

**AMENDMENT NO. 1
TO MENTAL HEALTH SERVICES AGREEMENT A-12683
BY AND BETWEEN
COUNTY OF MONTEREY AND DAVIS GUEST HOME, INC.**

THIS AMENDMENT NO. 1 is made to AGREEMENT A-12683 for the provision of mental health services to adults with severe psychiatric disabilities in an adult residential facility by and between **DAVIS GUEST HOME, INC.**, hereinafter "CONTRACTOR", and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County".

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to increase the total amount of the AGREEMENT and revise the Program Description, Payment Provisions, Provider Invoice, and the Monthly Service Level Report.

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

1. EXHIBIT A: PROGRAM DESCRIPTION is replaced by EXHIBIT A-1: PROGRAM DESCRIPTION. All references in the Agreement to EXHIBIT A shall be construed to refer to EXHIBIT A-1.
2. EXHIBIT B: PAYMENT AND BILLING PROVISIONS is replaced by EXHIBIT B-1: PAYMENT AND BILLING PROVISIONS. All references in the Agreement to EXHIBIT B shall be construed to refer to EXHIBIT B-1.
3. EXHIBIT G: PROVIDER INVOICE is replaced with EXHIBIT G-1: PROVIDER INVOICE. All references in the Agreement to EXHIBIT G shall be construed to refer to EXHIBIT G-1.
4. EXHIBIT H: MONTHLY SERVICE LEVEL REPORT is replaced with EXHIBIT H-1: MONTHLY SERVICE LEVEL REPORT. All references in the Agreement to EXHIBIT H shall be construed to refer to EXHIBIT H-1.
5. This Amendment No. 1 is effective August 18, 2014.
6. 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.
7. A copy of this AMENDMENT No. 1 shall be attached to the original AGREEMENT executed by the County on June 3, 2014.

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

By: Debra Bayard, MA

Debra Bayard, MA
Deputy Purchasing Agent
County of Monterey

Date: 11/12/2014

By: [Signature]
Department Head (if applicable)

Date: 11/25/14

By: [Signature]
Board of Supervisors (if applicable)

Date: _____

Approved as to Form¹

By: [Signature]

Deputy County Counsel

Date: 11/10/14

Approved as to Fiscal Provisions²

By: [Signature]

Auditor/Controller

Date: 11-10-14

Approved as to Liability Provisions³

By: [Signature]

Risk Management

Date: _____

CONTRACTOR

DAVIS GUEST HOME, INC.

Contractor's Business Name*

By: [Signature]

(Signature of Chair, President,
or Vice-President)*

Henry L. Jones President
Name and Title

Date: 10/29/14

By: [Signature]

(Signature of Secretary, Asst. Secretary,
CFO, Treasurer or Asst. Treasurer)*

Secretary Henry L. Jones
Name and Title

Date: 10/29/14

County Board of Supervisors' Agreement Number: _____

*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 A-1:
PROGRAM DESCRIPTION

I. IDENTIFICATION OF PROVIDER

Davis Guest Home, Inc.
1878 East Hatch Road
Modesto, CA 95351

II. CERTIFICATION/TYPE OF FACILITY LICENSE

Davis Guest Home, Inc. is licensed as an Adult Residential Facility to provide community based living that creates a normalizing experience for adults with severe psychiatric disabilities. The facility must show evidence of currently meeting all licensing requirements for Community Care facilities authorized by the State Department of Social Services to provide care and supervision to mentally disordered adults, as defined in Section 1502 of the Health and Safety Code. The facility must retain ongoing licensure and be in full compliance with licensing regulations. Any complaints received by the CONTRACTOR pertaining to services performed pursuant to this Agreement must be referred in a timely manner to Monterey County Behavioral Health Bureau (MCBHB).

III. SERVICE REQUIREMENT

MCBHB has developed a residential care registry of Monterey County clients in the program. Davis Guest Home, Inc. will accommodate twenty-seven (27) difficult to place MCBHB System of Care clients who have serious mental illness.

IV. PROGRAM GOALS AND OBJECTIVES

In order to receive payment for the care of individuals who are enrolled clients of MCBHB, the facility must: be licensed by the State of California Community Care Licensing; submit a monthly Provider Invoice as Exhibit G-1 and Monthly Service Level Report as Exhibit H-1 of this Agreement; and provide services that will accomplish the following goals and objectives:

Goal #1 **For clients who require the management of behavioral problems, the facility will provide a level of supervision and intensive interaction that is consistent with the clients' needs as outlined in the client's individualized care plan.**

Objectives:

1a. The facility will participate with the MCBHB Case Manager, the client and others in the development of an individualized needs assessment and care plan for each client

within the first thirty (30) days of placement and retain a signed copy of the documented results in a client chart that is retained in the facility.

1b. The facility will work cooperatively with the staff and programs of the MCBHB to accomplish each client's individualized treatment plan and will document significant ongoing problems and/or progress.

1c. The facility will attempt to reasonably manage those crisis situations so as to avoid psychiatric hospitalization. The goal will be to reduce the client's need for acute psychiatric services.

1d. The facility will work cooperatively with and provide information to the MCBHB Case Manager to facilitate the evaluation of those clients deemed to require re-admission.

1e. The facility will provide enhanced nursing services and private room supplemental care to meet the medical needs of the client to remain at the board and care placement, and will record these actions in the client's folder.

GOAL #2 **The facility will assist the client to become more responsible to take medications as prescribed by the treating physician.**

Objectives:

2a. Facility staff will transport the client to, and/or will monitor, visits for psychiatric treatment at MCBHB.

2b. Facility staff will attend scheduled medication evaluation and planning appointments and will work with MCBHB staff when medications are changed.

2c. The facility will store and dispense medication in an approved and effective manner, following State guidelines.

2d. The facility will maintain an updated record of the daily dispensing of medication, recording changes in dosages and types and recording the effects of medication administration.

GOAL #3 **The facility will encourage the client to use treatment services and develop continuing support systems.**

Objectives:

3a. The facility will provide transportation for the client to attend services and programs as outlined in each client's individual care plan.

3b. The facility will educate and encourage the client to use the services of the MCBHB Adult Services Programs and other specialized services identified in each client's individualized care plan.

3c. Facility staff will cooperate with the MCBHB Case Manager and the staff of specialized services identified in each client's individualized care plan.

3d. The facility will document in the client folder, the client's attendance at community programs.

GOAL #4 **The facility will encourage the client's use of leisure time in a constructive manner.**

Objectives:

4a. The facility will encourage clients to develop regular daily activities or routines.

4b. The facility will hold a weekly group session and provide a weekly outing.

4c. The facility will post on a monthly basis information about programs, groups and activities that are provided by community agencies; facility activities to supplement those provided by community agencies; and all other activities and group sessions for the general and specialized needs and interest of clients.

4d. The facility will document in each client's folder client attendance at the monthly activities.

GOAL #5 **The facility will encourage the client to maintain an acceptable level of personal hygiene and grooming, as well as physical and dental health.**

Objectives:

5a. Facility staff will encourage, track, monitor, and reinforce the maintenance of an acceptable level of personal hygiene and grooming by the client, as well as teach self-care when needed.

5b. The facility will provide adequate supplies and materials to accomplish this goal.

5c. The facility will ensure that the client receives an annual medical evaluation and dental check-up and will record the date and results of both in the client's folder.

5d. The facility will monitor to ensure that the client follows up on any established plan to care for identified medical and dental problems and will record these actions in the client's folder.

GOAL #6 **The facility will provide services in a manner that reflects an understanding of the specialized needs of the seriously mentally ill.**

Objectives:

6a. The facility will ensure that all administrative staff and staff responsible for the supervision of clients receive a minimum of twenty (20) hours of specialized training approved by the MCBHB.

6b. The facility will document and maintain a record of each staff person's attendance at approved training programs.

GOAL #7 **The facility will allow the staff of the MCBHB access to the facility, to the extent authorized by law.**

Objective:

7a. The facility will work with the staff of the MCBHB to conduct client assessments, monitor care, provide consultation, conduct record reviews and evaluate the results of the services.

V. TREATMENT SERVICES

The MCBHB will provide case management services to all clients. Clients who receive services will be assessed and monitored by the MCBHB Case Management staff, initially, and at least every ninety (90) days thereafter. A copy of the completed assessment will be reviewed, scored and approved by the Unit Supervisor. The Behavioral Health Program Manager must certify and approve the assessment for admittance and continuance of the client in the Board and Care Service, Board and Care Patch supplemental, and private room supplemental rate programs. This procedure will be used to assist in the determination of the functional ability and programmatic needs of the clients, and the appropriate placement in facilities providing board and care, supplemental, and private room supplemental services. If there are more clients eligible for the program than funding permits, eligible clients will be placed on a waiting list as vacancies permit.

MCBHB agrees that in the event clients placed at the facility are no longer conserved by Monterey County, CONTRACTOR will be notified as to the change of Conservator status.

MCBHB agrees to continue case management responsibility for any client whose Monterey County conservatorship terminates while at CONTRACTOR's facility.

MCBHB further agrees to work towards avoiding a non-conserved client leaving CONTRACTOR's facility and becoming a Stanislaus permanent resident. All efforts will be made to relocate such a client to Monterey County for placement.

EXHIBIT B-1:
PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Negotiated Rate

II. PAYMENT AUTHORIZATION FOR SERVICES

The COUNTY'S commitment to authorize reimbursement to the CONTRACTOR for services as set forth in this Exhibit B-1 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 RATE

A. Board and Care Service Rate:

Board and Care shall be paid from the clients Supplemental Security Income (SSI) or Supplemental Security Income/Social Security Administration (SSI/SSA) benefits. If the client does not yet receive SSI or SSI/SSA benefits, or those benefits have been diminished due to back payments owed to other entities, or are not at a level to cover the standard residential care rates, COUNTY will provide payment to cover the delinquent and/or amount owed. The clients SSI or SSI/SSA monthly residential board and care rate is currently \$1,003.00 per month for a client who receives one check and \$1,023.00 for a client who receives two checks (this monthly amount is subject to annual adjustments by the Federal Government and State of California). These annual adjustments shall be effective without the need for any amendment to this Agreement.

Board and Care Service			
Fiscal Year	Board & Care Monthly Service	Estimated # of Clients Per Day	Maximum Annual Amounts
July 1, 2014 - June 30, 2015	\$1003 - \$1023	2	\$24,552
July 1, 2015 - June 30, 2016	\$1003 - \$1023	2	\$24,552
July 1, 2016 - June 30, 2017	\$1003 - \$1023	2	\$24,552
TOTAL MAXIMUM COUNTY OBLIGATION			\$73,656

B. Board and Care Patch Rates:

The COUNTY agrees to pay an augmentation to the SSI/SSA rate based on the service rate outlined in the following table and shall be subject to the applicable cost report provisions of this Agreement.

Board and Care Patch / Supplemental Rate Program				
Fiscal Year	Board & Care Daily Patch	Number of Days	Estimated # of Clients Per Day	Maximum Annual Amounts
July 1, 2014 - June 30, 2015	\$85	365	27	\$837,675
July 1, 2015 - June 30, 2016	\$85	365	27	\$837,675
July 1, 2016 - June 30, 2017	\$85	365	27	\$837,675
TOTAL MAXIMUM COUNTY OBLIGATION				\$2,513,025

Board and Care Patch / Private Room Supplemental Rate Program				
Fiscal Year	Board & Care Private Room Daily Patch	Number of Days	Estimated # of Clients Per Day	Maximum Annual Amounts
Aug. 18, 2014 - June 30, 2015	\$113	317	1	\$35,821
July 1, 2015 - June 30, 2016	\$113	365	1	\$41,245
July 1, 2016 - June 30, 2017	\$113	365	1	\$41,245
TOTAL MAXIMUM COUNTY OBLIGATION				\$118,311

IV. 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 the Provider Invoice form provided as Exhibit G-1 and Monthly Service Level Report provided as Exhibit H-1 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. 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 the Provider Invoice form provided as Exhibit G-1 and Monthly Service Level Report provided as Exhibit H-1 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

- 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.

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 **\$2,704,992** for services rendered under this Agreement.

B. Maximum Annual Liability:

FISCAL YEAR MAXIMUM LIABILITY	AMOUNT
July 1, 2014 - June 30, 2015	\$898,048
July 1, 2015 - June 30, 2016	\$903,472
July 1, 2016 - June 30, 2017	\$903,472
TOTAL MAXIMUM LIABILITY	\$2,704,992

- 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.

VI. 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.

VII. 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.

VIII. 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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