

**AMENDMENT NO. 4
TO MENTAL HEALTH SERVICES AGREEMENT A-13251
BY AND BETWEEN COUNTY OF MONTEREY AND
LAKEMARY CENTER**

This **AMENDMENT NO. 4** is made to MENTAL HEALTH SERVICES AGREEMENT A-13251 by and between the **County of Monterey**, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and **LAKEMARY CENTER**, (hereinafter referred to as "CONTRACTOR").

WHEREAS, the COUNTY and CONTRACTOR entered into MENTAL HEALTH SERVICES AGREEMENT A-13251 in the amount of \$361,200 for the term February 1, 2016 to June 30, 2017 for the provision of residential and psychiatric services; and

WHEREAS, the COUNTY and CONTRACTOR entered into AMENDMENT NO. 1 to MENTAL HEALTH SERVICES AGREEMENT A-13251 extending the term of the AGREEMENT for one additional Fiscal Year (FY) and revising EXHIBITS A and B, for a new term of February 1, 2016 to June 30, 2018; and

WHEREAS, the COUNTY and CONTRACTOR entered into AMENDMENT NO. 2 to MENTAL HEALTH SERVICES AGREEMENT A-13251 extending the term of the AGREEMENT for one additional FY and revising EXHIBITS A and B, for a new term of February 1, 2016 to June 30, 2019; and

WHEREAS, the COUNTY and CONTRACTOR entered into AMENDMENT NO. 3 to MENTAL HEALTH SERVICES AGREEMENT A-13251 extending the term of the AGREEMENT for one additional FY and revising EXHIBITS A and B, for a new term of February 1, 2016 to June 30, 2020; and

WHEREAS, the COUNTY and CONTRACTOR wish to amend the AGREEMENT to increase FY 2019-20 rates, for a revised total AGREEMENT amount not to exceed \$1,421,985.

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

1. EXHIBIT B-4: PAYMENT AND BILLING PROVISIONS replaces EXHIBITS B-3, B-2, B-1 and B. All references in the AGREEMENT to EXHIBIT B shall be construed to refer to EXHIBIT B-4.
2. Except as provided herein, all remaining terms, conditions and provisions of this AGREEMENT are unchanged and unaffected by this AMENDMENT NO. 4 and shall continue in full force and effect as set forth in the AGREEMENT.
3. This AMENDMENT NO. 4 shall be effective July 1, 2019.

4. A copy of this AMENDMENT NO. 4 shall be attached to the original AGREEMENT executed by the COUNTY on July 28, 2016.

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IN WITNESS WHEREOF, County and CONTRACTOR have executed this AMENDMENT NO. 4 to AGREEMENT A-13251 as of the day and year written below.

COUNTY OF MONTEREY

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form ¹

By: Dep. Stacy Paetta
County Counsel

Date: 9/30/19

Approved as to Fiscal Provisions²

By: [Signature]
Auditor/Controller

Date: 9/30/19

Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

CONTRACTOR

LAKEMARY CENTER

By: _____
Contractor's Business Name*
Lakemary Center
(Signature of Chair, President,
or Vice-President) *

Gianna Garsluth CEO
Name and Title

Date: 9/20/19

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

SHAWN KELSEY CFO
Name and Title

Date: 9/20/19

*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.

¹Approval 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

²Approval by Auditor-Controller is required.

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

EXHIBIT B-4: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Fixed Daily Service rate up to 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 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. PAYMENT RATES

RATE: NEGOTIATED RATE

CONTRACTOR shall be paid at the negotiated rates.

The following program services will be paid in arrears, not to exceed the negotiated rates for a total contract maximum of **\$1,421,985**.

FY 2015-16			
Service Description	Service Rate	Estimated Total UOS	Total Maximum Amount FY 2015-16
Residential Services (Regular/Enhanced)	\$540 Regular / \$700 Enhanced	132	\$85,680

FY 2016-17			
Service Description	Service Rate	Estimated Total UOS	Total Maximum Amount FY 2016-17
Residential Services (Regular/Enhanced)	\$540 Regular / \$700 Enhanced	365	\$197,100

FY 2017-18			
Service Description	Service Rate	Estimated Total UOS	Total Maximum Amount FY 2017-18
Residential Services (Regular/Enhanced)	\$550 Regular / \$720 Enhanced	108	\$59,400

FY 2018-19			
Service Description	Service Rate	Estimated Total UOS	Total Maximum Amount FY 2018-19
Residential Services (Regular/Enhanced)	\$570 Regular / \$785 Enhanced	613	\$481,205

FY 2019-20			
Service Description	Service Rate	Estimated Total UOS	Total Maximum Amount FY 2019-20
Residential Services (Regular/Enhanced)	\$595 Regular / \$820 Enhanced	730	\$598,600

IV. PAYMENT CONDITIONS

A. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and 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 (30th) 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.

CONTRACTOR shall submit via email or mail 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:

Monterey County Health Department
 Behavioral Health Bureau
 1270 Natividad Road
 Salinas, CA 93906
ATTN: Accounts Payable or
 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 to a particular Program Amount, COUNTY may disallow payment of said services and require CONTRACTOR to resubmit said claim of services for payment from the correct Program Amount, or COUNTY may make corrective accounting transactions to transfer the payment of the services to the appropriate Program Amount.
- 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.

V. 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 **\$1,421,985** for services rendered under this Agreement.
- B. Funding Source and Estimated Amounts per Fiscal Year:

Funded Fiscal Year	SELPA	Total Amount per FY
FY 2015-16	\$85,680	\$85,680
FY 2016-17	\$197,100	\$197,100
FY 2017-18	\$59,400	\$59,400
FY 2018-19	\$481,205	\$481,205
FY 2019-20	\$598,600	\$598,600
FUNDING TOTALS	\$1,421,985	\$1,421,985

- C. Maximum Annual Liability:

Fiscal Year Liability	Amount
FY 2015-16	\$85,680
FY 2016-17	\$197,100
FY 2017-18	\$59,400
FY 2018-19	\$481,205
FY 2019-20	\$598,600
TOTAL MAXIMUM LIABILITY	\$1,421,985

- D. 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.
- E. 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.
- F. 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.

VI. 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.

VII. BILLING PROCEDURES AND LIMITATIONS ON COUNTY'S FINANCIAL RESPONSIBILITY FOR PAYMENT OF SERVICES UNDER FEDERAL SOCIAL SECURITY ACT, TITLE XIX SHORT-DOYLE/MEDI-CAL SERVICES AND/OR TITLE XXI HEALTHY FAMILIES

The Short-Doyle/Medi-Cal (SD/MC) claims processing system enables California county Mental Health Plans (MHPs) to obtain reimbursement of Federal funds for medically necessary specialty mental health services provided to Medi-Cal-eligible beneficiaries and to Healthy Families subscribers diagnosed as Seriously Emotionally Disturbed (SED). The Mental Health Medi-Cal program oversees the SD/MC claims processing system. Authority for the Mental Health Medi-Cal program is governed by Federal and California statutes.

- A. CONTRACTOR shall be solely liable and responsible for all service data and information submitted by CONTRACTOR.
- B. CONTRACTOR acknowledges and agrees that the COUNTY, in under taking the processing of claims and payment for services rendered under this Agreement for these Funded Programs, does so as the Mental Health Plan for the Federal, State and local governments.
- C. CONTRACTOR shall submit to COUNTY all required claims data within the thirty (30) calendar day time frame(s) as prescribed by this Agreement to allow the COUNTY to meet the time frames prescribed by the Federal and State governments. COUNTY shall have no liability for CONTRACTOR'S failure to comply with the time frames established under this Agreement and/or Federal and State time frames, except to the extent that such failure was through no fault of CONTRACTOR.
- D. CONTRACTOR'S ability to retain payment for such services and/or activities is entirely dependent upon CONTRACTOR'S compliance with all laws and regulations related to same.
- E. Notwithstanding any other provision of this Agreement, CONTRACTOR shall hold COUNTY harmless from and against any loss to CONTRACTOR resulting from the denial or disallowance of claim(s) for or any audit disallowances related to said services by the Federal, State or COUNTY governments, or other applicable payer source, unless the denial or disallowance was due to the fault of the COUNTY.
- F. Notwithstanding any other provision of this Agreement, CONTRACTOR agrees that the COUNTY may off set future payments to the CONTRACTOR and/or demand repayment from CONTRACTOR when amounts are owed to the COUNTY pursuant to Subparagraphs G. and H. above. Such demand for repayment and CONTRACTOR'S repayment shall be in accordance with Exhibit I, Section IV (Method of Payments for Amounts Due to County) of this Agreement.

- G. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.
- H. Nothing in this Section VIII shall be construed to limit CONTRACTOR'S rights to appeal Federal and State settlement and/or audit findings in accordance with the applicable Federal and State regulations.

VIII. PATIENT/CLIENT ELIGIBILITY, UMDAP FEES, THIRD PARTY REVENUES, AND INTEREST

- A. CONTRACTOR shall comply with all Federal, State and COUNTY requirements and procedures relating to:
 - 1. The determination and collection of patient/client fees for services hereunder based on the Uniform Method of Determining Payment (UMDAP), in accordance with the State Department of Mental Health guidelines and WIC sections 5709 and 5710.
 - 2. The eligibility of patients/clients for Short-Doyle/Medi-Cal, Medicaid, Medicare, private insurance, or other third party revenue, and the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. CONTRACTOR shall pursue and report collection of all patient/client and other revenue.
- B. All fees paid by patients/clients receiving services under this Agreement and all fees paid on behalf of patients/clients receiving services hereunder shall be utilized by CONTRACTOR only for the delivery of mental health service/activities specified in this Agreement.
- C. CONTRACTOR may retain unanticipated program revenue, under this Agreement, for a maximum period of one Fiscal Year, provided that the unanticipated revenue is utilized for the delivery of mental health services/activities specified in this Agreement. CONTRACTOR shall report the expenditures for the mental health services/activities funded by this unanticipated revenue in the Annual Report(s) and Cost Report Settlement submitted by CONTRACTOR to COUNTY.
- D. CONTRACTOR shall not retain any fees paid by any sources for, or on behalf of, Medi-Cal beneficiaries without deducting those fees from the cost of providing those mental health services for which fees were paid.
- E. CONTRACTOR may retain any interest and/or return which may be received, earned or collected from any funds paid by COUNTY to CONTRACTOR, provided that CONTRACTOR shall utilize all such interest and return only for the delivery of mental health services/activities specified in this Agreement.
- F. Failure of CONTRACTOR to report in all its claims and in its Annual Report(s) and Cost Report Settlement all fees paid by patients/clients receiving services hereunder,

all fees paid on behalf of patients/clients receiving services hereunder, all fees paid by third parties on behalf of Medi-Cal beneficiaries receiving services and/or activities hereunder, and all interest and return on funds paid by COUNTY to CONTRACTOR, shall result in:

1. CONTRACTOR'S submission of a revised claim statement and/or Annual Report(s) and Cost Report Settlement showing all such non-reported revenue.
2. A report by COUNTY to State of all such non-reported revenue including any such unreported revenue paid by any sources for or on behalf of Medi-Cal beneficiaries and/or COUNTY'S revision of the Annual Report(s).
3. Any appropriate financial adjustment to CONTRACTOR'S reimbursement.

IX. WORKERS COMPENSATION MODIFICATION JUSTIFICATION

At the time of execution of this Agreement, CONTRACTOR is in compliance with Workers Compensation Insurance minimum liability coverage as required by the State of Kansas, which is acceptable to COUNTY Risk Management. In addition, CONTRACTOR does not have employees associated with the execution of the provisions of this Agreement in the State of California; therefore, the Workers Compensation minimum amounts as shown in MHS Agreement Section XII "INSURANCE," Sub-section C.3 "Workers Compensation Insurance," is amended to read \$500,000 per person, accident, or disease.

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."

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