

**AGREEMENT FOR SERVICES 034-S1411**  
**AMENDMENT II**  
**Medical Services for County Detention Facilities**

This Amendment II to that Agreement 034-S1411, is made and entered into by and between County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and California Forensic Medical Group, Inc., a California corporation, whose principal place of business is 2511 Garden Road, Suite A160, Monterey, CA 93940 (hereinafter referred to as "Contractor"), and whose Agent for Service of Process is Taylor Fithian, California Forensic Medical Group, Inc., 2511 Garden Road, Suite A160, Monterey, CA 93940.

**RECITALS**

**WHEREAS**, Contractor has been engaged by County to provide medical services defined as physical healthcare, mental healthcare, and dental care services for all adult inmates of County's detention facilities and physical healthcare, certain mental healthcare and dental care services for all juvenile wards of County's detention facilities in accordance with Agreement for Services 034-S1411, dated June 25, 2013 and Amendment I to that Agreement, dated October 29, 2013; incorporated herein and made by reference a part hereof; and

**WHEREAS**, the parties hereto agree to amend **Article III – Compensation for Services**;

**WHEREAS**, the parties hereto have mutually agreed to incorporate updated County standardized language thereby amending, **Article XXI – Taxpayer Identification Number (Form W-9)**, amending, renaming, and renumbering **Article XXIV – Access to Records**, adding **Article XXIX – Taxes**, and renumbering **Article XXX – "Entire Agreement"** to accommodate the insertion of the one aforementioned Article;

**NOW THEREFORE**, the parties do hereby agree that Agreement for Services 034-S1411 shall be amended a second time as follows:

- 1) Article III – Compensation for Services, Article XXI – Taxpayer Identification Number (Form W-9), and Article XXIV – Access to Records shall be amended in their entirety as follows:

**ARTICLE III**

**Compensation for Services:** The Base Rate and Per Diem rate shall be adjusted on July 1 of each fiscal year following the first year of this Agreement, by the percentage increase of the medical index of the CPI-U San Francisco-Oakland Region from February to February and as published by the U.S. Bureau of Labor Statistics. For the purposes of this Agreement, fiscal year shall be defined as July 1 of the current year to June 30 of the following year.

A. Base Rates and Per Diem rates payments shall be considered all inclusive reimbursement for services provided under Article I – Scope of Services, except as noted in Contractor Financial Liability Limits below:

**Contractor Financial Liability Limits**

1. Psychiatric or Medical Hospital Admission:	Limited to \$20,000 per Inmate or Ward per episode.
2. Out of County Inmates/Wards Psychiatric or Medical Hospital Admission:	Limited to \$20,000 per Inmate or Ward per episode. See below for Additional liability limit information (Section D).
3. Human Immunodeficiency Virus (HIV) or Autoimmune Deficiency Syndrome (AIDS) Pharmaceutical:	Limited to \$10,000.00 aggregate cost each fiscal year. Documentation requirements list below (Section E)

**A. Contractor Reimbursement over Liability Limits –**

1. As the designated Health Authority for the County of El Dorado Adult and Juvenile Facilities, Contractor shall ensure all Inmate/Ward Psychiatric or Medical hospitalization charges are paid pursuant to California Penal Code 4011.
2. The County is responsible to reimburse Contractor for Psychiatric or Medical Hospital Admission charges in excess (overrun) of the Contractor Financial Liability Limit for a single episode. Such episodes are defined as “post admission” to a medical or psychiatric facility.
3. The County is responsible for payment of medical care provided to detained persons pursuant to California Penal Code Section 4011 and California Code of Regulations Title 15.
4. The annual cost of medical care overruns cannot be anticipated, and as such, is not included in the Base Rate.

The rates for the period July 1, 2013 through June 30, 2014 shall be as defined below.

Category	Annual Amount
Adult Facilities Base Rate	\$2,614,242.40
Juvenile Facilities Base Rate / including weekends	\$465,250.22
Estimated Reimbursement for use of PPO Plan (Inmate hospitalizations)	\$5,000.00
Estimated Per Diem payment @\$3.47 per day per Inmate/Ward over agreed upon base ADP	\$2,000.00
<b>Total Base Rate and estimated per diem payments for term July 1, 2013 through June 30, 2014</b>	<b>\$3,086,492.62</b>
Psychiatric and Medical Hospital Admission Overruns	Not Limited

Annual rate adjustment sample\*:

	Base Rate as of 6/30/14		*Medical CPI-u		Adjusted Not-to-Exceed
Adult Facilities	\$2,614,242.40	+	3%	=	\$2,692,669.68
Juvenile Base Rate	\$465,250.22	+	3%	=	\$479,207.73
Per Diem	\$3.47	+	3%	=	\$3.58
*This is only an example; the adjustment will be based on actual CPI-U rates published by the Bureau of Labor Statistics.					

//

//

**B. Invoices:**

1. Base Rate Invoices: Contractor shall invoice for Base Rates on a monthly basis in increments of one-twelfth (1/12) of the total twelve (12) month Base Rate amount as adjusted for each respective contract year or as subsequently amended.

Contractor shall submit invoices to County for Base Rate payments by the first of the month preceding the month in which services are to be provided. For example, Contractor shall submit an invoice by January 1 for services that will be provided during the month of February.

Monthly Base Rates are established using the Average Daily Population ("ADP") statistics maintained by the Facilities and reported to Contractor by the Facilities. For the purpose of this Agreement, the base ADP for all four Facilities is 426. The ADP is averaged for each quarter; for any quarter that exceeds the base ADP, a Per Diem charge shall be calculated and invoiced by Contractor.

2. Overrun invoices: Contractor shall submit invoices for Overruns, if any, for amounts paid by Contractor over Contractor Financial Liability Limit with regularly submitted Monthly Base Rate invoices. Contractor shall submit documentation supporting amounts exceeding Contractor Financial Liability Limit with Overrun invoice. Failure to provide supporting documentation may result in a delay in processing payment.

3. Preferred Provider Organization (PPO) Discount: Contractor shall provide County with access to its Preferred Provider Organization (PPO) discount. County will reimburse Contractor for any processing fees related to the use of that PPO discount, which shall not exceed \$5,000.00 annually.

4. Per Diem Invoices: A quarterly Per Diem charge of \$3.47, as adjusted for each respective contract year or as subsequently amended, will be paid for a combined quarterly average Inmate and Ward population for all facilities in excess of 426. Per Diem is intended to cover only variable costs. If the population significantly exceeds the base ADP for an extended period and additional staffing is required, the cost for additional staff must be negotiated separately.

Per Diem payments, if any, shall be billed separately by Contractor on a quarterly basis. Payments to Contractor shall be made by County within forty-five (45) days following County's receipt and approval of original itemized invoice(s) identifying the period being billed and shall be in accordance with the total Not-to-Exceed amounts as described herein.

**Sample Calculation of Quarterly per Diem:**

Month	Average Daily Population (ADP)	ADP by Quarter	Agreed upon ADP Baseline	Variance from Baseline	Per Diem Rate	# of days in Quarter	Per Diem Charge
July	469						
August	468						
Sept	472						
	Quarter 1	470	426	44	\$3.47	92	\$14,046.56
October	399						
November	437						
December	421						
	Quarter 2	419	426	(7)	N/A - below baseline		\$0.00

**D. Out of County Inmates/Wards:** For Inmates or Wards being held by County on behalf of another governmental agency, Contractor's financial liability of \$20,000 for inpatient episodes may be waived by County on a case-by-case basis provided County has a written contractual agreement in place with said governmental agency requiring that agency to pay all costs associated with medical or psychiatric inpatient episodes for such an Inmate or Ward held at a facility. Absent such agreement, Contractor's financial liability of \$20,000 per Inmate or Ward, per episode, shall apply. Contractor shall identify any inmates who are the responsibility of another County and provide those invoices to the County of El Dorado Sheriff's Office, with a copy to the Health and Human Services Agency Financial Unit, for submission to the County of origin for payment.

Contractor shall provide third party payer information to off-site medical or psychiatric providers when such information is available. Once the provider has exhausted all reasonable attempts at collection, such costs shall become the responsibility of Contractor.

**E. Human Immunodeficiency Virus ("HIV") or Autoimmune Deficiency Syndrome ("AIDS") Pharmaceutical Limit:** Contractor's financial liability for HIV or AIDS medications is limited to \$10,000.00 aggregate cost each fiscal year of this Agreement. In the event Contractor reaches the maximum obligation of \$10,000 for HIV or AIDS medications, Contractor shall invoice County for the amount in excess of their \$10,000 liability and County shall reimburse Contractor that amount. Prior to invoicing County for HIV or AIDS medications in excess of the \$10,000 aggregate liability, Contractor shall provide itemized listing of medications paid resulting in the maximum obligation. Contractor and County agree to identify and utilize all available HIV/AIDS medication funding sources for each Inmate or Ward prior to assuming responsibility for providing said medications.

**F. Catastrophic Insurance Claims Processing:** Contractor acknowledges County may obtain a Catastrophic Insurance Policy for medical care in the jail, and agrees to assist County in the processing of claims, including but not limited to, timely notification of County that there has been admission of an Inmate or Ward to an outside facility, and gathering of information required for submission of the claim.

## **ARTICLE XXI**

**Taxpayer Identification Number (Form W-9) and County Payee Data Record Form:** All independent Contractors or Corporations providing services to County must file a Department of the Treasury Internal Revenue Service Form W-9 with County, which certifies their Taxpayer Identification Number. All independent Contractors or Corporations providing services to County may also be required to file a County-issued "Payee Data Record" form with County.

## **ARTICLE XXVIII**

**Audit by California State Auditor:** Contractor acknowledges that if total compensation under this agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code §8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books, records and documentation necessary to demonstrate performance under the Agreement.

2) **Article XXIX – Taxes** shall be added as follows:

**ARTICLE XXIX**

**Taxes:** Contractor/Consultant 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/Consultant to County. Contractor/Consultant agrees that it shall not default on any obligations to County during the term of this Agreement.

**ARTICLE XXX**

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

Except as herein amended, all other parts and sections of that Agreement 034-S1411 and any amendments thereto shall remain unchanged and in full force and effect.

**REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:**

By:  Dated: 7/15/14  
Chris Weston, Program Manager II  
Health and Human Services Agency

**REQUESTING DEPARTMENT HEAD CONCURRENCE:**

By:  Dated: 7/17/14  
Don Ashton, M.P.A., Director  
Health and Human Services Agency

//

//

//

//

//

//

//



IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to that Agreement for Services 034-S1411 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: \_\_\_\_\_  
Deputy Clerk

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

-- CONTRACTOR --

CALIFORNIA FORENSIC MEDICAL GROUP, INC.  
A CALIFORNIA CORPORATION

By:  \_\_\_\_\_  
Taylor Fithian, M.D., President  
"Contractor"

Dated: 7/14/14

By:  \_\_\_\_\_  
Elaine Hustedt, Corporate Secretary

Dated: 7/14/14

sk