

AGREEMENT FOR SERVICES #131-MHD0309  
AMENDMENT I

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This Amendment I to that Agreement for Services #131-MHD0309, made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and Star View Adolescent Center, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 4025 W. 226<sup>th</sup> Street, Torrance, CA 90505 (Mailing: 1501 Hughes Way, Suite 150, Long Beach, CA 90810); (hereinafter referred to as "Contractor");

**R E C I T A L S**

**WHEREAS**, Contractor has been engaged by County to provide comprehensive specialty mental health services for the Health Services Department, Mental Health Division (hereinafter referred to as "MHD") on an "as requested" basis, in accordance with Agreement for Services #131-MHD0309, dated November 9, 2009, incorporated herein and made by reference a part hereof; and

**WHEREAS**, the parties hereto have mutually agreed to amend *Article II, Term*; and

**WHEREAS**, the parties hereto have mutually agreed to amend *Article III, Compensation for Services*; and

**WHEREAS**, the parties hereto have mutually agreed to amend and replace *Exhibit C - "Star View Adolescent Center - 09/10 Year Avg Daily Rates for CTF Clients with Medi-Cal;"* and

**WHEREAS**, the parties hereto have mutually agreed to add *Exhibit E - "Star View Adolescent Center - 10/11 Year Avg Daily Rates for CTF Clients with Medi-Cal;"* and

**WHEREAS**, the parties hereto have mutually agreed to add *Exhibit F - "Star View Adolescent Center - 10/11 Year Avg Daily Rates for PHF Clients with Medi-Cal;"* and

**WHEREAS**, the parties hereto have mutually agreed to add *Exhibit G - "California Department of Mental Health Information Notice 10-10,"* to said Agreement;

**NOW THEREFORE**, the parties do hereby agree that Agreement for Services #131-MHD0309 shall be amended a first time as follows:

1) Article II shall be amended in its entirety to read as follows:

**Article II. Term**

This Agreement is effective upon final execution by both parties hereto and shall cover services provided from November 9, 2009 and expire June 30, 2011, unless terminated earlier pursuant to provisions of Article XV herein.

2) Article III shall be amended in its entirety to read as follows:

**Article III. Compensation for Services**

Section 3.01 Contractor shall submit monthly invoices no later than thirty (30) days following the end of a “service month” except in those instances where Contractor obtains written approval from County Health Services Director or Director’s designee granting an extension of the time to complete billing for services or expenses. For billing purposes, a “service month” shall be defined as a calendar month during which Contractor provides services in accordance with ARTICLE I, “Scope of Services”.

Section 3.02 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. For the purposes of this Agreement, the billing rate shall be in accordance with:

- Exhibit C - (Amended), marked "Star View Adolescent Center - 09/10 Year Avg Daily Rates for CTF Clients with Medi-Cal;" and
- Exhibit E, marked "Star View Adolescent Center - 10/11 Year Avg Daily Rates for CTF Clients with Medi-Cal;" and
- Exhibit F, marked "Star View Adolescent Center - 10/11 Year Avg Daily Rate for PHF Clients with Medi-Cal;"

all incorporated herein and made part by reference hereof, not to exceed the Statewide Maximum Allowable (SMA) rates for authorized services, as determined by the State during the term of this Agreement. Payment shall be made for actual services rendered and shall not be made for service units the client did not attend or receive. Each claim shall describe: a) units of service by individual client served, and b) dates of service detail for each client.

Section 3.03 The Community Treatment Facility Supplemental Rate payment will be made in accordance with direction provided in Exhibit G, marked “California Department of Mental Health Information Notice 10-10,” incorporated herein and made part by reference hereof, or any subsequent Notice amending the requirements as may be issued by the California Department of Mental Health.

Section 3.04 Contractor reserves the right to increase or decrease provisional rates from those listed herein to reflect changes in cost by giving County thirty (30) days written notice of such proposed change, not to exceed the SMA rates for allowable services. Rate increases or decreases will only become effective upon written acceptance of the Health Services Director or his/her designee. The Health Services Director or his/her designee may designate an effective date of such increase or decrease.

Section 3.05 Contractor shall not charge any patients or third party payors any fee for services required under this agreement.

Section 3.06 It is expressly understood and agreed between the parties hereto that the County shall make no payment for County-responsible clients and have no obligation to make payment to Contractor unless the services provided by Contractor hereunder received prior written authorization from Health Services Director or the Director's designee. It is further agreed that County shall make no payments for services unless Contractor has provided County with evidence of insurance coverage as outlined in ARTICLE XVIII hereof. County may provide retroactive authorization when special circumstances exist, as determined by the Health Services Director or the Director's designee.

Section 3.07 In accordance with Title 9, California Administrative Code, Section 565.5, reimbursement for services under this Agreement shall be limited to persons who are unable to obtain private care. Such persons are those who are unable to pay for private care or for whom no private care is available within a reasonable distance from their residence.

Section 3.08 It is understood that any payments received from County for services rendered under this Agreement shall be considered as payment in full and Contractor cannot look to any other source for reimbursement for the units of service provided under this Agreement, except with specific authorization from the Health Services Director.

Section 3.09 The total amount of this Agreement shall not exceed \$300,000.

- 3) Exhibit C - "Star View Adolescent Center 09/10 Average Daily Rates for CTF Clients with Medi-Cal" shall be amended and replaced with new Exhibit C - (Amended) "Star View Adolescent Center - 09/10 Avg Daily Rates for CTF Clients with Medi-Cal;" attached hereto and incorporated herein.
- 4) Exhibit E - "Star View Adolescent Center - 10/11 Year Avg Daily Rates for CTF Clients with Medi-Cal;" attached hereto and incorporated herein shall be added to said agreement.
- 5) Exhibit F - "Star View Adolescent Center - 10/11 Year Avg Daily Rates for PHF Clients with Medi-Cal;" attached hereto and incorporated herein shall be added to said agreement.
- 6) Exhibit G - "California Department of Mental Health Information Notice 10-10," attached hereto and incorporated herein shall be added to said agreement.



IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to that Agreement for Services #131-MHD0309 on the dates indicated below.

-- COUNTY OF EL DORADO --

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Norma Santiago, Chair  
Board of Supervisors  
"County"

*ATTEST:*  
*Suzanne Allen de Sanchez, Clerk*  
*of the Board of Supervisors*

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

-- CONTRACTOR --

STAR VIEW ADOLESCENT CENTER, INC.  
A CALIFORNIA CORPORATION

By \_\_\_\_\_ Date: \_\_\_\_\_  
Kent Dunlap  
Vice President of Operations  
"Contractor"

**STAR VIEW ADOLESCENT CENTER - 09/10 YEAR  
AVG DAILY RATES FOR CTF CLIENTS WITH MEDI-CAL  
EXHIBIT C - (Amended)**

	RATE	AVG DAILY UNITS	UNIT OF MEASURE	TOTAL COST
<b><u>MENTAL HEALTH FUNDING/EPSTD</u></b>				
DT	202.43	1.0	DAY	202.43
CM	2.02	0.1	MIN	0.10
TBS	2.61	7.0	MIN	18.27
MED SUPPORT	4.82	1.0	MIN	4.82
MHS	2.61	0.1	MIN	0.13
CI	3.88	1.0	MIN	3.88
SUB TOTAL-MH EPSTD ESTIMATE				229.63
<b><u>MH FUNDING-OTHER</u></b>				
STATE CTF SUPPLEMENT		1.0	DAY	82.19
COUNTY CTF SUPPLEMENT (Incl.Admin Fee)		1.0	DAY	95.00
SUB TOTAL-MH FUNDING-OTHER				177.19
<b>TOTAL</b>				<b>406.82</b>

If 1:1 required- Additional \$25/hr will be charged

**Prior authorization of the 1:1 services will be received from the County**

**STAR VIEW ADOLESCENT CENTER - 10/11 YEAR  
AVG DAILY RATES FOR CTF CLIENTS WITH MEDI-CAL  
EXHIBIT E**

	RATE	AVG DAILY UNITS	UNIT OF MEASURE	TOTAL COST
<b><u>MENTAL HEALTH FUNDING/EPSTD</u></b>				
DT	202.43	1.0	DAY	202.43
CM	2.02	0.1	MIN	0.10
TBS	2.61	7.0	MIN	18.27
MED SUPPORT	4.82	1.0	MIN	4.82
MHS	2.61	0.1	MIN	0.13
CI	3.88	1.0	MIN	3.88
SUB TOTAL-MH EPSTD ESTIMATE				229.63
<b><u>MH FUNDING-OTHER</u></b>				
STATE CTF SUPPLEMENT		1.0	DAY	82.19
COUNTY CTF SUPPLEMENT (Incl.Admin Fee)		1.0	DAY	95.00
SUB TOTAL-MH FUNDING-OTHER				177.19
<b>TOTAL</b>				<b>406.82</b>

If 1:1 required- Additional \$25/hr will be charged  
**Prior authorization of the 1:1 services will be received from the County**


**STAR VIEW ADOLESCENT CENTER- 10/11 YEAR  
AVG DAILY RATES FOR PHF CLIENTS WITH MEDI-CAL  
EXHIBIT F**

	RATE	AVG DAILY UNITS	UNIT OF MEASURE	TOTAL COST
<u>MENTAL HEALTH FUNDING</u>				
PHF	585.30	1.0	DAY	585.30
LIFE SUPPORT	95.00	1.0	DAY	95.00
<b>TOTAL</b>				<b>680.30</b>

\* If 1:1 required- Additional \$25/hr will be charged

**Prior authorization of the 1:1 services will be received from the County**



EXHIBIT G  
CALIFORNIA DEPARTMENT OF  
 **Mental Health**

1600 9th Street, Sacramento, CA 95814  
(916) 654-5722

April 21, 2010

DMH INFORMATION NOTICE NO.: 10-10

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

SUBJECT: PROCEDURE FOR DISTRIBUTION OF COMMUNITY TREATMENT  
FACILITY SUPPLEMENTAL RATES

REFERENCE: SUPERSEDES DMH INFORMATION NOTICE 01-08

The purpose of this notice is to inform Mental Health Plans (MHP) of changes to the reporting procedures for the distribution of Community Treatment Facility (CTF) supplemental rates by the Department of Mental Health (DMH). These changes bring procedures in line with current practice and decrease the reporting requirements of the MHP.

The main changes include: 1) amending the requirement from sending to DMH the CTF's budget and estimated average number of children per month on an annual basis or prior to enrolling children in the facility to submitting actual child days per month, on an annual basis, within 30 days of the end of the fiscal year; and 2) deleting the requirement for the host county to report actual number of child days in each CTF to DMH within 30 days of the end of the month.

Enclosures have been updated to reflect the above changes.

Please note that the distribution of CTF supplemental rates by DMH is subject to funding availability in the State budget.

Please submit the information to:

Department of Mental Health  
Local Program Financial Support  
1600 9th Street, Room 120  
Sacramento, California 95814

10-1130.B.9

DMH INFORMATION NOTICE NO.: 10-10

April 21, 2010

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If you have any questions or need additional information, please contact the Local Program Financial Support help desk at (916) 654-2314.

Sincerely,

Original Signed by

STEPHEN W. MAYBERG, Ph.D.

Director

Enclosures

10-1130.B.10

## PROCEDURES FOR IMPLEMENTATION AND DISTRIBUTION OF COMMUNITY TREATMENT FACILITY (CTF) SUPPLEMENTAL RATE

### STATUTORY AUTHORITY

The statutory authority and general guidelines for the CTF supplemental rate process are found at Welfare and Institutions Code, Section 4094.2. A copy is provided as Enclosure 3.

### BASIC PRINCIPLES

- The county in which the CTF is located (called the host county) will have primary responsibility for facilitating the development and payment of the CTF supplemental rate that is paid to the host county by the State on an annual basis. A different host county may be designated by agreement among all the counties that expect to use the CTF. If all expected users do not agree, the county in which the CTF is located will be the host county.
- The host county and the CTF will develop a budget specifying the type of mental health services and level of care to be provided. A suggested format for the budget is provided as Enclosure 2. The full rate per child per month that will cover the costs included in the budget will be established by the host county and used by all placing counties.
- A supplemental rate will be paid to the CTFs of up to \$2,500 per month per child for children eligible for foster care or those placed pursuant to an Individualized Education Program (Section 7572.5 of the Government Code). The CTF supplemental rate may not exceed the full rate per child per month.
- Placing counties are responsible for paying 60 percent of the CTF supplemental rate, up to a maximum of \$1,500. The State will pay 40 percent of the rate, up to a maximum of \$1,000. The provision of the CTF supplemental rate is subject to availability in the State budget. If only partial funding is available in the State budget, both county and State shares of the CTF supplemental rate will be reduced.

## SUPPLEMENTAL RATE PROCEDURES

### Reporting CTF child days

The host county mental health department will report the actual number of child days per month per CTF for the year to DMH on the CTF Budget Sheet (Enclosure 2). Child days per month are the total number of days spent in the facility by each child in that month. For example, if a CTF houses 30 children in the facility, 20 of whom would be there for the full month (30 days) and 10 who would be there for 10 days each, the total child days would be 700  $[(30 * 20) + (10 * 10) = 700]$ . The average number of child days for the month would be 23  $[700 / 30 = 23]$ .

### Setting CTF Supplemental Rates

Within 30 days after the end of the fiscal year, the host county will submit the actual average number of child days for each month in which the CTF was in operation. DMH will then determine the amount of the State's supplemental rate funding to be provided to the host county mental health department of each facility based on the submitted information. The CTF supplemental payment amount will be settled annually within 60 days of the end of the fiscal year.

Two examples of calculations of CTF supplemental rates in months in which the average State funding for the month is less than the maximum amount payable to the CTFs are provided below.

Facility Start Date	Max Sup Rate Total (State)	Average # Child Days/ Month	Example Final State Supp Rate July-Sept <sup>1</sup>	Example Final State Supp Rate Oct-June <sup>2</sup>
Facility A July	\$2,000 (\$800)	30	\$763.64	\$506.67
Facility B July	\$2,500 (\$1,000)	60	\$963.64	\$706.67
Facility C July	\$2,500 (\$1,000)	20	\$963.64	\$706.67
Facility D October	\$2,500 (\$1,000)	40	NA	\$706.67

<sup>1</sup>Example 1: There is an average of 110 child days per month for July through September. The total available monthly State funds are \$100,000. The maximum amount for Facility A is \$800 per month per child based on its budget; the maximum for the other two facilities is \$1,000. If each facility received its maximum, the total payment would be \$104,000, which is \$4,000 above the available State funds. \$4,000 divided by 110 child days is \$36.36. Each facility's maximum rate is reduced by \$36.36. The total supplemental rate for Facility A is \$274,908  $(\$763.64 \times 30 \text{ child days} = \$22,909 \times 12 \text{ months} = \$274,908)$ . The total supplemental rate for Facility B is \$693,816  $(\$963.64 \times 60 \text{ child days} = \$57,818 \times 12 \text{ months} = \$693,816)$ . The total supplemental rate for Facility C is \$231,276  $(\$963.64 \times 20 \text{ child days} = \$19,273 \times 12 \text{ months} = \$231,276)$ .

<sup>2</sup>Example 2: Now there is an average of 150 child days per month for October through June. The total available monthly State funds continue at \$100,000. If each facility received its maximum, the total payment would be \$144,000. \$44,000 divided by 150 child days is \$293.33. Each facility's maximum rate is reduced by \$293.33. The total supplemental rate for Facility A is \$182,400 ( $\$506.67 \times 30$  child days =  $\$15,200 \times 12$  months = \$182,400). The total supplemental rate for Facility B is \$508,800 ( $\$706.67 \times 60$  child days =  $\$42,400 \times 12$  months = \$508,800). The total supplemental rate for Facility C is \$169,596 ( $\$706.67 \times 20$  child days =  $\$14,133 \times 12$  months = \$169,596). The total supplemental rate for Facility D is \$339,204 ( $\$706.67 \times 40$  child days =  $\$28,267 \times 12$  months = \$339,204).

COMMUNITY TREATMENT FACILITY BUDGET SHEET

FISCAL YEAR:

County:

SUBMISSION DATE:

PROVIDER NAME:	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	TOTAL
PROVIDER NUMBER:													
COST CATEGORIES													
SALARIES & EMPLOYEE BENEFITS													
OPERATING EXPENSE													
EQUIPMENT													
REMODELING													
GROSS COST													
REVENUES													
a. GRANTS													
b. CLIENT FEES													
c. CLIENT INSURANCE													
d. MEDI-CAL/FEDERAL													
e. MEDI-CAL/NON-FEDERAL													
f. MEDICARE													
g. EPSDT not covered by d or e													
h. AB 3632/SB 90													
i. FOSTER CARE REIMBURSEMENT													
j. OTHER													
<b>TOTAL REVENUES</b>													
NET COST													
ESTIMATED CHILD DAYS PER MONTH													
NET COST PER CHILD DAY (DIVIDE NET COST BY CHILD DAYS)													

NOTE: Monthly budget estimates are not required, however actual child days per month must be completed for each month.

## WELFARE AND INSTITUTIONS

### CODE SECTION 4094.2

4094.2. (a) For the purpose of establishing payment rates for community treatment facility programs, the private nonprofit agencies selected to operate these programs shall prepare a budget that covers the total costs of providing residential care and supervision and mental health services for their proposed programs. These costs shall include categories that are allowable under California's Foster Care program and existing programs for mental health services. They shall not include educational, nonmental health medical, and dental costs.

(b) Each agency operating a community treatment facility program shall negotiate a final budget with the local mental health department in the county in which its facility is located (the host county) and other local agencies, as appropriate. This budget agreement shall specify the types and level of care and services to be provided by the community treatment facility program and a payment rate that fully covers the costs included in the negotiated budget. All counties that place children in a community treatment facility program shall make payments using the budget agreement negotiated by the community treatment facility provider and the host county.

(c) A foster care rate shall be established for each community treatment facility program by the State Department of Social Services. These rates shall be established using the existing foster care ratesetting system for group homes, with modifications designed as necessary. It is anticipated that all community treatment facility programs will offer the level of care and services required to receive the highest foster care rate provided for under the current group home ratesetting system.

(d) For the 2001-02 fiscal year, the 2002-03 fiscal year, the 2003-04 fiscal year, and the 2004-05 fiscal year, community treatment facility programs shall also be paid a community treatment facility supplemental rate of up to two thousand five hundred dollars (\$2,500) per child per month on behalf of children eligible under the foster care program and children placed out of home pursuant to an individualized education program developed under Section 7572.5 of the Government Code. Subject to the availability of funds, the supplemental rate shall be shared by the state and the counties. Counties shall be responsible for paying a county share of cost equal to 60 percent of the community treatment rate for children placed by counties in community treatment facilities and the state shall be responsible for 40 percent of the community treatment facility supplemental rate. The community treatment facility supplemental rate is intended to supplement, and not to supplant, the payments for which children placed in community treatment facilities are eligible to receive under the foster care program and the existing programs for mental health services.

(e) For initial ratesetting purposes for community treatment facility funding, the cost of mental health services shall be determined by deducting the foster care rate and the community treatment facility supplemental rate from the total allowable cost of the community treatment facility program. Payments to certified providers for mental health services shall be based on eligible

services provided to children who are Medi-Cal beneficiaries, up to the statewide maximum allowances for these services.

(f) The department shall provide the community treatment facility supplemental rates to the counties for advanced payment to the community treatment facility providers in the same manner as the regular foster care payment and within the same required payment time limits.

(g) In order to facilitate the study of the costs of community treatment facilities, licensed community treatment facilities shall provide all documents regarding facility operations, treatment, and placements requested by the department.

(h) It is the intent of the Legislature that the department and the State Department of Social Services work to maximize federal financial participation in funding for children placed in community treatment facilities through funds available pursuant to Titles IV-E and XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 670 and following and Sec. 1396 and following) and other appropriate federal programs.

(i) The department and the State Department of Social Services may adopt emergency regulations necessary to implement joint protocols for the oversight of community treatment facilities, to modify existing licensing regulations governing reporting requirements and other procedural and administrative mandates to take into account the seriousness and frequency of behaviors that are likely to be exhibited by the seriously emotionally disturbed children placed in community treatment facility programs, to modify the existing foster care ratesetting regulations, and to pay the community treatment facility supplemental rate. The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, and general welfare. The regulations shall become effective immediately upon filing with the Secretary of State. The regulations shall not remain in effect more than 180 days unless the adopting agency complies with all the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as required by subdivision (e) of Section 11346.1 of the Government Code.