

**ORIGINAL**

Agreement for Services 010-S1711

AGREEMENT FOR SERVICES #010-S1711  
Adult Inpatient/Residential Treatment Services

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**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 Crestwood Behavioral Health, Inc., a Delaware corporation, duly qualified to conduct business in the State of California, whose principal place of business is 520 Capitol Mall, Suite 800, Sacramento, CA 95814 (mailing: PO Box 980966, West Sacramento, CA 95798-0966) (hereinafter referred to as "Contractor"), and whose Agent for Service of Process is Maria Stefanou, 520 Capitol Mall, Suite 800, Sacramento, California, 95814.

**RECITALS**

**WHEREAS**, County has determined that it is necessary to obtain a Contractor to provide long term twenty-four (24) hour program and facilities for mentally ill adults (hereinafter referred to as "Client" or "Clients") on an "as requested" basis for the County of El Dorado Health and Human Services Agency, Mental Health Division; and

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

**WHEREAS**, 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:**

- A. Contractor acknowledges that this Agreement is funded in whole or in part with funds from the State of California and the Federal Government.
- B. Contractor agrees that services provided shall be in accordance with all governing regulations or requirements herein this Agreement, which shall have the meaning as they are currently interpreted, or as may be amended during the term of this Agreement.
- C. Contractor agrees to furnish licensed facilities, personnel, and services necessary to provide long-term, twenty-four hour programs and facilities for Clients, ages 18 to 64 years on an “as requested” basis for the Health and Human Services Agency (“HHS”). Such services provided shall be in accordance with all applicable provisions of Title 9 of the California Code of Regulations (“CCR”); Title 22 CCR including Sections 72443-72475; Welfare and Institutions Code, Division 5, commencing with Section 5000.
- D. Facilities available to County shall include:

Community Care Center (“CCC”)	Shall be licensed by the California Department of Social Services
Mental Health Rehabilitation Center (“MHRC”)	Shall be licensed by the California Department of Health Care Services. Services shall be provided in accordance with Title 9, CCR Chapter 3.5
Skilled Nursing Facility (“SNF”)	Shall be licensed by the State of California Department of Public Health
Skilled Nursing Facility with Special Treatment Program	These facilities require both a license with the California Department of Public Health as a SNF, and certification as a Special Treatment Program by the California Department of Health Care Services.
Special Treatment Program (“STP”)	STPs are designed to serve clients who have a chronic psychiatric impairment and whose adaptive functioning is moderately impaired. These clients require continuous supervision and may be expected to benefit from an active rehabilitation program designed to improve their adaptive functioning or prevent any further deterioration of their adaptive functioning. Services are provided to individuals having special needs or deficits in one or more of the following areas: self-help skills; behavioral adjustment; interpersonal relations; pre-vocation preparation; and alternative placement planning. Shall be licensed by the California Department of Health Care Services.
Institute for Mental Disease (“IMD”)	Pursuant to California Department of Mental Health Letter 10-02 dated February 1, 2010 (attached hereto as Exhibit C, and incorporated by reference herein,) “IMDs in California generally include facilities in the following licensing categories, <i>if the facility has more than 16 beds</i> (italics added): Acute psychiatric hospitals; psychiatric health facilities; skilled nursing facilities with a certified special treatment program for the mentally disordered; and mental health rehabilitation centers.”

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Psychiatric Health Facility (“PHF”)	Shall be licensed by the State of California Department of Public Health. All services provided shall be in accordance with Title 9, CCR Chapter 9.
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E. Services:

1. Basic services include reasonable access to required medical treatment; up-to-date psychopharmacology; transportation to needed off-site services; and bilingual/bicultural programs.
2. Basic services specific to IMD’s consist of usual and customary SNF services plus those services that are included in STPs as contained in Title 22 CCR, Sections 72443-72475.
3. STPs are designed to serve clients who have a chronic psychiatric impairment and whose adaptive functioning is moderately impaired. These clients require continuous supervision and may be expected to benefit from an active rehabilitation program designed to improve their adaptive functioning or prevent any further deterioration of their adaptive functioning. Services are provided to individuals having special needs or deficits in one or more of the following areas: self-help skills, behavioral adjustment, interpersonal relationships, pre-vocational preparation, and alternative placement planning.
4. Enhanced services consist of specialized program services that augment the services of STPs. Enhanced services are designed to serve clients who have a sub-acute psychiatric impairment and/or whose adaptive functioning is severely impaired.

F. Client Eligibility: Patients served under this Agreement must be age eighteen (18) years or older, and eligible for mental health services in conformance with all applicable Federal and State statutes.

G. Referral for admission to facility: Clients must be referred by the Health and Human Services Agency Mental Health Division or Public Guardian (“HHS”) (with a Lanterman-Petris-Short conservatorship). Referrals for admission to Contractor’s facility must be approved by Contractor’s on-duty physician. Contractor shall not be required to accept referrals if it determined that there is insufficient bed capacity. Contractor shall not be required to accept referrals for treatment of individuals housed in jail, or other penal institutions. Contractor reserves the right to deny any referral at the sole discretion of the on-duty physician or clinical director.

H. Contractor shall notify County when a Client is transferred off site to an acute care hospital for medical treatment. Contractor’s timely notification to County is critical for County to prevent inappropriate claiming of State General Fund (“SGF”) and Federal Financial Participation (“FFP”) for ancillary medical services to Medi-Cal beneficiaries residing in facilities subject to the IMD exclusion.

I. Service Plan: The Contractor and County shall co-develop a service plan for each Client consistent with treatment goals identified in the client’s LPS treatment plan within thirty (30) days of admission, utilizing treatment resources available to Contractor.

J. Contractor shall adhere to the terms and conditions of this Agreement, and it is expressly understood and agreed between the parties hereto that County shall not authorize payment if Contractor fails to do so. County may provide retroactive authorization when special circumstances exist, as determined by the HHS Director or Director’s designee.

K. Outcome Reporting: Contractor shall submit annual Client outcome information to County within sixty (60) days of fiscal year end. Outcome data will be based upon functional

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improvement of the Client. Functional improvement will be measured by the disposition of the Client at discharge. A discharge to a lower level of care indicates a positive outcome by the Client's successful completion and transition from the Contractor's program to a more independent living environment. Upon request of the County, Contractor shall provide an annual evaluation and conservatorship letter, signed by a physician or psychologist, for any Client.

- L. Contractor shall provide the County (Mental Health Case Manager and Deputy Public Guardian) quarterly progress reports, summarizing the clients overall progress to individual treatment goals, medication compliance, engagement in treatment, etc. Quarterly reports must be received within fifteen (15) days after the completion of each quarter (i.e., April 15<sup>th</sup>, July 15<sup>th</sup>, Oct 15<sup>th</sup>, and Jan 15<sup>th</sup>) or upon special request.
- M. Contractor shall maintain records relating to program implementation, financial, and related data and information on the activities conducted hereunder. Contractor agrees to furnish records for County review, upon request.

### County Responsibilities:

- A. County shall refer Clients to Contractor in accordance with agreed-upon processes.
- B. County shall participate with Contractor in the co-development of a Service Plan for each Client within thirty (30) days of admission.
- C. County shall provide a Bed Hold Authorization form, attached hereto as Exhibit A and incorporated by reference herein, each time a Client is absent from the Contractor's facility and requires that a bed be kept available for their return.
- D. County shall evaluate Contractor's performance under this Agreement after the completion of this Agreement. County shall maintain a copy of all written evaluations in the Contractor's contract file. The County's determination as to satisfactory work shall be final absent fraud, mistake, or arbitrariness.

## ARTICLE II

**Term:** This Agreement shall become effective upon final execution by both parties hereto and shall cover the period of July 1, 2016 through June 30, 2019, unless terminated earlier pursuant to provisions the Articles herein titled "Fiscal Consideration" and "Default, Termination and Cancellation."

## ARTICLE III

### Compensation for Services:

- A. Rates: As per Section 5912 of the Welfare and Institutions Code amended by Assembly Bill 1054(a), as long as contracts require institutions for mental disease to continue to be licensed and certified as skilled nursing facilities by the State Department of Mental Health, they shall be reimbursed for basic services at the rate established by the State Department of Health Care Services. Rates will be effective annually, on July 1, at the percentage increase established by the State Department of Health Care Services. Notice of rate changes shall be submitted, in writing, to the address noted in the Article titled, "Notice to Parties." Said notice shall be provided at least thirty (30) days in advance of a rate change. Upon County of

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El Dorado’s Health and Human Services Agency’s written confirmation of receipt of the rate change, the revised rates shall be incorporated by reference as if fully set forth herein.

Term	Compensation
July 1, 2016 – June 30, 2017	\$ 1,000,000.
July 1, 2017 – June 30, 2018	\$ 1,000,000.
July 1, 2018 – June 30, 2019	\$ 1,000,000.
Maximum Compensation	\$ 3,000,000.

- B. It is expressly understood and agreed between the parties hereto that the County shall make no payment for County Clients and have no obligation to make payment to Contractor unless the services provided by Contractor hereunder received prior written authorization from the Health and Human Services Agency Director, or designee. It is further agreed that County shall make no payments for services unless Contractor has provided County with evidence of insurance as outlined in the Article titled “Insurance” hereof. County may provide retroactive authorization when special circumstances exist, as determined by the Health and Human Services Agency Director, or designee.
- C. For Clients who receive Supplemental Security Income (“SSI”) benefits or have sufficient alternative income, Client/Client’s payee may be required to pay a residential share of cost to Contractor. For Clients who do not receive SSI benefits and do not have other income, County may be required to pay the residential share of cost until the Client begins to receive SSI benefits or income from an alternative source. At that time, the responsibility for this additional payment will return to the Client/Client’s payee. Should retroactive SSI benefits or other income be received on behalf of Client for any period during which County paid this residential share of cost, County will be reimbursed for such payments, to the extent funds are available. County may provide retroactive authorization when special circumstances exist, as determined by the Health and Human Services Agency Director, or designee.
- D. Bed Holds: Holding a bed while a Client is absent from the facility shall require written pre-authorization by the County Contract Administrator in the form of a Bed Hold Authorization form (Exhibit A). Bed holds shall be paid at the same rate (may be adjusted by Contractor for meals) as if the Client were present at the facility, as established in Exhibit B, “Rate Schedule.” In the event a bed hold exceeds fourteen (14) days, further authorization requires the approval of the HHSA Director or designee.
- E. It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the terms and conditions of this Agreement. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in the Article titled “Insurance” of this Agreement. County may provide retroactive authorization when special circumstances exist, as determined by the County’s Director of the Health and Human Services Agency, or Director’s designee.
- F. Invoices/Remittances: Contractor shall submit monthly invoices no later than thirty (30) days following the end of a “service month” except in those instances where Contractor obtains written approval from County’s Director of the Health and Human Services Agency or

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Director’s designee granting an extension of the time to complete billing for services or expenses. For billing purposes, a “service month” shall be defined as a calendar month during which Contractor provides services in accordance with the Article titled “Scope of Services.” Invoices shall be submitted along with supporting documentation including units of service by individual client served, dates of service detail for each client, and facility at which services were provided, for review and authorization.

Invoices/Remittance shall be addressed as indicated in the table below or to such other location as County or Contractor may direct per the Article titled “Notice to Parties.”

Mail invoices to:	Mail remittance to:
Health & Human Services Agency – Health Services 3057 Briw Road, Suite B Placerville, CA 95667 Attn: Fiscal Unit	Crestwood Behavioral Health, Inc. P.O. Box 980966 West Sacramento, CA 95798-0966

For services provided herein, County agrees to pay Contractor monthly in arrears and within forty-five (45) days following the County’s receipt and approval of itemized invoice(s) identifying services rendered, except as set forth in paragraph “Other Fiscal Provisions” and paragraph “Client Billing” herein.

In the event that Contractor fails to deliver the documents or other deliverables required by the individual Work Orders issued pursuant to this Agreement, County at its sole option may delay the monthly payment for the period of time of the delay, cease all payments until such time as the deliverables are received, or proceed as set forth herein below in Article XVIII, Default, Termination, and Cancellation.

**ARTICLE IV**

**Maximum Obligation:** The maximum contractual obligation of the County under this Agreement shall not exceed \$3,000,000. for all of the stated services during the term of the Agreement.

**ARTICLE IV**

**Taxes:** Contractor certifies that as of today’s date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

**ARTICLE V**

**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 VI**

**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 VII**

**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 VIII**

**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 subcontractors, 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 IX**

**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.

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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 X**

**Audit by California State Auditor:** Contractor acknowledges that if total compensation under this agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code §8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books, records and documentation necessary to demonstrate performance under the Agreement.

**ARTICLE XI**

**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



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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 XII**

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

COUNTY OF EL DORADO  
Health and Human Services Agency  
3057 Briw Road  
Placerville, CA 95667  
ATTN: Contracts Unit

or to such other location as the County directs.

with a carbon copy to

COUNTY OF EL DORADO  
Chief Administrative Office  
Procurement and Contracts Division  
360 Fair Lane  
Placerville, CA 95667  
ATTN: Purchasing Agent

Notices to Contractor shall be addressed as follows:

Crestwood Behavioral Health, Inc.  
520 Capital Mall, Suite 800  
Sacramento, CA 95814  
ATTN: George Lytal, President and Chief Executive Officer, or Successor

or to such other location as the Contractor directs.

**ARTICLE XIII**

**Change of Address:** In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing pursuant to the provisions contained in this Agreement under the Article titled "Notice to Parties". Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall

be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

#### **ARTICLE XIV**

**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 attorney's 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.

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

#### **ARTICLE XV**

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

- A. Full Worker's Compensation and Employer's 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 and a \$2,000,000.00 aggregate limit.
- 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.

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- D. In the event Contractor is a licensed professional or professional consultant, and is performing professional services under this Agreement, professional liability 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 County of El Dorado 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 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 prior written notice to County, and;
  - 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured on an additional insured endorsement, 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 in 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.

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- 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 protection of the County.

**ARTICLE XVI**

**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 XVII**

**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 XVIII**

**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 XIX**

### **Nondiscrimination:**

- A. County may require Contractor's services on projects involving funding from various state and/or federal agencies, and as a consequence, Contractor shall comply with all applicable nondiscrimination statutes and regulations during the performance of this Agreement including but not limited to the following: Contractor and its employees and representatives shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age, or sex; Contractor shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 7285.0 et seq.); the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations incorporated into this Agreement by reference and made a part hereof as if set forth in full; and Title VI of the Civil Rights Act of 1964, as amended. Contractor and its employees and representatives shall give written notice of their obligations under this clause as required by law.
- B. Where applicable, Contractor shall include these nondiscrimination and compliance provisions in any of its agreements that affect or are related to the services performed herein.
- C. Contractor's signature shall provide any certifications necessary under the federal laws, the laws of the State of California, including but not limited to Government Code Section 12990 and Title 2, California Code of Regulations, Section 8103.

## **ARTICLE XX**

**California Residency (Form 590):** If Contractor is a California resident, Contractors must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has 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 XXI**

**Nonresident Withholding:** If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized

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reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00. Contractor shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

**ARTICLE XXII**

**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 XXIII**

**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 XXIV**

**Licenses:** Contractor hereby represents and warrants that Contractor and any of its subcontractors employed under this Agreement has all the applicable licenses, permits, and certifications that are legally required for Contractor and its subcontractors to practice its profession or provide the services or work contemplated under this Agreement in the State of California. Contractor and its subcontractors shall obtain or maintain said applicable licenses, permits, or certificates in good standing throughout the term of this Agreement.

**ARTICLE XXV**

**Administrator:** The County Officer or employee with responsibility for administering this Agreement is Patricia Charles-Heathers, Assistant Director Health Services, or successor.

**ARTICLE XXVI**

**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 XXVII**

**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 XXIX**

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

**ARTICLE XXX**


**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.

**Requesting Contract Administrator Concurrence:**

By:   
Patricia Charles-Heathers  
Assistant Director Health Services  
Health and Human Services Agency

Dated: 3-24-16

**Requesting Department Head Concurrence:**

By:   
Don Ashton, M.P.A.  
Director  
Health and Human Services Agency

Dated: 3-24-2016

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Agreement for Services 010-S1711

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.

-- COUNTY OF EL DORADO --

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

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

Ron Mikulaco, Chair  
Board of Supervisors  
"County"

ATTEST:

James S. Mitrisin  
Clerk of the Board of Supervisors

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

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

-- CONTRACTOR --

CRESTWOOD BEHAVIORAL HEALTH, INC.  
A DELAWARE CORPORATION

By:  \_\_\_\_\_ Dated: 3/31/2016  
George C. Lytal, President and Chief Executive Officer  
"Contractor"

By:  \_\_\_\_\_ Dated: 3/30/16  
Gary L. Zeyen, Controller

lkw



**Exhibit A**

**COUNTY OF EL DORADO  
HEALTH AND HUMAN SERVICES AGENCY  
MENTAL HEALTH DIVISION**

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**BED HOLD AUTHORIZATION**

Resident: \_\_\_\_\_

Reason for Absence from Facility:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I, \_\_\_\_\_, authorized representative for County of El Dorado Health and Human Services Agency, Mental Health Division do hereby authorize Contractor to hold the bed of the resident noted above while he/she is away from the facility. Holding the bed is guaranteeing the board and care payment to Contractor for the duration of the client's absence or until notice of discharge.

By: \_\_\_\_\_  
Authorized Representative

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

---

Public Guardian / Payee:

Resident: \_\_\_\_\_

Reason for Absence from Facility:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I, \_\_\_\_\_, do hereby authorize Contractor to hold the bed of the resident noted above while he/she is away from the facility. Holding the bed is guaranteeing the board and care payment to Contractor for the duration of the client's absence or until notice of discharge.

By: \_\_\_\_\_  
Public Guardian / Payee

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

Exhibit B - Rate Schedule

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

07/01/2016

**TOTAL WITH ENHANCED SERVICES**

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

**IMD 18-64**

**BASIC    ENHANCED    TOTAL**

CRESTWOOD WELLNESS AND RECOVERY CTR-REDDING

198.82	21.00	219.82
198.82	42.00	240.82
198.82	53.00	251.82
198.82	105.00	303.82

Exhibit B - Rate Schedule

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

07/01/2016

**TOTAL WITH ENHANCED SERVICES**

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

**NON IMD 18-64**

STOCKTON			32.00	32.00
			34.00	34.00
			53.00	53.00
			79.00	79.00
			105.00	105.00
SUB ACUTE				NEGOTIABLE
	NON MEDI CAL	****		
MODESTO			37.00	37.00
			53.00	53.00
			79.00	79.00
			105.00	105.00
SUB ACUTE				NEGOTIABLE
	NON MEDI CAL	****		
FREMONT GTC	NON MEDI CAL	****	124.00	
	NEURO-BEHAV		124.00	124.00
	CONVERSION(REQUIRES PRIV ROOM)			270.20
CRESTWOOD MANOR	FREMONT		0.00	29.00
			0.00	53.00
				84.00
				124.00

\*\*\*\* Current Medi-cal rate

Exhibit B - Rate Schedule

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

07/01/2016

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

**MENTAL HEALTH REHAB CENTERS**

SACRAMENTO	MHRC		212.00	
	SUB ACUTE		256.00	
SAN JOSE			253.00	
	PREGNANT		264.00	
VALLEJO	LEVEL 1		313.00	
	LEVEL 2		266.00	
	LEVEL 3		236.00	
	LEVEL 4		221.00	
ANGWIN	LEVEL 1		303.00	
	LEVEL 2		242.00	
	LEVEL 3		197.00	
BAKERSFIELD	LEVEL 1		256.00	
	LEVEL 2		568.00	
EUREKA			267.00	
SAN DIEGO	LEVEL 1		362.00	
	LEVEL 2		310.00	
	LEVEL 3		259.00	
	BED HOLD		254.00	
CHULA VISTA	LEVEL 1		362.00	
	LEVEL 2		310.00	
	LEVEL 3		259.00	
	BED HOLD		254.00	
		7/1/2016		1/1/2017
KINGSBURG	LEVEL 1	400.00		362.00
	LEVEL 2	350.00		310.00
	LEVEL 3	300.00		259.00
	BED HOLD	250.00		254.00

Exhibit B - Rate Schedule

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

07/01/2016

The following rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.

**PSYCHIATRIC HEALTH FACILITIES**

SACRAMENTO	817.61
SAN JOSE	960.00
INDIGENT	1,069.00
SOLANO	845.00
KERN	937.00
AMERICAN RIVER	811.13

Exhibit B - Rate Schedule

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

07/01/2016

**COMMUNITY CARE CENTERS**

BRIDGEHOUSE(EUREKA) RCFE PATHWAY	Negotiated 168.00
OUR HOUSE	110.00
BRIDGE(KERN)	176.00
AMERICAN RIVER RESIDENTIAL	116.00
PLEASANT HILL BRIDGE	116.00
PLEASANT HILL PATHWAYS	171.00
FRESNO	176.00
VALLEJO RCFE	121.00

Exhibit B - Rate Schedule

**CRESTWOOD BEHAVIORAL HEALTH, INC.**

07/01/2016

**GEROPSYCH 65+**

	ENHANCED	TOTAL
STOCKTON	0	0.00
	21.00	21.00
	53.00	53.00
	SPECIAL	
VALLEJO	0	0.00
	21.00	21.00
	53.00	53.00
	SPECIAL	
MODESTO	0	0.00
	21.00	21.00
	53.00	53.00
	SPECIAL	
REDDING GTC	0	0.00
	21.00	21.00
	53.00	53.00
	SPECIAL	
CRESTWOOD MANOR-FREMONT	0.00	0.00
	21.00	21.00
	29.00	29.00
	53.00	53.00

Exhibit B - Rate Schedule

**HELIOS HEALTHCARE, LLC**

07/01/2016

**IDYLWOOD CARE CTR**

	105.00	105.00
NEURO-BEHAV- LOCKED	124.00	124.00
	150.00	150.00
CONVERSION(REQUIRES PRIV ROOM)		270.20

**The above rates include room and board, nursing care, special treatment program services, activity program, OTC medications, dietary, etc. Physician services, pharmacy and other ancillary medical services are not included in the per diem rate and are separately billable in accordance with Title 22, CCR, section 51511 C.**





CALIFORNIA DEPARTMENT OF  
**Mental Health**

1600 9th Street, Sacramento, CA 95814  
 (916) 654-2309

February 1, 2010

DMH LETTER: 10-02

TO: LOCAL MENTAL HEALTH DIRECTORS  
 LOCAL MENTAL HEALTH PROGRAM CHIEFS  
 LOCAL MENTAL HEALTH ADMINISTRATORS  
 COUNTY ADMINISTRATIVE OFFICERS  
 CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: MEDI-CAL COVERAGE AND CLAIMING FOR BENEFICIARIES IN  
 INSTITUTIONS FOR MENTAL DISEASES

REFERENCE: DMH LETTER NO.: 98-03, DMH LETTER NO.: 02-06, and  
 DMH LETTER NO.: 06-04

This Department of Mental Health (DMH) letter updates prior DMH communications related to the requirement that no State General Funds (SGF) nor Federal Financial Participation (FFP) be expended for services and treatment to Medi-Cal beneficiaries who are residents of institutions for mental diseases (IMDs) and who are 21 years of age and older and under 65 years of age (known as the "IMD exclusion"). This letter also reiterates that Welfare and Institutions (W&I) Code section 14053.3, in conjunction with section 14053(b)(3), requires DMH to recover SGF and FFP paid for ancillary services provided at the time that a Medi-Cal beneficiary is a resident of an IMD and subject to the IMD exclusion, in accordance with applicable state and federal statutes and regulations, as referenced below. In order to prevent claiming of SGF and FFP for Medi-Cal beneficiaries residing in an IMD per the IMD exclusion, the Department of Health Care Services (DHCS) has directed Medi-Cal providers to bill the county of responsibility for the beneficiary, as reflected in the Medi-Cal Eligibility Data System (MEDS). Attachment 1 is the Provider Bulletin titled Medical Ancillary Services Billing Procedures Update, which was sent by DHCS to all Medi-Cal providers on June 30, 2009.

Inappropriate Claiming of FFP for Services Provided in IMDs

In accordance with Title 42 United States Code section 1396d(a)(28)(B), Title 42, Code of Federal Regulations, sections 435.1009, 435.1010, 441.13 and 436.1005; W&I Code sections 14053(b)(3) and 14053.3, California Code of Regulations (CCR), title 22, section 50273, and CCR, title 9, sections 1840.210 and 1840.312, neither SGF nor FFP reimbursement is available for services for adults (individuals who are 21 years of age or older, and under 65 years of age) residing in IMDs. See Attachment 2 for the text of the cited statutes and regulations.

As guidance on this matter, the Federal Centers for Medicare and Medicaid Services (CMS) issued sections 4390 and 4390.1 of the State Medicaid Manual (Attachment 3). Each Mental Health Plan (MHP) should carefully review the applicable federal and state laws, regulations and guidelines and implement and enforce effective policies and procedures to prevent inappropriate claiming of SGF and FFP for services to Medi-Cal beneficiaries residing in IMDs

DMH LETTER NO.: 10-02  
February 1, 2010  
Page 2

subject to the IMD exclusion. IMDs in California generally include facilities in the following licensing categories, if the facility has more than 16 beds: acute psychiatric hospitals; psychiatric health facilities (PHFs); skilled nursing facilities (SNFs) with a certified special treatment program for the mentally disordered (STPs); and mental health rehabilitation centers (MHRCs).

MHPs must not submit claims to the State for specialty mental health services or other services provided to Medi-Cal beneficiaries subject to the IMD exclusion. Providers outside the MHPs must not submit claims for other mental health, medical or ancillary services provided to Medi-Cal beneficiaries subject to the IMD exclusion. Inappropriate claiming of SGF or FFP must not occur, whether through the Short-Doyle/Medi-Cal (SD/MC) claiming system or through the Medi-Cal fiscal intermediary (FI) claims processing system. Improper claiming and/or failure to establish adequate procedures to prevent inappropriate claiming of SGF or FFP will result in disallowances and/or compliance actions and other oversight activities, reviews, actions and proceedings available to the State (including but not limited to CCR, title 9, sections 1810.380 and 1810.385) and to the federal government.

MHP Obligations for Client and Services Information (CSI) Reporting When Clients Enter and Exit IMDs

MHPs must submit updated Client, Service, and Periodic record information through the CSI System to DMH for clients in IMDs when the MHP pays the room and board. DMH Letter No. 06-04 issued on May 18, 2006, eliminated the New Institutions for Mental Disease (NIM) reporting system and informed MHPs to report through CSI. DMH Letter No. 98-03 issued on April 29, 1998, provided MHPs with the directive to submit a Client record at first contact with the county and a Service record as services are provided. Periodic records, which contain data elements that change, such as living arrangements, must be submitted at the time of admission to an IMD, at discharge from an IMD, and at the time of the annual client plan update.

If you have any questions, please contact your County Programs Technical Assistance contact person identified on the following internet site:  
[http://www.dmh.ca.gov/Services\\_and\\_Programs/Local\\_Program\\_Support/County\\_Technical\\_Assistance.asp](http://www.dmh.ca.gov/Services_and_Programs/Local_Program_Support/County_Technical_Assistance.asp)

Sincerely,

Original Signed by

STEPHEN W. MAYBERG, Ph.D.  
Director

Enclosures

cc: California Mental Health Planning Council  
California Mental Health Directors Association