

AMENDED AND RESTATED

PARTICIPATING COUNTY CONTRACT

for participation in the

COUNTY MEDICAL SERVICES PROGRAM

by and between

El Dorado County and

County Medical Services Program Governing Board

Dated Effective July 1, 2010

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AMENDED AND RESTATED
PARTICIPATING COUNTY CONTRACT

This Amended and Restated Participating County Contract ("Contract") is effective as of July 1, 2010 (the "Effective Date"), and made by and between County Medical Services Program Governing Board, a public agency ("Governing Board"), and El Dorado County ("County"), and amends the Participating County Contract dated effective July 1, 1995, by and between Governing Board and County, and the Amendment to Participating County Contract dated effective July 1, 1996, by and between Governing Board and County (collectively, the "Previous Contract").

ARTICLE I. RECITALS

- A. Prior to March 31, 1995, the law provided for the allocation of state funds to local agencies for the provision of health care to eligible persons, and authorized specific counties to contract with the State of California Department of Health Services ("Department") to administer local health care responsibilities under County Medical Services Program ("Program"). These counties entered into contracts with the Department to administer the Program in their counties, and these contracts expired on June 30, 1995 (the "Department Contracts").
- B. Counties that participated in the Program in 1994 and 1995 established Governing Board to govern the Program and to establish eligibility, benefits and payment rates. Pursuant to an agreement between Governing Board and the Department, the Department administered the Program until September 30, 2005.
- C. Upon expiration of the Department Contracts, the authorized counties that sought to participate in the Program each contracted with Governing Board through an agreement substantially similar to the Previous Contract to transfer from a county to Governing Board the authority to administer the funds governed by Section 16809 of the California Welfare and Institutions Code (the "Code") and to pay for specified health services provided to the county residents certified as eligible for those services by each county that contracts with Governing Board under Code Section 16809. The Previous Contract was entered into under the authority of Code Section 16809 et seq.
- D. Existing law provides that Governing Board may contract with the Department or a third party to administer the Program. Governing Board may change the contractors that administer all or portions of the Program from time to time.
- E. County and Governing Board desire to amend and restate the Previous Contract.
- F. Neither the Previous Contract nor this Contract shall relieve County of its indigent health care obligation under Code Section 17000; nor shall either the Previous Contract nor this Contract be construed to establish standards for health services except as specifically provided by this Contract and only for the term of this Contract.

County and Governing Board mutually agree as follows:

ARTICLE II. DEFINITIONS

- A. Beneficiary. "Beneficiary" means any person certified as eligible to receive Benefits through the Program.
- B. Benefits. "Benefits" means the specified health services constituting the scope of benefits for the Program as established by Governing Board and subject to revision from time to time as determined by Governing Board in accordance with Code Section 16809 et seq.
- C. Code. "Code" means the California Welfare and Institutions Code.
- D. County. "County" means County as defined in the first paragraph of this Contract.
- E. County Medical Services Program. "County Medical Services Program," "CMSP" or "Program" is the program authorized by Code Section 16809 to provide for Benefits to the Participating Counties' residents who are certified as eligible for those Benefits by each Participating County.
- F. Department. "Department" means the State of California Department of Health Services, which administered the Program until September 30, 2005, pursuant to an agreement with Governing Board. The Department is the predecessor to the State of California Department of Health Care Services.
- G. DHCS. "DHCS" means the State of California Department of Health Care Services, which is the successor to the Department.
- H. Eligibility. "Eligibility" means the eligibility criteria for the Program as established by Governing Board and subject to revision from time to time as determined by Governing Board in accordance with Code Section 16809 et seq.
- I. Eligibility Manual. "Eligibility Manual" means the manual that contains the uniform Eligibility criteria, definitions and procedures utilized in the Program as established by Governing Board and as amended by Governing Board from time to time.
- J. Governing Board. "Governing Board" or "Board" means the governing board established pursuant to Code Section 16809 et seq., whose responsibility it is to govern the Program.
- K. Participating Counties. "Participating Counties" means all counties that elect to participate in the Program pursuant to Code Section 16809 et seq., through execution of a contract with Governing Board to transfer from County to Governing Board the authority to administer the funds governed by Section 16809 of the Code and to pay for Benefits provided to County residents certified as eligible for those Benefits by each county that contracts with Governing Board under Code Section 16809.

- L. Program Administrator. "Program Administrator" means the entity or entities that Governing Board contracts with to administer all or part of the Benefits provided to Beneficiaries under the Program.
- M. Rates of Provider Payment. "Rates of provider payment" or "provider payment rates" or "rates" means the Program rates of payment to providers for Benefits to Beneficiaries as established by Governing Board and subject to revision from time to time as determined by Governing Board in accordance with Code Section 16809 et seq.
- N. Regulations. "Regulations" means any regulation adopted by Governing Board.

ARTICLE III. GENERAL PROVISIONS

A. Agreement

The terms of this Contract shall be interpreted in accordance with and shall be consistent with the requirements of Code Section 16809 et seq., and the Regulations adopted by Governing Board.

B. Term and Termination

1. The Previous Contract between County and Governing Board shall be effective until 11:59 pm the day prior to the Effective Date, and thereafter shall have no effect. The Previous Contract is superseded by this Contract.
2. The term of this Contract shall be from the Effective Date to June 30, 2014. Thereafter, this Contract shall be automatically renewed for successive one (1) year terms unless either party gives the other one hundred eighty (180) days prior written notice of its intent not to renew the term of this Contract or terminates this Contract as provided in subparagraph 4, 5, 6, 7, 8 or 9 of Paragraph B of Article III.
3. County and Governing Board shall not terminate this Contract before the end of the Contract term, except as provided in subparagraph 4, 5, 6, 7, 8 or 9 of Paragraph B of Article III. Should this Contract be terminated for any reason, any money appropriated from the State of California's General Fund to meet Program administrative support as well as any funds received and maintained by Governing Board from Participating Counties or from any other sources as set forth in California law shall not be available to County, except as specified under subparagraph 10.c of Paragraph B of Article III.
4. Governing Board and County may mutually agree in writing to the termination of this Contract before the end of the Contract term.
5. Notwithstanding any other provision of this Contract, either party may terminate this Contract at any time and without cause upon one hundred twenty (120) days prior written notice to the other.

6. In addition to or in lieu of other remedies discussed in this Contract, Governing Board may unilaterally terminate this Contract pursuant to the procedures set forth in subparagraph 11 of Paragraph A of Article V of this Contract.
7. Governing Board may terminate this Contract for County's failure to pay any payment required pursuant to Code Section 16809.3 or this Contract. Governing Board may assess and County shall pay interest at the rate earned in the Surplus Money Investment Fund of the California State Treasurer on any payment County fails to timely pay as required pursuant to the terms of this Contract. Governing Board shall give County one hundred twenty (120) days prior written notice of its intent to terminate this Contract. Termination shall be effective upon expiration of this one hundred twenty (120)-day period, unless County pays all amounts due and owing in full within forty-five (45) days of Governing Board's notice of its intent to terminate this Contract.
8. Either Governing Board or County may terminate this Contract if any federal, state or other governmental legislation (excluding any such legislative or other action enacted by County) is enacted which materially affects the terms of this Contract. The terminating party shall give the other party one hundred twenty (120) days prior written notice of its intent and the reasons for such termination.
9. Governing Board may terminate this Contract upon one hundred twenty (120) days prior written notice to County for County's material failure to comply with or perform its obligations within the time and in the manner provided by Paragraph C of Article V of this Contract. The notice shall state the reasons for the termination. Termination shall be effective one hundred twenty (120) days after such notice unless otherwise stated in the notice.
10. Upon termination of this Contract for any reason:
 - a. County's participation in the Program shall cease effective the termination date of this Contract. Further, Governing Board shall have no obligation to pay for Benefits provided to any residents of County on or after the effective date of termination of this Contract. Further, Governing Board shall have no obligation to pay for Benefits provided to any residents of County on or after the effective date of termination of this Contract. Governing Board shall, within the terms set forth under Article V, Paragraphs E and F, pay for Benefits provided to County residents that were Beneficiaries during the term of this Contract; provided, however, that on or after the one (1) year anniversary date of the effective date of termination of this Contract, Governing Board shall have no obligation to pay for Benefits provided to County residents that were both Beneficiaries during the term of this Contract and who received Benefits during the term of this Contract.

- b. County shall pay in full all amounts due Governing Board as of the effective date of termination of this Contract. Such payment shall include all of the following:
 - (i) Any amount due Governing Board for restitution by County in accordance with Paragraph A.11 of Article V.
 - (ii) County's payment of County's jurisdictional risk apportionment and County's participation fees payable during the term of the Contract and allocated on a monthly pro rata basis, including payment for a full month for any day of that month during the term of this Contract. However, County shall retain that proportion of County's jurisdictional risk apportionment and County's participation fees attributable to those months after the effective date of termination of this Contract when County does not participate in the Program.
 - (iii) County's payment of any assessment fee or other amount as may be required by Governing Board pursuant to the risk allocation policy set forth in **Appendix A**.
 - (iv) Any overpayment amount retained by County for Program Eligibility administration based upon reported actual costs of County through the effective date of termination of this Contract.
 - c. Governing Board shall pay in full to County any balance of the annual allocation for Eligibility administration on a pro rata basis as of the termination date of this Contract. Such payment shall be allocated on a monthly pro rata basis, including payment for a full month for any day of that month during the term of this Contract.
 - d. Governing Board and County shall fully cooperate as reasonable and necessary in the transition related to the termination of this Contract to reduce disruption to either party.
11. All disputes involving Paragraph B of Article III shall be submitted to binding arbitration before a single neutral arbitrator in lieu of litigation in any court. The arbitration shall be administered by JAMS. If the dispute involves an amount in controversy of \$1,000,000 or less, the arbitration shall be administered and the arbitrator shall be selected in accordance with the then-current JAMS Streamlined Arbitration Rules and Procedures. All other arbitrations shall be conducted in accordance with the JAMS Comprehensive Arbitration Rules applicable to commercial disputes. The arbitration shall be conducted in JAMS offices located in or that are nearest to Sacramento, California. The arbitrator shall have the power to grant all legal and equitable remedies, including but not limited to, preliminary and permanent private injunctions, specific performance, reformation, cancellation, accounting and compensatory damages; provided, however, that the

arbitrator shall not be empowered to award punitive damages, penalties, or attorneys' fees. The decision of the arbitrator shall be final and binding upon the parties hereto, and judgment upon the award may be entered in any court of competent jurisdiction in the United States, if applicable. The award shall include written findings of fact, a summary of the evidence and reasons underlying the decision and conclusions of law. All JAMS and arbitrator fees shall be borne equally by the parties. Each party shall be responsible for all other costs they incur as part of the dispute, including their own attorneys' fees.

The arbitration described in this Paragraph B.11 of Article III shall not apply to any portion of this Contract except Paragraph B of Article III.

C. Severability

Should any provisions of this Contract be declared or found to be illegal, unenforceable, ineffective, or void (by any federal or state courts in a final order or judgment that has not been appealed, or in a final order or judgment that has not been appealed, or in a final determination by an appellate court), then each party shall be relieved of any obligation arising in that provision; the balance of this Contract, if capable of performance, shall remain in full force and effect.

D. Disputes

With the exception of Article V, Paragraph A.11, there shall be no administrative appeal mechanism available to County and Governing Board to resolve disputes relating to the terms, performance or termination of the Contract herein.

E. Notices

Any notices required or permitted to be given hereunder by either party to the other may be given by personal delivery in writing or by depositing such notice in the United States mail (or other comparably reliable postage delivery service, such as Federal Express), postage prepaid. Notices shall be addressed to the parties at the below addresses, but each party may change such party's address by written notice given in accordance with this paragraph. Notices delivered personally will be deemed communicated as of the time of actual receipt; mailed notices communicated as of three (3) days after mailing.

Governing Board: County Medical Services Program Governing Board
Attn: Executive Director
1451 River Park Drive, Suite 222
Sacramento, CA 95815
Phone: (916) 649-2631
Fax: (916) 649-2606

Copy to: Cathy Deubel Salenko, Esq.
McDonough Holland & Allen PC
500 Capitol Mall, 18th Floor
Sacramento, CA 95814
Phone: (916) 444-3900
Fax: (916) 444-8334

County: Neda West, Director
County of El Dorado
Health Services Department
931 Spring Street
Placerville, CA 95667
Phone: (530) 621-6149
Fax: (530) 626-4713

F. Entire Agreement of the Parties

This Contract supersedes any and all agreements, either written or oral, between the parties hereto with respect to the subject matter contained herein and contains all of the covenants and agreements between the parties with respect to the rendering of Benefits within the scope of this Contract. Each party to this Contract acknowledges that no representation, inducements, promises, or agreements, oral or otherwise, have been made by either party, or anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Contract shall be valid or binding.

G. Amendments

All amendments must be agreed to in writing by Governing Board and County.

H. Governing Law

The validity, interpretation and performance of this Contract shall be governed by and construed by the laws of the State of California.

I. Assignment

This Contract shall be binding upon and shall inure to the benefit of the parties to it and their respective legal representatives and assigns. Notwithstanding the foregoing, County may not assign any rights or delegate any duties hereunder without receiving the prior written consent of Governing Board.

J. No Third-Party Beneficiaries

The obligations created by this Contract shall be enforceable only by the parties hereto, and no provision of this Contract is intended to, nor shall it be construed to, create any rights for the benefit of or be enforceable by any third party, including but not limited to any Beneficiary.

K. Waiver

To be effective, the waiver of any provision or the waiver of the breach of any provision of this Contract must be set forth specifically in writing and signed by the giving party. Any such waiver shall not operate or be deemed to be a waiver of any prior or future breach of such provision or of any other provision.

L. Cooperation

The parties shall fully cooperate as reasonable and necessary to enable effective performance of this Contract.

ARTICLE IV. RELATIONSHIP OF PARTIES

A. Pursuant to Code Section 16809 et seq. and this Contract, Governing Board shall govern the Program.

B. This Contract shall not relieve County of its indigent health care obligation under Code Section 17000; nor shall this Contract be construed to establish standards for health services or benefits except as specifically provided by this Contract and only for the term of this Contract.

C. Beginning in the 1992-93 fiscal year, Participating Counties assumed the risk for cost increases of the Program not funded through other sources. County's risk shall be limited to the cumulative annual growth in the Local Revenue Fund created by Code Section 17600, according to the jurisdictional risk limitations specified in Code Sections 16809(j)(2) and (j)(4). County's percentage share of liability for cost increases of the Program not funded through other sources shall be in accordance with the risk allocation policy set forth in **Appendix A**.

D. Governing Board may revise Eligibility and Benefits or change rates of provider payment to ensure that expenditures do not exceed Governing Board's available funds to provide Benefits to Beneficiaries. Uniform Eligibility and Benefits have been established by Governing Board and shall be binding upon County for the duration of this Contract, except as provided in pilot projects established by Governing Board or to the extent otherwise determined by Governing Board.

E. The total amount of all funds available to fund Benefits and costs in the Contract period is limited to revenues from appropriations made by the Legislature, if any, participation fees paid by the Participating Counties, County realignment funds, including interest earned on the CMSP portion of the Sales Tax Account and the Vehicle License Fee Account of the Local Revenue Fund, federal funds, if any, interest earned on Governing Board's accounts, recoveries from third parties and any other sources of funds determined by Governing Board. In addition to changes in the Benefits, Eligibility, and rates of provider payment, Governing Board may also evaluate methods to increase Program recoveries and other administrative actions Governing Board determines to be necessary to remain within available funds.

- F. County shall make good faith efforts to provide access to Benefits to the residents of County who are certified as eligible as provided in Article V, Paragraph A, for the term of this Contract.

ARTICLE V. PERFORMANCE PROVISIONS

A. Eligibility

County shall, through its Welfare Department, Social Services Department or functional equivalent, determine the Eligibility of County residents for Benefits provided under this Contract. County shall determine Eligibility in accordance with the Eligibility Manual, and any changes to the Eligibility Manual made during the Contract term, which is incorporated into and made a part of this Contract by this reference.

The Eligibility Manual may be revised from time to time by Governing Board.

1. DHCS, pursuant to its agreement with Governing Board, shall issue a State of California Benefits Identification Card ("BIC") identification card to each resident of County who has been certified as eligible for the Program. County may issue immediate need identification cards for eligible Beneficiaries in accordance with Governing Board's policies and procedures.
2. DHCS, pursuant to an agreement with Governing Board, shall maintain the CMSP Eligibility history on the Medi-Cal Eligibility Data System ("MEDS").
3. County shall provide due process for persons appealing a County decision concerning Eligibility: County shall be liable for any costs incurred from the manner in which due process is conducted.
4. DHCS, pursuant to an agreement with Governing Board, shall certify, through its data systems branch, Beneficiaries who meet their share of cost.
5. County shall complete a Medi-Cal application and shall process a disability evaluation request through the State of California Department of Social Services for all applicants indicating a disability on: (1) the CMSP or Medi-Cal Statement of Facts, (2) the CMSP/Medi-Cal Linkage Evaluation form, (3) in any other manner, or (4) if otherwise requested by Governing Board or its designee.
6. County acknowledges that Beneficiaries who are or who become eligible for Medi-Cal, Medicare or other coverage shall not be eligible or continue to be eligible for Benefits provided by the Program, except for Beneficiaries who are dually eligible for the Program and Medi-Cal, and it is the responsibility of County to execute timely changes to eligibility AID Codes to effectuate such other eligibility.
7. County shall certify for Medi-Cal all beneficiaries eligible for the Medi-Cal program.

8. County shall report actual Program caseload statistics on the Monthly Caseload Movement and Activity Report (CMSP 237), that shall be submitted to Governing Board within ten (10) working days of the first (1st) day of the month following the end of each report month, or as otherwise determined by Governing Board.
9. Governing Board shall establish an Eligibility audit policy that includes the methodology for auditing each Participating County's compliance with the provisions of the Eligibility Manual, determining the accuracy of County's Eligibility administration process and reporting the findings of any audit. Such Eligibility audit policy shall be in compliance with Regulations and include provisions for Governing Board's review of audit findings and impacts, if any, on funds to determine Eligibility as set forth in Article V, Paragraph G, and County's response to such findings, including disagreement, if any, with such findings. Governing Board shall provide such policy to the Participating Counties for review and comment prior to Governing Board's adoption of such policy. Governing Board shall adopt such Eligibility audit policy within one (1) year of the Effective Date. Governing Board shall not conduct audits anticipated under this Paragraph A.9 of Article V prior to adoption of such Eligibility audit policy. County shall comply with such Eligibility audit policy and cooperate with any inspection, monitoring, audit or other terms that such policy entails.
10. Governing Board shall adopt a policy concerning notification of Participating Counties of proposed material changes to Eligibility.
11. Governing Board shall review alleged abuse of Eligibility certification in accordance with this Article V, Paragraph A. An "abuse of Eligibility certification" shall be considered one or more acts indicating that County has materially failed to comply with the Eligibility Manual in determining one or more persons either eligible or ineligible for the Program. One isolated act not authorized by management of County shall not constitute an "abuse of Eligibility certification." Governing Board shall establish an abuse of Eligibility certification policy that includes the following procedures:
 - a. Governing Board shall give written notice to County of the alleged abuse.
 - b. Within ten (10) days of receipt of notice, County shall either agree to termination of the alleged abuse or request a review of the alleged abuse before Governing Board.
 - c. If County requests a review, and a County representative is also a member of Governing Board or any committee of Governing Board, the County representative shall not participate as a member of Governing Board or any committee of Governing Board for purposes of the review.
 - d. Within thirty (30) days of receipt of the request for a review, Governing Board, or its designated agent or any committee of Governing Board authorized to do so, shall consider information regarding the alleged abuse

during the review. This time may be extended for up to sixty (60) days to gather additional information.

- e. Within thirty (30) days of the review of the alleged abuse, Governing Board, its designated agent or any authorized committee of Governing Board, shall prepare a written decision and a recommendation. The recommendation may include additional review, corrective action, restitution or other appropriate action up to and including a recommendation that Governing Board unilaterally terminate the Contract.

The written decision may include a discussion of whether County has materially failed to comply with the Eligibility Manual in determining one or more persons either eligible or ineligible for the Program, which shall be based on substantial evidence.

If Governing Board chooses to take action in this matter, Governing Board shall provide County with written notice of Governing Board's decision. Governing Board's decision shall be final and binding on County and shall be effective when rendered.

- f. County and Governing Board may agree to restitution of Governing Board's funds for Program costs incurred as a result of County's abuse of Eligibility certification.
- g. If County and Governing Board do not agree to restitution pursuant to subparagraph f above, or County fails to comply with the terms of any such agreement, Governing Board may take such action as it deems appropriate to recover Program costs incurred as a result of County's abuse of Eligibility certification.
- h. Nothing in this Paragraph 11 shall preclude Governing Board from terminating this Contract without cause in accordance with Paragraph B.5 of Article III, or terminating this Contract in accordance with other provisions of such Paragraph B.
- i. The arbitration described in Paragraph B.11 of Article III shall not apply to this Paragraph 11 of Article V or any other portion of this Contract except as provided in Paragraph B of Article III.

B. Benefits

An overview of the Benefits provided under the Program is set forth in the attached **Appendix B**, which may be amended by Governing Board from time to time. Health services that are not Benefits as determined by Governing Board shall not be the obligation of the Program or Governing Board.

C. Confidentiality

Governing Board and County shall maintain Beneficiary information, including but not limited to all individually identifiable health information, complete or partial individual patient records, CMSP beneficiary identities, characteristics, medical profiles and related beneficiary information as confidential as required by all applicable state and federal laws and regulations and shall comply with all laws concerning the confidentiality, use and disclosure of patient identifiable information, including but not limited to the Health Insurance Portability and Accountability Act of 1996 and its promulgated regulations, if applicable.

County will have access to Governing Board's confidential information, including but not limited to individually identifiable health information, complete or partial individual patient records, CMSP beneficiary identities, characteristics, medical profiles and related beneficiary information concerning persons applying for or receiving Benefits under the Program. All such data and information (hereinafter "Confidential Information") written or verbal, tangible or intangible, made available, disclosed, or otherwise made known to County and its employees under this Contract shall be considered confidential and shall be considered the sole property of Governing Board.

County shall protect the confidential nature of any and all Confidential Information. Without limiting the generality of the foregoing, County shall not, without first obtaining Governing Board's prior written consent or unless otherwise authorized by Governing Board: (a) directly or indirectly disclose, reveal, show, communicate or otherwise make available to any third party any Confidential Information; or (b) use any Confidential Information for any purposes other than those reasonably necessary or appropriate for County to perform its obligations pursuant to the terms of this Contract. County shall provide a secure environment for storage and use of Confidential Information and shall prevent unauthorized access to or use of the Confidential Information. County shall take all other actions necessary or appropriate to protect all Confidential Information, including but not limited to ensuring that County's employees, contractors and agents protect all Confidential Information to the standards set forth herein. County shall subject any of its employees, agents and contractors to appropriate disciplinary action and appropriate legal action for violation of the terms of this Contract. County shall ensure that its employees, agents and contractors with access to the Confidential Information are fully informed of the terms of this Contract. County acknowledges that unauthorized use, transfer or disclosure of the Confidential Information may cause Governing Board irreparable injury that cannot be adequately compensated by monetary damages.

County shall indemnify, defend and hold Governing Board harmless from any and all damages, costs, liabilities, losses and expenses (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from disclosure of Confidential Information or any illegal acts concerning the Confidential Information by County or any of its employees, agents or contractors, or the breach by County or any of its employees, agents or contractors of any provision of this Paragraph C of Article V.

County's failure to comply with the terms of this Paragraph C of Article V shall constitute grounds for termination of this Contract as set forth in Paragraph B.9 of Article III.

Governing Board shall indemnify, defend and hold County harmless from any and all damages, costs, liabilities, losses and expenses (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any illegal acts concerning the Confidential Information by Governing Board or any of its employees, agents or contractors, or the breach by Governing Board or any of its employees, agents or contractors of any provision of this Paragraph C of Article V.

D. Claims Processing and Payment

The Program Administrator, pursuant to its agreement with Governing Board, shall process and pay claims for Benefits under this Contract rendered to Beneficiaries by providers as determined by Governing Board.

E. Provider Relations and Provider Participation

1. Governing Board in accordance with Code Section 16809 et seq., may enter into contracts with selected providers to provide Benefits in expending the funds provided pursuant to Code Section 16809(e) and (f).
2. Governing Board or County shall not be obligated to pay for Benefits provided under this Contract unless pursuant to a separate agreement with a provider, or the Program Administrator's authorization of those Benefits and payment pursuant to its agreement with Governing Board. Governing Board may require County's residents who are certified as eligible as provided in Article V, Paragraph A, of this Contract to use specific facilities or providers who are selected by Governing Board or its designee or the Program Administrator.
3. The Program Administrator, pursuant to its agreement with Governing Board, shall conduct appeals of decisions made to deny treatment authorization requests during the terms of this Contract. The procedures to be followed shall be those specified in the agreement between Governing Board and the Program Administrator and the policies and procedures of Governing Board, which may be amended from time to time. The Program Administrator, or the Program Administrator's designee, shall have the final decisions in all those matters, unless otherwise determined by Governing Board.
4. The Program Administrator, pursuant to its agreement with Governing Board, shall maintain a provider grievance procedure by which a provider with a grievance or complaint concerning the processing or payment of claims for Benefits provided to Beneficiaries during the agreement term may submit the grievance or complaint for review and hearing. Rates, and the methodology for determining the rates, shall not be an appealable issue for providers.
5. Governing Board and County may enter into agreements with providers to deliver Benefits to Beneficiaries in a more cost effective manner.

6. The Program Administrator, pursuant to its agreement with Governing Board, shall notify all providers who serve Beneficiaries of changes in Benefits, payment and utilization control policies or systems.

F. Provider Reimbursement

1. For the term of this Contract, the Program Administrator, pursuant to its agreement with Governing Board, shall reimburse providers at rates determined by Governing Board. Governing Board shall establish a Provider Rates Policy that sets forth the basis for provider payment rates which is subject to revision from time to time as determined by Governing Board.
2. The Program Administrator, pursuant to its agreement with Governing Board, shall use its reasonable best efforts to reimburse providers on a timely basis.
3. Reimbursement to providers made in error may be recovered by the Program Administrator, on behalf of Governing Board, or Governing Board or its designee.

G. Funds To Determine Eligibility

Allocation of funds to determine Eligibility shall be determined by Governing Board as set forth in **Appendix C**.

H. Financial Management

The amounts to be paid by County to Governing Board and Governing Board's financial management of the Program is discussed in **Appendix D**

I. Records

1. Governing Board shall establish and maintain systems to collect and report information on the Program to County.
2. County shall maintain the records, files and documentation of all eligibility determinations that result in a finding of Eligibility for the applicant.

Governing Board shall have access during County's normal working hours to those records, files and documentation for at least four (4) years from the date of final payment under the Contract, from the day of expiration of the Contract, or from the date of resolution of an audit, if an audit is performed, whichever is later. County shall provide Governing Board with appropriate office space and copying equipment.

3. County shall maintain books, records, documents and other evidence, accounting procedures and practices sufficient to properly reflect all costs of whatever nature claimed to have been incurred in the performance of this Contract.

Governing Board shall have access during County's normal working hours to those books, documents and other evidence, and accounting procedures and practices for at least four (4) years from the date of final payment under the Contract, from the day of expiration of the contract, or from the date of resolution of an audit, if an audit is performed, whichever is later. County shall provide Governing Board with appropriate office space and copying equipment.

J. Claims After Expiration

Upon expiration of this Contract, Governing Board shall have no obligation to pay for Benefits provided to any residents of County on or after the effective date of termination of this Contract. Further, Governing Board shall have no obligation to pay for Benefits provided to any residents of County on or after the effective date of termination of this Contract. Governing Board shall, within the terms set forth under Article V, Paragraphs E and F, pay for Benefits provided to County residents that were Beneficiaries during the term of this Contract; provided, however, that on or after the one (1) year anniversary date of the effective date of termination of this Contract, Governing Board shall have no obligation to pay for Benefits provided to County residents that were both Beneficiaries during the term of this Contract and who received Benefits during the term of this Contract.

K. Notice and Open Meeting Requirements

Governing Board shall comply with the notice and open meeting requirements set forth in Code Section 16809 et seq. County shall be provided with agendas for regular meetings of Governing Board a minimum of seventy-two (72) hours prior to such meetings. County is welcome to attend these meetings. County's representative shall have no voting rights unless the representative sits as a member of Governing Board.

Dated effective July 1, 2010.

COUNTY OF EL DORADO

By _____
Norma Santiago, Chair
Board of Supervisors

COUNTY MEDICAL SERVICES
PROGRAM GOVERNING BOARD

By _____
Lee D. Kemper,
Executive Director

ATTEST:

SUZANNE ALLEN DE SANCHEZ,
CLERK OF THE BOARD

By _____
Deputy

Administrator:

The County Officer or employee with
responsibility for administering this Agreement
is Sharon Elliott, Assistant Director of Public
Health, or successor.

APPENDIX A

Risk Allocation Policy

COUNTY MEDICAL SERVICES PROGRAM
GOVERNING BOARD
RESOLUTION 96-_____

WHEREAS, the County Medical Services Program Governing Board ("Board") believes it is in the best interest of the County Medical Services Program ("Program") to determine each participating county's liability for cost overruns or assessments if Program costs exceed available funding in the future; and

WHEREAS, the Board believes it is in the best interest of the Program and the participating counties to make this determination before the need for such assessments arises; and

WHEREAS, the Board has reviewed the current participation fees charged to participating counties and the jurisdictional risk limitations set by California Welfare and Institutions Code ("Code") Sections 16809(j)(2) and (3); and

WHEREAS, the Board believes it is in the best interest of the Program and the participating counties to assure that each participating county be responsible for its share of any cost overruns should that county's participation in the Program cease; and

WHEREAS, the Board believes that any allocation of risk should take into account actual experience of the participating county in allocating risk to that participating county; and

WHEREAS, the Board has the authority to apportion jurisdictional risk to each participating county in accordance to Code Section 16809.4(f)(1)(F), and to establish reserves and participation fees in accordance with Code Section 16809.4(f)(1)(B).

NOW, THEREFORE, the County Medical Services Program Governing Board does hereby resolve that:

1. The participation fees for participating counties for fiscal year 1996-97 shall remain at the levels set for fiscal year 1995-96, which are listed in Code Sections 16809.3(a) and (b).
2. Each participating county's percentage share of liability for cost overruns or assessments, if the Board determines to charge such assessments, for fiscal year 1996-97 and thereafter shall be in accordance with the risk allocation policy set forth in Attachment A.

ATTACHMENT A

County Medical Services Program Governing Board Risk Allocation Policy

I. DEFINITIONS.

"Actual Expenditures" means the average yearly expenditures made by the Program for residents of Participating Counties for the Designated Fiscal Years as listed on the CMSP Services and Expenditures Month of Payment Report prepared by the Department, or this report's successor.

"Actual Expenditures Percentage" means the product of 100 multiplied by the quotient of the Actual Expenditures of a Participating County as divided by the Actual Expenditures for all Participating Counties.

"Assessment Fee" means the amount assessed to a Participating County to cover its share of the Total Assessed Amount, as calculated in Section II.B below.

"Board" means the County Medical Services Program Governing Board established pursuant to California Welfare and Institutions Code Section 16809, et seq.

"Board Assessment Decision" means a decision by the Board to assess Participating Counties to cover cost overruns of the Program in accordance with the terms of this Risk Allocation Policy.

"Code" means the California Welfare and Institutions Code.

"Department" means the State of California Department of Health Services, which administers the Program pursuant to an agreement with the Board, or the Department's successor.

"Designated Fiscal Years" means the three fiscal-year period commencing 55 months preceding the February of the current fiscal year and ending 36 months thereafter. For example, February 1996 calculations for fiscal year 1996-97, the Designated Fiscal Years would be the three-year periods of fiscal years 1991-92, 1992-93, 1993-94.

"Eligibles" means the average monthly eligibles for the Designated Fiscal Years as listed on the report on the Cumulative Certified County Medical Services Program Eligibles prepared by the Department, or this report's successor.

"Eligibles Percentage" means the product of 100 multiplied by the quotient of the Eligibles for a Participating County as divided by the Eligibles for all Participating Counties.

"Existing Risk Percentage" means:

A. For fiscal year 1996-97, the product of 100 multiplied by the quotient of the Statutory Jurisdictional Risk for a Participating County as divided by the total of Statutory Jurisdictional Risk for all Participating Counties; and

B. For each fiscal year after fiscal year 1996-97, the Risk Allocation Percentage for the preceding fiscal year. By way of illustration, the Risk Allocation Percentage determined in fiscal year 1997-98 will be the Existing Risk Percentage in implementing the formula in 1998-99.

"Participating County" or "Participating Counties" means a county or counties that elected to participate in the Program pursuant to Code Section 16809, et seq.

"Program" means the County Medical Services Program authorized by Code Section 16809, et seq.

"Risk Allocation Percentage" means each Participating County's percentage of the Program's total risk for any Total Assessed Amount, as calculated in Section II.A below.

"Statutory Jurisdictional Risk" means the jurisdiction risk limitations set forth in Code Sections 16809(j)(2) and (3).

"Total Assessed Amount" means the total amount assessed in a Board Assessment Decision.

II. RISK ALLOCATION FORMULA.

A. Calculation of Risk Allocation Percentage. The Risk Allocation Percentage for a Participating County shall be the sum of:

1. Seventy-five percent (75%) of the Existing Risk Percentage; and
2. Fifteen percent (15%) of Eligibles Percentage; and
3. Ten percent (10%) of Actual Expenditures Percent.

Restated as an equation:

$$\begin{array}{r} \text{Existing Risk Percentage} \times 75\% \\ + \quad \text{Eligibles Percentage} \times 15\% \\ + \quad \text{Actual Expenditures Percentage} \times 10\% \\ \hline \text{Risk Allocation Percentage} \end{array}$$

The elements of the sum equaling the Risk Allocation Percentage restated as equations are:

1. a. Existing Risk Percentage for Fiscal Year 1996 - 97 only:

$$\text{Existing Risk Percentage} = 100 \times \frac{\text{Statutory Jurisdictional Risk for a Participating County}}{\text{Total of Statutory Jurisdictional Risk for all Participating Counties}}$$

- b. Existing Risk Percentage for all Fiscal Years other than 1996-97:

$$\text{Existing Risk Percentage} = \text{Preceding Fiscal Year Risk Allocation Percentage}$$

2. Eligibles Percentage = 100 x $\frac{\text{Eligibles for a Participating County}}{\text{Eligibles for all Participating Counties}}$

3. Actual Expenditures Percentage = 100 x $\frac{\text{Actual Expenditures for a Participating County}}{\text{Actual Expenditures for all Participating Counties}}$

Exhibit 1 sets forth the implementation of the risk allocation formula for fiscal year 1996-97. By way of illustration, the Risk Allocation Percentage for Sonoma County for fiscal year 1996-97 is calculated as follows:

$$\begin{aligned} \text{Existing Risk Percentage} &= 100 \times \frac{13,183,359}{89,068,961} = 14.801294\% \\ &\quad \times \underline{\quad .75 \quad} = 11.100971\% \end{aligned}$$

$$\begin{aligned} \text{Eligibles Percentage} &= 100 \times \frac{33,940}{\frac{2,370^1}{3}} = 6.982911\% \\ &\quad \times \underline{\quad .15 \quad} = 1.047437\% \end{aligned}$$

$$\begin{aligned} \text{Actual Expenditures Percentage} &= 100 \times \frac{108,769,026}{\frac{12,128,105^2}{3}} = 11.150329\% \\ &\quad \times \underline{\quad .10 \quad} \end{aligned}$$

¹ FY 91-92 --- 2395
 FY 92-93 --- 2653
 FY 93-94 --- 1937
 7110 ÷ 3 = 2370

² FY 91-92 \$12,672,022
 FY 92-93 11,563,482
 FY 93-94 12,148,810
 36,384,314 ÷ 3 = \$12,128,105

1.115033%

Risk Allocation Percentage

13.263441%

Every February, the Department shall prepare a chart substantially in the same form as Exhibit 1 setting forth the Risk Allocation Percentage for each Participating County for the upcoming fiscal year, using the appropriate Designated Fiscal Years data. The Board shall use its best efforts to provide Participating Counties with the above chart within thirty (30) days after the Department's preparation of a final chart.

B. Calculation of Assessment Fee. The Assessment Fee shall be the product of the Risk Allocation Percentage and the Total Assessed Amount. Restated as an equation:

$$\text{Assessment Fee} = \text{Risk Allocation Percentage} \times \text{Total Assessed Amount}$$

By way of illustration, if the Total Assessed Amount in fiscal year 1996-97 is \$1,000,000, the Assessment Fee for each county shall be as set forth on Exhibit 2. The computation for Sonoma County, for example, is as follows:

$$13.263441 \% \times \$1,000,000 = \$132,634.41$$

III. LIABILITY FOR ASSESSMENT FEES SUBSEQUENT TO DEPARTURE FROM PROGRAM.

The obligation to pay Assessment Fees attributable to services and costs incurred while a County was a Participating County shall not be discharged. A Participating County which withdraws or is terminated from the Program shall remain liable for all Assessment Fees relating to when such County was a Participating County. The obligation of a County which is no longer a Participating County to pay Assessment Fees shall in no event be discharged by payment of participation fees, prior Assessment Fees, or any other payments.

IV. PAYMENT OF ASSESSMENT FEE.

The Board shall notify in writing each Participating County of its Assessment Fee within ninety (90) days of a Board Assessment Decision. Each Participating County shall pay its Assessment Fee within ninety (90) days of the date of such notice, unless otherwise determined by the Board.

Exhibit 1

Fiscal Year 1996-97
Risk Allocation Percentage for Participating Counties

EXHIBIT 1

CALCULATION OF ELIGIBLES PERCENTAGES

	FY 91-92	FY 92-93	FY 93-94	TOTAL	AVERAGE	ELIGIBLES PERCENTAGES
ALPINE	101	10	18	38	13	0.037321%
AMADOR	173	214	228	615	205	0.604007%
BUTTE	3215	3417	3348	9981	3327	9.802593%
CALAVERAS	274	305	345	924	308	0.907484%
COLUSA	228	260	247	735	242	0.712041%
DEL NORTE	406	485	444	1335	445	1.31137%
EL DORADO	943	1119	842	2904	968	2.852082%
GLENN	434	527	462	1423	474	1.397564%
HUMBOLDT	2413	2770	2513	7696	2565	7.588438%
IMPERIAL	2598	2691	2648	7935	2645	7.793164%
INYO	291	312	309	912	304	0.895688%
KINGS	1348	1423	1447	4218	1405	4.140640%
LAKE	346	723	784	1853	621	1.829699%
LASSSEN	299	306	314	919	308	0.902573%
MADERA	2166	2355	2124	6525	2208	6.508580%
MARIN	2066	2212	2077	6355	2118	6.241406%
MARIPOSA	172	210	218	600	200	0.589275%
MENDOCINO	866	1394	1566	3766	1252	3.719326%
MODOC	172	188	187	547	182	0.537223%
MONO	52	81	83	216	72	0.212854%
NAPA	1040	1334	1246	3620	1207	3.552394%
NEVADA	566	687	755	2008	669	1.972108%
PLUMAS	207	213	204	624	208	0.612846%
SAN BENITO	279	256	168	703	234	0.690434%
SHASTA	1723	1848	1822	5393	1798	5.286002%
SERRA	38	44	32	114	38	0.111962%
SISKIYOU	610	603	601	1814	605	1.781575%
SOLANO	2385	2917	3317	8529	2843	8.376547%
SONOMA	2520	2653	1937	7110	2370	6.982911%
SUTTER	1022	1150	1133	3305	1102	3.245924%
TEHAMA	1087	1273	1208	3568	1189	3.504223%
TRINITY	186	197	178	561	187	0.550872%
TUOLUMNE	474	577	625	1676	559	1.648042%
YUBA	982	1106	1134	3221	1074	3.163426%
TOTALS	31899	36779	34443	101821	33940	100.000982%

EXHIBIT 1
1 of 3

6/5/96

EXHIBIT 1

CALCULATION OF ACTUAL EXPENDITURES PERCENTAGES

	FY 91-92	FY 92-93	FY 93-94	TOTAL	AVERAGE	ACTUAL EXPENDITURES PERCENTAGES
ALPINE	\$15,988.	\$33,902.	\$33,176.	\$83,066.	\$27,688.	0.025456%
AMADOR	683,202	1,566,882	1,451,807	3,921,891	1,307,230	1.201841%
BUTTE	10,715,549	8,053,459	8,056,296	26,835,304	8,945,101	8.223842%
CALAVERAS	1,752,467	1,211,337	1,104,811	4,068,635	1,356,212	1.246873%
COLUSA	1,073,496	827,037	674,840	2,575,373	858,458	0.789248%
DEL NORTE	1,220,070	1,296,639	1,076,006	3,592,715	1,197,572	1.101023%
EL DORADO	5,514,783	5,474,382	4,815,715	15,804,880	5,268,293	4.843560%
GLENN	1,434,809	1,282,777	1,331,468	4,048,044	1,349,681	1.240869%
HUMBOLDT	6,623,559	6,781,587	5,519,968	18,925,116	6,308,372	5.79787%
IMPERIAL	7,688,137	7,342,023	6,367,822	21,397,982	7,132,661	6.557621%
INYO	1,079,030	706,928	533,583	2,319,541	773,217	0.710890%
KINGS	3,283,080	3,216,979	2,984,637	9,484,696	3,164,632	2.908497%
LAKE	1,171,112	2,436,044	2,922,366	6,529,542	2,176,181	2.000736%
LASSER	860,519	631,175	713,245	2,204,939	734,980	0.675255%
MADERA	3,661,356	3,724,309	3,608,217	10,994,882	3,664,961	3.369489%
MARIN	6,978,308	6,189,953	6,366,190	19,534,321	6,511,440	5.988484%
MARIPOSA	682,812	610,703	568,100	1,861,615	620,538	0.570510%
MENOCINO	2,557,407	3,926,272	3,697,416	10,381,095	3,460,365	3.181388%
MODOC	906,687	368,766	339,993	1,615,436	538,479	0.495066%
MONO	624,571	206,660	110,572	941,803	319,941	0.298631%
NAVA	3,748,292	3,123,266	2,996,390	9,867,958	3,289,319	3.024132%
NEVADA	3,603,545	3,140,669	2,617,344	9,361,358	3,120,453	2.868880%
PLUMAS	882,593	690,574	651,537	2,234,704	744,901	0.684847%
SAN BENITO	1,205,759	846,626	988,543	3,140,928	1,046,976	0.962568%
SHASTA	7,513,441	7,211,730	7,230,790	21,955,951	7,318,650	6.728616%
SIERRA	100,991	116,178	95,461	311,630	103,877	0.095502%
SIKKIYOU	1,568,050	1,655,101	1,668,075	4,911,226	1,637,075	1.509093%
SOLANO	9,491,814	9,766,590	11,459,495	30,717,899	10,239,296	9.413798%
SONOMA	12,672,022	11,563,462	12,148,810	36,384,314	12,128,105	11.150329%
SUTTER	3,856,179	3,291,204	4,165,439	11,112,822	3,704,274	3.409633%
TEHAMA	3,948,549	3,070,442	2,541,828	9,480,819	3,153,608	2.898361%
TRINITY	744,808	718,661	586,318	2,049,787	683,229	0.628239%
TUOLUMNE	2,492,581	2,190,405	2,216,684	6,899,670	2,299,880	2.114471%
YUBA	3,249,458	3,297,128	4,221,231	10,767,817	3,589,272	3.289903%
TOTALS	\$113,544,844.	\$106,687,010.	\$108,076,224.	\$326,307,078.	\$108,769,926.	100.000000%

- 1 Source: MOP 1293
- 2 Source: MOP 1294
- 3 Source: MOP 1295

Exhibit 1
2 of 3

6/5/98

EXHIBIT 1

CALCULATION OF RISK ALLOCATION FOR FY 1996-97

COUNTIES	STATUTORY JURISDICTIONAL RISK*	EXISTING RISK PERCENTAGES	AT 75%	ELIGIBLES PERCENTAGES	AT 15%	ACTUAL EXPENDITURES PERCENTAGES	AT 10%	FY 1996-97 RISK ALLOCATION PERCENTAGES
ALPINE	\$13,150	0.014764%	0.037821%	0.037821%	0.037821%	0.025456%	0.037821%	0.025456%
ALAMOGordo	620284	0.696340%	0.904007%	0.904007%	0.904007%	1.261841%	0.904007%	1.261841%
BLUTE	5950493	6.680983%	9.025058%	9.025058%	9.025058%	8.23942%	9.025058%	8.23942%
CALaveras	913969	1.026125%	0.907464%	0.907464%	0.907464%	1.240878%	0.907464%	1.240878%
COLUSA	769986	0.898167%	0.718041%	0.718041%	0.718041%	0.78248%	0.718041%	0.78248%
DEL NORTE	761358	0.87281%	1.311137%	1.311137%	1.311137%	1.101023%	1.311137%	1.101023%
EL DORADO	9535288	3.948159%	2.952087%	2.952087%	2.952087%	4.845660%	2.952087%	4.845660%
GLENN	787943	0.884633%	1.997664%	1.997664%	1.997664%	1.240889%	1.997664%	1.240889%
HUMBOLDT	6893182	7.727824%	7.584303%	7.584303%	7.584303%	5.78787%	7.584303%	5.78787%
IMPERIAL	6394422	7.179181%	7.793164%	7.793164%	7.793164%	6.567621%	7.793164%	6.567621%
INYO	1190237	1.25287%	0.89568%	0.89568%	0.89568%	0.710890%	0.89568%	0.710890%
KINGS	2832833	3.180484%	4.168649%	4.168649%	4.168649%	2.809487%	4.168649%	2.809487%
LAKE	1022963	1.148507%	1.839689%	1.839689%	1.839689%	2.009736%	1.839689%	2.009736%
LASSEN	607118	0.771439%	0.902573%	0.902573%	0.902573%	0.675725%	0.902573%	0.675725%
LASSER	2822147	3.238560%	6.508590%	6.508590%	6.508590%	3.389489%	6.508590%	3.389489%
MADERA	772899	0.874076%	9.241400%	9.241400%	9.241400%	5.886464%	9.241400%	5.886464%
MARIN	485052	0.484466%	0.689275%	0.689275%	0.689275%	0.570510%	0.689275%	0.570510%
MARIPosa	1654968	1.858110%	3.718223%	3.718223%	3.718223%	3.181368%	3.718223%	3.181368%
MENDOCINO	489034	0.520596%	0.687223%	0.687223%	0.687223%	0.495066%	0.687223%	0.495066%
MONO	962287	0.414633%	0.172854%	0.172854%	0.172854%	0.288831%	0.172854%	0.288831%
MONTECALA	349399	3.438871%	3.552394%	3.552394%	3.552394%	3.024132%	3.552394%	3.024132%
NEVADA	1860783	2.089160%	0.172854%	0.172854%	0.172854%	2.88880%	0.172854%	2.88880%
NEVADA	905182	1.018282%	0.612408%	0.612408%	0.612408%	0.694947%	0.612408%	0.694947%
PLUMAS	1086811	1.218282%	0.690434%	0.690434%	0.690434%	0.962568%	0.690434%	0.962568%
SAN BENITO	5361013	6.018846%	5.296802%	5.296802%	5.296802%	6.726616%	5.296802%	6.726616%
SAN JUAN	158888	0.152663%	0.111982%	0.111982%	0.111982%	0.095502%	0.111982%	0.095502%
SEFFA	1372034	1.540418%	1.791575%	1.791575%	1.791575%	1.509093%	1.791575%	1.509093%
SENYOU	6871127	7.714590%	8.376547%	8.376547%	8.376547%	8.413786%	8.376547%	8.413786%
SOLANO	1519359	14.801284%	6.962911%	6.962911%	6.962911%	11.190327%	6.962911%	11.190327%
SONOMA	2886118	3.363018%	3.245934%	3.245934%	3.245934%	3.405633%	3.245934%	3.405633%
SUTTER	1812299	2.146887%	3.504225%	3.504225%	3.504225%	2.898361%	3.504225%	2.898361%
TEHAMA	611497	0.685453%	0.550922%	0.550922%	0.550922%	0.68239%	0.550922%	0.68239%
TRINITY	1465320	1.639325%	1.648042%	1.648042%	1.648042%	2.114471%	1.648042%	2.114471%
TUOLUANE	2396580	2.69879%	3.163428%	3.163428%	3.163428%	3.299809%	3.163428%	3.299809%
YUBA	\$89,069,981	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
TOTALS								

*AS LISTED IN CALIFORNIA WELFARE AND INSTITUTIONS CODE SECTIONS 16806(a)(2) and (3)

Exhibit 2

Illustration of Calculation of Assessment Fees
for Participating Counties

SAMPLE CALCULATION OF ASSESSMENT FEES

*Example assumes Total Assessed Amount is \$1,000,000.
Note that this calculation is intended for illustrative purposes only.*

COUNTIES	FY 1996-97 RISK ALLOCATION PERCENTAGES	ASSESSMENT FEES
ALPINE	0.019217%	\$192.17
AMADOR	0.733075%	\$7,330.75
BUTTE	7.303445%	\$73,034.45
CALAVERAS	1.030404%	\$10,304.04
COLUSA	0.859358%	\$8,593.58
DEL NORTE	0.984711%	\$9,847.11
EL DORADO	3.889038%	\$38,890.38
GLENN	0.997198%	\$9,971.98
HUMBOLDT	7.509887%	\$75,098.87
IMPERIAL	7.209123%	\$72,091.23
INYO	1.131908%	\$11,319.08
KINGS	3.297418%	\$32,974.18
LAKE	1.335909%	\$13,359.09
LASSEN	0.781538%	\$7,815.38
MADERA	3.739831%	\$37,398.31
MARIN	8.040418%	\$80,404.18
MARIPOSA	0.511784%	\$5,117.84
MENDOCINO	2.269470%	\$22,694.70
MODOC	0.525037%	\$5,250.37
MONO	0.385766%	\$3,857.66
NAPA	3.414861%	\$34,148.61
NEVADA	2.149574%	\$21,495.74
PLUMAS	0.922623%	\$9,226.23
SAN BENITO	1.114291%	\$11,142.91
SHASTA	5.981562%	\$59,815.62
SIERRA	0.140768%	\$1,407.68
SISKIYOU	1.573059%	\$15,730.59
SOLANO	7.983654%	\$79,836.54
SONOMA	13.263440%	\$132,634.40
SUTTER	3.350316%	\$33,503.16
TEHAMA	2.425810%	\$24,258.10
TRINITY	0.660377%	\$6,603.77
TUOLUMNE	1.683797%	\$16,837.97
YUBA	2.821688%	\$28,216.88
TOTALS	100.000147%	\$1,000,001.47

APPENDIX B

Benefits

The Benefits for the term of this Contract shall be the following, unless the state or federal government, through statute, changes the Benefits or Governing Board makes such changes as set forth in Article IV, Paragraph D.

These Benefits are set forth in the Benefits listing below, and any changes to that listing made during the Contract term, are incorporated into and made a part of this Contract by this reference. In addition, these Benefits are subject to revision from time to time as determined by Governing Board. This Benefits listing supersedes what was formerly known as the benefits chart. Governing Board shall adopt a policy concerning notification of Participating Counties of proposed material changes to Benefits.

Some Beneficiaries have a share of cost (SOC) obligation. If a Beneficiary has a SOC obligation, the Beneficiary must pay, or agree to pay, part of the Beneficiary's monthly income toward his or her medical expenses in the month of service before CMSP will pay for Benefits.

Persons eligible for CMSP whose immigration status has not been established shall receive the below Benefits only when provided for as an emergency medical condition as defined in Subdivision (d) of Code Section 14007.5.

The Benefits is limited to medically necessary health services in the following categories unless otherwise determined by Governing Board:

- Acute inpatient hospital care (including acute inpatient rehabilitation)
- Adult day health care
- Audiology services
- Blood and blood derivatives
- Chronic hemodialysis services
- Dental services
- Durable medical equipment
- Emergency air and ground ambulance services
- Hearing aids
- Home health agency services
- Hospital outpatient services

- Laboratory and radiology services
- Medical supplies, when prescribed by a licensed practitioner within the scope of his/her practice, or durable medical equipment dealers, and prosthetic or orthotic providers
- Non-emergency medical transportation
- Occupational therapy services
- Optometry services including an eye examination and an allowance up to \$80 for materials (lenses & frames)
- Outpatient clinic services
- Outpatient heroin detoxification services (does not include methadone maintenance)
- Pharmaceutical services provided by network pharmacies
- Physical therapy services
- Physician services
- Podiatry services
- Prosthetic and orthotic appliances
- Rehabilitation clinics
- Speech therapy services

CMSP does not include the following services:

- Pregnancy-related services
- Long-term care facility services
- Services of chiropractors, acupuncturists, psychologists, licensed clinical social workers or marriage and family therapists
- Contact lenses that are not medically necessary
- Methadone maintenance services
- All services provided outside California or outside designated border-state areas
- Services provided by providers that do not participate in the CMSP/Anthem Blue Cross provider network (excluding emergency services) and the CMSP/MedImpact pharmacy network

- Organ transplants and eye appliances (including but not limited to eye glasses and contact lenses) for persons who are eligible for CMSP emergency services only under Aid Code 50

APPENDIX C

Funds to Determine Eligibility

Base Allocations for Eligibility Administration

For each of Governing Board's fiscal years, from monies in Governing Board's accounts, Governing Board shall allocate funding to County for the purpose of determining Eligibility for County's residents seeking Benefits in accordance with the terms of this Contract. Governing Board shall determine the amount of the allocation, which may be provided in one or more payments, based upon a methodology that takes into consideration the amount of time required to conduct Eligibility applications and reapplications, County application and reapplication caseloads, and County Eligibility administration costs. Governing Board shall determine the funding level for County Eligibility administration for each fiscal year through Governing Board's process for developing the annual CMSP program budget.

County shall report to the State Department of Social Services its actual administrative costs associated with determining Eligibility of residents of County on a fiscal year basis. Those costs shall be reported through County Welfare Department's, Social Services Department's or functional equivalent's initial and supplemental quarterly administrative claim submitted to the State Department of Social Services. The costs reported on the claims shall also be included in County's data collection and reporting requirements pursuant to Code Section 16800.5. County shall provide to Governing Board a copy of the expenditure data on Eligibility administration that County submits to the State Department of Social Services on its quarterly administrative claim.

If County's actual costs for Eligibility administration are less than County's Eligibility allocation, County shall receive an amount equal to its actual cost and Governing Board shall recoup any allocation in excess of the actual County cost. At the discretion of Governing Board, recoupment of funds may be accomplished through reduction of future payments to County for Eligibility administration. Recoupments may be made over more than one (1) fiscal year as necessary and as determined by Governing Board.

If County's actual costs for Eligibility administration are greater than County's Eligibility allocation, County shall be at risk for any actual costs of determining Eligibility in County under the terms of this Contract that exceed County's Eligibility allocation. Governing Board shall have no obligation to fund County's actual costs for Eligibility administration that exceed County's Eligibility allocation.

Costs that exceed the final allocation specified above, may be included in the calculation of expenditures reported to Governing Board pursuant to Code Section 16809 et seq.

Pay for Performance

Governing Board shall audit County performance and compliance with the Eligibility Manual each fiscal year. The findings from these Eligibility audits shall be used as the basis for determining payment incentives due to County and payment penalties imposed on County.

Beginning with allocations for County Eligibility administration in FY 2011-12 and for each fiscal year thereafter, all of the following shall apply:

- (1) Counties with a case error rate of five percent (5%) or less in the prior fiscal year Eligibility audit cycle shall receive an incentive payment in the amount of five percent (5%) of County's Eligibility allocation for the next fiscal year in addition to County's allocation for that fiscal year.
- (2) Counties with a case error rate of more than ten percent (>10%) in the prior fiscal year Eligibility audit cycle shall receive a payment penalty in the amount of five percent (5%) of County's Eligibility allocation for the next fiscal year, such that County's Eligibility allocation shall equal ninety-five percent (95%) of the amount otherwise payable to County without the payment penalty.
- (3) Counties with a case error rate of more than five percent (>5%) but not more than ten percent (10%) in the prior fiscal year Eligibility audit cycle shall receive neither an incentive payment nor a payment penalty for the next fiscal year.

APPENDIX D

Financial Management

1. a. County shall pay in twelve (12) equal monthly payments to Governing Board the amounts specified as a condition of participation in CMSP pursuant to Code Section 16809.3 unless otherwise determined by Governing Board.
- b. County may request, due to financial hardship, that the aforementioned payments be delayed. Such requests shall be subject to the approval of Governing Board.
2. a. County shall pay monthly to Governing Board that amount allocated by the State Controller to County, pursuant to Code Sections 17603 and 17604 (and any successor statutes), including interest distributed pursuant to Code Section 17600(e) (and any successor statutes).
- b. In lieu of the procedure outlined in subparagraph 2.a, above, upon written request by County, the State Controller may deposit the same amount specified in subparagraph 2.a, above, directly into the CMSP Account.
3. The accounting records of Governing Board for the CMSP Account shall be open to inspection by County during normal working hours. County shall notify Governing Board at least five (5) working days in advance of the desire of County to inspect those records.
4. Governing Board, pursuant to Code Section 16809(m), may pursue third-party recoveries for Benefits provided under the Program.
5. County shall be responsible for detecting and recovering the cost of those Benefits that have been improperly or fraudulently received or obtained by any CMSP applicant or Beneficiary as a result of an Eligibility determination. After the costs of the recovery have been deducted from the amount recovered, all remaining funds recovered shall be returned to Governing Board and placed in the CMSP Account. County shall report the basis for its costs of recovery to Governing Board.
6. County shall pay any invoice from Governing Board within thirty (30) days of County's receipt of such invoice. Failure to pay an invoice on time shall result in a penalty of ten percent (10%) of the invoice amount being assessed against County.