

**AMENDMENT NO. 3
TO MENTAL HEALTH SERVICES AGREEMENT A-14354
BETWEEN COUNTY OF MONTEREY AND
EDGEWOOD CENTER FOR CHILDREN AND FAMILIES**

This **AMENDMENT NO. 3** is made to AGREEMENT A-14354 by and between the **COUNTY OF MONTEREY**, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and **EDGEWOOD CENTER FOR CHILDREN AND FAMILIES**, hereinafter "CONTRACTOR."

WHEREAS, the COUNTY and CONTRACTOR entered into AGREEMENT A-14354 for the provision of mental health and residential services for children in the amount of \$1,376,043 for the term July 1, 2019 through June 30, 2022; and

WHEREAS, the COUNTY and CONTRACTOR entered into AMENDMENT NO. 1 to AGREEMENT A-14354 to add Partial Hospitalization services and increase funding for a revised total amount of \$1,396,959 for the same term July 1, 2019 through June 30, 2022; and

WHEREAS, the COUNTY and CONTRACTOR entered into AMENDMENT NO. 2 to add room and board services and increase funding for a revised total amount of \$1,909,892 for the same term July 1, 2019 through June 30, 2022; and

WHEREAS, the COUNTY and CONTRACTOR wish to amend the AGREEMENT to revise FY 2021 rates and add \$598 for a revised total amount of \$1,910,490 for the same term July 1, 2019 through June 30, 2022.

NOW THEREFORE, the COUNTY and CONTRACTOR hereby agree to amend AGREEMENT A-14354 in the following manner:

1. EXHIBIT B-2: PAYMENT AND BILLING PROVISIONS is replaced by EXHIBIT B-3: PAYMENT AND BILLING PROVISIONS. All references in the AGREEMENT to EXHIBIT B-2 shall be construed to refer to EXHIBIT B-3.
2. Except as provided herein, all remaining terms, conditions and provisions of this AGREEMENT are unchanged and unaffected by this AMENDMENT NO. 3 and shall continue in full force and effect as set forth in this AGREEMENT.
3. This AMENDMENT NO. 3 shall be effective July 1, 2020.
4. A copy of this AMENDMENT NO. 3 shall be attached to the original AGREEMENT executed by the COUNTY on June 24, 2019.

IN WITNESS WHEREOF, COUNTY and CONTRACTOR have executed this AMENDMENT NO. 3 to Agreement A-14354 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: 
County Counsel

Date: 9/2/2020 | 11:16 AM PDT

Approved as to Fiscal Provisions²

By: 
Auditor/Controller

Date: 9/2/2020 | 12:23 PM PDT


Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

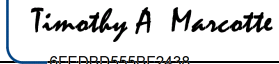
CONTRACTOR

**EDGEWOOD CENTER FOR
CHILDREN AND FAMILIES**

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

Lynn Dolce CEO
Name and Title

Date: 9/1/2020 | 9:01 AM PDT

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

Timothy A Marcotte CFO
Name and Title

Date: 8/31/2020 | 3:02 PM PDT

*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-3: PAYMENT AND BILLING PROVISIONS

I. PAYMENT TYPES

Cost Reimbursed (CR) up to the maximum Agreement 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 RATE

PROVISIONAL RATE: NEGOTIATED RATE

CONTRACTOR shall be paid at the negotiated rates, which are provisional and subject to all the cost report conditions as set forth in this Exhibit B.

The following program services will be paid in arrears, not to exceed the negotiated rates for a total maximum of **\$1,910,490**.

PROGRAM 1: SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAM (STRTP)

Program 1: STRTP Fiscal Year 2019-2020					
Service Description	Mode of Service	Service Function Code	Rate per Unit of Services	Estimated Units of Service	Total FY Amount
Crisis Intervention Services	15	70	\$4.90	2,143	\$10,501
Medication Support Services	15	60	\$6.09	3,430	\$20,889
Case Management	15	01	\$2.55	4,094	\$10,440
Collateral	15	10	\$3.30	71,373	\$235,531
Individual Therapy	15	40			
Group Therapy	15	50			
Group Rehab/Counseling	15	50			
Mental Health Rehabilitation	15	45			
Therapeutic Behavioral Services	15	58			
Assessment and Evaluation	15	30			
Plan Development	15	45			
Family Therapy	15	30			
STRTP Room and Board	n/a	n/a	\$751.00	226	\$169,726
MAXIMUM AGREEMENT AMOUNT FY 2019-20					\$447,087

Program 1: STRTP Fiscal Year 2020-2021					
Service Description	Mode of Service	Service Function Code	Rate per Unit of Services	Estimated Units of Service	Total FY Amount
Crisis Intervention Services	15	70	\$5.15	2,039	\$10,501
Medication Support Services	15	60	\$6.39	3,269	\$20,889
Case Management	15	01	\$2.68	3,893	\$10,434
Collateral	15	10	\$3.46	68,074	\$235,537
Individual Therapy	15	40			
Group Therapy	15	50			
Group Rehab/Counseling	15	50			
Mental Health Rehabilitation	15	45			
Therapeutic Behavioral Services	15	58			
Assessment and Evaluation	15	30			
Plan Development	15	45			
Family Therapy	15	30			
ST RTP Room and Board	n/a	n/a	\$767.42	448	\$343,805
MAXIMUM AGREEMENT AMOUNT FY 2020-21					\$621,166

Program 1: STRTP Fiscal Year 2021-2022					
Service Description	Mode of Service	Service Function Code	Rate per Unit of Services	Estimated Units of Service	Total FY Amount
Crisis Intervention Services	15	70	\$5.41	1,941	\$10,501
Medication Support Services	15	60	\$6.71	3,113	\$20,889
Case Management	15	01	\$2.81	3,713	\$10,434
Collateral	15	10	\$3.63	64,886	\$235,537
Individual Therapy	15	40			
Group Therapy	15	50			
Group Rehab/Counseling	15	50			
Mental Health Rehabilitation	15	45			
Therapeutic Behavioral Services	15	58			
Assessment and Evaluation	15	30			
Plan Development	15	45			
Family Therapy	15	30			
MAXIMUM AGREEMENT AMOUNT FY 2021-22					\$277,361

Program 1: STRTP TOTAL MAXIMUM LIABILITY AMOUNT	\$1,345,614
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PROGRAM 2: HOSPITAL DIVERSION

PROGRAM 2: HOSPITAL DIVERSION PROGRAM			
Fiscal Year	Estimated Units of Service	Rate per Unit of Service	Total FY Amount
FY 2019-20	120	\$1,511	\$181,320
FY 2020-21	120	\$1,511	\$181,320
FY 2021-22	120	\$1,511	\$181,320
PROGRAM 2: HOSPITAL DIVERSION TOTAL MAXIMUM AGREEMENT AMOUNT			\$543,960

**PROGRAM 3:
PARTIAL HOSPITALIZATION PROGRAM**

PROGRAM 3: PARTIAL HOSPITAL PROGRAM			
Fiscal Year	Estimated Units of Service	Rate per Unit of Services	Total FY Amount
FY 2018-19	7	\$964	\$6,748
FY 2019-20	14	\$1,012	\$14,168
PROGRAM 3: PARTIAL HOSPITAL TOTAL MAXIMUM AGREEMENT AMOUNT			\$20,916

* FY 2018-19 Partial Hospitalization services to be paid through this contract.

PROGRAM SUMMARY

Program	FY 2019-20	FY 2020-21	FY 2021-22	Total Amount
Program 1: STRTP	\$447,087	\$621,166	\$277,361	\$1,345,614
Program 2: Hospital Diversion	\$181,320	\$181,320	\$181,320	\$543,960
Program 3: Partial Hospitalization	\$20,916	N/A	N/A	\$20,916
Total	\$649,323	\$802,486	\$458,681	\$1,910,490

IV. PAYMENT CONDITIONS

A. If CONTRACTOR is seeking reimbursement for eligible services funded by the Short-Doyle/Medi-Cal, Mental Health Services Act (“MHSA”), SB 90, Federal or State Grants, and/or COUNTY funds provided pursuant to this Agreement, reimbursement for such services shall be based on actual cost of providing those services less any deductible revenues collected by the CONTRACTOR from other payer sources. In order to reduce COUNTY costs, the CONTRACTOR shall comply with all applicable provisions of the California Welfare and Institutions Code (WIC), the California Code of Regulations, the Code of Federal Regulations, and the federal Social Security Act related to reimbursements by non-County and non-State sources, including, but not limited to, collecting reimbursements for services from clients (which shall be the same as patient fees established pursuant to WIC section 5710) and from private or public third-party payers.

CONTRACTOR shall not claim reimbursement from COUNTY for (or apply sums received from COUNTY with respect to) that portion of its obligations which has been paid by another source of revenue. If CONTRACTOR is seeking reimbursement for mental health services provided pursuant to this Agreement, reimbursement for such services shall be based upon the actual allowable costs of providing those services less any deductible revenues, as stated above. Notwithstanding any other provision of this Agreement, in no event may CONTRACTOR request a rate that exceeds the

COUNTY'S Maximum Allowances (CMA), which is based on the most recent State's Schedule of Maximum Allowances (SMA) as established by the State's Department of Mental Health. The SMA Schedule shall be used until COUNTY establishes the COUNTY'S rate Schedule of Maximum Allowances. CONTRACTOR shall be responsible for costs that exceed applicable CMAs. In no case shall payments to CONTRACTOR exceed CMAs. In addition to the CMA limitation, in no event shall the maximum reimbursement that will be paid by COUNTY to CONTRACTOR under this Agreement for any Program Amount be more than the amount identified for each Program Amount for each Funded Program, as identified in this Exhibit B, Section III. Said amounts shall be referred to as the "Maximum Obligation of County," as identified in this Exhibit B, Section V.

- B. To the extent a recipient of services under this Agreement is eligible for coverage under Short-Doyle/Medi-Cal or Medicaid or Medicare or any other Federal or State funded program ("an eligible beneficiary"), CONTRACTOR shall ensure that services provided to eligible beneficiaries are properly identified and claimed to the Funded Program responsible for such services to said eligible beneficiaries. For the Short-Doyle/Medi-Cal Funded Program, CONTRACTOR assumes fiscal responsibility for services provided to all individuals who do not have full-scope Medi-Cal or are not Medi-Cal eligible during the term of this Agreement.
- C. CONTRACTOR shall be responsible for delivering services to the extent that funding is provided by the COUNTY. To the extent that CONTRACTOR does not have funds allocated in the Agreement for a Funded Program that pays for services to a particular eligible beneficiary, CONTRACTOR shall, at the first opportunity, refer said eligible beneficiary to another CONTRACTOR or COUNTY facility within the same geographic area to the extent feasible, which has available funds allocated for that Funded Program.
- D. In order to receive any payment under this Agreement, CONTRACTOR shall submit reports and claims in such form acceptable by the County of Monterey Department of Health, Behavioral Health Bureau. Specifically, CONTRACTOR shall submit a Day Care Activity Report for Day Care Services and a Claim Form summarizing service costs, 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, 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

- E. 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.

- F. 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.
- G. 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.
- H. 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.
- I. 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 **\$1,910,490** for services rendered under this Agreement.
- B. Funding Sources and Estimated Amounts per Fiscal Year. The County retains the right to adjust the funding sources as may be required.

Fiscal Year	MH FFP	EPSDT (2011 Realignment)	SELPA	Total Amount per FY
FY 2019-20	\$156,480.45	\$269,299.05	\$223,543.50	\$649,323.00
FY 2020-21	\$217,408.10	\$274,494.90	\$310,583.00	\$802,486.00
FY 2021-22	\$97,076.35	\$222,924.15	\$138,680.50	\$458,681.00
Funding Total	\$470,964.90	\$766,718.10	\$672,807.00	\$1,910,490.00

C. Maximum Annual Liability:

FISCAL YEAR LIABILITY	AMOUNT
July 1, 2019 to June 30, 2020	\$649,323
July 1, 2020 to June 30, 2021	\$802,486
July 1, 2021 to June 30, 2022	\$458,681
TOTAL MAXIMUM LIABILITY:	\$1,910,490

- 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. BILLING AND PAYMENT LIMITATIONS

- A. Provisional Payments: COUNTY payments to CONTRACTOR for performance of eligible services hereunder are provisional until the completion of all settlement activities and audits, as such payments are subject to future Federal, State and/or COUNTY adjustments. COUNTY adjustments to provisional payments to CONTRACTOR may be based upon COUNTY'S claims processing information system data, State adjudication of Medi-Cal and Healthy Families claims files, contractual limitations of this Agreement, annual cost and MHSA reports, application of various Federal, State, and/or COUNTY reimbursement limitations, application of any Federal, State, and/or COUNTY policies, procedures and regulations, and/or Federal, State, or COUNTY audits, all of which take precedence over monthly claim reimbursements.
- B. Allowable Costs: Allowable costs shall be the CONTRACTOR'S actual costs of developing, supervising and delivering the services under this Agreement, as set forth in the Budget provided in Exhibit H. Only the costs listed in Exhibit H of this Agreement as contract expenses may be claimed as allowable costs. Any dispute over whether costs are allowable shall be resolved in accordance with the provisions of applicable Federal, State and COUNTY regulations.
- C. Cost Control: CONTRACTOR shall not exceed by more than twenty (20%) percent any contract expense line item amount in the budget without the written approval of COUNTY, given by and through the Contract Administrator or Contract Administrator's designee. CONTRACTOR shall submit an amended budget using Exhibit H, or on a format as required by the COUNTY, with its request for such

approval. Such approval shall not permit CONTRACTOR to receive more than the maximum total amount payable under this Agreement. Therefore, an increase in one line item shall require corresponding decreases in other line items.

- D. Other Limitations for Certain Funded Programs: In addition to all other limitations provided in this Agreement, reimbursement for services rendered under certain Funded Programs may be further limited by rules, regulations and procedures applicable only to that Funded Program. CONTRACTOR shall be familiar with said rules, regulations and procedures and submit all claims in accordance therewith.
- E. 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, State adjudication of Medi-Cal claims, 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. 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. If, under this Agreement, CONTRACTOR has Funded Programs that include Short-Doyle/Medi-Cal services and/or Healthy Families services, CONTRACTOR shall certify in writing annually, by August 1 of each year, that all necessary documentation shall exist at the time any claims for Short-Doyle/Medi-Cal services and/or Healthy Families services are submitted by CONTRACTOR to COUNTY.

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 Short-Doyle/Medi-Cal, and/or Healthy Families claims or other State 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. COUNTY, as the Mental Health Plan, shall submit to the State in a timely manner claims for Short-Doyle/Medi-Cal services, and/or Healthy Families services only for those services/activities identified and entered into the COUNTY'S claims processing information system which are compliant with Federal and State requirements. COUNTY shall make available to CONTRACTOR any subsequent State approvals or denials of such claims upon request by the CONTRACTOR.
- E. CONTRACTOR acknowledges and agrees that COUNTY'S final payment for services and activities claimed by CONTRACTOR Short-Doyle/Medi-Cal services and/or Healthy Families services is contingent upon reimbursement from the Federal and State governments and that COUNTY'S provisional payment for said services does not render COUNTY in any way responsible for payment of, or liable for, CONTRACTOR'S claims for payment for these services.
- F. 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.
- G. 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, including any State approved Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services/activities, 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.
- H. CONTRACTOR shall repay to COUNTY the amount paid by COUNTY to CONTRACTOR for Title XIX Short-Doyle/Medi-Cal and/or Medi-Cal Administrative Activities, and/or Title XXI Healthy Families services/ activities subsequently denied or disallowed by Federal, State and/or COUNTY government.
 - I. 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.
 - J. CONTRACTOR shall comply with all written instructions provided to CONTRACTOR by the COUNTY, State or other applicable payer source regarding claiming and documentation.
 - K. 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.

IX. 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.'

X. CASH FLOW ADVANCE IN EXPECTATION OF SERVICES/ ACTIVITIES TO BE RENDERED OR FIXED RATE PAYMENTS

- A. The Maximum Contract Amount for each period of this Agreement includes Cash Flow Advance (CFA) or fixed rate payments which is an advance of funds to be repaid by CONTRACTOR through the provision of appropriate services/activities under this Agreement during the applicable period.
- B. For each month of each period of this Agreement, COUNTY shall reimburse CONTRACTOR based upon CONTRACTOR'S submitted claims for rendered services/activities subject to claim edits, and future settlement and audit processes.
- C. CFA shall consist of, and shall be payable only from, the Maximum Contract Amount for the particular fiscal year in which the related services are to be rendered and upon which the request(s) is (are) based.
- D. CFA is intended to provide cash flow to CONTRACTOR pending CONTRACTOR'S rendering and billing of eligible services/activities, as identified in this Exhibit B, Sections III. and V., and COUNTY payment thereof. CONTRACTOR may request each monthly Cash Flow Advance only for such services/activities and only to the extent that there is no reimbursement from any public or private sources for such services/activities.
- E. Cash Flow Advance (CFA) Invoice. For each month for which CONTRACTOR is eligible to request and receive a CFA, CONTRACTOR must submit to the COUNTY

an invoice of a CFA in a format that is in compliance with the funding source and the amount of CFA CONTRACTOR is requesting. In addition, the CONTRACTOR must submit supporting documentation of expenses incurred in the prior month to receive future CFAs.

- F. Upon receipt of the Invoice, COUNTY, shall determine whether to approve the CFA and, if approved, whether the request is approved in whole or in part.
- G. If a CFA is not approved, COUNTY will notify CONTRACTOR within ten (10) business days of the decision, including the reason(s) for non-approval. Thereafter, CONTRACTOR may, within fifteen (15) calendar days, request reconsideration of the decision.
- H. Year-end Settlement. CONTRACTOR shall adhere to all settlement and audit provisions specified in Exhibit I, of this Agreement, for all CFAs received during the fiscal year.
- I. Should CONTRACTOR request and receive CFAs, CONTRACTOR shall exercise cash management of such CFAs in a prudent manner.

XI. 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.”