is a significant treatment plan issue. Family contact is coordinated with the authorized representative and the family. Visits are coordinated, by social work staff, on an individual basis with the family. Many times family visits begin on the grounds of the program with social work staff in attendance and gradually work toward overnight home visits. This progression is individualized for each client. The long-term goal is to work toward long home visits over school holidays.

Visiting hours are available each evening and are generally scheduled in advance. However, unannounced visits are allowed, but not encouraged, given the vulnerability of our clientele. Victor is committed toward family reunification and will work with any family member indicated by the authorized representative.

Overnight visits with other relatives and friends are only allowed when initiated by the authorized representative. The authorized representative must approve all visitors.

Visitation allowances and limitations shall be designated in the needs and services plan.

House Rules

All persons associated with Victor Treatment Centers, Inc. have the right to be treated with dignity and respect at all times. This includes clients, staff, and all visitors.

Therefore the following will not be tolerated:

1. Violent behavior towards yourself, others or property.
2. Drugs, cigarettes, alcohol, and contraband possession.
3. Sexual activity between residents of the house and staff and/or visitors.
4. Dating other children in placement.
5. Disrespect towards one's culture, religion, or nationality.
6. Use of abusive or threatening language.
7. Being in possession on knives, razor blades, any sharp object having the potential to cause injury, lighters, matches, lighter fluid, aerosol cans, paint, glue or any other potentially dangerous items.
8. Being in the staff office without permission.

It is expected that the following will be followed:

1. Completing all assigned homework.
2. Laundry as determined by the house laundry schedule.
3. Dress code for both staff and clients.
4. Respect for the use of all entertainment equipment. The use of the equipment will be determined by the Program behavioral system.

Children's Complaint/ Grievance Procedures

Grievance Procedures shall be presented to be signed by the client and authorized representative at the time of intake. A copy shall be maintained in the client file. A copy of the grievance procedure shall be posted in a prominent location within the facility.

Handling Children's Funds, Allowances, and Salaries

Clients of Victor Treatment Centers are encouraged to not bring or maintain in the facility personal belongings of value. For those clients who have no other source of secure storage with family members or others, Victor Treatment Center provides a locked area for the storage of personal belongings. An accurate inventory of the belongings shall be maintained at all times and signed by the client.

Chores

Clients are expected to complete household chores commensurate with their age and ability. Chores may include making their bed, maintaining their bedroom, and community living quarters in an orderly fashion, vacuuming, sweeping, mopping, and dusting the facility.

Nutrition/Sample Menu

Menus are written one week in advance and copies of the menus as served shall be dated and kept on file for at least 30 days. Menus are utilized on a rotation basis and are repeated monthly. Modified menus are available as medical necessity dictates.

Clothing and Incidentals

Victor Treatment Centers, Inc. ensures residents are supplied with and maintain an adequate amount of clothing. When a resident is placed at Victor a request is submitted to the placing worker for a clothing allowance. If the resident is in need of clothing before a clothing allowance is received, VTC will purchase the clothing items needed. Requests for clothing are all approved by the Executive Director or Assistant Executive Director. Upon approval, a Purchase Order will be issued to the house staff for the resident. After the clothing has been purchased, the resident must initial the store receipt for the clothing, indicating he/she received the clothes and house staff will enter the new clothing descriptions on the resident's clothing log (which is kept in their file).

Victor Treatment Centers, Inc. ensures residents are supplied with personal hygiene items, such as shampoo and deodorant. Each facility is budgeted for hygiene items, which are purchased by house staff on a weekly basis. Receipts are reviewed by the Bookkeeper on a weekly basis. Residents' hygiene items are kept in plastic bins, which are locked when residents are not actively using these items for safety purposes.