AGREEMENT FOR SERVICES 449-S1311
Adult Inpatient Mental Health Services

THIS AGREEMENT 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 BHC Sierra Vista Hospital, Inc., a Tennessee Corporation dba Sierra Vista Hospital, Inc., duly qualified to do business in the State of California, whose principal place of business is 8001 Bruceville Road, Sacramento, CA 95823 (hereinafter referred to as "Contractor") and whose Agent for Service of Process is C T Corporation System, 818 W Seventh Street, Los Angeles, CA 90017.

RECITALS

WHEREAS, County has a legal obligation to provide eligible County residents (adults and children) with access to designated mental health services, including acute psychiatric care, in accordance with Welfare and Institutions Code Sections 5600 et seq., 5775 et seq., 14000 et seq., and 17000 et seq., and pursuant to applicable laws and agreements with the State of California; and

WHEREAS, Contractor is willing to provide inpatient acute psychiatric services in accordance with this Agreement to persons for whom County has undertaken to provide designated mental health services, including Bronzan-McCorquodale (formerly Short Doyle), Uniform Method of Determining Ability to Pay (UMDAP), medically indigent individuals, and Medi-Cal Specialty Mental Health Services patients (collectively "Clients"); and

WHEREAS, With the exception of those referring to Short-Doyle Medi-Cal services, any other references to the Short-Doyle Act (Short-Doyle) shall be construed as referring to the Bronzan-McCorquodale Act. (In accordance with Welfare and Institutions Code Section 5600 (b))

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

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable Federal, State and local laws; and

WHEREAS, County has determined that the provision of these services provided by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by County of El Dorado Charter, Section 210 (b) (6) and/or Government Code 31000.

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

ARTICLE I

Definitions:

A. Acute Psychiatric Inpatient Hospital Services: Those routine hospital services and hospital-based ancillary services provided by a hospital to eligible clients for whom the facilities, services, and equipment are medically necessary for diagnosis or treatment of a mental disorder. (NOTE: Authority Title 9 California Code of Regulations (CCR) Sections 1810.201, 1810.238, 1810.350, and 1810.430(d)(5))

B. Administrative Day Services: Those services provided to a client who has been admitted to the hospital for acute psychiatric inpatient services, when the client's stay at the hospital must be continued beyond the client's need for acute psychiatric inpatient hospital services due to a temporary lack of residential placement options at appropriate, non-acute treatment facilities that meet the needs of the client. (NOTE: Authority Title 9, CCR Sections 1810.202, 1810.238, and 1810.430(d)(5))

C. Client: Shall mean both any person designated as a "Medi-Cal Beneficiary" and any "Short-Doyle/Uninsured Client" as defined in this Agreement.

D. County of Origin: For purposes of this Agreement, the county of origin is the County of El Dorado (the county of primary residence for the client).

E. Hospital-based Ancillary Services: Those services received by a client admitted to a hospital, other than routine hospital services, including but not limited to prescription drugs, laboratory services, x-ray, electroconvulsive therapy (ECT), and magnetic resonance imaging (MRI). (NOTE: Authority Title 9, CCR Section 1810.220)

F. Host County: The county, other than the County of El Dorado, where services are provided to eligible County clients. For purposes of this Agreement, the Host County is Sacramento County.

G. Medi-Cal Beneficiary: Any person certified as eligible for Medi-Cal in the County of El Dorado according to Title 22 CCR, Section 50024 and Welfare and Institutions Code Section 14252, and as indicated by a number 09 County code in their Medi-Cal identification number.

H. Mental Health Plan (MHP): The State of California authorizes counties to provide mental health services to the community via an Agreement with the State. Thereafter the County so designated is referred to as the MHP for that locality.

I. Inpatient Psychiatric Support Services: Specialty mental health services provided to a Medi-Cal Beneficiary by a licensed psychiatrist with hospital admitting privileges while the beneficiary is in a hospital receiving psychiatric inpatient hospital services. Inpatient Psychiatric Support services do not include routine hospital services or hospital based ancillary services. (NOTE: Authority Title 9, CCR Section 1810.237.1)

J. Psychiatric Inpatient Hospital Services: Shall mean both Acute Psychiatric Inpatient Hospital Services and Administrative Day Services provided in a hospital. (NOTE: Authority Title 9, CCR Section 1810.238)

K. Short-Doyle/Uninsured Client: Shall mean a client without Medi-Cal or other health insurance, or a Medi-Cal beneficiary between the ages of 22-64 for whom Contractor cannot receive Medi-Cal reimbursement due to the Federal Institution for Mental Disease (IMD) exclusion, but has been referred for treatment by County as documented by a completed and signed Short-Doyle / Uninsured Client Referral attached hereto as Exhibit A and incorporated by reference herein.

ARTICLE II

Scope of Services: Contractor acknowledges that this Agreement is funded in whole or in part with funds from the State of California and the Federal Government.

A. Contractor Responsibilities:

1. Program Services
    a. Contractor shall provide Acute Psychiatric Inpatient Hospital Services and Administrative Day Services at its facility in the County of Sacramento for clients of County, in a manner consistent with the terms and provisions of this Agreement, and the requirements established in the Article titled "Compensation for Services." (NOTE: Authority Title 9, CCR Sections 1810.430 (d), 1810.238, 1810.201, 1810.202 and 1810.350)
    b. Contractor shall provide Inpatient Psychiatric Support Services for the treatment of acute episodes of mental illness meeting the medical necessity criteria covered by the existing regulations, according to the requirements and standards as promulgated by this Agreement, to residents of the County of El Dorado who meet the criteria for mental health services pursuant to Welfare and Institutions Code Section 5600.3 in accordance with Contractor's license.
    c. Contractor shall provide notification of admission to County Utilization Review Unit within ten (10) calendar days of admission.
    d. To request payment, Contractor shall:
        i. Medi-Cal Clients: Submit to County Utilization Review Unit a Treatment Authorization Request (TAR) or subsequent treatment authorization form, with supporting medical records, for each Medi-Cal Beneficiary within fourteen (14) days of discharge. Contractor may appeal a County disallowance as provided in Title 9, California Code of Regulations, Section 1850.315.
        ii. Short-Doyle / Uninsured Clients: Submit to County, pursuant to the Article titled "Compensation for Services," an invoice with supporting medical records and a copy of the initial Short-Doyle / Uninsured Client Referral, for each Short-Doyle/Uninsured Client. County shall review the request and retroactively determine the authorized length of stay for each client based on medical necessity as documented in the medical records. Contractor may appeal a Short-Doyle/Uninsured Client disallowance in writing to the County. County's determination of Contractor's disallowance appeal will be final.
2. Administrative Services - Assurances
    a. No provision of this contract shall be construed to replace or conflict with the duties of "County patients' rights advocate" designated in Welfare and Institutions Code Section 5500 et seq.
    b. Individual psychiatrists and other mental health professionals will render professional services to eligible voluntary or involuntary clients at the same level of services as they care for other clients in Contractor's facility and will not discriminate against these clients in any manner, including hours of operation, admission practices, placement in special wings or rooms, or provision of special or separate meals. (NOTE: Authority Title 9 CCR Sections 1810.430 (d)(1) and 1810.430 (d)(2))
    c. Attending psychiatrists shall be members of the medical staff of Contractor and shall be subject to the rules and regulations of said staff. Attending psychiatrists who are

subcontractors shall be subject to the rules and regulations of Contractor's medical staff. Duration and limitation of services will be under the control of the attending psychiatrist but will at all times meet broadly accepted community standards of quality of care and be subject to Contractor utilization review decisions.

B. County Responsibilities

1. Referral of Short-Doyle/Uninsured Clients: County shall document all referrals of Short-Doyle/Uninsured clients by completing and submitting to Contractor a Short-Doyle Referral attached hereto as Exhibit A. County will authorize payment for Short-Doyle/Uninsured clients only if initially referred for admission by County. County shall review all inpatient services retrospectively for medical necessity and payment as defined in paragraph B herein.
2. County shall provide retroactive review of client medical records submitted by Contractor to determine authorization for payment:
    a. Medi-Cal Beneficiaries: Upon receipt and review of the TAR and medical record, County Utilization Review shall approve or deny days requested. County Utilization Review shall then mail the completed TAR to the State's Fiscal Intermediary, Electronic Data Systems (EDS), or subsequent replacement Fiscal Intermediary, for payment of approved per diem rates. Utilization Review shall fax a copy of the same document to Contractor for Contractor's records.
        i. Authorized Inpatient Psychiatric Support Services will be submitted to County on a separate invoice and shall be paid from County directly to Contractor.
    b. Short-Doyle / Uninsured Clients: County Utilization Review will approve or deny request for payment based on review of invoice and attached medical records as submitted by Contractor. Short-Doyle / Uninsured Client invoices may reflect separate per diem rates and Inpatient Psychiatric Support Services rates, or may be incorporated into a single combined rate, based on the Contractor's Agreement with the Host County.
3. County shall provide a Bed Hold Authorization form, attached hereto as Exhibit B, and incorporated by reference herein, each time a Client is absent from the Contractor's facility and requires that a bed be kept available for their return.

C. Evaluation of Contractor's Performance

1. The County shall evaluate Contractor's performance under this Agreement after completion of the Agreement. County shall maintain a copy of any written evaluation in the County contract file.
2. The County's determination as to satisfactory work shall be final absent fraud or mistake.

ARTICLE III

Term: This Agreement shall become effective upon final execution by both parties hereto and continue until terminated by one of the parties pursuant to the provisions under the Articles titled "Fiscal Considerations" and "Default, Termination and Cancellation" herein.

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ARTICLE IV

Compensation for Services:

A. Rates: For the duration of this Agreement, reimbursement for services provided to both children and adults under this Agreement shall be at the rates established between the Contractor and the Host County for services for children or adults. In the event that the Agreement between Contractor and Host County establishes only a rate for adults, only a rate for children, or one rate for both adults and children all services provided under this Agreement shall be charged at the single rate set forth in the Agreement between Contractor and Host County. Contractor shall attach to each invoice a copy of the rates agreed to between Contractor and Host County for the period in which services were provided, in accordance with Title 9, California Code of Regulations, Section 1751.

1. The appropriate per-diem rate shall be billed for each client who meets admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 midnight in the facilities of Contractor. However, a day of service may be billed if the client is admitted and discharged during the same day provided such admission and discharge is not within twenty-four (24) hours of a prior discharge. In the event Client is discharged and then re-admitted within twenty-four (24) hours of discharge, the day of admission shall not be chargeable.
2. Hospital Inpatient Medi-Cal Rate:
   a. The per diem rate is considered payment in full, subject to third party liability and patient share of costs, for psychiatric inpatient hospital services to a beneficiary. (NOTE: Authority Title 9, CCR 1810.430 (d) (4)).
   b. The per diem rate shall not be structured to provide incentives for Contractor to deny, limit, or discontinue medically necessary services to any beneficiary. (NOTE: Authority Title 9, CCR 1810.430 (e))
3. Hospital Inpatient Short-Doyle/Uninsured Rate:
   County will authorize payment for clients not eligible for Medi-Cal reimbursement or other third party payer at this facility only if the County initially refers client for admission. The rate shall be billed at the same rate negotiated with the Host County. The rates identified as the Hospital Inpatient Short-Doyle/Uninsured Rates, as negotiated between the Contractor and the host County, are inclusive of all inpatient hospital services including hospital based ancillary services and routine hospital services.
4. Hospital Administrative Day Services: The rates established by the California Department of Mental Health as specified in Title 22 CCR, Section 51542(a)(3) for Fee-For-Service/Medi-Cal hospitals. All rates shall be as evidenced in a duly issued California Department of Mental Health Information Notice and shall be effective upon the date specified in said Notice. Hospital Administrative Day rates reflect those services provided as described in Article titled "Definitions."
   a. Administrative Day Medi-Cal Rate: The rate shall be no greater than the daily rate negotiated between the Contractor and the host County, and is inclusive of all inpatient hospital services including hospital based ancillary services and routine hospital services. Psychiatrist services rendered to clients under this Agreement are not included in the hospital administrative day rate, rather, are billed separately as the Inpatient Psychiatric Support Services.

b. Administrative Day Short-Doyle/Uninsured Rate: Hospital Administrative Day Short-Doyle/Uninsured Rate: The rates are intended to cover all inpatient hospital services including hospital based ancillary services and may include the Psychiatric Inpatient Professional Services Rates, only if services of a psychiatrist are provided.

5. Inpatient Psychiatric Support Services Rate: The rate shall be no greater than the daily rate negotiated between the Contractor and the Host County. These services shall be billed to County separately from the Acute Hospital Inpatient and Hospital Administrative Day Services rate(s) as specified in Welfare and Institutions Code Section 5781. It is the responsibility of Contractor to pay psychiatrists rendering services under this Agreement. Reimbursement by County to Contractor may then occur pursuant to the terms specified in Article titled "Compensation for Services," of this Agreement.

B. Bed Holds: Holding a bed while a Client is absent from the facility shall require written pre-authorization by the County Contract Administrator in the form of a Bed Hold Authorization form (Exhibit B). Bed holds shall be paid at the rate(s) established herein. In the event a bed hold exceeds fourteen (14) days, further authorization requires the approval of the HHSA Director or designee.

C. Other Fiscal Provisions

County anticipates revenues from various sources to be used to fund services provided by Contractor through this Agreement. Should actual revenues be less than the amounts anticipated for any period of this Agreement, the maximum payment obligation and/or payment obligations for specific services may be reduced at the discretion of the County's Director of Health and Human Services Agency or Director's designee.

County Short-Doyle/Uninsured clients who may present at Contractor's facility without being referred by County per paragraph 3 above and other applicable terms of this Agreement are expressly excluded from reimbursement by County. County may provide retroactive authorization when special circumstances exist, as determined by the County's Director of the Health and Human Services Agency or Director's designee, based on Contractor's written request.

County will perform eligibility and financial determinations, in accordance with State Department of Mental Health Uniform Method of Determining Ability to Pay, for all clients. (NOTE: Authority Welfare and Institutions Code Sections 5709 and 5710 and Title 9 CCR Section 524.)

D. Client Billing - Contractor shall not submit a claim to, demand or otherwise collect reimbursement from the client or persons acting on behalf of the client for any specialty mental health or related administrative services provided under this contract except to collect other health insurance coverage, share of cost and co-payments. The Contractor shall not hold clients liable for debts as follows:

1. In the event that the County becomes insolvent;
2. For costs of covered services for which the State does not pay the County;
3. For costs of covered services for which the State or the County does not pay the Contractor;
4. For costs of covered services provided under this or other contracts not authorized by County;

5. For costs of covered services provided via referral or other arrangement not authorized by County; or
6. For payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a client with an emergency psychiatric condition.

Contractor shall submit invoices directly to County for any Inpatient Psychiatric Support Services provided to Medi-Cal beneficiaries, which may include services rendered on the date of discharge.

Contractor shall bill any third party payer financially responsible for a client's health care services, and in such cases, County shall not bear any financial responsibility. To the extent that County inadvertently makes payments to Contractor when a responsible third party payer is determined to exist, County shall be entitled to recoup such reimbursement.

It is expressly understood and agreed between the parties hereto that County shall not authorize payment to Contractor unless Contractor adheres to the terms and conditions of this Agreement. It is further agreed that County shall not authorize payment for services unless Contractor has provided County with evidence of insurance coverage as outlined in the Article titled "Insurance" of this Agreement. County may provide retroactive authorization when special circumstances exist, as determined by the County's Director of the Health and Human Services Agency, or Director's designee.

County May Withhold Payment - Contractor shall provide all pertinent documentation required for Federal Medi-Cal reimbursement (including initial and quarterly notices, assessment and service plans, and progress notes). The County may withhold payment for any and all services for which the required documentation is not provided, or if the documentation provided does not meet professional standards as determined by the County Utilization Review Coordinator, or if County deems services are not satisfactory.

Contractor shall submit monthly invoices no later than thirty (30) days following the end of a "service month" except in those instances where Contractor obtains written approval from County's Director of the Health and Human Services Agency or Director's designee granting an extension of the time to complete billing for services or expenses. For billing purposes, a "service month" shall be defined as a calendar month during which Contractor provides services in accordance with the Article titled "Scope of Services." Invoices shall be submitted along with supporting medical records documentation as noted below, for review and authorization.

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

Mail invoices to:	**Mail remittance to:**
County of El Dorado-HHSA 670 Placerville Drive Placerville, CA 95667 Attn: Mental Health Utilization Review Unit	BHC Sierra Vista Hospital, Inc. 8001 Bruceville Road Sacramento, CA 95841 Attn: Accounts Receivable

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

F. Not to Exceed: the maximum compensation payable under this Agreement shall not exceed $200,000 during any fiscal year, which shall be defined as the period commencing July 1st and ending June 30th of the following calendar year.

ARTICLE V

Release of Information: Contractor shall ensure that the County of El Dorado Health and Human Services Agency is included as a receiving party on all Release of Information forms used in the performance of services under this Agreement.

ARTICLE VI

Special Terms and Conditions: By signing this Agreement, Contractor and any of Contractor's subcontractors providing services under this Agreement (pursuant to the Article titled "Assignment and Delegation") shall comply with these terms and conditions.

ARTICLE VII

Agreement to Comply with the State's Terms and Conditions: Contractor agrees to comply with all applicable provisions of the State of California Standard Agreement between County and the California Department of Health Care Services for "Mental Health Plan" Available at www.edcgov.us, Mental Health Department, Mental Health Contractor Resources, "Mental Health Plan."[1] Noncompliance with the aforementioned terms and conditions may result in termination of this Agreement by giving written notice as detailed in the Article titled, "Default, Termination, and Cancellation."

By signing this Agreement, Contractor acknowledges that, as a sub-recipient of Federal and State funding, Contractor is obligated to adhere to all terms and conditions defined in the Agreement in effect at the time services are provided between County and California Department of Health Care Services, "Mental Health Plan" Available at www.edcgov.us, Mental Health Department, Mental Health Contractor Resources, "Mental Health Plan," including but not limited to:

- Audit and Inspection Rights;
- Child Support Compliance Act, pursuant to Public Contract Code 7110;
- Claims Certification and Program Integrity, including Title 42 Code of Federal Regulations ("CFR") Part 439, §438.604 and §438.606 and, as effective August 13, 2003, §438.608 as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are incorporated herein by reference;
- Client Rights;
    - Welfare and Institutions Code 5325.
    - Title 9, California Code of Regulations (CCR") §§ 860 through 868.

[1] http://www.edcgov.us/Government/MentalHealth/Mental_Health_Contractor_Resources.aspx

- Title 42, Code of Federal Regulations, § 438.100.
- Pursuant to Title 42 CFR § 438.100 (a) and Title 42, CFR §§ 438.100 (b) (1) and (b) (2), Contractor shall have written policies and procedures relating to client's rights and responsibilities.

- Drug Free Workplace - Workplace Act of 1990 (Government Code § 8350 et seq.);
- Mandated Reporter Requirements: Contractor acknowledges and agrees to comply with mandated requirements pursuant to the provisions of Article 2.5, commencing with § 11164, Chapter 2, Title I, Part 4 of the California Penal Code, also known as The Child Abuse and Neglect Reporting Act, and the Elder Abuse and Dependent Civil Protection Act, pursuant to Welfare and Institutions Code commencing with § 4900;
- Federal Law:
  - Title 42, United States Code;
  - Title 42, Code of Federal Regulations, to the extent that these requirements are applicable;
  - Title 42, CFR; Part 438 – Managed Care, limited to those provisions that apply to Prepaid Inpatient Health Plans ("PIHP"), if applicable;
  - Title 45, CFR, Parts 160 and 164, Subparts A and E, to the extent that these requirements are applicable;
  - Title VI of the Civil Rights Act of 1964;
  - Title IX of the Education Amendments of 1972;
  - Age Discrimination Act of 1975;
  - Rehabilitation Act of 1973;
  - Titles II and III of the Americans with Disabilities Act;
  - Deficit Reduction Act of 2005; and
  - Balanced Budget Act of 1997.
- State Law:
  - Division 5, Welfare and Institutions Code (W&I Code);
  - Part 2 (commencing with Section 5718), Chapter 3, W&I Code;
  - Part 2.5 (commencing with Section 5775), Chapter 4, Division 5, W&I Code;
  - Article 5 (Sections 14680 – 14685), Chapter 8.8, Division 9, W&I Code; and
- Title 9, California Code of Regulations, Chapter 11 (commencing with Section 1810.100) – Medi-Cal Specialty Mental Health Services, if applicable.
- Clean Air Act & Federal Water Pollution Control Act: The Contractor shall comply with the provisions of Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);
- Copeland Anti-Kickback Act: The Contractor shall comply with the provisions of the Copeland Anti-Kickback Act (18 U.S.C. 874 and 40 U.S.C. 276c);
- Davis-Bacon Act: The Contractor shall comply with the provisions of Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7), as supplemented by Department of Labor regulations (Title 29, CFR, Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction").
- Federal Contractor Exclusions: Pursuant to Title 42, US Code § 1320a-7 and 1320c-5, and Welfare and Institutions Code § 14123.
- Work Standards Safety Act - Work Hours and Safety Standards Act (40 U.S.C. 327-333), sections 102 and 107 of the Agreement Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (Title 29, CFR, Part 5).

ARTICLE VIII

Audit by California State Auditor: Contractor acknowledges that contracts involving the expenditure of public funds in excess of $10,000 are subject to examination and audit by the California State Auditor pursuant to Government Code Section 8546.7. Contractor shall provide Federal, State, or County authorities with access to any books, documents, papers, and records of Contractor, which are directly pertinent to this specific Agreement for the purpose of audit, examination, excerpts, and transcriptions. In order to facilitate these potential examinations and audits, Contractor shall maintain all books, documents, papers, and records necessary to demonstrate performance under this Agreement for a period of at least three (3) years after final payment or for any longer period required by law.

ARTICLE IX

License and Certifications

A. Inpatient Contracts and Subcontracts: If this Agreement is for inpatient services, the Contractor acknowledges that they must maintain necessary licensing and certification, and must include in all subcontracts for inpatient services that subcontractors maintain necessary licensing and certification.

B. Permits and Licenses: The Contractor shall procure and keep in full force and effect during the term of this Agreement all permits, registrations and licenses necessary to accomplish the work specified in this Agreement, and give all notices necessary and incident to the lawful execution of the work.

   Contractor shall keep informed of, observe, comply with, and cause all of its agents, subcontractors and employees to observe and to comply with all prevailing Federal, State, and local laws, and rules and regulations made pursuant to said Federal, State, and local laws, which in any way affect the conduct of the work of this Agreement. If any conflict arises between provisions of the plans and specifications and any such law above referred to, then the Contractor shall immediately notify the County in writing.

   Contractor shall submit a copy of any licensing report issued by a licensing agency to County within ten (10) business days of Contractor's receipt of any such licensing report.

ARTICLE X

Quality Assurance and Utilization Review: Contractor shall establish and maintain systems to review the quality and appropriateness of services in accordance with applicable Federal and State statutes and regulations, and guidelines operative during the term of this Agreement.

Contractor shall comply with existing Federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify problems with quality of care. Composition of the committee shall meet minimum Federal requirements.

Contractor has provided a statement which describes how it will conduct Performance Improvement activities, in accordance with Exhibit C, "BHC Sierra Vista Hospital Performance Improvement Plan," incorporated herein and made by reference a part hereof. It is incumbent on Contractor to ensure that any revisions to said Plan shall be provided to County immediately upon approval and implementation.

ARTICLE XI

Record Retention: Contractor agrees to 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 authorized County, the Comptroller General of the United States, State of California or Federal agencies, or their duly authorized representatives, at all reasonable times at 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 (5) years from the close of the County's fiscal year in which the Agreement was in effect, or longer period as may be required by Federal or State of California law, including, but not limited to any record retention laws pertaining to minors, psychiatric health facilities, psychology clinics, psychologists and/or other licensed professionals. If at the end of the applicable retention period, there is litigation or an audit or other investigation involving those books or records, Contractor will retain the books or records until the resolution of such litigation, audit, or investigation.

Records shall be maintained on all patients admitted or accepted for treatment in accordance with Title 22, CCR Section 71551.

ARTICLE XII

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 XIII

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 XIV

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. In the event County agrees in writing that Contractor may subcontract for services under

this Agreement, Contractor shall include in any subcontract all the terms and conditions of the Article titled "Special Terms and Conditions" in this Agreement; shall require that all subcontractors comply with all terms and conditions of this Agreement; and shall require that all subcontractors comply with all pertinent Federal and State statutes and regulations.

ARTICLE XV

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 XVI

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County of El Dorado is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.
Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products, or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

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ARTICLE XVII

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. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this Agreement shall be taken and construed as cumulative; that is, in addition to every other remedy provided therein or by law. The failure of County to enforce at any time the provisions of this Agreement, or to require at any time performance by the Contractor of any of the provisions, shall in no way be construed to be a waiver of such provisions nor to affect the validity of this Agreement or the right of County to enforce said provisions.

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: Either party may terminate this Agreement without cause in whole or in part upon thirty (30) calendar day's prior written notice to the other party. 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, and for such other services, which County may agree to in writing as necessary for Agreement resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract.

E. Transfer of Care: Prior to the termination or expiration of this Agreement and upon request by the County or State of California, Contractor shall assist in the orderly transfer of beneficiaries' mental health care. In doing this, the Contractor shall make available to County or the State of California copies of medical records, patient files, and any other pertinent information, including information maintained by any subcontractor, necessary for efficient case management of beneficiaries, as determined by County. Costs of reproduction shall be borne by the County. In no circumstances shall a beneficiary be billed for this service.

F. Transfer of Records: In the event that Contractor ceases operation, all files that are subject to audit shall be transferred to the County for proper storage of physical records and electronic data. Contractor shall notify County of impending closure as soon as such closure has been

determined, and provide County with a complete list of records in its possession pertaining to County clients and operational costs under this Agreement. County shall promptly advise Contractor which records are to be transferred to the custody of County. Records not transferred to custody of County shall be properly destroyed by Contractor, and Contractor shall provide documentation of proper destruction of all such records to County.

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
935-B SPRING STREET
PLACERVILLE, CA 95667
ATTN: CHEREE HAFFNER, PROGRAM MANAGER, or Successor

And to:

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

Or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

BHC SIERRA VISTA HOSPITAL, INC.
4250 AUBURN BLVD
SACRAMENTO, CA 95823
ATTN: MIKE ZAUNER, CHIEF EXECUTIVE OFFICER, or Successor

Or to such other location as the Contractor directs.

ARTICLE XIX

Confidentiality and Information Security: Contractor shall comply with applicable laws and regulations, including but not limited to Sections 14100.2 and 5328 et seq. of the Welfare and Institutions Code, Section 431.300 et seq. of Title 42, Code of Federal Regulations, and the Health Insurance Portability and Accountability Act (HIPAA), and its implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162 and 164) regarding the confidentiality and security of individually identifiable health information (IIHI). Contractor shall comply with "Exhibit C, Confidentiality and Information Security Provisions," of the "Mental Health Plan Terms and

Conditions" Agreement between County and State, available at www.edcgov.us, Mental Health Department, Mental Health Contractor Resources, "Mental Health Plan."[2]

ARTICLE XX

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

ARTICLE XXI

Litigation: The County, promptly after receiving notice thereof, shall notify the Contractor in writing of the commencement of any claim, suit, or action against the County or State of California or its officers or employees for which the Contractor must provide indemnification under this Agreement. The failure of the County to give such notice, information, authorization, or assistance shall not relieve the Contractor of its indemnification obligations. The Contractor shall immediately notify the County of any claim or action against it which affects, or may affect, this Agreement, the terms and conditions hereunder, or the County or State of California, and shall take such action with respect to said claim or action which is consistent with the terms of this Agreement and the interest of the County and State.

Contractor, promptly after receiving notice thereof, shall immediately notify the County in writing of any claim or action against it which affects, or may affect, this Agreement, the terms and conditions hereunder, or the County or State of California, and shall take such action with respect to said claim or action which is consistent with the terms of this Agreement and the interest of the County and State.

ARTICLE XXII

Debarment and Suspension: The Contractor shall comply with the provisions of Title 2, CFR, Section 180 as implemented by Title 2 CFR Section 376, and Executive Orders 12549 and 12689, "Debarment and Suspension," which excludes parties listed on the General Services Administration's list of parties excluded from Federal procurement or non-procurement programs from having a relationship with the Contractor.

[2] http://www.edcgov.us/Government/MentalHealth/Mental_Health_Contractor_Resources.aspx

Debarment and Suspension Certification: By signing this Agreement, the Contractor agrees to comply with applicable Federal suspension and debarment regulations and Contractor further certifies to the best of its knowledge and belief that it and its principals or affiliates or any subcontractor utilized under the agreement:

A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
B. Have not within a three year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification of destruction of records, making false statements, or receiving stolen property;
C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in the above Paragraph B;
D. Have not within a three (3)-year period preceding this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default;
E. Shall not knowingly enter in to any lower tier or sub-recipient covered transaction with any person(s) who are proposed for debarment under Federal regulations or are debarred, suspended, declared ineligible or voluntarily excluded from participation in such transactions, unless authorized by the State; and
F. Shall include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier or sub-recipient covered transactions.
G. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
H. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal and State Governments, County may immediately terminate this Agreement for cause or default.
I. The Contractor shall comply with the provisions of Title 2, CFR, Section 180 as implemented by Title 2 CFR Section 376, and Executive Orders 12549 and 12689, "Debarment and Suspension," which excludes parties listed on the General Services Administration's list of parties excluded from Federal procurement or non-procurement programs from having a relationship with the Contractor.

ARTICLE XXIII

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

A. Full Workers' Compensation and Employers' 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 combined single limit per occurrence for bodily injury and property damage and a $2,000,000 aggregate limit.
C. Automobile Liability Insurance of not less than $1,000,000 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.

D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than $1,000,000 per occurrence.

E. Contractor shall furnish a certificate of insurance satisfactory to the County of El Dorado Risk Manager as evidence that the insurance required above is being maintained.

F. The insurance will be issued by an insurance company acceptable to County of El Dorado 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 the 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 on the additional insured endorsement for the umbrella policy, 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 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 County of El Dorado Risk Management, as essential for the protection of the County.

ARTICLE XXIV

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 XXV

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 XXVI

Conflict of Interest: The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this Agreement and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation."

ARTICLE XXVII

California Residency (Form 590): If Contractor is a California resident, Contractors must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding $1,500.00.

ARTICLE XXVIII

Nonresident Withholding: If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding $1,500.00. Contractor shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

ARTICLE XXIX

Taxpayer Identification Number (Form W-9) and County Payee Data Record Form: 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, as well as a County-issued "Payee Data Record" form with the County.

ARTICLE XXX

County Business License: It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of County of El Dorado without possessing a County business license unless exempt under County Code Section 5.08.070.

ARTICLE XXXI

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

ARTICLE XXXII

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 XXXIII

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 XXXIV

Force Majeure: No party shall be in default if performance of any obligation hereunder is rendered impossible or impracticable solely by unforeseen and supervening conditions beyond such party's control, including acts of God, civil commotion, strikes, labor disputes, interruption of transportation, unavoidable accidents, or governmental demands or requirements. If Contractor's

full performance is rendered impossible or impracticable, Contractor will accept as full compensation a proportionate payment for work completed.

ARTICLE XXXV

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in County of El Dorado, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE XXXVI

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

ARTICLE XXXVII

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

ARTICLE XXXVIII

Change of Address: In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing as provided in the article titled "Notice to Parties." Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided such change of address does not conflict with any other provisions of this Agreement.

ARTICLE XXXIX

Conflict Prevention and Resolution: The terms of this Agreement shall control over any conflicting terms in any referenced document, except to the extent that the end result would constitute a violation of Federal or State law. In such circumstances, and only to the extent the conflict exists, this Agreement shall be considered the controlling document.

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ARTICLE XL

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement for Services 449-S1311 between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:

By: _____ Dated: 5/7/14

Cheree Haffner, Manager of Mental Health Programs
Health and Human Services Agency

REQUESTING DEPARTMENT HEAD CONCURRENCE:

By: _____ Dated: 5/7/2014

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

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement 449-S1311 on the dates indicated below.

- - COUNTY OF EL DORADO - -

Dated: _____

By: _____
Norma Santiago, Chair
Board of Supervisors
"County"

ATTEST:
James S. Mitrisin
Clerk of the Board of Supervisors

By: _____ Dated: _____
Deputy Clerk

-- CONTRACTOR --

BHC SIERRA VISTA HOSPITAL, INC.
d.b.a. SIERRA VISTA HOSPITAL, INC.
A CALIFORNIA CORPORATION

By: _____ Dated: 5/7/14
Mike Zauner, Chief Executive Officer
"Contractor"

sk

Exhibit A

EL DORADO COUNTY

HEALTH AND HUMAN SERVICES AGENCY

Mental Health Division

AUTHORIZATION STATEMENT

Services rendered to the client identified below as requested herein have been authorized by the Health and Human Services Agency Mental Health Division in accordance with the conditions of Agreement for Services 448-S1311.

Date: ___/___/___

Client: _____ D.O.B: ___/___/___

Address: _____ City: _____ State: ____ Zip: _____

AUTHORIZED SIGNATURE:

I attest to the fact that I am an employee of the County and as such am duly authorized to execute this document.

Signature: _____ Date: ___/___/___

EXHIBIT B

BED HOLD AUTHORIZATION

County of El Dorado Health And Human Services Agency, Mental Health Division:

Resident: _____

Reason for Absence from Facility:

_____

_____

_____

_____

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

By:_____ Dated: _____
Authorized Representative

Public Guardian / Payee:

Resident: _____

Reason for Absence from Facility:

_____

_____

_____

_____

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

By:_____ Dated: _____
Public Guardian / Payee

Sierra Vista
HOSPITAL

Performance Improvement Plan

June 2013 – June 2016

Table of Contents

Located in Sacramento, California, Sierra Vista Hospital (SVH) is a full-service mental health facility and a center of support for patients and their families. Since 1986, we have offered our clinical expertise to those suffering from emotional, behavioral, and addiction problems. Our private, 120-bed facility is home to a clinical team comprised of licensed professionals committed to providing the highest quality care. SVH operates under the auspices of corporate parent company Universal Health Services (UHS).

Our mission

Sierra Vista Hospital is a premier provider of health care services, delivered with compassion for patients and their families, with respect for employees, physicians and other health professionals, with accountability for our fiscal and ethical performance, and with responsibility to the communities we serve.

Our vision

Sierra Vista Hospital will be the health care provider of choice for our patients, employees, physicians and other health professionals by consistently performing at a superior level while maintaining sound ethical standards and returning a fair value to our financial partners.

Our guiding values

- We are dedicated to meeting the health care needs of our patients
- We treat patients, employees, physicians and others with respect and compassion
- We partner with physicians to provide the best care possible for our patients
- We work to foster a fulfilling and challenging workplace for all
- We continuously seek ways to improve the quality of care delivered to our patients
- We act with responsibility and accountability in the communities we serve
- We expect 100 percent compliance with ethical and regulatory standards

Our commitment embraces

- Respect and sensitivity for the individual
- Fair and consistent treatment
- Provision of one level of care for all patients
- Encouragement of employee ideas and perspective
- Involvement of employees in decisions that affect them
- Empowerment of employees to act upon decisions made
- Fosters teamwork and harmony
- Provide opportunities for skill development, education and professional growth
- A shared vision of the company's mission and strategic direction

Within the framework of this mission, we seek to provide quality customer service to all those listed above, and the best clinical outcome possible. The focus of our daily activities will be on our internal and external customers, with an attempt to meet the expectations of those we serve within the constraints of the ever-changing healthcare field.

Value in healthcare is the appropriate balance between good outcomes, excellent care and services, and costs. To add value to the care and services provided, Sierra Vista Hospital staff needs to understand the relationship between perception of care, outcomes, cost and how the processes carried out affect these issues.

Performance Improvement (PI) focuses on improving the important functions and processes of the organization in order to increase the quality of care and patient outcome, to enhance the value of its services and to improve operational efficiency.

I. PURPOSE:

The purpose of the Performance Improvement Plan (PIP) is to:

1. Determine priorities for improving systems, processes, and patient safety activities.
2. Identify a framework for improving and sustaining improved performance of organization wide systems and processes through a planned systematic approach of plan, design, measurement, analyzes and improvement of services provided.

This plan supports the concept that, through collaboration, systems will be more effective, staff will have greater skills, and patient outcome components will be improved.

Through ongoing endeavors of the leadership of the medical, professional, clinical support and administrative staff, this facility strives to provide the best possible care and services with available resources, while being consistent with the mission, vision, values, goals and objectives and plans of the organization.

The current plan has been revised following the recent successful Joint Commission / CMS triennial Accreditation Survey that took place in late May 2013. As such, little has changed in the scope of this plan since the last plan was written (December 2010) and will remain in place for the new accreditation cycle.

II. GOAL:

To provide a framework and motivation for improvement of patient health outcomes and customer satisfaction by design of effective, organization-wide processes followed by measurement, assessment, and improvement of those processes.

OBJECTIVES:

- To establish databases internally and externally that will allow scientific measurement of the improvement processes, outcomes of the actions taken and reporting this information by aggregate or individual analysis
- To continue to provide staff education regarding the principles and tools of Performance Improvement
- To provide criteria for identifying and prioritizing improvement, and patient safety activities.
- To involve all services and disciplines in improvement activities
- To synthesize information obtained from performance outcome data when determining priorities for improving systems/ processes
- To facilitate the assessment of individual competence and performance including physician peer review on an ongoing basis
- To provide the framework for planning, directing, coordinating and improving patient care and patient safety for psychiatric and addiction services for Inpatient, Outpatient, and Partial Programs
- To support the design of new processes, assist in the implementation, determine criteria for assessment of effectiveness

III. SCOPE OF THE PERFORMANCE IMPROVEMENT PLAN

The Performance Improvement Plan is dedicated to improving patient care, patient safety, and value of service and thereby the performance of all professionals. In doing so, the provision of the highest quality and most appropriate care is achieved. The scope of the Performance Improvement Plan covers all aspects of the organization. Occurrences that are outside of the Hospital's expected performance standards will be evaluated. These will also include evaluations of sentinel and adverse clinical events as defined by the Joint Commission, California Department of Health Services, U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services.

IV. ORGANIZATIONAL RESPONSIBILITY

The framework for the scope of care and services is identified by the leadership of the organization. This is accomplished through direction, implementation, and coordination. The ultimate improvement of services throughout the organization is recognized as the responsibility of all the leaders of the organization.

The scope of the PI Program includes at least the activities identified for the following structures.

A. GOVERNANCE

Role

The Board delegates responsibility of the implementation of the Performance Improvement Plan and day-to-day operations that are based on Performance Improvement to the Chief Executive Officer (CEO) & the Medical Staff. The Board further authorizes the CEO and Medical Staff to establish and maintain the appropriate departments and committees to execute this plan.

Responsibility

The Board of Trustees has the ultimate authority and responsibility for adopting an organization-wide plan to assess and improve the quality of care provided and to assure quality care that is:

1. Efficacious and appropriate for each individual patient/resident
2. Available in a timely manner to those persons who need it
3. Effective and continuous with other care and care providers, and that it is efficient, caring, and respectful

B. MEDICAL EXECUTIVE COMMITTEE

Role

To direct specific performance improvement activities and provide peer review routinely and when patient care concerns are identified as well as determine the use of the information in the peer review process and in renewing or revising of clinical privileges.

Responsibility

The Medical Staff is responsible to participate in the performance improvement process to improve clinical and non-clinical processes that require medical staff/professional staff leadership or participation. Where a clinical process is the primary responsibility of physicians, physicians take the leadership role in improving the process.

The Medical Executive Committee, as the representative of the Medical Staff, is responsible for the organization of the performance improvement activities of the medical staff.

The Medical Executive Committee carries out the following activities.

1. Receive and act on reports from Quality Council, medical staff committees, clinical programs and other department/service areas relevant to patient care
2. Communicate to medical staff members' findings, conclusions, recommendations and actions taken to improve organizational performance

C. LEADERSHIP

Role

The leaders set expectations, develop plans, and manage processes to assess, improve, and maintain the quality of governance, management, clinical, and support activities.

Membership

In addition to the Board of Trustees, the leadership of the facility includes the Chief Executive Officer, Chief Financial Officer, officers of the Medical Staff, Facility Medical Director, Program Medical Directors, and members of the Senior Management Team which includes representation from all department/services in the organization.

Responsibility

They are responsible for the implementation of the Performance Improvement Program.

1. Planning
   a. Establish mission and vision statements for the organization that reflect range, strategic, and operational plans; resource allocation; and development of organizational and corporate policies
   b. Directing and designing new services and processes for the delivery of services
   c. Ensure that patient care and support services are well organized and directed and, through the annual review of performance evaluations, is staffed in a manner commensurate with the scope of services offered by each program

2. Implementing and coordinating services. After a service is planned, it is important to assure integration of patient care and support services throughout that continuum of care

3. Improving Services
   a. Establish and approve goals and objectives for each program, department, and any facility-wide services
   b. Oversee the design of a program to monitor performance through data collection, analyze current performance, and improve and sustain improved performance

V. QUALITY ASSURANCE PERFORMANCE IMPROVEMENT (QAPI) COUNCIL

Role

The role of QAPI is to facilitate the organization in the plan, design, analysis, and improvement of processes and patient safety activities.

Structure

QAPI is a multidisciplinary team led by the Chief of Staff or designee and comprised of the leadership team and as needed, other representatives from the medical staff, and from all levels of the organization as designated by function necessary to the Council. The Council has Broad authority to solicit ideas and opinions from within the entire organization and enlist participation of any individuals within the facility.

Responsibility

QAPI is responsible for the following:

A. Development of the Performance Improvement Plan and Patient Safety Program ***(design)***

B. Coordinate organization-wide performance improvement activities as designed in the PI Plan ***(function)***
   1. Ensure that patient care areas and organizational functions are included in the performance improvement process.
   2. Management of the hospital's patient safety program.

C. Establish internal systems of measurement to evaluate compliance with community and Corporate-driven standards. Implementation of a systematic process to collect data used to: ***(measure)***
   1. Monitor the performance of processes that involve risks or may result in sentinel events
   2. Monitor performance of areas targeted for future study
   3. Monitor improvements in performance
   4. Measure level of performance and stability of important existing processes

D. Prioritize and select critical issues for improvement. Facilitation of facility-wide performance improvement activities of aggregation and analysis of data ***(assess)***
   1. Ensures that data are systematically aggregated and analyzed on an ongoing basis
   2. Ensures that appropriate statistical techniques are used to analyze and display data
   3. Assists the organization to compare its performance over time and with other sources of information
   4. Assists analyzing undesirable patterns or trends in performance that could lead to critical, or sentinel events
   5. Assists in identifying areas for possible improvement of existing processes and patient safety
   6. Ensure that improved performance is achieved and sustained
   7. Sanction Performance Improvement Teams, coordinate and delegate performance improvement activities

E. Increase awareness and involve staff at all organizational levels in PI activities (***improve)***

F. Review the results of all monitoring evaluation and performance improvement activities, synthesize the collected data to evaluate the effectiveness of PI activities, modify activities based on findings (***design-redesign)***
   1. Evaluate the effectiveness of the PI Program annually, assess achievement toward established goals, revise as indicated
   2. Ensure that new or modified processes are designed well

G. Regular communication with the Medical Staff and Board of Trustees through reporting of PI activities.

VI. SCOPE OF PERFORMANCE IMPROVEMENT ACTIVITIES

Plan

This facility uses a systematic approach for improving performance, and establishes necessary processes and mechanisms. In order to achieve appropriate collaboration in an interdisciplinary manner; an organized, systematic, multi-departmental approach to process design and performance measurement, analysis, and improvement is utilized.

Priorities are identified through various organizational activities, which include but are not necessarily limited to, development of mission and vision, strategic planning, and budget development. A data-driven prioritization and analysis shall be adhered to.

Design

When a need or opportunity arises for a new process or service, or function or process significantly changes within the organization, the goal is to design an effective and safe process. The concepts of performance improvement will be applied to provide a basic set of performance expectations that can be measured, assessed, and improved over time.

The leadership, through the Senior Management Team and the Quality Council, designs and executes a mechanism through which the plan is carried out. They set priorities for improvement, and assign responsibility for improving organizational performance facility-wide. They provide necessary resources, recommend time and space, and promote collaboration.

The following parameters will be considered prior to implementation of new processes or projects:

1. Ensure that is it consistent with the mission and plans of the hospital
2. Ensure that patient safety has been considered
3. Ensure that the hospital has considered the latest information and literature
4. Ensure that we have considered comparative data to see if such a project has worked in other facilities
5. Ensure that baseline performance expectations have been established
6. Ensure that it is consistent with the needs and expectations of key constituents
7. Ensure that it is consistent with sound business practice/ principles

Measure

To objectively review the organizations performance, data is systematically gathered on key processes and outcomes related to patient care and organizational processes. Information is gathered from a variety of sources. Data is collected from medical record review, Information

Management Services, Patient Satisfaction Surveys, Employee Surveys, Physician Survey, and external sources (i.e., ORYX, HBIPS – Core Measures), payers, etc. Data collection is based on our mission, available resources, and functions as well as concerns from our patients, their families, staff, payers, and other customers. The following functions have been determined to have the greatest impact on outcomes at Sierra Vista Hospital:

1. Patient-focused functions:
   a. Patient rights and organizational ethics
   b. Provision of care to patients, including:
      i. Assessment
      ii. Restraint use
      iii. Seclusion use
      iv. Medication Management
      v. Care or services provided to high-risk populations
      vi. Patient/family education
      vii. Continuity of care

2. Organization functions:
   a. Improving organization performance
   b. Leadership
   c. Management of the environment of care
   d. Management of human resources
   e. Management of information

3. Risk management
4. Utilization management
5. Quality control
6. Staff opinion & needs
7. Behavior management procedures
8. Outcomes of processes or services
9. Autopsy results when applicable
10. Customer needs and expectations
11. Infection control and surveillance reporting
12. Financial data
13. Appropriateness and effectiveness of pain management
14. Competency, patterns, and trends of staffs' learning needs
15. Staffing effectiveness based on combined clinical and human resource indicators the effect all patients.

Data is also collected to monitor the performance of processes that involve risks or may result in sentinel events in other organizations. The Safety/Risk Management Committee reviews information obtained from the Sentinel Event Alert Newsletter published and distributed by The Joint Commission. The Safety/ Risk Management Committee determines whether the information reviewed is relevant to this organization and is responsible for making follow-up recommendations to the Quality Council. Annually the hospital will review the Safety Goals established by The Joint Commission, and implement those goals identified to improve the safety of our patients and evaluate them based on external and internal process improvements.

HBIPS (Core Measures) – Inpatient Services

The organization participates in the Joint Commission's HBIPS project. The Joint Commission has developed a set of standardized "core measures" for Hospital-Based Inpatient Psychiatric Services. These measures allow acute inpatient behavioral health programs to track their performance over time and to compare performance against similar programs nationally. The UHS web portal supports data collection, on-demand reporting, and a document library to provide SVH with the outcomes system needed to maximize performance improvement activities and maintain constant readiness for accreditation and licensing. Health Information Management (HIM) enters data into the Core Measures website on a monthly basis. SVH enters data on 100% of seclusion and restraint measures. For remaining Core Measures, a sample size is determined by UHS based on the number of discharges for the month. The sample patients are randomly selected by UHS for SVH within a week after the end of each month. HIM enters required data on these patients and results are made available to SVH within 4 weeks of entering data.

ORYX – Partial Hospitalization Program

The ORYX project is an external monitoring system (data is provided and analyzed by The Joint Commission), which provides both an internal and external reference database on comparison issues that affect a substantial patient population. Sierra Vista Hospital uses the Quality Indicator Project for submission of ORYX data into the QIP database. Reports are available quarterly and a variety of reports may be queried. ORYX data may track issues related to clinical effectiveness, patient treatment outcomes, program effectiveness, and the satisfaction of patients receiving treatment depending on which indicators are selected. ORYX reports come out on a quarterly basis and the indicators are reviewed at least annually to ensure the indicators selected continue to yield meaningful data and provide opportunities to review systems and make improvements where indicated.

Aggregation and Analysis

The data collected are transformed into information by aggregating and analyzing the data so that conclusions may be drawn about its performance of a process or the nature of the outcome. An attempt is made to answer the following questions when completing data analysis:

1. What is our current level of functioning?
2. How stable are our current processes?
3. Are there areas that could be improved?
4. Was a strategy to stabilize or improve performance effective?
5. Did we meet design specifications for processes?

Frequency of Data Collection and Analysis

The frequency with which the data are collected and aggregated is determined by the activity being studied. Certain UHS Corporate Performance Improvement goals are established annually. Data supporting these goals are collected, aggregated and reported on a monthly basis. Other performance improvement opportunities are identified through daily identification of risk issues. These risk issues are reported to Quality Council. Quality Council selects and prioritizes PI opportunities. These PI opportunities are addressed by Performance Improvement Teams which report to the Quality Council. Frequency of data collection, analysis and reporting is determined by the Quality Council.

High risk, high frequency areas that are problem prone have data collected on an ongoing basis, reported to the PI/RM monthly. Other areas defined as needing improvement have data collected monthly and reported to Quality Council at least quarterly by the PI/RM. The Quality

Council meets monthly to review information on performance and re-assess if needed the frequency of data collection and reporting based upon the performance of the dimension being studied.

All Plans of Correction must be reported monthly until an acceptable level of compliance is achieved (> 90%) for four (4) consecutive months, and approved by the Quality Council. Reporting subsequently can be on a quarterly basis, until/unless a substandard level of performance is reported, then the cycle as described above would resume. The Quality Council approves the prioritizing of Performance Improvement Projects/Teams.

Tools

Data are systemically aggregated and analyzed on an ongoing basis. The frequency with which the data are aggregated is determined by the activity being studied. Appropriate statistical techniques are utilized to analyze and display data, the choice of which is determined by the nature of the data, preferences of the reporting department head, and directives by external sources.

We strive to incorporate comparisons with ourselves over time, and with other comparable organizations, with standards, and best practices. The organization compares performance over time with similar organizations, with standards, and best practices.

Techniques

Some of the external sources that are used for comparison include:

1. Performance compared to performance of similar processes in other organizations
2. Performance compared to external sources of information.
3. Recent scientific, clinical and management literature
4. Well-formulated practice guidelines or parameters
5. Performance measures
6. Standards that are periodically reviewed and revised

Undesirable patterns or trends in performance are intensively analyzed per policy if comparisons show that:

1. Important single events, levels of performance, patterns or trends vary significantly from those expected
2. Performance varies significantly and undesirably form other organizations
3. Performance varies significantly and undesirably from recognized standards or practice guidelines
4. When a Critical or Sentinel Event occurs

Critical analysis will be performed when, but not limited to when the following events occur:

1. Suicide of any patient other than an inpatient
2. Attempted suicide of any patient
3. Any actual or alleged inappropriate sexual contact between staff and current patients or individuals who were patients within two years from discharge, (to include inappropriate verbal or written communication and/or inappropriate physical contact)
4. Sexual contact between patients involving any touching of genitalia
5. Patient elopement
6. Staff/patient or patient/patient aggression resulting in injury to the patient

7. Medication error resulting in injury to the patient
8. Significant adverse drug reaction, including incidents where the correct drug and dosage were administered, yet the patient suffered a major reaction which may have precipitated a medical emergency
9. Falls with significant injury
10. Any other Level IV (i.e., "Tragic") Incident

An Intensive Analysis (IA) or Root Cause Analysis (RCA) will be performed when, but not limited to when the following events occur (the type of analysis performed will be determined by the nature of the incident):

1. The event has resulted in the unanticipated death of major loss of function not related to the natural course of the patient's illness or underlying condition
2. Suicide of an inpatient
3. Sexual assault
4. Deleterious ADRs and significant medication errors with sentinel outcomes
5. Sexual familiarity between adolescent patients

Failure Mode Effect Analysis (FMEA)

Failure Mode Effects Analysis (FMEA) are selected each year as a prevention measure based on high risk, potential effect and likelihood of potential failures before they occur. The focus of the FMEA is prevention. The team conducts analysis before an event occurs asking why process deviation occurs in a non-defensive environment. The selection process is based upon a numerical value totaling severity, occurrence and detection systems.

Improvement

Performance Improvement is achieved and sustained through prioritization of improvement activities, using appropriate resources and involving appropriate staff, disciplines and departments closest to the process, function, or service identified for improvement.

Changes to improve performance are identified, planned, and tested. Effective changes are incorporated into standard operating procedure. As well, improvements are sustained through staff education, data collection on the improvement and feedback between staff and leaders.

VII. PERFORMANCE IMPROVEMENT TEAM

Role

Performance Improvement Teams are identified and appointed by the Quality Council to evaluate processes, key functions, or services. Team members are selected based on their knowledge, experience, and involvement with the process and the mission boundaries.

Responsibility

1. The teams will analyze the process selected using various statistical tools and techniques
2. The team leader will coordinate the meetings, and ensure that a record of all completed reviews, evaluations, and process improvement activities is maintained
3. The team leader will assign responsibility for time-keeper, scribe, and may assume responsibility for facilitator
4. A physician co-leader will be assigned as indicated
5. The teams will identify performance measures appropriate for monitoring performance of the process being studied, including but not limited to:
    a. measures identifying events they were intended to measure

b. measures with a documented numerator and denominator statement or description to which measure is applicable
c. measures with defined data elements and allowable values
d. measures with detectable changes in performance over time
e. measures allowing comparison over time

6. The teams will present their recommendations for improvement of the defined process to the Quality Council

VIII. Organization-Wide Approach Performance Improvement Model

The FOCUS-PDCA Model, which is an extension of the Shewhart/Deming Model, is the approved methodology for Performance Improvement Team activities. To ensure that consistent databases can be developed and shared, this will be the only approach.

Phases of this Model include: (preliminary steps): FOCUS

F - Find a process to improve
O - Organize a team that knows the process
C - Clarify current knowledge of the process
U - Understand causes of process variation
S - Select the process improvement

Analysis and Improvement Step: PDCA

P - Plan (set goals, design process)
D - Do (data collection and analysis)
C - Check (verify results and variances in performance)
A - Act (implement revisions/corrective actions)

All employees are educated on the use of this model during new employee orientation.

IX. PATIENT SAFETY PROGRAM

Designated Responsibility

- The Quality Council designates the Director of Performance Improvement/Risk Manager as the individual responsible for the Patient Safety Program.
- The Environment of Care Director is the Safety and Security Officer of the facility.
- The Safety Committee is the interdisciplinary group designated the responsibility to manage the organization-wide Patient Safety Program.
- The Patient Safety Program is an integral component of the hospital Safety Committee. Patient safety is always a priority and the Safety Committee discusses any patient safety issue that is identified both proactively (prior to an event occurring) or as a result of an event that has occurred so that action plans can be implemented to prevent events from ever occurring or from occurring again. The final clearinghouse for the Patient Safety Program is the Patient Safety Council (PSC) led by the Director of Performance Improvement/Risk Manager, and which acts as an oversight counsel re patient and employee safety, and environmental concerns.

Program Purpose

To delineate responsibility for development, implementation and ongoing evaluation of the Patient Safety Program; and to systematically monitor and evaluate patient safety issues in order to ensure a safe environment for the patient population.

Program Goal

To monitor patient safety issues and practices on an ongoing basis in order to identify opportunities for improvement in the area of patient safety and to reduce the risk of adverse outcomes related to safety issues.

Scope of the Patient Safety Program

The minimization of risks to patient safety is an integral function of the Performance Improvement Program, and activities related to the identification, assessment, and response to patient safety risks are collectively identified as the hospital's Patient Safety Program. This function is coordinated by the Director of Performance Improvement, who assures that these activities are integrated throughout the organization through gathering, reporting, and analysis of data related to patient safety from all departments and services. The Director of Performance Improvement also works closely with the Safety / Security Officer of the facility in regards to Patient Safety activities.

The Patient Safety Program engages in proactive identification of high risk or error prone processes that may present patient safety risks, accomplished through review of data that may include but is not limited to:

- Single occurrences or patterns and trends in sentinel events, serious incidents, near misses, medication errors or adverse drug reactions.
- Performance monitoring of important patient care processes.
- Environmental surveillance.
- External sources of information related to patient safety, such as the Joint Commission's Sentinel Event Alerts, journal articles and product recalls.
- Safety concerns expressed by patients and their families, staff or others.
- Individual occurrences or patterns and trends from any area of the organization that may present significant risks to patient safety or which indicate the presence of hazardous conditions.

The Patient Safety Program encompasses processes that:

- Affect a large percentage of patients
- Place patients at risk if not performed well, if performed when not indicated, or if not performed when they are indicated.
- Have been or are likely to be problem-prone
- Addresses the National Patient Safety Goals currently identified by the Joint Commission

The types of occurrences addressed may range from "no harm" frequent slips to sentinel events with serious adverse outcomes.

Proactive risk management analysis and risk reduction activities are ongoing. At all times at least one identified high risk or error prone process will be the subject of ongoing measurement and analysis in order to determine the degree of variation from expected performance; and annually at

least one high risk or error prone process will be intensively analyzed using the tools of root cause analysis. Improvements designed to increase patient safety that result from these activities will be implemented and monitored for effectiveness.

The Patient Safety Program includes education, i.e.:

- Education of patients and their families regarding their roles in facilitating the delivery of safe care.
- Education of staff regarding aspects of patient safety related to their specific job duties.

Annual Evaluation

The Patient Safety Program is evaluated annually as part of the annual review/evaluation of the entire Performance Improvement Plan.

X. Annual Review and Evaluation of Performance Improvement Program

The Performance Improvement Plan is reviewed and evaluated at least annually to ensure that the program is comprehensive, shows minimal duplication of effort, is cost effective, maintains performance improvement principles, results in improved patient care outcomes and clinical performance and meets the needs of the organization and the community it serves.

In evaluating the PI Plan, the following questions will be considered:

1. Are the plan's goals being met with the current objectives?
2. Are the strengths of the program maintained? Are weaknesses corrected?
3. Are the plan's goals and activities meeting current standards, regulations and other review requirements?
4. Are the program's activities comprehensive, involving all relevant functions?
5. Are the leaders cognizant of their roles?
6. Are important and meaningful problems/ issues identified, analyzed, and resolved?
7. Are program activities adequately and accurately documented?
8. Are reporting mechanisms adequate (frequent enough? clear communication tools?)
9. Are PI findings being used to plan education programs to facilitate resource allocation and to compliment performance appraisals and the appointment/ reappointment process?
10. Is the program coordination conducted efficiently and effectively?

Outcomes from the analysis are integrated into the goals and the objectives of the facility, programs, and departments/services. Revisions to the program will be presented to the Medical Executive Committee, and the Board of Trustees for review and approval.