

AGREEMENT FOR SERVICES 050-S1111
AMENDMENT II

This Amendment II to that Agreement for Services #050-S1111, 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 Victor Treatment Centers, Inc., a California Corporation duly qualified to conduct business in the State of California, whose principal place of business is 2561 California Park Drive, Chico, CA 95928, and whose Agent for Service of Process is Douglas E. Scott, 2561 California Park Drive, Chico, CA 95928 (hereinafter referred to as "Contractor").

RECITALS

WHEREAS, Contractor has been engaged by County to provide twenty-four hour residential mental health services for County-authorized minors with serious emotional problems (hereinafter referred to as "Client" or "Clients"), in accordance with Agreement for Services 050-S1111, dated October 4, 2010, and Amendment I to that Agreement, dated June 28, 2011, incorporated herein and made by reference a part hereof; and

WHEREAS, the Health Services Department has been reorganized and is now known as Health Services, a Department of the Health and Human Services Agency; and

WHEREAS, the parties hereto have mutually agreed to extend the term of the original Agreement, hereby amending **Article II - Term**; increase the not-to-exceed amount of the Agreement, hereby amending **Article III - Compensation**, and update the contact information, hereby amending **Article XVIII - Notice to Parties**, and **Article XXVII - Administrator**; and

WHEREAS, the parties hereto have mutually agreed to amend and replace Exhibit C - Fee Schedule.

NOW THEREFORE, the parties do hereby agree that Agreement for Services 050-S1111 shall be amended a Second time as follows:

- 1) All references in the original agreement to the "County Health Services Department" or "HSD" shall be deemed to refer to Health Services, a Department of the Health and Human Services Agency.

2) ARTICLE II shall be amended in its entirety to read as follows:

Article II

Term: This Agreement shall be effective July 1, 2010 and shall expire June 30, 2013, unless terminated earlier pursuant to provisions under Article XVI or Article XVII herein.

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

Article III Compensation

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 and Human Services Agency (HHSA) 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." Contractor shall invoice County for all services provided in accordance with this Agreement, including those provided to Clients classified as having Educationally Related Mental Health Services (ERMHS).

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 provisional billing rate shall be in accordance with Exhibit C, marked "Fee Schedule," incorporated herein and made part by reference hereof. Payment shall be made for actual services rendered and shall not be made for service units the client did not attend or receive. Each invoice shall describe: a) units of service by individual client served, and b) dates of service detail for each client.

For the period July 1, 2012 through June 30, 2013, the provisional billing rate(s) shall be in accordance with Exhibit C (Amended) marked "Fee Schedule," incorporated herein and made part by reference hereof.

Section 3.03 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. Rate increases or decreases will only become effective upon written acceptance of the HHSA Director or his/her designee. The HHSA Director or his/her designee may designate an effective date of such increase or decrease.

Section 3.04 Contractor shall not charge any clients or third party payers any fee for service.

Section 3.05 It is expressly understood and agreed between the parties hereto that the County shall make no payment for clients for whom the County is responsible, and have no obligation to make payment to Contractor, unless the services provided by Contractor hereunder received prior written authorization from HHSA 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 XX hereof. County may provide

retroactive authorization when special circumstances exist, as determined by the HHS Director or the Director's designee, based upon Contractor's written request.

Section 3.06 In accordance with Title 9, California Code of Regulations (CCR), 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 3.07 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 HHS Director, or designee.

Section 3.08 The total amount of this Agreement shall not exceed \$285,000.

4) Article XVIII shall be amended in its entirety to read as follows:

Article XVIII

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

Notices to County shall be addressed as follows:

COUNTY OF EL DORADO
HEALTH AND HUMAN SERVICES AGENCY
670 PLACERVILLE DRIVE
PLACERVILLE, CA 95667
ATTN: LAURA WALNY, MANAGER OF MENTAL HEALTH PROGRAMS

With a copy to:

COUNTY OF EL DORADO
PROCUREMENT AND CONTRACTS DIVISION
360 FAIR LANE, LOWER LEVEL
PLACERVILLE, CA 95667
ATTN: TERRI DALY, PURCHASING AGENT

or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

VICTOR TREATMENT CENTERS, INC.
2561 CALIFORNIA PARK DRIVE
CHICO, CA 95928
ATTN: DOUGLAS SCOTT, CHIEF EXECUTIVE OFFICER

or to such other location as the Contractor directs.

5) ARTICLE XXVII shall be amended in its entirety to read as follows:

Article XXVII

Administrator: The County Officer or employee with responsibility for administering this Agreement is Laura Walny, Manager of Mental Health Programs, Health and Human Services Agency, or successor.

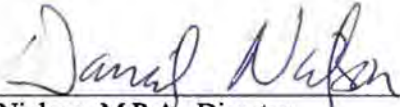
6) For the period July 1, 2012 through June 30, 2013, Exhibit C – Fee Schedule is hereby amended and replaced by Exhibit C (Amended) Fiscal Year 2012-13.

Except as herein amended, all other parts and sections of that Agreement 050-S1111 and any Amendments thereto shall remain unchanged and in full force and effect.

REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:

By:  Dated: 9/14/12
Laura Walny, Manager of Mental Health Programs
Health and Human Services Agency

REQUESTING DEPARTMENT HEAD CONCURRENCE:

By:  Dated: 9-20-2012
Daniel Nielson, M.P.A., Director
Health and Human Services Agency

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IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to that Agreement for Services 050-S1111 on the dates indicated below.

-- COUNTY OF EL DORADO --

Dated: _____

By: _____
John R. Knight, Chair
Board of Supervisors
"County"

ATTEST:
Terri Daly, Acting Clerk
of the Board of Supervisors

By: _____ Dated: _____
Deputy Clerk

-- CONTRACTOR --

VICTOR TREATMENT CENTERS, INC.
A CALIFORNIA CORPORATION

By: _____ Dated: _____
Douglas Scott, Chief Executive Officer
"Contractor"

By:  _____ Dated: 10/2/12
Lenny Verser, Chief Financial Officer
Victor Treatment Centers, Inc.

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EXHIBIT C (Amendment II)
Fee Schedule

Victor Treatment Centers, Inc.

Service Type	Unit of Service	Rate
Fiscal Year 2010-11		
Case Management	Minute	\$2.00
Crisis Intervention	Minute	\$3.85
Day Rehabilitation – Full Day	Day	\$131.00
Day Treatment Intensive – Full Day	Day	\$202.00
Medication Support	Minute	\$4.82
Mental Health Services	Minute	\$2.60

Service Type	Unit of Service	Rate
Fiscal Year 2011-12		
Case Management	Minute	\$2.02
Crisis Intervention	Minute	\$3.88
Day Rehabilitation – Full Day	Day	\$131.24
Day Treatment Intensive – Full Day	Day	\$202.43
Medication Support	Minute	\$4.82
Mental Health Services	Minute	\$2.61

Service Type	Unit of Service	Rate
Fiscal Year 2012-13		
Case Management	Minute	\$2.02
Crisis Intervention	Minute	\$3.88
Day Rehabilitation – Full Day	Day	\$131.24
Day Treatment Intensive – Full Day	Day	\$202.43
Medication Support (psychiatrist only)	Minute	\$4.82
Mental Health Services (including TBS)	Minute	\$2.61