

# CONTRACT ROUTING SHEET

Date Prepared: 4/3/07

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

**PROCESSING DEPARTMENT:**

Department: CAO/Proc. & Contracts  
Dept. Contact: Dustin Bailey  
Phone #: 5833  
Department Head Signature: Laura A Hill for - Bonnie H. Rich

**CONTRACTOR:**

Name: Starlight Adolescent Center  
Address: 455 Silicon Valley Blvd. San Jose, CA 95138  
Phone: 510-635-9705

EL DORADO COUNTY COUNSEL  
2007 APR - 3 PM 11:15  
*[Signature]*

**CONTRACTING DEPARTMENT:** Mental Health

Service Requested: Residential services for minors with emotional disorders  
Contract Term: Two Years Contract Value: \$150,000.00  
Compliance with Human Resources requirements? Yes: \_\_\_\_\_ No: \_\_\_\_\_  
Compliance verified by: \_\_\_\_\_

**COUNTY COUNSEL:** (Must approve all contracts and MOU's)

Approved:  Disapproved: \_\_\_\_\_ Date: 4-4-07 By: [Signature]  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

*\* Note mutual indemnity*

ASSIGNMENT	DATE	ATTORNEY	DEPT./INDEX NO.
	<u>04/03/2007</u>	<u>ED KUAPP</u>	<u>026100</u>
			<u>[Signature]</u>

PLEASE FORWARD TO RISK MANAGEMENT. THANKS!

**RISK MANAGEMENT:** (All contracts and MOU's except boilerplate grant funding agreements)

Approved:  Disapproved: \_\_\_\_\_ Date: 4-4-7 By: [Signature]  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

RECEIVED  
HUMAN RESOURCES DEPT  
07 APR - 4 PM 2:16

**OTHER APPROVAL:** (Specify department(s) participating or directly affected by this contract).

Departments: \_\_\_\_\_  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

# ORIGINAL

## AGREEMENT FOR SERVICES #705-S0711

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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 Starlight Adolescent Center, Inc., a California Corporation, duly qualified to conduct business in the State of California, whose principal place of business is 455 Silicon Valley Boulevard, San Jose, CA 95138; (hereinafter referred to as "Contractor");

### WITNESSETH

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

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

**WHEREAS**, such agreements are authorized and provided for by the provisions of Section 5608 of the Welfare and Institutions Code; 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 provisions of these services provided by Contractor are in the public's best interest and that these services, are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

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

## **ARTICLE I**

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

## **ARTICLE II**

**Term:** This Agreement shall become effective when fully executed by the parties hereto and shall cover the period of July 1, 2007 through June 30, 2009.

## **ARTICLE III**

**Compensation for Services:** In consideration of services provided by Contractor pursuant to this Agreement, County agrees to compensate Contractor at the Negotiated Rate(s) mutually agreed upon between County and Contractor. A Negotiated Rate is a specific and fixed dollar amount paid for delivery of a specific unit of service. Contractor shall receive monthly reimbursement based upon the Negotiated Rate as specified in Exhibit A, and actual units provided as attached hereto, less revenue collected, and by this reference incorporated herein, not to exceed the maximum obligation of the County as specified herein.

County shall pay Contractor for services as set forth herein. For services provided herein, County agrees to pay Contractor monthly in arrears and within thirty (30) days following the County's receipt and approval of itemized invoice(s) identifying services rendered. Payment shall be made for actual services rendered and shall not be made for service units the beneficiary did not attend or receive. Each claim shall describe: a) units of service by individual beneficiary served, and b) date of service detail for each beneficiary.

Contractor reserves the right to increase provisional rates above those listed in Exhibit "A" to reflect cost increases by giving County thirty (30) days written notice of said change. Rate increases will only become effective upon written acceptance of rate changes by the Director of Mental Health or his/her designee.

Contractor shall not charge any patients or third party payors any fee for service unless directed to do so in writing by the County Mental Health Director at the time the patient is referred for services.

When directed to charge for services, Contractor shall use the uniform billing and collection guidelines prescribed by the State Department of Mental Health. Charges shall approximate estimated actual cost.

Contractor will perform eligibility and financial determinations, in accordance with State Department of Health Uniform Method of Determining Ability to Pay, for all patients unless directed otherwise by the County Mental Health Director.

It is expressly understood and agreed between the parties hereto that the County shall make no payment for County-responsible patients and have no obligation to make payment to Contractor unless the services provided by Contractor hereunder received prior written authorization from County Mental Health Director or the Director's designee. It is further agreed that County shall make no payments for services unless Contractor has provided

County with evidence of insurance coverage as outlined in ARTICLE XVIII hereof. County may provide retroactive authorization when special circumstances exist, as determined by the County Mental Health Director or the Director's designee.

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

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

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

Contractor shall provide County an annual legal entity Cost Report, as prescribed by State Department of Mental Health in the Short-Doyle Medi-Cal cost report instructions, no later than ninety (90) days after termination of this Agreement. In addition to the annual Cost Report, Contractor will furnish County within sixty (60) days after receipt, a certified copy of an Audit Report from an independent CPA firm. This Audit Report will cover Contractor's fiscal year which most nearly coincides with County's fiscal year. The findings of the annual Cost Report shall be subject to an audit by County and State. The State of California may make such audits as it deems necessary for the purpose of determining reimbursement due County.

Final year end settlement shall be based upon the Negotiated Rate, multiplied by the actual number of units, less revenue collected and shall not exceed the maximum obligation of the County as specified herein.

Contractor shall not claim expenditures to County, which are not reimbursable pursuant to applicable federal, State, and County laws, regulations and requirements. Any payments made by County to Contractor, which is subsequently determined to have been for a non-reimbursable expenditure or service, shall be repaid by Contractor to County in cash within forty-five (45) days of submittal of the Cost Report or County may elect to reduce any amount owed Contractor by an amount not to exceed the reimbursement due County.

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

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

The total amount of this Agreement shall not exceed \$150,000.00.

#### **ARTICLE IV**

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

Contractor shall permit personnel designated by the County Mental Health Director on its premises for the purpose of making periodic inspections and will furnish the County Mental Health Director with such information as the Director may require to evaluate fiscal and clinical effectiveness of the services being rendered.

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

#### **ARTICLE 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**

**Applicable Laws and Regulations:** Contractor shall provide services in accordance with all applicable State and Federal statutes, regulations, and case law, including but not limited to Title XIX of the Social Security Act and Titles 9 and 22, California Administrative Code,

hereinafter referred to as "Code", as well as all future changes or amendments to each of the preceding, and the State of California Department of Mental Health Cost Reporting/Data Collection System, as it pertains to Negotiated Rate contracts, and Short-Doyle Medi-Cal policies, as defined in DMH Letters and Cost Report instructions.

Contractor will, in cooperation with County, comply with Sections 5718(a)(1) of California State Welfare and Institutions Code and obtain a certification of patient's eligibility for mental health services under the California Medical Assistance Program.

Contractor warrants that it and all its employees have all necessary licenses and/or permits required by the laws of the United States, the State of California, County of El Dorado, and all other appropriate governmental agencies, and agrees to maintain these licenses and/or permits in effect for the duration of this Agreement. Failure to maintain these licenses and/or permits shall constitute grounds for the termination of this Agreement by County.

#### **ARTICLE VIII**

**Confidentiality:** The parties to this Agreement will comply with applicable laws and regulations, including but not limited to Section 5328 et seq. And Section 14100.2 of the Welfare and Institutions Code and Title 42, CFR, Section 431.300 et seq., and the Health Insurance Portability and Accountability Act of 1996 (HIPAA), regarding the confidentiality of Client information.

The identities of patients and the complete medical records of the patients shall remain the sole and exclusive property of County and shall not be disclosed by Contractor or any of its employees, and are subject to the new electronic transmission format standards required by HIPAA.

The Contractor will protect from unauthorized disclosure, names and other identifying information concerning beneficiaries receiving services pursuant to this Agreement except for statistical information. The Contractor will not use identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.

The Contractor will not disclose, except as otherwise specifically permitted by state and federal laws and regulations or this Agreement, or authorized by the Client, any such identifying information to anyone other than the State without prior written authorization from the State in accordance with state and federal laws.

For purposes of the above paragraphs, identifying information will include, but not be limited to: name, identifying number, symbol, or other identifying particular assigned to the individual.

#### **ARTICLE IX**

**Nondiscrimination:** Consistent with the requirements of applicable federal or state law, the Contractor will not engage in any unlawful discriminatory practices in the admission of Clients, assignment of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual preference or mental or physical handicap.

The Contractor will comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Human Services, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.

Notwithstanding other provisions of this section, the Contractor may require a determination of medical necessity pursuant to Title 9, CCR, Section 1820.205, Section 1830.205 or Section 1830.210, prior to providing covered services to a Client.

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractor and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.).

The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

## **ARTICLE X**

**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. Any assignment or delegation of this Agreement in absence of County's express written consent will be void.

## **ARTICLE XI**

**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 XII**

**Records/Inspection and Audit:** Contractor shall maintain proper clinical and fiscal records relating to patients served under the terms of this Agreement, as required by the County Mental Health Director, the State Department of Mental Health, and all applicable State and Federal statutes and regulations.

Records on each individual patient shall include but not be limited to admission records, diagnostic studies and evaluations, patient interviews and progress notes, and records of services provided by the various professional personnel, and such records shall be maintained in sufficient detail to make possible an evaluation of services provided and to meet State Department of Mental Health claiming requirements. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment under this Agreement, unless a longer period of records retention is stipulated.

Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records.

Contractor shall make all of its books and records pertaining to the goods and services furnished under the terms of this Agreement available for inspection, examination or copying by the County, the State Department of Mental Health, the Department of Health and Human Services, the Comptroller General of the United States, and other authorized federal and state agencies, or their duly authorized representatives, at all reasonable times at the Contractor's place of business or at such other mutually agreeable location in California, in a form maintained in accordance with the general standards applicable to such book or record keeping, for a term of at least five years from the close of the State's fiscal year in which this Agreement was in effect.

Contractor shall keep and maintain accurate accounting records of its salaries and employee benefit costs, operating expenses, and revenues received from any source during the period of this Agreement. Such books and records shall be open to inspection at any reasonable time by the County, the State Department of Mental Health, the Department of Health and Human Services, the Comptroller General of the United States, and other authorized federal and state agencies, or their duly authorized representatives for at least four years after the final claim for services rendered under terms of this Agreement has been paid by County, or until audit findings are resolved. The Department of Health, Education and Welfare and the State Department of Health Services shall have the same rights of inspection for Medi-Cal services.



Contractor will allow the County, the State Department of Mental Health Services, the State Department of Health and Human Services, the Comptroller General of the United States, and other authorized federal and state agencies, or their duly authorized representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Agreement, and to inspect, evaluate and audit any and all books, records, and facilities maintained by the Contractor and subcontractors, pertaining to such services at any time during normal business hours. Books and records include, but are not limited to, all physical records originated or prepared pursuant to the performance under this Agreement, including work papers, reports, financial records and books of account, Client records, prescription files, subcontracts, and any other documentation pertaining to covered services and other related services for beneficiaries. Upon request, at any time during the period of this Agreement, the Contractor will furnish any such record, or copy thereof, to the State Department of Mental Health Services or Health and Human Services. Authorized agencies will maintain the confidentiality of such books and records in accordance with applicable laws and regulations.

Statistical records shall be maintained as required by the County Mental Health Director and the State Department of Mental Health on forms furnished by said Department or by the County. All statistical data or information requested by the County Mental Health Director shall be provided by Contractor.

All reports, information, data, work product, findings, and conclusions furnished to or collected, prepared, assembled, and/or made by Contractor and Contractor's agents under this Agreement ("Work Product") shall be the property of the County, shall be confidential until County makes the Work Product available for public inspection, and shall not be made available by the Contractor to any person or entity or published by the Contractor without the prior written authorization of the County.

The Contractor shall be subject to the examination and audit of the Auditor General for a period of three years after final payment under the Agreement (Government Code, section 8546.7), and shall be subject to the examination and audit of the State of California Auditor General for a period of three years after final payment under this Agreement.

### **ARTICLE XIII**

**Unusual Occurrences:** Contractor shall report unusual occurrences to the County Mental Health Director or the Director's designee. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including but not limited to physical injury and death.

Unusual occurrences are to be reported to the County within five (5) calendar days of event or as soon as possible after becoming aware of the unusual event. Reports are to include the following elements:

1. Complete written description of event including outcome;
2. Written report of Contractor's investigation and conclusions;
3. List of persons directly involved and/or with direct knowledge of event.

The County and the State of California, Department of Mental Health, retain the right to independently investigate unusual occurrences with the cooperation of the Contractor.

#### **ARTICLE XIV**

**Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County's obligations under this Agreement are contingent upon the availability of Bronzan-McCorquodale Act funds for reimbursement of the State's share of County expenditure. It is the intent of the parties that the County shall not be obligated to Contractor for more than it receives in State reimbursement and the minimum statutory obligation of County share funds as specified in Division 5, Welfare and Institutions Code. Consequently, in the event that State reimbursement is terminated or reduced, this Agreement may be terminated or the number of placement days and the corresponding amount of services provided at the specified rates under the terms of this Agreement be proportionately reduced accordingly, upon County's written notice to Contractor.

In the event of termination of this Agreement prior to specified duration or in the event of non-renewal of contract services between Contractor and County, Contractor shall declare to County any and all accounts receivable for Short Doyle/Medi-Cal and other County-responsible patients and assign to County billings to all patients and/or payors for services rendered patients for which claims have been or are being made to County for reimbursement.

#### **ARTICLE XV**

##### **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.

- 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 seven (7) calendar days upon written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise. 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.
- E. Should the County or the California State Department of Mental Health make a determination that Contractor is not complying with the requirements of law or State regulations in regards to staffing requirements or services resulting in loss of reimbursement to County for contract expenditures to Contractor, this Agreement shall be void and of no force and effect whatsoever from the date the County or State make the foregoing determination which results in loss of reimbursement.

#### **ARTICLE XVI**

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

COUNTY OF EL DORADO  
MENTAL HEALTH DEPARTMENT  
344 PLACERVILLE DRIVE, SUITE 20  
PLACERVILLE, CA 95667  
ATTN: DARRYL KECK, CHILDREN'S SERVICES PROGRAM MANAGER

or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:  
STARLIGHT ADOLESCENT CENTER, INC.  
455 SILICON VALLEY BLVD.  
SAN JOSE, CA 95138  
ATTN: KENT DUNLAP – VICE-PRESIDENT OF OPERATIONS

or to such other location as the Contractor directs.

## **ARTICLE XVII**

**Indemnity:** Contractor shall indemnify and hold harmless all Agencies, Districts, Special Districts, and Departments of the County of El Dorado, the State of California, their respective directors, officers, Board of Supervisors, employees, agents, elected and appointed officials and representatives from any liability whatsoever, based or asserted upon services of Contractor, its agents, employees, or subcontractors, arising out of or in any way relating to this Agreement, for property damage, bodily injury, or death or any other element of damage of any kind or nature resulting from any acts or failure to act or omission on the part of the Contractor, its directors, officers, agents, employees or subcontractors hereunder, and Contractor shall defend, at its sole expense, including but not limited to attorney fees, all Agencies, Districts, Special Districts, and Departments of the County of El Dorado, the State of California, their respective directors, officers, Board of Supervisors, employees, agents, elected and appointed officials and representatives and in any legal claim or action based upon such alleged liability.

The County agrees to indemnify, defend and hold harmless the Contractor and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability resulting from the County's acts, errors or omissions arising out of or in any way relating to this Agreement and for any costs or expenses incurred by the Contractor on account of claim therefore, except when such indemnification is prohibited by law.

## **ARTICLE XVIII**

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

- A. Full 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.
- 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. For the purposes of this Agreement, autos will not be used.
- D. In the event Contractor is a licensed professional, 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. For the purposes of this Agreement, professional liability is required.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.

- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
  2. The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be 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.
- 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 XIX**

**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 XX**

**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 XXI**

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

#### **ARTICLE XXII**

**Administrator:** The County Officer or employee with responsibility for administering this Agreement is as designated by Mental Health Director for administrative purposes, Darryl Keck, Children's Services Program Manager, Mental Health Department, or successor.

#### **ARTICLE XXIII**

**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 XXIV**

**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 XXV**

**Venue:** Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

**ARTICLE XXVI**

**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 XXVII**

**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.

**Contract Administrator Concurrence:**

By: Darryl Keck Resw Dated: 5-1-07  
Darryl Keck  
Children's Services Program Manager  
Mental Health Department

**Requesting Department Concurrence:**

By: John Bachman Dated: 5/3/07  
John Bachman  
Director  
Mental Health Department

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

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

By: \_\_\_\_\_  
Chairman  
Board of Supervisors  
"County"


ATTEST:  
Cindy Keck  
Clerk of the Board of Supervisors

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

-- CONTRACTOR --

Dated: 5-17-07

STARLIGHT ADOLESCENT CENTER, INC.  
A CALIFORNIA CORPORATION

By:   
Kent Dunlap  
Vice-President of Operations  
"Contractor"

By:   
Corporate Secretary

Dated: 5/15/07



EXHIBIT A  
Program Description  
{July 1, 2007}

Contractor: Starlight Adolescent Center, Inc.

Contractor Services: Contractor is providing 24-hour residential services under separate agreement with County. This contract is for Day Treatment Intensive, TBS, Medication Support, Case Management, Crisis Intervention and Mental Health Services

President: Mary Jane Gross

Corporate Status:

Incorporated: Yes

Owner's Name: N/A

Address: 455 Silicon Valley Blvd., San Jose, CA 95138

Telephone: 510-635-9705

Officers: President: Mary Jane Gross; Kent Dunlap, Vice President of Operations

ITEMS APPLICABLE TO ALL SERVICES:

Hours for Services: Day Treatment Intensive, (Level 13-14), 7 days per week

Geographic Area: Santa Clara County, CA

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

Selection for Admission to Service: Upon referral only from County Mental Health Department. In the event that the child is referred by an agency other than the County Mental Health Department, County shall make no payment for services, and have no obligation to make payment to Contractor, unless the services provided by Contractor received prior authorization from the County Mental Health Director or designee.

A child may be approved for services on the basis of verbal authorization from the County by mutual consent of the County and Contractor.

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

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

Services Provided:

**A. Day Treatment Intensive**

A concentrated and comprehensive mental health program to address each child's learning and developmental needs through therapeutic, recreational and expressive arts activities. The program emphasizes activities that enhance self-sufficiency and competence through group work and integration with the community. The program is tailored for each child, building upon the child's strengths, the cultural and familial context to which they will eventually return, and addressing behavioral, medical, academic and emotional components. To the extent feasible, family/primary caregivers participate in ongoing service planning and review. Program activities are integrated with each child's overall service plan to ensure family support and clinical oversight.

Day Treatment Intensive Services include:

1. Assessment and evaluation
2. Plan development
3. Individual, group and family therapy
4. Recreational and creative arts groups
5. Psycho-education activities
6. Monthly support group for family members
7. Case Management Services
8. Mental Health Services

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

Services to include:

1. Day Treatment Intensive must provide for community meetings that occur at a minimum once a day. For Day Treatment Intensive the meeting must include a staff person whose scope of practice includes psychotherapy.
2. Day Treatment Intensive also includes components that occur outside the therapeutic milieu, e.g., family therapy, travel, documentation, and contacts with significant support persons.
3. Day Treatment Intensive must also include psychotherapy.

**B. Medication Support Services**

Prescribing, administering, dispensing and measuring of psychiatric medications or biological agents necessary to alleviate the symptoms of serious emotional disturbance in children enrolled

in the Day Treatment Intensive Program. Medication Support Services are provided by staff consistent with scope of practice regulations.

Medication Support Services include:

1. Evaluation of the need for medication
2. Plan development
3. Evaluation of clinical effectiveness and side effects of medication
4. Obtaining informed consent
5. Medication education (including discussing risks, benefits, and alternatives with parents or other primary caregivers)
6. Prescribing, dispensing, and administering of psychiatric medications and related laboratory tests

**C. Mental Health Services:** Contractor agrees to furnish licensed facilities, personnel and services necessary to provide residential and/or group home services for severely mentally disordered minors pursuant to the Bronzan-McCorquodale Act on an "as requested" basis for the Department of Mental Health. Services shall include, but not be limited to, psychiatric supervision, rehabilitative therapy, psychological monitoring, recreational activities, pre-placement planning, and centralized program support. Services shall be provided as directed by the client's case manager. County agrees to provide reasonable mental health and/or social services support as necessary for Contractor to complete services in a satisfactory manner.

**D. Therapeutic Behavioral Services (TBS):** Contractor agrees to furnish all space, facilities, equipment and supplies necessary to provide TBS to County-authorized minors with serious emotional problems who are experiencing a stressful transition of life crisis and who need additional short term support to prevent placement in a higher level of residential care or to enable placement in a less restrictive level of care. Contractor's staff shall provide individualized one-on-one behavioral assistance and on-on-one interventions to accomplish outcomes specified in the written Treatment Plan approved by the County. Contractor shall provide services in accordance with applicable letters, regulations, and policies issued by the State Department of Mental Health including, but not limited to, Information Notice #99-03-subject: "Therapeutic Behavioral Services" dated July 23, 1999.

Contractor shall obtain prior written authorization from the County Mental Health Director or designee before admitting any County-responsible Client to its TBS program. County shall appoint a

County Liaison who shall provide Contractor with a completed authorization form prior to each Client admission to the TBS program.

**E. Case Management Services (CM)** are activities provided to assist individuals to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other needed community services for eligible individuals. These activities may include:

- **Consultation:** inter-agency and intra-agency consultation (or collaboration) regarding the individual's care. This activity involves people in professional relationships with the individual, e.g. CPS worker, probation officer, teacher, mental health staff, pediatrician.
- **Linkage:** locating and securing for the individual needed services and resources in the community. **Examples:** linking an individual with funding (SSI, Medi-Cal, etc.), medical/dental care, education, vocational training, parenting classes, etc.. This is normally a one-time activity, e.g. locating a low-cost dentist and linking an individual with the provider of dental care.
- **Access:** Activities related to assisting an individual to access mental health services. **Example:** phoning Dial-A-Ride (or a relative or a Group Home operator) on behalf of an individual unable to arrange transportation on their own due to mental illness and impairment in functioning. **Example:** providing interpretation and identification of cultural factors on behalf of an individual during a medication evaluation appointment. [Interpretation, in and of itself, is not a billable service.]
- **Placement:** locating and securing appropriate living environment for the individual (can include pre-placement visits, placement, and placement follow-up). Case management **placement** can also be billed while an individual is in an acute psychiatric hospital, when the individual is within 30-days of discharge, but only if the living environment at discharge from the hospital is in question or has yet to be determined.

**F. Crisis Intervention (CI)** is an emergency response service enabling the individual to cope with a crisis, while maintaining her/his status as a functioning community member to the greatest extent possible. A crisis is an unplanned event that results in the individual's need for immediate service intervention in order to avoid the need for a higher level of care. Crisis Intervention services are limited to stabilization of the presenting emergency.

The emergency may or may not conclude with acute hospitalization.

**Reports:**

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

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

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

Cultural  
Competency:

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

Records of Service:

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

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

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

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

**Coordination of  
Services with  
County:**

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

**Quality Assurance  
And Utilization  
Review:**

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

**Evaluation:**

Contractor shall have and provide to County upon request a complete description of the methodology and procedure used to evaluate its programs, as well as copies of its utilization management and quality assurance programs. Contractor shall participate in any County and State evaluation activities deemed necessary by the County Mental Health Director.

**Compensation:**

All Services provided by Contractor shall have prior written authorization by the County Mental Health Director or designee. All compensation for services shall be based on the negotiated rates, supplemental charges and ancillary costs as described below.

a) Negotiated Rates – County shall pay Contractor the following negotiated rates for the listed services for the period of July 1, 2007 through June 30, 2009:

Day Treatment Intensive	\$209.51 per day
Mental Health Services	\$2.70 per minute
Mental Health Medication Support Services	\$4.99 per minute
Therapeutic Behavioral Services (TBS)	\$2.70 per minute
Case Management Services	\$2.09 per minute
Crisis Intervention Services	\$4.02 per minute

b) Reimbursements for CTF mental health supplement are as follows:

- (1) CTF mental health supplement: \$163.57/day
  - (2) CTF Supplement: \$ 82.19/day (\$2,500.00/month)
- County can offset claim at approx. \$32.88/day from State Department of Mental Health (see chart-Attachment 1).

c) The reimbursement to Contractor from the County for Ancillary Medical Costs unbillable to MediCal will be reimbursed per cost of services. Ancillary Medical Costs include but are not limited to, physical health costs, laboratory, pharmacy and special transportation.

d) The day rates apply for each day from admission to discharge from the CTF. These daily rates are all-inclusive for services that are an essential part of Contractor's program and are necessary for the integrity and safety of the program and the clients it serves. They include an operating income and management fee for the services provided.

e) The minute rates apply for services provided from admission to discharge from Starlight for any aftercare provided following discharge. These per minute rates are for the outpatient mental health services that are an essential part of Contractor's program and are necessary for the integrity and safety of the program and the clients it serves. It is understood that Case Management Services, Mental Health Services and Therapeutic Behavioral Services will not be billed during the hours of Day Treatment Intensive.



f) County shall be solely responsible for any and all claiming from the State for mental health and residential treatment services provided by Contractor. Contractor shall provide County with required documentation of services to support its claiming.

# STARLIGHT ADOLESCENT CENTER - 07/08 YEAR

## 07/08 AVG DAILY RATES FOR CTF CLIENTS WITH MEDI-CAL

**EXHIBIT "A"**

	<u>COST</u>			<u>REVENUE ESTIMATES</u>					
	RATE	AVG DAILY UNITS	UNIT OF MEASURE	TOTAL COST	FEDERAL	STATE	COUNTY		ESTMATED MH PAYMENT TO STARLIGHT
						(EPSDT + CTF)	[SOCIAL SERVICES]	(PLACING AGENCY)	
<b><u>MENTAL HEALTH FUNDING/EPSDT</u></b>									
DT	209.51	1.0	DAY	209.510	104.755	<b>104.755</b>			<b>209.510</b>
CM	2.09	4.0	MIN	8.360	4.180	<b>4.180</b>			<b>8.360</b>
TBS	2.70	38.0	MIN	102.600	51.300	<b>51.300</b>			<b>102.600</b>
MED SUPPORT	4.99	6.0	MIN	29.940	14.970	<b>14.970</b>			<b>29.940</b>
MHS	2.70	2.0	MIN	5.400	2.700	<b>2.700</b>			<b>5.400</b>
CI	4.02	5.0	MIN	20.100	10.050	<b>10.050</b>			<b>20.100</b>
SUB TOTAL-MH EPSDT ESTIMATE				<b>375.910</b>					<b>375.910</b>
<b><u>MH FUNDING-OTHER</u></b>									
STATE CTF SUPPLEMENT (\$2,500/MO)		1.0	DAY	82.190		32.880		<b>49.310</b>	<b>82.190</b>
COUNTY CTF SUPPLEMENT (Incl.Admin Fee)		1.0	DAY	163.575				<b>163.575</b>	<b>163.575</b>
				<b>245.765</b>					
<b><u>SOCIAL SERVICES</u></b>									
AFDC Foster Care (\$6,371/Mo)		1.0	DAY	209.460	104.730	62.838	41.892		
<b>TOTAL</b>				<b>831.135</b>	<b>292.685</b>	<b>283.673</b>	<b>41.892</b>	<b>212.885</b>	<b>621.675</b>

Billing + Payment will be based on services provided to each client.

**ESTIMATED NET RATE TO PLACING COUNTY IS \$212.89**