



## Monterey County Board of Supervisors

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

### Board Order

#### Agreement A-12846

Upon motion of Supervisor Phillips, seconded by Supervisor Salinas and carried by those members present, the Board of Supervisors hereby:

Approved and authorized the Director of Health or Assistant Director of Health to execute an Amendment No. 2 with extension to Mental Health Services Agreement A-12846 with Telecare Corporation, to add Villa Fairmont Mental Health Rehabilitation Center in San Leandro, CA for the provision of mental health services to Monterey County adults ages 18-65 with a primary diagnosis of severe mental illness; adding a fourth year to the existing term, and increasing the total contract amount by \$302,539 for Fiscal Year (FY) 2017-18 and adding \$1,363,840 for FY 2018-19, for a new maximum county obligation of \$3,182,750 for a new term of FY 2015-16 through FY 2018-19.

PASSED AND ADOPTED on this 3rd day of April 2018, by the following vote, to wit:

AYES: Supervisors Alejo, Salinas, Phillips, Parker and Adams  
NOES: None  
ABSENT: None

I, Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 80 for the meeting April 3, 2018.

Dated: May 2, 2018  
File ID: A 18-076

Nicholas E. Chiulos, Acting Clerk of the Board of Supervisors  
County of Monterey, State of California

By Denise Hancock  
Deputy

AMENDMENT NO. 2 TO MENTAL HEALTH SERVICES AGREEMENT A-12846  
BY AND BETWEEN  
COUNTY OF MONTEREY AND TELECARE CORPORATION

**THIS AMENDMENT NO. 2** is made to AGREEMENT A-12686 for the provision of community mental health services to adults with severe psychiatric disabilities in an adult residential facility by and between **TELECARE CORPORATION** hereinafter "CONTRACTOR," and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "COUNTY."

**WHEREAS**, the COUNTY entered into three-year Mental Health Services Agreement No. A-12846 with Telecare Corporation in the amount of \$768,987 for the term of July 1, 2015 through June 30, 2018 for adult mental health services; and

**WHEREAS**, the COUNTY entered into Amendment No. 1 to MHS Agreement No. A-12846 with Telecare Corporation with revised EXHIBIT A-1 Program Description and revised EXHIBIT B-1 Payment and Billing Provisions for the same full three-year term for an increased total contract amount of \$1,516,371; and

**WHEREAS**, the COUNTY and CONTRACTOR request Amendment No. 2 to Agreement No. A-12846 to add a third Telecare program and service location with separate rates, and add a fourth year to the term, increasing the total amount of the Agreement for a new term of July 1, 2015 through June 30, 2019 as follows:

1. Increase the total contract amount payable by COUNTY to CONTRACTOR by \$302,539 for Fiscal Year (FY) 2017-18 and adding \$1,363,840 for FY 2018-19, for a new maximum COUNTY obligation of \$3,182,750. This increase expands the Telecare Agreement to include the Villa Fairmont Mental Health Rehabilitation Center in San Leandro, CA for the provision of mental health services to Monterey County adults ages 18-65 with a primary diagnosis of severe mental illness.

NOW THEREFORE, the COUNTY and CONTRACTOR hereby agree to amend AGREEMENT in the following manner:

1. EXHIBIT A-2: PROGRAM DESCRIPTION replaces EXHIBITS A-1 and A. All references in the Agreement to EXHIBIT A shall be construed to refer to EXHIBIT A-2.
2. EXHIBIT B-2: PAYMENT AND BILLING PROVISIONS replaces EXHIBITS B-1 and B. All references in the Agreement to EXHIBIT B shall be construed to refer to EXHIBIT B-2.
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. This Amendment No. 2 is effective February 1, 2018.
5. A copy of this AMENDMENT No. 2 shall be attached to the original AGREEMENT executed by the COUNTY on June 9, 2015.

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Amendment No. 2 as of the day and year written below.

**COUNTY OF MONTEREY**

By: \_\_\_\_\_  
Contracts/Purchasing Officer

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

By: [Signature]  
Department Head (if applicable)

Date: 05/07/2018

By: \_\_\_\_\_  
Board of Supervisors (if applicable)

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

Approved as to Form <sup>1</sup>

By: [Signature]  
County Counsel

Date: 3/2/18

Approved as to Fiscal Provisions <sup>2</sup>

By: [Signature]  
Auditor/Controller's Office

Date: 3-2-18

Approved as to Liability Provisions <sup>3</sup>

By: \_\_\_\_\_  
Risk Management

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

**CONTRACTOR**

**TELECARE CORPORATION**

Contractor's Business Name \*

By: [Signature]  
(Signature of Chair, President,  
or Vice-President) \*

Faith Richie, SVP of Development  
Name and Title

Date: 2-14-18

By: [Signature]  
(Signature of Secretary, Asst. Secretary,  
CFO, Treasurer or Asst. Treasurer) \*

Leslie Davis SVP/CFO  
Name and Title

Date: 2/12/18

\* INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

<sup>1</sup>Approval by County Counsel is required; if Agreement is \$100,000 and less approval by County Counsel is required only when modifications are made to any of the Agreement's standardized terms and conditions

<sup>2</sup>Approval by Auditor-Controller is required

<sup>3</sup>Approval by Risk Management is necessary only if changes are made in Sections XI or XII

## **EXHIBIT A-2: PROGRAM 1 DESCRIPTION**

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### **I. IDENTIFICATION OF CONTRACTOR**

Name: Telecare Corporation  
Garfield Neurobehavioral Center

Address: 1080 Marina Village Pkwy, Ste. 100  
Alameda, CA 94501

Incorporation Status: Private, for profit, Corporation

Type of Facility: SNF – Neurobehavioral Center

Type of License: Skilled Nursing Facility

### **II. TARGET POPULATION / FACILITY SPECIALIZATION**

Specialized long-term care program for adults with impairments such as organic brain syndrome (OBS), traumatic brain injury, dementia, developmental disability, and other neurological conditions, who are from 18 years of age to 64 years of age.

### **III. PROGRAM DESCRIPTION**

Treatment services include:

- A. A highly-structured program of psychiatric, behavioral, rehabilitative and restorative care, with the focus on long-term residential adjustment and behavioral stability. The program offers a group treatment approach, within which individual treatment goals are tailored to meet the specific needs of each person.
- B. A structured behavioral management approach that stresses environmental safety and individual management.

A social rehabilitation program that encourages increased self-care and activities of daily living (ADL's) and active participation in the rehabilitative groups where structured activities are offered. The facility has the capability of providing the following interventions in a group setting, modified as needed for impaired cognition, for each individual. This may include but is not limited to:

- 1) Behavior modification
- 2) Community skills development
- 3) Psychological and psychiatric adjustment
- 4) Self-care development
- 5) Group interaction
- 6) Individual social support
- 7) Individual counseling

- 8) Interpersonal and social skills development
- 9) Educational and recreational training;
- 10) Art and Music Therapy

#### **IV. PROGRAM GOALS**

- A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;
- B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;
- C. To provide a safe, secure and behaviorally focused environment, which enhances the opportunity of the residents to reach their maximum level of functioning;
- D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time;
- E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community;
- F. To provide the intensive staff required to supervise and treat OBS, Traumatic Brain Injured, Dementia, and Medically Debilitated Diagnosis Adults; and
- G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

#### **V. PROGRAM PLAN & ORGANIZATIONAL CHART**

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

#### **VI. CASE MANAGEMENT**

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

#### **VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA**

##### **A. ADMISSION CRITERIA**

The CONTRACTOR shall admit patients referred by the COUNTY with a primary psychiatric diagnosis and the presence of a neurological condition, such as brain injury or dementia, and conserved and found to be gravely disabled, subject to bed availability, with

order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

- 1) Dementia or OBS
- 2) Severe cognitive impairment secondary to brain injury or neurological condition with behaviors preventing community placement
- 3) Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management
- 4) Neurodegenerative disease accompanied or exacerbated by mental illness that prevents Skilled Nursing Facility placement

Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

## B. BASIC SERVICES

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

## C. CONTINUED STAY CRITERIA

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).
2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.
3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

## **VIII. DISCHARGE CRITERIA & PLANNING**

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

## **IX. TRANSFER TO ACUTE LEVEL OF CARE**

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

## **X. LIMITATIONS OF SERVICE**

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

## **XI. EVALUATION & REPORTING REQUIREMENTS**

- A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.
- B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Garfield Neurobehavioral Center leadership that may occur during the term of this contract.

## **XII. QUALITY ASSURANCE**

- A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.
- B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:
  - 1) Medical necessity;
  - 2) Appropriateness of continued treatment;
  - 3) Focus, level, intensity of care;
  - 4) Outcome of treatment; and
  - 5) Cost of treatment.

## **EXHIBIT A-2: PROGRAM 2 DESCRIPTION**

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### **I. IDENTIFICATION OF CONTRACTOR**

Name: Telecare Corporation  
Morton Bakar Center

Address: 494 Blossom Way  
Hayward, CA 94541

Incorporation Status: Private, for profit, Corporation

Type of Facility: SNF – Neurobehavioral Center

Type of License: Skilled Nursing Facility

### **II. TARGET POPULATION / FACILITY SPECIALIZATION**

Morton Bakar Center provides psychosocial rehabilitation and skills-building support for older adults (ages 57+) with a primary diagnosis of severe mental illness. Under the direction of a multidisciplinary team, residents receive diagnostic evaluation and treatment to address their psychiatric and medical needs.

### **III. PROGRAM DESCRIPTION**

Treatment services include:

- A. A longer-term recovery program within a supportive, structured, and secure inpatient environment designed to help residents prepare to move to the community and/or lower levels of care. 24-hour nursing care and dedicated staff providing a collaborative recovery environment based on Telecare's Recovery-Centered Clinical System (RCCS) model.
- B. The program offers specific approaches that have been found to be effective for an individual's specific stage of readiness to change, motivational interviewing designed to engage and motivate residents who have not responded to traditional interventions, harm reduction strategies, personal strengths development, and data driven interventions.
- C. A structured behavioral management approach that stresses environmental safety and individual management.
- D. The Telecare RCCS model provides a comprehensive, holistic, and personal approach to recovery. Services include, but are not limited to:
  - 1) Comprehensive evaluation and risk assessment
  - 2) Independent living skills training
  - 3) Physical, occupational, and speech therapy

- 4) Medication education and training
- 5) Psychosocial assessment
- 6) Psychotherapy
- 7) Recovery-focused collaborative treatment planning
- 8) Art and Music Therapy
- 9) 24-hour nursing care

#### **IV. PROGRAM GOALS**

- A. To assist Monterey County Behavioral Health (MCBH) in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;
- B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;
- C. To provide a safe, secure, healthful, and behaviorally focused living environment, which enhances the opportunity of the residents to reach their maximum level of functioning;
- D. To develop alternative therapeutic interventions that reduce recidivism to more restrictive levels of care and enable the resident to remain in community placement for significantly longer periods of time, preventing or reducing acute psychiatric hospitalizations or long-term hospitalization;
- E. To provide a regional program which enables residents previously placed in the state hospital or more expensive levels of care to be treated in the community, as close to Monterey County as possible;
- F. To provide high quality care and supervision at the lowest appropriate cost; and
- G. To develop a current and comprehensive assessment, stabilization, safety, security and skills training within an atmosphere of positive regard, and appropriate expectation.

#### **V. PROGRAM PLAN & ORGANIZATIONAL CHART**

The CONTRACTOR will provide the COUNTY with a copy of the Special Treatment Program plan.

#### **VI. CASE MANAGEMENT**

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

## **VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA**

### **A. ADMISSION CRITERIA**

The CONTRACTOR shall admit older adult patients referred by the COUNTY with a primary psychiatric diagnosis of severe mental illness, subject to bed availability, with order of a physician, and in compliance with reasonable admission policies and procedures. In addition, the individual may be diagnosed with:

- 1) Dementia or OBS
- 2) Sub-acute psychiatric impairment and/or with severely impaired adaptive functioning
- 3) Primary psychiatric diagnosis with a need for a Skilled Nursing Facility for medical reasons and behavior management

Individuals will be excluded from the program who may have histories of and, without adequate treatment, are at risk of displaying behavioral symptoms such as severe combativeness, elopement or active AWOL risk, suicide risk, and excessive verbal abusiveness. Frequency, scope, and severity of these behaviors are a determining factor to be discussed on an individual patient basis between the COUNTY and the CONTRACTOR. The COUNTY may grant individual exceptions to these admission criteria. Individuals whose mental illness and neurological conditions are deemed more suitable for acute psychiatric or medical care, as well as individuals suffering exclusively from development disability, brain injury, mental retardation and/or physical illnesses (without a psychiatric component) shall be reviewed for their appropriateness or acceptability. All admissions are subject to the COUNTY'S prior authorization and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

### **B. BASIC SERVICES**

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

### **C. CONTINUED STAY CRITERIA**

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).
2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.

3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

## **VIII. DISCHARGE CRITERIA & PLANNING**

At the point the client no longer requires the level of service of a locked skilled nursing facility, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

## **IX. TRANSFER TO ACUTE LEVEL OF CARE**

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

## **X. LIMITATIONS OF SERVICE**

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

## **XI. EVALUATION & REPORTING REQUIREMENTS**

- A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.
- B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Morton Bakar Center leadership that may occur during the term of this contract.

## **XII. QUALITY ASSURANCE**

- A. CONTRACTOR shall comply with Chapter 3 of Division 5 of Title 22 of the California Code of Regulations pertaining to skilled nursing facilities.
- B. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:
  - 1) Medical necessity;
  - 2) Appropriateness of continued treatment;
  - 3) Focus, level, intensity of care;
  - 4) Outcome of treatment; and
  - 5) Cost of treatment.

## **EXHIBIT A-2: PROGRAM 3 DESCRIPTION**

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### **I. IDENTIFICATION OF CONTRACTOR**

Name: Telecare Corporation  
Villa Fairmont

Address: 15200 Foothill Blvd  
San Leandro, CA 94578

Incorporation Status: Private, for profit, Corporation

Type of Facility: Mental Health Rehabilitation Center

Type of License: MHRC

### **II. TARGET POPULATION / FACILITY SPECIALIZATION**

Villa Fairmont Mental Health Rehabilitation Center (MHRC) offers two levels of care in a home-like environment to meet the varying needs of clients and payors, Villa Classic and Villa Flex. Both programs provide services to adults aged 18-65 who live with serious mental illness, and shall make it a priority to serve individuals with psychiatric disabilities that require extensive rehabilitation services beyond those provided in typical sub-acute settings.

#### **A. Villa Classic**

Villa Classic focuses heavily on clients coming out of acute settings, and serves adults and transitional aged youth on a voluntary or involuntary basis. Villa Classic is staffed at a higher rate than a standard MHRC, which allows for a comprehensive rehabilitation program with a variety of group activities and outings.

CONTRACTOR shall serve individuals who are admitted on a 14-day certification, Temporary Conservatorship, ongoing Conservatorship or voluntary admission.

#### **B. Villa Flex**

Villa Flex focuses heavily on clients with complex needs who require comprehensive services. Clients typically meet one of the following criteria:

##### **Persons Served:**

- Clients on Murphy Conservatorship or with other criminal justice involvement, 5250 or 1370.01
- State hospital step-down
- Polydipsia, AWOL risk, or self-harming behaviors

**Client Needs:**

- Reduced stimuli, a high level of structure, a structured and contained environment, and limited use of passes
- A need for close observation and frequent staff interaction
- Need for a high degree of supervision, but not to the point of 1:1

For both Villa Classic and Villa Flex programs, CONTRACTOR shall only accept individuals referred and approved by COUNTY.

**III. PROGRAM DESCRIPTION****A. Villa Classic**

Opened in 1981, Villa Classic has evolved many times over the years to meet changing needs for inpatient services. Villa Classic major service goals are symptom stabilization, engagement in recovery, and a rapid return to the community for persons recovering from an acute phase of illness.

The average length of stay at Villa Fairmont is typically up to 90 days.

**B. Villa Flex**

The Villa Flex wing opened on the Villa Fairmont MHRC campus in December 2015. Villa Flex was created to fill a gap for clients that have frequent and long stays in acute facilities, but fail to meet medical necessity in acute settings. This new wing focuses heavily on clients with complex needs typically suited for an MHRC environment who require comprehensive services, greater structure, lower stimulation, and a more gradual preparation for a return to the community.

The typical length of stay is approximately 6-12 months, but is always dependent on the needs of the client.

**IV. PROGRAM DESIGN / CLIENT FLOW**

CONTRACTOR shall maintain programmatic services at or above the following minimum levels:

- CONTRACTOR shall provide inpatient, long-term, sub-acute mental health rehabilitation services. CONTRACTOR shall provide clients with a therapeutic milieu in a structured group setting with psychosocial rehabilitation value which emphasizes skill-building.
- CONTRACTOR shall provide the following services: interdisciplinary team assessment, development and evaluation of treatment plans, social work support (from admission to discharge), family support and education, mental health services (i.e., individual and group counseling, coaching, and therapy to include, but not be limited to personal skill building, co-occurring education and mindfulness), medication education and support, and pre-vocational training.

- C. CONTRACTOR shall help clients prepare to move to the community and/or lower levels of care. Clients shall generally receive services for no more than six months.

CONTRACTOR shall provide services as follows:

| Milestone Activity                        | Timing                                                                                                                                                                                                 |
|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Screening                                 | Phone screening for assessment of medically necessary treatment may be completed by Contractor's staff prior to full referral and admission.                                                           |
| Assessment                                | Assessments shall be completed and signed by Contractor's staff within 30 days from admission and updated annually.                                                                                    |
| Treatment Plan Development <sup>1</sup>   | Treatment plans shall be completed and signed by Contractor's staff within 60 days of admission.                                                                                                       |
| Intervention                              | Mental health rehabilitation interventions shall be ongoing between plan development and discharge.                                                                                                    |
| Update of Treatment Plan and Intervention | Plans and interventions shall be updated by Contractor's staff annually, at a minimum, and whenever there is a significant change in goals, mental health objectives, and events in the client's life. |

<sup>1</sup> Treatment Plan Development shall be strength-based, conducted in partnership with the client and family whenever possible, and include clear goals, objectives and criteria for successful discharge from the program.

## V. PROGRAM GOALS

- A. To assist Monterey County Behavioral Health (MCBH), in efficiently and effectively managing limited resources by providing an alternative to utilization of State hospital days and acute hospital administrative days;
- B. To stabilize the client's psychiatric condition through medication management and behavioral management approaches;
- C. To improve the ability of clients to achieve and maintain an optimal level of functioning and recovery;
- D. To improve the ability of clients to live in a less restrictive setting;
- E. To reduce client hospitalizations and utilization of State hospitals; and
- F. To assist and empower clients to transitions to the least intensive level of service appropriate to meet their needs.

## **VI. CASE MANAGEMENT**

The COUNTY will provide a case manager to coordinate services and assess for discharge planning.

## **VII. ADMISSION CRITERIA, BASIC SERVICES & CONTINUED STAY CRITERIA**

### **A. ADMISSION CRITERIA**

CONTRACTOR shall only service clients who:

- 1) Are Monterey County residents ages 18 to 65;
- 2) Meet medical and service necessity criteria for specialty mental health services;
- 3) Are eligible for payment of services through MCBH; and
- 4) Have been authorized for admission by MCBH.

CONTRACTOR shall seek COUNTY review and approval prior to serving any individuals over the age of 65 to ensure clinical appropriateness of setting.

### **B. BASIC SERVICES**

The basic service level (the minimum array of services provided to IMD residents) shall comply with Title 22 of the California Code of Regulations, Section 72445. Basic services shall also include: reasonable access to required medical treatment and up-to-date psychopharmacology, transportation to needed off-site services, and bilingual/bicultural programming as specifically described herein.

### **C. CONTINUED STAY CRITERIA**

1. Admission for contracted services occurs only under the order of a licensed mental health physician, with approval of the COUNTY representative(s).
2. Admission is available only to clients in need of 24-hour skilled nursing services and observation of mental illness or other related disorders. Individuals with exclusively physical illnesses shall not be admitted.
3. Clients must exhibit behavioral symptoms, which prohibit them from being admitted into a lower level care. Due to their mental or neurological condition or status, and behavioral problems, clients are unable to provide for their basic needs, thus requiring this level of care.

## **VIII. DISCHARGE CRITERIA & PLANNING**

At the point the client no longer requires the level of service of a locked inpatient sub-acute program, as determined by the COUNTY case manager, a plan for the client's transfer to a less restrictive community setting will be arranged by the COUNTY case manager in conjunction with the CONTRACTOR staff.

## **IX. TRANSFER TO ACUTE LEVEL OF CARE**

If a client meets the criteria of medical necessity for acute psychiatric inpatient care, the CONTRACTOR will notify the COUNTY conservator and case manager, then proceed with the facility's psychiatrist to notify the COUNTY inpatient psychiatrist to arrange for the transfer of the client.

## **X. LIMITATIONS OF SERVICE**

The CONTRACTOR will operate within the scope of services outlined in the CONTRACTOR'S State of California license.

CONTRACTOR shall not accept individuals who meet any of the following criteria:

- Have a primary diagnosis of organic mental disorders, characterological disorders, substance abuse, or those whose secondary diagnosis of organic or neurological disorders make them unreceptive or unresponsive to treatment;
- Have primary presenting problems resulting from drug and/or alcohol abuse or who require drug or alcohol detoxification;
- Have life-threatening medical problems, communicable diseases, or any health problem which requires more than an outpatient level of medical care.
- Who are persistent fire-setters;
- Who frequently assault in the hospital setting, and who clearly exhibit characterological components to their behavior (i.e., willful intent to do serious harm, or who lack insight or do not show remorse);
- Individuals dangerous to others with active Tarasoff Warnings, who are in close proximity to the identified victim;
- Individuals involved in the criminal justice system who require a guard or who have special legal status restricting his or her freedom to participate in earning community passes, except on a case-by-case basis, and in cooperation and agreement with the local police or sheriff department and MCBH leadership. Any agreement regarding treatment of persons who have restricted freedoms to participate in earning community passes shall be in writing, defining those restrictions and any requirements related to those restrictions, including required communication requested by each of these parties.

In addition, CONTRACTOR shall work with COUNTY to assess the admission of any individual who meets the legal definition for any of the following categories: Individuals with 1370.01 Status, Individuals with Murphy Conservatorship, or Imminently Dangerous Persons.

## **XI. EVALUATION & REPORTING REQUIREMENTS**

- A. In addition to all evaluation and reporting requirements previously stated in this Agreement, CONTRACTOR will meet all reporting and evaluation requirements stated as a condition of the facility's license. Additionally, CONTRACTOR will report any unusual incidents that occur at the facility to the COUNTY Designated Contract Monitor.
- B. CONTRACTOR shall notify the COUNTY Designated Contract Monitor of any change in Villa Fairmont leadership that may occur during the term of this contract.

## **XII. QUALITY ASSURANCE**

- A. CONTRACTOR will meet all quality assurance requirements which are a condition of their license. COUNTY will routinely monitor the CONTRACTOR in terms of compliance with the COUNTY'S Quality Improvement Plan (QIP) in the following areas:
  - 1) Medical necessity;
  - 2) Appropriateness of continued treatment;
  - 3) Focus, level, intensity of care;
  - 4) Outcome of treatment; and
  - 5) Cost of treatment.

## **XIII. DESIGNATED CONTRACT MONITOR**

Rhiyan A. Quiton, PsyD  
Behavioral Health Service Manager II  
Psychologist, Lic # PSY 23371  
Monterey County Behavioral Health Bureau  
1441 Constitution Blvd, Building 400, Suite 202  
Salinas, CA 93906  
831-796-1748  
[quitonr@co.monterey.ca.us](mailto:quitonr@co.monterey.ca.us)

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## **EXHIBIT B-2: PAYMENT AND BILLING PROVISIONS**

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### **I. PAYMENT TYPE**

Cost Reimbursement (CR) or Negotiated Rate (NR) up to the maximum contract amount.

### **II. PAYMENT AUTHORIZATION FOR SERVICES**

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B-2 is contingent upon COUNTY authorized admission and service, and CONTRACTOR'S commitment to provide care and services in accordance with the terms of this Agreement.

### **III. REIMBURSEMENT FOR BASIC / STP SERVICES**

#### **Garfield Neurobehavioral Center / Morton Bakar Center**

Under the terms of this Agreement, COUNTY shall reimburse the CONTRACTOR for services rendered as described in Exhibit A-2, which will be identified as the Enhanced Treatment Rate for clients who have Medi-Cal benefits.

For non Medi-Cal clients, the fee will include the Enhanced Treatment Rate plus the current State Medi-Cal Rate for clients residing at this facility. COUNTY is additionally responsible for paying the cost of medications for non-benefited clients.

The Leave of Absence and Bed Hold rate will apply only when an existent client is transferred to a facility temporarily, for acute psychiatric inpatient care, due to return to the facility. The rate reduction for Leave of Absence and Bed Hold for acute hospitalization is \$7.65 per diem for dates of service on or after August 1, 2017, and will conform to the State-approved Medi-Cal per diem rate as it varies annually. CONTRACTOR will notify COUNTY in the event a client must be moved to an acute treatment facility and a bed hold needs to be made.

For the purposes of this Agreement, the term "bed day" includes beds held vacant for clients who are temporarily [not more than seven (7) days] absent from a facility. Agreement by both parties is required for bed holds of more than 7 days.

The Skilled Nursing Facility (SNF) program services will be paid in arrears at the Enhanced Treatment Rate as follows:

| Fiscal Year / Period                                       | Mode of Service | Service Function Code | Enhanced Treatment (ET) Rate | Estimated # of Bed Days per FY | Non-Medi-Cal Eligible Clients          | Estimated # of Bed Days per FY | Maximum Yearly Estimated Cost |
|------------------------------------------------------------|-----------------|-----------------------|------------------------------|--------------------------------|----------------------------------------|--------------------------------|-------------------------------|
| July 1, 2015 - June 30, 2016                               | 05              | 30-34                 | \$234.09                     | 1095                           | \$0.00                                 | 0                              | \$256,329                     |
| July 1, 2016 - June 30, 2017                               | 05              | 30-34                 | \$234.09                     | 1095                           | \$0.00                                 | 0                              | \$256,329                     |
| July 1, 2017 - Jan 31, 2018                                | 05              | 30-34                 | \$234.09                     | 645                            | \$0.00                                 | 0                              | \$150,988                     |
| Feb 1, 2018 - June 30, 2018                                | 05              | 30-34                 | \$248.34                     | 450                            | \$543.38                               | 60                             | \$144,356                     |
| July 1, 2018 - June 30, 2019                               | 05              | 30-34                 | \$255.79                     | 1095                           | Enhanced Rate + Current Medi-Cal Rate* | 120                            | \$347,578                     |
| <b>GARFIELD NEUROBEHAVIORAL MAXIMUM COUNTY OBLIGATION:</b> |                 |                       |                              |                                |                                        |                                | <b>\$1,155,580</b>            |

**\*Estimated at FY 2017-18 ET Rate + 3% PLUS FY 2017-18 Medi-Cal Rate + 3.5%**

| Fiscal Year / Period                           | Mode of Service | Service Function Code | Medi-Cal Eligible Clients 65 Years and Older | Estimated # of Bed Days per FY | Non-Medi-Cal Eligible / Medi-Cal Eligible Clients < 65 years | Estimated # of Bed Days per FY | Maximum Yearly Estimated Cost |
|------------------------------------------------|-----------------|-----------------------|----------------------------------------------|--------------------------------|--------------------------------------------------------------|--------------------------------|-------------------------------|
| July 1, 2015 - June 30, 2016                   | 05              | 30-34                 | \$125.02                                     | 122                            | \$347.41                                                     | 122                            | \$57,636                      |
| July 1, 2016 - June 30, 2017                   | 05              | 30-34                 | \$125.02                                     | 730                            | \$347.41                                                     | 730                            | \$344,874                     |
| July 1, 2017 - Jan 31, 2018                    | 05              | 30-34                 | \$125.02                                     | 430                            | \$347.41                                                     | 430                            | \$203,145                     |
| Feb 1, 2018 - June 30, 2018                    | 05              | 30-34                 | \$128.77                                     | 300                            | \$358.74                                                     | 300                            | \$146,253                     |
| July 1, 2018 - June 30, 2019                   | 05              | 30-34                 | \$132.63                                     | 730                            | Enhanced Rate + Current Medi-Cal Rate*                       | 730                            | \$367,866                     |
| <b>MORTON-BAKAR MAXIMUM COUNTY OBLIGATION:</b> |                 |                       |                                              |                                |                                                              |                                | <b>\$1,119,774</b>            |

**\*Estimated at FY 2017-18 Medi-Cal Eligible ≥ 65 Rate + 3% PLUS FY 2017-18 Medi-Cal Rate + 3.5%**

#### **IV. REIMBURSEMENT FOR MHRC SERVICES**

##### **Villa Fairmont**

Under the terms of this Agreement, COUNTY shall reimburse the CONTRACTOR for services rendered as described in Exhibit A-2, which will be identified as the MHRC Bed Day Rate. COUNTY is additionally responsible for paying the cost of medications for non-benefited clients.

The rate for Leave of Absence and Bed Hold for acute hospitalization shall remain at the per diem rate based on the placement rate of client at the time of leave. CONTRACTOR will notify COUNTY in the event a client must be moved to an acute treatment facility and a bed hold needs to be made.

For the purposes of this Agreement, the term “bed day” includes beds held vacant for clients who are temporarily [not more than seven (7) days] absent from a facility. Agreement by both parties is required for bed holds of more than 7 days.

The Mental Health Rehabilitation Center (MHRC) program services will be paid in arrears at the Enhanced Treatment Rate as follows:

| Fiscal Year / Period                             | Mode of Service | Service Function Code | Villa Fairmont Flex MHRC Bed Day Rate | Estimated # of Bed Days per FY | Villa Fairmont Classic MHRC Bed Day Rate | Estimated # of Bed Days per FY | Maximum Yearly Estimated Cost |
|--------------------------------------------------|-----------------|-----------------------|---------------------------------------|--------------------------------|------------------------------------------|--------------------------------|-------------------------------|
| Feb 1, 2018 - June 30, 2018                      | 05              | 30-34                 | \$440.00                              | 300                            | \$400.00                                 | 300                            | \$252,000                     |
| July 1, 2018 - June 30, 2019                     | 05              | 30-34                 | \$453.20                              | 730                            | \$412.00                                 | 730                            | \$631,596                     |
| <b>VILLA FAIRMONT MAXIMUM COUNTY OBLIGATION:</b> |                 |                       |                                       |                                |                                          |                                | <b>\$883,596</b>              |

**V. NEGOTIATED RATE: ESCORT SERVICES AND 1:1 ENHANCED SUPPORT AND SUPERVISION**

**Escort Services**

Escort Services may be required for admissions, Conservatorship hearings, and/or discharge to a lower level of care.

**1:1 Services - Enhanced Support and Supervision**

CONTRACTOR will provide individual support and supervision with prior authorization from COUNTY Contract Monitor. Examples of individual support and supervision are:

- Stand by assistance for dialysis treatment, including bedside support during treatment and transport to and from treatment.
- Stand by assistance for chemotherapy treatment, including bedside support during treatment, and transport to and from treatment.
- Stand by assistance for physical therapy treatment, including support during therapy session, and transport to and from treatment.
- Individual support for clients diagnosed with Severe & Persistent Mental Illness (SPMI) and Intellectual Disabilities, that without this individual support are placing their housing at risk due to the escalation of symptoms and behaviors.
- Bereavement support for individuals attending funeral or memorial of a loved one, including transportation to and from services.

The following Escort and 1:1 Enhanced Support and Supervision services will be paid for actual client usage in arrears, not to exceed the listed rates, on a monthly basis for a maximum total amount not to exceed **\$7,000 for FY 2017-18, and \$16,800 for FY 2018-19** for a contract maximum obligation of **\$23,800**:

| <b>Fiscal Year / Period</b>                             | <b>Service Description</b>            | <b>Estimated Units<br/>(Hours/Year)</b> | <b>Service Rate / Hr</b> | <b>Maximum Yearly Estimated Cost</b> |
|---------------------------------------------------------|---------------------------------------|-----------------------------------------|--------------------------|--------------------------------------|
| <b>Feb 1, 2018 - June 30, 2018</b>                      | <b>Escort Services / 1:1 Services</b> | <b>250</b>                              | <b>\$28</b>              | <b>\$7,000</b>                       |
| <b>July 1, 2018 - June 30, 2019</b>                     | <b>Escort Services / 1:1 Services</b> | <b>600</b>                              | <b>\$28</b>              | <b>\$16,800</b>                      |
| <b>ESCORT / 1:1 SERVICES MAXIMUM COUNTY OBLIGATION:</b> |                                       |                                         |                          | <b>\$23,800</b>                      |

## **VI. PAYMENT CONDITIONS**

- A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form as General Ledger, Payroll Report and other accounting documents as needed, and as may be required by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit its claims on Cost Reimbursement Invoice Form provided as Exhibit G, to this Agreement, along with backup documentation, on a monthly basis, to COUNTY so as to reach the Behavioral Health Bureau no later than the thirtieth (30<sup>th</sup>) day of the month following the month of service. See Section III, above, for payment amount information to be reimbursed each fiscal year period of this Agreement. The amount requested for reimbursement shall be in accordance with the approved budget and shall not exceed the actual net costs incurred for services provided under this Agreement.

CONTRACTOR shall submit via email a monthly claim using Exhibit G, Cost Reimbursement Invoice Form in Excel format with electronic signature along with supporting documentations, as may be required by the COUNTY for services rendered to:

[MCHDBHFinance@co.monterey.ca.us](mailto:MCHDBHFinance@co.monterey.ca.us)

- B. CONTRACTOR shall submit all claims for reimbursement under this Agreement within thirty (30) calendar days after the termination or end date of this Agreement. All claims not submitted after thirty (30) calendar days following the termination or end date of this Agreement shall not be subject to reimbursement by the COUNTY. Any claim(s) submitted for services that preceded thirty (30) calendar days prior to the termination or end date of this Agreement may be disallowed, except to the extent that such failure was through no fault of CONTRACTOR. Any "obligations incurred" included in claims for reimbursements and paid by the COUNTY which remain unpaid by the CONTRACTOR after thirty (30) calendar days following the termination or end date of this Agreement shall be disallowed, except to the extent that such failure was through no fault of CONTRACTOR under audit by the COUNTY.
- C. If CONTRACTOR fails to submit claim(s) for services provided under the terms of this Agreement as described above, the COUNTY may, at its sole discretion, deny payment for that month of service and disallow the claim.
- D. COUNTY shall review and certify CONTRACTOR'S claim either in the requested amount or in such other amount as COUNTY approves in conformity with this Agreement, and shall then submit such certified claim to the COUNTY Auditor. The COUNTY

Auditor-Controller shall pay the amount certified within thirty (30) calendar days of receiving the certified invoice.

- E. To the extent that the COUNTY determines CONTRACTOR has improperly claimed services, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment, or COUNTY may make corrective accounting transactions.
- F. If COUNTY certifies payment at a lesser amount than the amount requested COUNTY shall immediately notify the CONTRACTOR in writing of such certification and shall specify the reason for it. If the CONTRACTOR desires to contest the certification, the CONTRACTOR must submit a written notice of protest to the COUNTY within twenty (20) calendar days after the CONTRACTOR'S receipt of the COUNTY notice. The parties shall thereafter promptly meet to review the dispute and resolve it on a mutually acceptable basis. No court action may be taken on such a dispute until the parties have met and attempted to resolve the dispute in person.

## **VII. MAXIMUM OBLIGATION OF COUNTY**

- A. Subject to the limitations set forth herein, COUNTY shall pay to CONTRACTOR during the term of this Agreement a maximum amount of **\$3,182,750** for services rendered under this Agreement.
- B. Maximum Annual Liability:

| <b>FISCAL YEAR LIABILITY</b>            | <b>AMOUNT</b>      |
|-----------------------------------------|--------------------|
| July 1, 2015 to June 30, 2016           | \$313,965          |
| July 1, 2016 to June 30, 2017           | \$601,203          |
| July 1, 2017 to June 30, 2018           | \$903,742          |
| July 1, 2018 to June 30, 2019           | \$1,363,840        |
| <b>TOTAL MAXIMUM COUNTY OBLIGATION:</b> | <b>\$3,182,750</b> |

- C. If, as of the date of signing this Agreement, CONTRACTOR has already received payment from COUNTY for services rendered under this Agreement, such amount shall be deemed to have been paid out under this Agreement and shall be counted towards COUNTY'S maximum liability under this Agreement.
- D. If for any reason this Agreement is canceled, COUNTY'S maximum liability shall be the total utilization to the date of cancellation not to exceed the maximum amount listed above.
- E. As an exception to Section D. above with respect to the Survival of Obligations after Termination, COUNTY, any payer, and CONTRACTOR shall continue to remain obligated under this Agreement with regard to payment for services required to be rendered after termination.

## **VIII. BILLING AND PAYMENT LIMITATIONS**

Adjustment of Claims Based on Other Data and Information: The COUNTY shall have the right to adjust claims based upon data and information that may include, but are not limited to, COUNTY'S claims processing information system reports, remittance advices, and billing system data.

## **IX. LIMITATION OF PAYMENTS BASED ON FUNDING AND BUDGETARY RESTRICTIONS**

- A. This Agreement shall be subject to any restrictions, limitations, or conditions imposed by State which may in any way affect the provisions or funding of this Agreement, including, but not limited to, those contained in State's Budget Act.
- B. This Agreement shall also be subject to any additional restrictions, limitations, or conditions imposed by the Federal government which may in any way affect the provisions or funding of this Agreement.
- C. In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in COUNTY Agreements, the COUNTY reserves the right to unilaterally reduce its payment obligation under this Agreement to implement such Board reductions for that fiscal year and any subsequent fiscal year during the term of this Agreement, correspondingly. The COUNTY'S notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such action.
- D. Notwithstanding any other provision of this Agreement, COUNTY shall not be obligated for CONTRACTOR'S performance hereunder or by any provision of this Agreement during any of COUNTY'S current or future fiscal year(s) unless and until COUNTY'S Board of Supervisors appropriates funds for this Agreement in COUNTY'S Budget for each such fiscal year. In the event funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last fiscal year for which funds were appropriated. COUNTY shall notify CONTRACTOR of any such non-appropriation of funds at the earliest possible date and the services to be provided by the CONTRACTOR under this Agreement shall also be reduced or terminated.

## **X. AUTHORITY TO ACT FOR THE COUNTY**

The Director of the Health Department of the County of Monterey may designate one or more persons within the County of Monterey for the purposes of acting on his/her behalf to implement the provisions of this Agreement. Therefore, the term "Director" in all cases shall mean "Director or his/her designee."