

AMENDMENT NO. 1 TO MENTAL HEALTH SERVICES AGREEMENT A-13270
BY AND BETWEEN
COUNTY OF MONTEREY AND LOVING CARE RESIDENTIAL HOMES, INC.

THIS AMENDMENT NO. 1 is made to AGREEMENT A-13270 for the provision of community mental health services to adults with psychiatric disabilities in an adult residential facility by and between **LOVING CARE RESIDENTIAL HOMES, INC.**, 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 a three-year Mental Health Services Agreement No. A-13270 with Loving Care Residential Homes, Inc. in the amount of \$355,875 for the term of July 1, 2016 through June 30, 2019 for the provision of mental health services to Monterey County adult residents with severe psychiatric disabilities; and

WHEREAS, the COUNTY and CONTRACTOR hereby request AMENDMENT NO. 1 to Agreement A-13270 to increase the total amount of the Agreement to add an Enhanced Services patch rate for those patients requiring higher-level 24-hour personalized care, adjust the Standard Services daily patch rate to provide a cost of living increase, and revise the Program Description and Payment and Billing Provisions, for a new maximum COUNTY obligation of \$627,275 for the full term of July 1, 2016 through June 30, 2019.

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

1. EXHIBIT A-1: PROGRAM DESCRIPTION replaces EXHIBIT A. All references in the Agreement to EXHIBIT A shall be construed to refer to EXHIBIT A-1.
2. EXHIBIT B-1: PAYMENT AND BILLING PROVISIONS replaces EXHIBIT B. All references in the Agreement to EXHIBIT B shall be construed to refer to EXHIBIT B-1.
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. 1 is effective April 1, 2017.
5. A copy of this AMENDMENT No. 1 shall be attached to the original AGREEMENT executed by the COUNTY on September 19, 2016.

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this Amendment No. 1 to Agreement A-13270 as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: _____
Contracts/Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form¹

By: Deputy County Counsel

Date: 4/11/17

Approved as to Fiscal Provisions²

By: Auditor/Controller's Office

Date: 4/25/17

Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

LOVING CARE RESIDENTIAL HOMES,
INC.

By: _____
Contractor's Business Name*

(Signature of Chair, President,
or Vice-President)*
Frank R. Onciano President
Name and Title

Date: MARCH 30, 2017

By: Frances O. Huston
(Signature of Secretary, Asst. Secretary,
CFO, Treasurer or Asst. Treasurer)*

Frances O. Huston Treasurer
Name and Title

Date: MARCH 30, 2017

*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

Loving Care Residential Homes, Inc.
Frank Onciano, Facility Administrator
814/816 Garner Ave.
Salinas, CA 93905
(831) 424-6100

II. CERTIFICATION/TYPE OF FACILITY LICENSE

Loving Care Residential Homes, Inc. (LCRH) is licensed as a Residential Care Facility for the Elderly by the State of California Department of Social Services, as defined in Section 1569 of the Health and Safety Code. The facility provides community-based living for adults sixty (60) years of age or older with varying levels of care and supervision needs. The facility may admit up to twenty-five percent (25%) of the census with adults under age sixty (60) with compatible needs. 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. Under the terms of this Agreement, Loving Care Residential Homes, Inc. will accommodate twenty-five (25) difficult to place MCBHB System of Care clients who have serious mental illness in the Standard Services supplemental rate program, and one (1) client in the Enhanced Services supplemental rate program (subject to later Amendment if LCRH subsequently demonstrates the ability and capacity to add more Enhanced Services clients).

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 Census and Invoice Form as Exhibit G and Monthly Activities Schedule identified as Exhibit H 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 each client's 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 each client's need for acute psychiatric services.
- 1d. The facility will work cooperatively with and provide information to the MCBHB Case Manager and medical staff to facilitate the evaluation of those clients deemed to require re-admission.

GOAL #2

The facility will assist clients to become more responsible to take medications as prescribed by their treating physician.

Objectives:

- 2a. Facility staff will transport the clients and/or monitor clients' visits for psychiatric treatment at MCBHB.
- 2b. Facility staff will attend scheduled medication evaluation and planning appointments and 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 a current, 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 clients to use treatment services and develop continuing support systems.

Objectives:

- 3a. The facility will provide transportation for clients to attend services and programs as outlined in each client's individual care plan.
- 3b. The facility will educate and encourage clients 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. The facility operator will meet regularly with MCBHB staff in ensure service coordination.
- 3d. The facility will document in each client's folder client attendance at community programs.

GOAL #4

The facility will encourage clients' 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 clients 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 by clients of an acceptable level of personal hygiene and grooming, 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 clients receive an annual medical evaluation and dental check-up and will record the dates and results of both services in each client's folder.
- 5d. The facility will monitor to ensure that clients follow up on any established plan to care for any 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 Behavioral Health Bureau.
- 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 Behavioral Health Bureau access to the facility, to the extent authorized by law.

Objective:

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

V. TREATMENT SERVICES

MCBHB will provide case management services to all clients enrolled in the Adult System of Care. Clients who receive services will be assessed and monitored by the MCBHB Case Management staff. A copy of the completed assessment will be reviewed annually. The Behavioral Health Program Manager must approve the assessment for admittance and continuance of the client in the Standard Services supplemental rate program. 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 supplemental services. If there are more clients eligible for the program than funding permits, eligible clients will be placed on a waiting list for future admission as vacancies permit.

Enhanced Services

Effective April 1, 2017 an Enhanced Services component is added to this Agreement. The program includes, but is not limited to, the following additional service components:

1. Private, or semi-private room with at most one additional Enhanced Services patient;
2. 24-hour special nursing care and observation;
3. Assistance in feeding, dressing, toileting, bathing, and all other body maintenance activities (hair, nail clippings, etc.);
4. Assistance in arising from bed; going to bed; periodic bed checks and bed turns;
5. Services for wheel chair bound patients; and/or patients unable to speak or otherwise articulate their needs and desires;
6. Assistance with special soft diet, or other specialty diets; monitoring dietary restrictions;
7. Perform regular skin assessments due to bed and/or wheel chair confinement;
8. Perform regular blood checks for Insulin levels; maintain drug schedule and administer daily medications;
9. Routine night monitoring to insure patient does not sleepwalk or leave bed;

MCBHB will provide in-depth case management assessment on a case by case basis to any client determined to be eligible for the Enhanced Services supplemental rate program, and in conjunction with LCRH determine the nature of the Enhanced Services to be provided, and for what duration. Enhanced Services clients who receive services will be assessed and monitored by the MCBHB Case Management staff. A copy of the completed assessment will be reviewed annually. The Behavioral Health Program Manager / Contract Monitor must approve the assessment for admittance and continuance of the client in the Enhanced Services supplemental rate program. If there are more clients eligible for the program than funding permits, eligible clients will be placed on a waiting list for future admission as vacancies permit.

VI. DESIGNATED CONTRACT MONITOR

Michael Lisman, LCSW
Deputy Director, Behavioral Health
Monterey County Health Care Department
1270 Natividad Rd.
Salinas, CA 93906
(831) 755-4708
LismanM@co.monterey.ca.us

EXHIBIT B-1: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPE

Standard Services Supplemental Daily Patch Rate:

For the period of **July 1, 2016 through April 30, 2017** COUNTY shall pay CONTRACTOR the net negotiated rate amount not to exceed **twelve dollars and fifty-cents (\$12.50) per client per day** for services authorized pursuant to Exhibit A-1.

For the period of **May 1, 2017 through June 30, 2018** COUNTY shall pay CONTRACTOR the net negotiated rate amount not to exceed **fourteen dollars (\$14.00) per client per day** for services authorized pursuant to Exhibit A-1.

For the period of **July 1, 2018 through June 30, 2019** COUNTY shall pay CONTRACTOR the net negotiated rate amount not to exceed **fifteen dollars (\$15.00) per client per day** for services authorized pursuant to Exhibit A-1.

Enhanced Services Supplemental Daily Patch Rate:

For the period of **April 1, 2017 through June 30, 2019** COUNTY shall pay CONTRACTOR the net negotiated rate amount not to exceed **three-hundred dollars (\$300.00) per client per day** for services authorized pursuant to Exhibit A-1.

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

The charts below illustrates payment rate and COUNTY total maximum liability for Standard and Enhanced supplemental rate services provided at 814/816 Garner Ave. Salinas, CA 93905 for **FY 2016-17 through FY 2018-19**.

Fiscal Year / Term	Board & Care Standard Service Rate Daily Patch	Estimated # of Clients Per Day	Estimated # of Days	Fiscal Year Total
July 1, 2016 – April 30, 2017	\$12.50	25	304	\$95,000
May 1, 2017 – June 30, 2017	\$14.00	25	61	\$21,350
July 1, 2017 – June 30, 2018	\$14.00	25	365	\$127,750
July 1, 2018 – June 30, 2019	\$15.00	25	365	\$136,875
TOTAL MAXIMUM COUNTY OBLIGATION:				\$380,975

Fiscal Year / Term	Board & Care Enhanced Service Rate Daily Patch	Estimated # of Clients Per Day	Estimated # of Days	Fiscal Year Total
April 1, 2017 – June 30, 2017	\$300.00	1	91	\$27,300
July 1, 2017 – June 30, 2018	\$300.00	1	365	\$109,500
July 1, 2018 – June 30, 2019	\$300.00	1	365	\$109,500
TOTAL MAXIMUM COUNTY OBLIGATION:				\$246,300

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 Monthly Census and Invoice Form provided as Exhibit G, and the Monthly Activities Schedule provided as Exhibit H to this Agreement, 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 Exhibit G, Monthly Census and Invoice Form with electronic signature along with the Monthly Activities Schedule provided as Exhibit H 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 **\$627,275** for services rendered under this Agreement.
- B. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2016 to June 30, 2017	\$143,650
July 1, 2017 to June 30, 2018	\$237,250
July 1, 2018 to June 30, 2019	\$246,375
TOTAL AGREEMENT MAXIMUM LIABILITY:	\$627,275

- 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."