



COUNTY OF HUMBOLDT

D-2

For the meeting of: June 9, 2009

Date: April 30, 2009

To: Board of Supervisors

From: Phillip R. Crandall, Director *AC for KRS for PC*
 Department of Health and Human Services-Mental Health Branch

Subject: Agreement with Transitional Residential Treatment Facilities (TRTF), Inc. for July 1, 2009 through June 30, 2010

RECOMMENDATION:

That the Board of Supervisors:

1. Approve the Agreement with Transitional Residential Treatment Facilities (TRTF), Inc. for July 1, 2009 – June 30, 2010; and
2. Authorize the Chair of the Board of Supervisors to execute three (3) copies of the agreement effective July 1, 2009; and
3. Direct the Clerk of the Board to return executed two (2) copies of agreement to Mental Health Branch Administration.

SOURCE OF FUNDING:

Mental Health Fund

Prepared by: Rob Amerman, Housing Coordinator

CAO Approval *[Signature]*

REVIEW:				
Auditor <i>[Signature]</i>	County Counsel <u>KR</u>	Personnel _____	Risk Manager <u>0</u>	Other _____

TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor **LOVELACE**
 Seconded by Supervisor **NEELY**
 And unanimously carried by those members present,
 The Board hereby adopts the recommended action
 contained in this report.

PREVIOUS ACTION/REFERRAL:

Board Order No. D-12, D-11, C-35, C-11, C-19

Meeting of: February 10, 2009, July 8, 2008, December 5, 2006, February 15, 2005, June 22, 2004

Dated: June 9, 2009
 Kathy Hayes, Clerk of the Board

By: W. J. Turner

DISCUSSION:

The Mental Health Branch of the Department of Health and Human Services has contracted with Transitional Residential Treatment Facilities (TRTF), Inc. since before 1992 to provide transitional living services for mental health clients. This program serves chronically mentally ill adults and allows for transition from inpatient care to outpatient care and ultimately to independent living.

TRTF operates one six-bed short-term residential treatment facility (Meridian), one six-bed adult residential care home (Hestia), and thirty-five Satellite beds. TRTF offer a multi-tier treatment program that moves the client toward independent living through group activities, communication and socialization skills, ILS components, and teaching the client to take responsibility for their life and what happens to them. The facilities are co-ed. All persons seeking admission shall be between the ages of 18 and 59, ambulatory and suffering from a major mental illness. Additionally, prospective residents shall be free from communicable diseases, not require nursing care and be compatible with the other residents. The length of stay varies between programs.

The Satellite program is the final step before independent living. Here clients are responsible for all aspects of the daily life. Staff meets with each Satellite facility on a weekly basis to facilitate house meetings and resolve any problems that may arise from communal living. In addition, TRTF provides follow-up services to ex-residents. These services range from making referrals to support agencies that can assist the client with vocational or educational goals, crisis counseling, medical referrals, and assistance with SSI, Welfare or legal problems. TRTF also provides an environment where former clients may relax and socialize with old or new friends.

FINANCIAL IMPACT:

TRTF contract expenditure has been included in fiscal year 2009-10 proposed budget for Mental Health Adult Outpatient Programs budget unit 1170-496. Source of funding for these expenditures is State Realignment and Mental Health Services Act. The maximum value of this agreement for the one year period of July 1, 2009 – June 30, 2010 is not to exceed \$395,252.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board Discretion

ATTACHMENTS:

Agreement by and Between Humboldt County and Transitional Residential Treatment Facilities (TRTF), Inc. (3 copies)

**AGREEMENT
BY AND BETWEEN
HUMBOLDT COUNTY
AND
TRANSITIONAL RESIDENTIAL TREATMENT FACILITIES (TRTF) INC.
FOR FISCAL YEAR 2009-2010**

This Agreement, made and entered into this 9th day of June, 2009, at Eureka, California, by and between Humboldt County, hereinafter referred to as "COUNTY" and Transitional Residential Treatment Facilities (TRTF), Inc. (a California Corporation) hereinafter referred to as "CONTRACTOR," is made upon the following considerations:

WHEREAS, COUNTY through its Department of Health and Human Services, Mental Health Branch desires to provide residential care services to those Humboldt County adult residents with serious mental illness; and

WHEREAS, CONTRACTOR offers these services; and

WHEREAS, COUNTY wishes to obtain services from CONTRACTOR on behalf of itself and/or its clients/patients.

NOW THEREFORE BE IT AGREED:

1. DESCRIPTION OF SERVICES:

As set forth in Exhibit A, attached here to and incorporated by references.

2. NO TERMS NOT INCLUDED:

This Agreement contains all the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind either of the parties hereto. In

addition, this Agreement shall supersede in its entirety any and all prior agreements of the parties.

3. TERM:

The term of this Agreement shall be from July 1, 2009 and shall continue through June 30, 2010, unless sooner terminated as provided herein.

4. TERMINATION:

A. Breach of Contract -- COUNTY may immediately suspend or terminate this Agreement in whole or in part, where in its sole discretion, the determination is made that there is:

- i. An illegal or improper use of funds;
- ii. A failure to comply with any term of this Agreement;
- iii. A substantially incorrect or incomplete report submitted; or
- iv. Improperly performed service.

B. Without Cause -- This Agreement may be terminated by either party without cause as follows:

- i. If terminated by CONTRACTOR, termination shall require sixty (60) days advance written notice of such intent to terminate. The notice shall state the effective date of the termination.
- ii. COUNTY may terminate this Agreement without cause upon thirty (30) days written notice; except that COUNTY shall take into consideration the welfare of COUNTY's clients/patients and make allowance for the treatment needs of its clients.

5. NOTICES:

Any and all notice(s) required to be given pursuant to the terms of this Agreement may be given personally or by registered mail addressed to either COUNTY or

CONTRACTOR at the following addresses:

COUNTY: Humboldt County Dept. of Health and Human Services
Attention: Mental Health Branch Director
720 Wood Street
Eureka, California 95501

CONTRACTOR: Bill Duncan, Executive Director
Transitional Residential Treatment Facilities, Inc.
P.O. Box 6299
Eureka, CA 95502-6299

6. ATTORNEY FEE ON BREACH:

CONTRACTOR and COUNTY each agree that in the event any action, suit or proceeding be commenced to complete the performance of this Agreement or to seek damages for breach thereof, it will pay reasonable attorney's fees (including reasonable value of services rendered by County Counsel) to the prevailing party, to be awarded and fixed by the court, and to be taxed as cost and to be included in the judgment thereon rendered.

7. PAYMENT:

COUNTY will reimburse CONTRACTOR for services pursuant to this Agreement not to exceed the maximum amount of Three Hundred Ninety Five Thousand Two Hundred Fifty Two Dollars (\$395,252). All costs incurred above the maximum amount will be the responsibility of the CONTRACTOR. It shall be the responsibility of CONTRACTOR to notify COUNTY in writing, at least six weeks prior to the date upon which CONTRACTOR estimates that the maximum amount will be reached. Specific payment terms and conditions are set forth in Exhibit B, attached hereto and incorporated herein by reference.

8. NO WAIVER OF DEFAULT:

The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

In no event shall any payment by COUNTY constitute a waiver of any breach of this Agreement or any default which may then exist on the part of the CONTRACTOR. Neither shall such payment impair or prejudice any remedy available to COUNTY with respect to the breach or default. COUNTY shall have the right to demand of the CONTRACTOR the repayment of any funds disbursed to the CONTRACTOR under this Agreement, which in the judgment of COUNTY were not expended in accordance with the terms of this Agreement. The CONTRACTOR shall promptly refund any such funds upon demand.

9. AUDITS:

CONTRACTOR shall be subject to the examination and audit of the State Auditor General for a period of three (3) years after final payment under this Agreement pursuant to Government Code Section 8546.7. CONTRACTOR shall hold COUNTY harmless for any liability resulting from said audit.

10. REPORTING:

CONTRACTOR agrees to provide COUNTY with any reports that may be required by County, State or Federal agencies for compliance with this Agreement.

11. MONITORING:

CONTRACTOR agrees to extend to the Humboldt County Mental Health Director, the State Department of Mental Health or their designees, the right to

review and monitor records, programs or procedures, at any time, in regards to clients, as well as the overall operation of CONTRACTOR's programs in order to ensure compliance with the terms and conditions of this Agreement.

12. ASSIGNMENT:

Neither party shall assign its obligations under this Agreement without the prior written consent of the other party. Any assignment by CONTRACTOR in violation of this provision shall be void and shall be cause for immediate termination of this Agreement.

13. SUBCONTRACTING:

CONTRACTOR shall not subcontract for any services without prior written approval of COUNTY.

14. RELATIONSHIP OF PARTIES:

It is understood that this is an Agreement by and between two independent contractors and is not intended to, and shall not be construed to, create the relationship of agents, servant, employee, partnership, joint venture, or any other similar association. Both parties further agree that CONTRACTOR shall not be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, retirement benefits, worker's compensation and injury leave or other leave benefits.

15. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

CONTRACTOR certifies by its signature below that CONTRACTOR is not a Nuclear Weapons Contractor, in that CONTRACTOR is not knowingly or intentionally engaged in the research, development, production, or testing of

nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. CONTRACTOR agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor as defined above. COUNTY may immediately terminate this Agreement if it determines that the foregoing certification is false or if CONTRACTOR becomes a Nuclear Weapons Contractor.

16. COMPLIANCE WITH LAWS:

CONTRACTOR agrees to comply with all applicable local, state and federal laws and regulations, including but not limited to the Americans with Disabilities Act. Compliance with the Americans with Disabilities Act, includes, but is not limited to, the following areas:

- A. Whatever written information is provided regarding its programs will also be provided in alternate formats, including Braille, large print audio recording, and electronic formats, upon request.
- B. Enter into contracts or make other arrangements with qualified sign language and oral interpreters to ensure their availability when required for effective communication with persons who are deaf or hard of hearing. The type of aid that will be required for effective communication will depend on the individual's usual method of communication, and the nature, importance, and duration of the communication at issue. In many circumstances, oral communication supplemented by gestures and visual aids, an exchange of written notes, use of a computer or typewriter, or use of an assistive listening device may be effective. In other circumstances,

qualified sign language or oral interpreters are needed to communicate effectively with persons who are deaf or hard of hearing. The more lengthy, complex, and important the communication, the more likely it is that a qualified interpreter will be required for effective communication with a person whose primary means of communication is sign language or speech reading.

- C. If the Contractor operates a hotline to take telephone calls of an emergency nature, the Contractor shall ensure that it provides equivalent service for persons who use TTY's including providing direct-connection service for TTY users with hotline operators, without requiring TTY users to call through a third party operator, such as through the state or local Telecommunication Relay procedures, and provide the training necessary to ensure effective communication by Hotline staff with direct-connection callers using TTY's, as well as the training necessary to respond to callers who use the Telecommunication Relay Services.
- D. Survey facilities used as shelters or designated as potential shelters – or for counseling, job training, education, clothing or household provisioning, or other aspects of programs- to ensure that adequate arrangements are available for potential clients and family members with disabilities, including adults and children who have mobility impairments, who are blind or have low vision, and who are deaf or hard of hearing.
- E. Have written procedures and modify, as appropriate, eligibility criteria, to ensure that no person with a disability is turned away from a shelter or

otherwise denied the opportunity to benefit from the services of the Contractor's program on the basis of disability.

- F. Have written procedures to ensure that persons with disabilities who use service animals are not denied or discouraged from participating in Contractor's program, are able to be housed and served in an integrated environment, and are not separated from their service animals while participating in the program even if pets are normally not permitted in the facilities where such programs are conducted. The procedures will not unnecessarily segregate persons who use service animals from others but may take into account the potential presence of persons who, for safety or health reasons, should not be in contact with certain types of animals.
- G. Have written procedures to ensure that reasonable modifications are made to the Contractor's program when necessary for a client or family member with a disability to participate in such Programs, unless doing so would fundamentally alter the nature of the program.
- H. Have written policies to ensure that despite any "drug-free" policy of the Contractor's program, persons with disabilities who use medication prescribed for their use are able to continue using such medication while participating in such Programs or being housed in a shelter.

CONTRACTOR agrees that all professional level persons employed by CONTRACTOR have met applicable professional licensure requirements pursuant to the Welfare and Institutions and Business and Professions Codes.

CONTRACTOR further agrees to comply with any applicable federal, state or

local licensing standards, any applicable accrediting standards and any other applicable standards or criteria established locally or by the State or Federal governments.

17. VENUE AND APPLICABLE LAW:

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder or relating to this Agreement shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to Code of Civil Procedure Sections 394 and 395.

18. REFERENCE TO LAWS AND RULES:

In the event any law, regulation or policy referred to in this Agreement is amended during the term hereof, the parties agree to comply with the amended provision as of the effective date of such amendment.

19. NONDISCRIMINATION:

A. Consistent with the requirements of applicable federal or state law, CONTRACTOR will not engage in any unlawful discriminatory practices in the admission of patients, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual preference or mental or physical handicap.

B. During the performance of this Agreement, CONTRACTOR and its subcontractors will not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national

origin, ancestry, mental or physical handicap, medical conditions, marital status, age, sexual preference or sex. CONTRACTOR and its subcontractors will comply with the Disabilities Act of 1990, the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (Title 2, CCR, Section 7285 et seq.). CONTRACTOR will ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5, Division 4 of Title 2, CCR, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CONTRACTOR and its subcontractors will give written notice of their obligation under this clause to labor organizations with which they have a collective bargaining or other agreement.

C. CONTRACTOR will comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Welfare Agency, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.

D. CONTRACTOR will include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

20. RECORDS:

CONTRACTOR shall maintain statistical, clinical and financial records in the manner provided by the State Health and Welfare Agency and make such records available to COUNTY as required by the Humboldt County Mental Health Director, and the California State Health and Welfare Agency.

A. Fiscal Records -- if applicable, CONTRACTOR shall maintain accurate records of its costs and operating expenses. Such records of costs, expenditures and reimbursements shall be maintained for at least five (5) years from the close of the State's fiscal year during which services were provided, or until audit findings are resolved, whichever is later. Such records shall be open to inspection by the Humboldt County Mental Health Director, the Humboldt County Auditor-Controller, the Humboldt County Grand Jury, the State Controller, the State Director of the Department of Mental Health or any of their designees.

B. Clinical Records -- if direct patient or client treatment services have been provided, CONTRACTOR shall maintain accurate and legible clinical/medical records in accordance with the Humboldt County Mental Health Medical Records Policy and Procedures. CONTRACTOR shall maintain medical records for at least seven (7) years from the close of the State's fiscal year during which services were provided, except that the records of persons under age eighteen (18) at the time of treatment shall be maintained: a) until one (1) year beyond the person's eighteenth (18th) birthday or b) for a period of seven (7) years beyond the date of discharge,

whichever is later. All such records shall be considered confidential patient records in accordance with California Welfare and Institutions Code, Section 5328, regarding patient confidentiality. Clinical records shall contain sufficient detail to make possible an evaluation by the Humboldt County Mental Health Director or designee or the State Department of Mental Health, and shall be kept in accordance with the rules and regulations of the California Code of Regulations, Title XXII.

21. CONFIDENTIALITY OF RECORDS:

CONTRACTOR agrees to protect the confidentiality of all patients in conformance with, but not limited to, the California Welfare and Institutions Code §5328, California Health & Safety Code sections 1280.15 and 130203 as applicable, and as appropriate Title 45 of the Code of Federal Regulations §205.50.

22. INSURANCE REQUIREMENTS:

- a. THIS CONTRACT SHALL NOT BE EXECUTED BY COUNTY and the CONTRACTOR is not entitled to any rights, unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- b. Without limiting CONTRACTOR'S indemnification obligations provided for herein, CONTRACTOR shall and shall require any of its subcontractors to take out and maintain, throughout the period of this

Agreement and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in California and with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of CONTRACTOR, its agents, officers, directors employees, licensees, invitees, assignees or subcontractors:

1. Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$2,000,000 per occurrence for any one incident, including, personal injury, death and property damage. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit.
2. Automobile and liability coverage in the minimum amount of one million dollars (\$1,000,000) combined single limit coverage including, but not limited to, owned, non-owned, leased and hired vehicles and trucks. Said coverage shall be at least as broad as Insurance Service Office Form Code 1 (any auto).
3. Workers Compensation Insurance compensation coverage, if required by California Law, and in accordance with the

statutory limits set forth therein. Said policy shall contain or be endorsed to contain a waiver of subrogation against COUNTY, its officers, agents, and employees.

4. Employers Liability coverage in a minimum amount of one million dollars (\$1,000,000) per accident for bodily injury and disease.
5. Professional liability insurance/errors and omission coverage in an amount no less than \$3,000,000 combined single limit (CSL). If insurance is written on a claim made basis, CONTRACTOR agrees to maintain such insurance in effect for at least three (3) years following completion of performance under this Agreement.
6. Insurance notices sent to:

County of Humboldt
Attn: Risk Management
825 5th Street, Room 131
Eureka, CA 95501

- c. **Special Insurance Requirements.** Said policies shall unless otherwise specified herein be endorsed with, the following provisions:
 - (1) The Comprehensive General Liability Policy shall provide that the COUNTY, its officers, officials, employees and volunteers, are covered as additional insured for liability arising out of the operations performed by or on behalf of CONTRACTOR. The coverage shall contain no special

limitations on the scope of protection afforded to the COUNTY, its officers, officials, employees, and volunteers. Said policy shall also contain a provision stating that such coverage:

- a. Includes contractual liability.
 - b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to "XCU Hazards".
 - c. Is primary insurance as regards to County of Humboldt.
 - d. Does not contain a pro-rata, excess only, and/or escape clause.
 - e. Contains a cross liability, severability of interest or separation of insureds clause.
- (2) The policies shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to COUNTY and in accordance with the Notice provisions set forth under Section 5. It is further understood that CONTRACTOR shall not terminate such coverage until it provides COUNTY with proof satisfactory to COUNTY that equal or better insurance has been secured and is in place.
- (3) The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured,

but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

- (4) For claims related to this project, the CONTRACTOR'S insurance is primary coverage to the COUNTY, and any insurance or self-insurance programs maintained by the COUNTY are excess to CONTRACTOR'S insurance and will not be called upon to contribute with it.
- (5) Any failure to comply with reporting or other provisions of the Parties, including breach of warranties, shall not affect coverage provided to COUNTY, its officers, officials, employees, and volunteers.
- (6) CONTRACTOR shall furnish COUNTY with certificates and original endorsements effecting the required coverage prior to execution of this Agreement by COUNTY. The endorsements shall be on forms as approved by the COUNTY'S Risk Manager or COUNTY Counsel. Any deductible or self-insured retention over \$100,000 shall be disclosed to and approved by COUNTY. If CONTRACTOR does not keep all required policies in full force and effect, COUNTY may, in addition to other remedies under this Agreement, take out the necessary insurance, and CONTRACTOR agrees to pay the cost of said insurance. COUNTY is also hereby authorized with the discretion to deduct the cost thereof from the monies owed to CONTRACTOR under this Contract.

- (7) COUNTY is to be notified immediately if twenty-five percent (25%) or more of any required insurance aggregate limit is encumbered and CONTRACTOR shall be required to purchase additional coverage to meet the aggregate limits set forth above.

23. HOLD HARMLESS/INDEMNIFICATION AGREEMENT:

a. CONTRACTOR shall indemnify, defend and hold harmless COUNTY and its officers, officials, employees and volunteers, from any and all claims, demands, losses, damages, and liabilities of any kind or nature, including attorney's fees, which are caused by any negligent or willful acts of misconduct or omissions (either directly or through or by its officers, agents or employees) in connection with CONTRACTORS duties and obligations under this Agreement and any amendments hereto.

b. COUNTY shall indemnify, defend and hold harmless CONTRACTOR and its officers, officials, employees and volunteers, from any and all claims, demands, losses, damages, and liabilities of any kind or nature, including attorney's fees, which are caused by any negligent or willful acts of misconduct or omissions (either directly or through or by its officers, agents or employees) in connection with COUNTY's duties and obligations under this Agreement and any amendments hereto.

c. Notwithstanding paragraphs a and b, in the event that CONTRACTOR and COUNTY are both held to be negligently or

willfully responsible, CONTRACTOR and COUNTY will bear their proportionate share of liability as determined in any such proceeding. Each side will bear their own costs and attorney's fees.

d. Acceptance of insurance, if required by this Agreement, does not relieve CONTRACTOR from liability under this indemnification clause. This indemnification clause shall apply to all damages or claims for damages suffered by CONTRACTOR's operations regardless if any insurance is applicable or not.

24. MEDIA RELEASE:

All press releases and informational material related to this Agreement shall receive approval from COUNTY prior to being released to the media (television, radio, newspapers, Internet). In addition, CONTRACTOR shall inform COUNTY of requests for interviews by media related to this Agreement prior to such interviews taking place. COUNTY reserves the right to have a representative present at such interviews. All notices required by this provision shall be given to the Director of the County Department of Health and Human Services or his designee.

25. PROTOCOLS:

Both parties recognize that a number of protocols must be negotiated to make this Agreement specific. In regard to all such protocols, they shall be agreed to by COUNTY and Mental Health Director and CONTRACTOR.

26. DRUG FREE WORKPLACE CERTIFICATION:

By signing this Agreement, CONTRACTOR hereby certifies that

CONTRACTOR will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by doing all of the following:

A. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).

B. Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(b), to inform employees about all of the following:

- i. the dangers of drug abuse in the workplace,
- ii. CONTRACTOR's policy of maintaining a drug-free workplace,
- iii. any available counseling, rehabilitation and employee assistance programs, and
- iv. penalties that may be imposed upon employees for drug abuse violations.

C. Provide as required by Government Code Section 8355(c) that every employee who works on the Agreement:

- i. will receive a copy of CONTRACTOR's drug-free policy statement, and
- ii. will agree to abide by the terms of CONTRACTOR'S statement as a condition of employment on the Agreement or grant.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and CONTRACTOR may be ineligible for award of future state contracts if the

Department determines that any of the following has occurred: (1) CONTRACTOR has made a false certification or, (2) violates the certification by failing to carry out the requirements as noted above.

27. PATIENTS' RIGHTS:

The parties to this Agreement shall comply with applicable laws, regulations and State policies relating to patients' rights.

28. CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE:

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by Federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing this Agreement, CONTRACTOR certifies that it will comply with the

requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

29. UTILIZATION REVIEW:

COUNTY, through its Mental Health Director, may designate a person(s) to perform a utilization and/or professional standards review of all patients for which it is expected to make reimbursement.

30. ADMISSION PRIORITY:

CONTRACTOR shall provide COUNTY with periodic reports of openings in CONTRACTOR's facility and agrees to be ready, willing and able to give priority to the admission of COUNTY-linked patients.

31. COST REPORT:

CONTRACTOR shall submit an unaudited end of the fiscal year final cost report summarizing all costs incurred providing services for COUNTY-linked patients during the fiscal year. This will occur no later than ninety (90) days following the close of the fiscal year. Final Cost Report shall meet the specifications of the mandated cost reporting requirements of COUNTY, pertaining to that fiscal year.

32. DETERMINATION OF ABILITY TO PAY:

If so directed by the Mental Health Director of COUNTY, CONTRACTOR shall, determine clients share of cost using the State's Uniform Method of Determining the Ability to Pay, relaying to COUNTY the results of such determination. This shall be done any time there is a demonstrable change in patient/clients financial status but no less than annually. CONTRACTOR avers that inability to pay shall

be no bar to CONTRACTOR's services. However, CONTRACTOR further agrees that unwillingness to pay may bar services (except in emergencies) following consultation with COUNTY. COUNTY agrees to provide training in the determination of ability to pay.

33. AMENDMENT:

This Agreement may be amended at any time during the term of this Agreement upon the written mutual consent of both parties.

34. ADMISSION POLICIES:

The patient population to be served is adults with mental illness in need of long-term treatment. In order for proper reimbursement:

- A. All referrals to CONTRACTOR must be authorized by the Humboldt County Mental Health Director or designee.
- B. The final admission decision shall rest with CONTRACTOR.
- C. If admission is denied, the Humboldt County Mental Health Director or designee shall be immediately notified and shall be informed of the reasons leading to the denial.
- D. Policies and procedures for admission shall be written by CONTRACTOR based on this Agreement. Policies include a provision that patients are accepted for care without discrimination on the basis of race, color, religion, sex, national origin, or physical or mental disability.
- E. In recognition of the fact that clients are referred by Humboldt County Mental Health and that Humboldt County Mental Health has specific responsibilities for long-term case coordination, CONTRACTOR

agrees to participate in and accept the overall care plan for patients, including but not limited to discharge planning and timeliness for discharges as a condition of acceptance of the client for admission.

35. HIPAA REQUIREMENTS:

The "County of Humboldt HIPAA Business Associate Agreement," a copy of which is attached hereto and identified as Exhibit C, is hereby incorporated into this Agreement.

The CONTRACTOR agrees to adhere to the terms and conditions set forth therein.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and date first above written.

ATTEST:

KATHY HAYES

Clerk of the Board of Supervisors of the County of Humboldt, State of California

By: *W. J. Turner*

APPROVED AS TO LEGAL FORM:

By *Karen Roebuck*
County Counsel

APPROVED AS TO INSURANCE:

John Smith
Risk Manager

COUNTY OF HUMBOLDT:

Jimmy Smith
Chair, of the Board of Supervisors

CONTRACTOR:

J. Thelander
Name

VICE PRESIDENT
Title

Chris Hunt
Name

President
Title

[Two corporate officers must sign.]

EXHIBIT A

AGREEMENT BY AND BETWEEN COUNTY OF HUMBOLDT AND TRANSITIONAL RESIDENTIAL TREATMENT FACILITIES (TRTF), INC. FOR FISCAL YEAR 2009 – 2010

Scope of Services

Transitional Residential Treatment Facilities, (TRTF) Inc., operates one six (6) bed, short term residential treatment facility named Meridian, one six (6) bed adult residential care home named Hestia, and thirty-five (35) satellite beds. TRTF offers a multi-tier treatment program that moves the client toward independent living through group activities, communication, socialization skills, Independent Living Skills instruction, and teaching the client to take responsibility for their life and what happens to them. The facilities are all co-ed and all persons seeking admission shall be between the ages of 18 – 59, ambulatory and suffering from a serious mental illness. The length of stay varies between programs and the specific needs of the client.

Residential programs will be staffed twenty-four hours a day. Duties include security of the residents and facility, crisis intervention, supervising morning routing, and providing supportive individual and group counseling as needed.

Meridian is alcohol and drug free. Upon admission clients agree to abstain from the use of these substances. N.A., A.A., and substance abuse counseling are encouraged in conjunction with the treatment program.

Taking medication as prescribed is required. TRTF works with the client to reduce as much as possible, the client's dependence on medication and to teach alternative methods of dealing with life stressors. TRTF does not advocate the elimination of all medications, but support the reduction to minimum therapeutic levels whenever possible, working closely with the prescribing physician to achieve this goal.

TRTF agrees that all forty seven (47) beds referred to above shall be made available to the COUNTY for the benefit of COUNTY patients, and agrees to provide treatment services as described below, to all COUNTY patients placed in its facilities. The services TRTF will provide for fiscal year 2009-2010 specifically are:

CONTRACTOR shall offer the following services to COUNTY clients as appropriate.

- Lodging
- Food Service – Three nutritional meals daily and between meal nourishment and snacks. Special diets will be prepared as prescribed by a physician

- Assistance in meal planning and preparation as needed for residents in satellite facilities
- Laundry facilities and assistance as needed
- Assistance in cleaning personal living quarters as needed
- Assistance, if needed, in planning, arranging and/or providing transportation to medical, dental, and clinical appointments
- A service plan that will include utilization of community resources
- Notification, as needed/required to appropriate persons/agencies regarding client needs
- Continuous observations, assessment, and supervision
- Client advocacy, as needed

Contractor Policies

TRTF reserves the right to implement the following policies with regard to its residential clients:

- Acceptance and retention of appropriate clients;
- Admission to a TRTF program is voluntary. Residents may leave anytime; and
- TRTF will not admit persons who are not Humboldt County residents

TRTF will not accept or retain persons:

- With active communicable tuberculosis, staphylococcus or other communicable diseases;
- Who require inpatient care in a health facility;
- Who require more care and supervision than is provided by the facility; or
- Who have needs which are in conflict with other clients or the program services offered.

TRTF is not licensed for and will not provide nursing care.

CONTRACTOR shall offer the above described services to the following client population(s) only:

- Humboldt County residents receiving services from Humboldt County Department of Health and Human Services – Mental Health Branch, ages 18 – 59, ambulatory and suffering from a serious mental illness.

These services are expected to benefit the client(s) in the following way(s):

- Provide the client(s) with the greatest degree of independent living possible, while maintaining stability through a sufficient, comprehensive network of support and community resources.

CONTRACTOR shall provide COUNTY with reports documenting the services rendered on a monthly basis. CONTRACTOR will notify COUNTY of any current or anticipated difficulties providing services, or if services do not appear to be providing the anticipated benefits to the client.

Reports shall be submitted by the 10th day of the month following the month in which services were rendered. Reports shall be submitted to:

Humboldt County Department of Health and Human Services
Mental Health Branch
Attention: Fiscal Services
720 Wood Street
Eureka, CA 95501

CONTRACTOR shall maintain current licenses and/or certification, as follows:

- Community Care Licensing and certificates of insurance.

Current copies will be kept on file with Department of Health and Human Services – Mental Health Branch Administration.

EXHIBIT B

**AGREEMENT BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
TRANSITIONAL RESIDENTIAL TREATMENT FACILITIES, INC. (TRTF)
FOR FISCAL YEAR 2009 – 2010**

PAYMENT AGREEMENT

Payment for services pursuant to this Agreement shall not exceed \$395,252 for the one year period from July 1, 2009 through June 30, 2010 for the following services:

- Residential Care/Treatment in Hestia a six (6) bed residential treatment facility
- Residential Care in Meridian a six (6) bed residential care home
- Access to thirty five (35) beds in satellite facilities

COUNTY will not reimburse CONTRACTOR for any amount that exceeds the maximum specified in this provision for the services described in Exhibit A, Scope of Services. All costs incurred above maximum will be the responsibility of the provider.

If State, Federal or County funding is reduced or eliminated, COUNTY may, by amendment reduce the maximum amount payable under the Agreement.

CONTRACTOR shall be paid as follows in Fiscal Year 2009/2010:

<u>Month</u>	<u>Amount</u>
July 2009	\$32,938
August 2009	\$32,938
September 2009	\$32,938
October 2009	\$32,938
November 2009	\$32,938
December 2009	\$32,938
January 2010	\$32,938
February 2010	\$32,938
March 2010	\$32,938
April 2010	\$32,938
May 2010	\$32,938
June 2010	\$32,934

If agreed upon services as outlined in Exhibit A become unavailable or are reduced, without notification and approval by COUNTY, monthly payment amounts will be reduced up to the maximum amounts as outlined below, depending on the services not being provided to the COUNTY's reasonable satisfaction:

B-1: Residential Care/Treatment in Hestia, a six bed facility and Meridian, a six bed facility:

Payment to CONTRACTOR shall be reduced up to \$12,102.00 per facility, per month, for Residential Care/Treatment Services as described in Exhibit A if such services become unavailable.

B-2: Satellite Placements up to 35 beds:

Payment to CONTRACTOR shall be reduced up to \$3,872.00 per month, for 35 Satellite beds and services, as described in Exhibit A if such services become unavailable.

B-3: Utilization:

CONTRACTOR will provide roster of clients and bed utilization report for previous month by the 10th of every month. CONTRACTOR agrees to notify COUNTY of any vacancies within 5 days.

B-4: Cost Settlement:

CONTRACTOR shall submit an unaudited end of the fiscal year final cost report summarizing all costs incurred providing services for COUNTY clients during the fiscal year. This will occur no later than ninety (90) days following the close of the fiscal year. Final Cost Report shall meet the specifications of the mandated cost reporting requirements of COUNTY, pertaining to that fiscal year. . If it is determined that the cost reported by CONTRACTOR is less than the actual payments made by COUNTY, CONTRACTOR shall reimburse COUNTY for the overpayment.

EXHIBIT C

COUNTY OF HUMBOLDT HIPAA BUSINESS ASSOCIATE AGREEMENT

Except as otherwise provided in this Agreement, Contractor, hereafter known as the Business Associate, may use or disclose protected health information ("PHI") to perform functions, activities or services for or on behalf of the County as specified in this Agreement, provided that such use or disclosure would not violate the Health Insurance Portability and Accountability Act (HIPAA), U.S.C. 1320d et seq., and its implementing regulations, including but not limited to 45 C.F.R. Parts 142, 160, 162 and 164, hereafter known as the Privacy Rule. The uses and disclosures of PHI may not be more expansive than those applicable to the County under the regulations except as authorized for management, administrative or legal responsibilities of the Business Associate.

Business Associate shall comply with, and assist County in complying with, the privacy requirements of HIPAA. Terms used but not otherwise defined in this Agreement shall have the same meaning as those terms are used in the Privacy Rule.

If County becomes aware of a pattern of activity that violates this Agreement and reasonable steps to cure the violation are unsuccessful, County must terminate the contract, or if not feasible, report the problem to the Secretary of the U.S. Department of Health and Human Services.

1. USE AND DISCLOSURE OF PROTECTED HEALTH INFORMATION

Business Associate may use or disclose protected health information ("PHI") to perform functions, activities or services for or on behalf of County, as specified in this Agreement, provided that such use or disclosure would not violate the Privacy Rule if done by the County or the minimum necessary policies and procedures of the County.

The Business Associate may use and disclose PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate, provided that disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of

which it is aware in which the confidentiality of the information has been breached.

Business Associate may use PHI to provide information related to the health care operation of the County.

2. AMENDMENT(S) TO PHI

Business Associate shall make any amendment(s) to PHI in a Designated Record Set that the County directs or at the request of the County or an individual, and in the time and manner designated by the County, in accordance with 45 C.F.R. § 164.526.

3. DOCUMENTATION OF USES AND DISCLOSURES

Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

4. ACCOUNTING OF DISCLOSURE

Business Associate shall provide to the County or an individual, in time and manner designated by the County, information collected in accordance with 45 C.F.R. § 164.528, to permit the County to respond to a request by the individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

5. RECORDS AVAILABLE TO COUNTY AND SECRETARY

Business Associate shall make internal practices, books and records related to the use, disclosure, and privacy protection of PHI received from County, or created or received by the Business Associate on behalf of the County, available to the County or to the Secretary of the U. S. Department of Health and Human Services for purposes of the Secretary determining the County's compliance with the Privacy Rule, in a time and manner designated by the County or the Secretary.

6. DESTRUCTION OF INFORMATION

Upon termination of this Agreement for any reason, Business Associate shall return or destroy all PHI received from the County, or created or received by the Business Associate on behalf of the County. This provision shall apply to PHI in possession of subcontractors or agents of the Business Associate. Business Associate, its agents or subcontractors shall retain no copies of the PHI.

In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide the County notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the parties that the return of the PHI is not feasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further use and disclosures of such PHI for so long as Business Associate, or any of its agents or subcontractors, maintains such PHI.

7. FURTHER DISCLOSURE OF PHI

Business Associate shall not use or further disclose PHI other than as permitted or required by this Agreement, or as required by law.

8. SAFEGUARD OF PHI

Business Associate shall use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement.

9. UNAUTHORIZED USE OR DISCLOSURE OF PHI

Business Associate shall report to the County any use or disclosure of the PHI not provided for by this Agreement.

10. MITIGATION OF DISALLOWED USES AND DISCLOSURES

Business Associate shall mitigate, to the extent practicable, any harmful effect that is

known to Business Associate of a use or disclosure of PHI by the Business Associate in violation of the requirements of this Agreement.

11. AGENTS AND SUBCONTRACTORS OF THE BUSINESS ASSOCIATE

Business Associate shall ensure that any agent, including a subcontractor, to which the Business Associate provides PHI received from, or created or received by the Business Associate on behalf of the County, shall comply with the same restrictions and conditions that apply through this Agreement to the Business Associate with respect to such information.

12. ACCESS TO PHI

Business Associate shall provide access, at the request of the County, and in the time and manner designated by the County, to the County or, as directed by the County, to PHI in a designated record set, to an individual in order to meet the requirements of 45 C.F.R. § 164.524.

13. AMENDMENTS TO BUSINESS ASSOCIATE AGREEMENT

The parties agree to take such action as is necessary to amend this Agreement as necessary for the County to comply with the requirements of the Privacy Rule and its implementing regulations.

14. MATERIAL BREACH

If County becomes aware of a pattern of activity that violates this Agreement and reasonable steps to cure the violation are unsuccessful, County must terminate the contract, or if not feasible, report the problem to the Secretary of the U.S. Department of Health and Human Services.

15. SURVIVAL

The respective rights and obligations of Business Associate shall survive the termination of this Agreement.

16. INTERPRETATION

Any ambiguity in this Agreement shall be resolved to permit the County to comply with the Privacy Rule.