



AGENDA ITEM NO.
C-12

COUNTY OF HUMBOLDT

For the meeting of: December 18, 2012

Date: November 21, 2012

To: Board of Supervisors

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

Subject: Agreement between Humboldt County and Mental Health Management 1, Inc., Canyon Manor for August 15, 2012 through June 30, 2013.

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the Agreement between Humboldt County and Mental Health Management 1, Inc., Canyon Manor; and
2. Authorize the Chair to execute three (3) copies of the Agreement effective August 15, 2012; and
3. Direct the Clerk of the Board to return two (2) executed copies of the Agreement to the Department of Health and Human Services, Mental Health Administration.

SOURCE OF FUNDING:

Mental Health Fund

DISCUSSION:

The Humboldt County Department of Health and Human Services, Mental Health, in concert with the Public Guardian's Office, utilizes a variety of placement options to provide long term care to chronically mentally ill patients requiring a locked secure setting. It is important to the placement team to have access

Prepared by Laura Knight, Administrative Analyst II

CAO Approval *Amy Wilson*

REVIEW: Auditor *MSM* County Counsel *KR* Personnel _____ Risk Manager *KOJOF* Other _____

TYPE OF ITEM:
 Consent
 Departmental
 Public Hearing
 Other _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
 Upon motion of Supervisor *Sundberg* seconded by Supervisor *Clanderan*
 Ayes *Sundberg, Lovelace, Bass, John, Clanderan*
 Nays _____
 Abstain _____
 Absent _____

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *December 18, 2012*

By: *Kathy Hayes*
Kathy Hayes, Clerk of the Board

to a variety of options because vacancies and patient needs fluctuate. Mental Health Management 1, Inc., Canyon Manor is a Mental Health Rehabilitation Center (MHRC) located in Santa Cruz, California, and is licensed to provide services to mentally ill clients in a residential setting.

MHRCs are only utilized when necessary for the protection of the adult and/or the community and for the briefest amount of time, while alternatives are being developed.

Clients are monitored by the Mental Health multi-disciplinary committee "Strategic Assistance for Adult Recovery Interventions" (SAFARI). This committee authorizes services, determines the appropriate level of care, and monitors clients' needs in the community upon discharge. Mental Health services are delivered with a wellness focus, which includes concepts of recovery and resilience.

This agenda item comes late to the Board as this was an emergency placement and the parties negotiated the Agreement after the emergency placement occurred.

The Mental Health's Adult Behavioral Health recommends that the Board approves and authorizes the Chair to sign this Agreement (Attachment 1) with Mental Health Management 1, Inc., Canyon Manor effective August 15, 2012 and directs the Clerk of the Board to return two (2) fully executed Agreements to Department of Health and Human Services, Mental Health Administration.

FINANCIAL IMPACT:

The maximum value of this Agreement is not to exceed \$90,144. Projected expenditure for placement with Canyon Manor for FY 2012-13 is \$90,144. This contract expenditure has been included in the proposed budget for FY 2012-13, DHHS-Mental Health Adult Services budget unit 1170-496. Funding for this contract is available through State Realignment revenues. There is no impact to the County General Fund.

If State, Federal or County funding is reduced or deleted, the maximum reimbursement may be reduced or deleted.

This Agreement supports the Board's Strategic Framework by protecting vulnerable populations, supporting self reliance of citizens and improving the safety and health of our communities.

OTHER AGENCY INVOLVEMENT:

The Public Guardian

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board can choose not to approve this Agreement; however the DHHS-Mental Health does not recommend this alternative. Other alternatives would include retaining clients at the inpatient level, at Sempervirens or at a State Hospital, and these options are much more costly.

ATTACHMENTS:

Attachment 1: Agreement between Humboldt County and Mental Health Management 1, Inc., Canyon Manor, three (3) copies.

Attachment 2: Mental Health Management 1, Inc. Board of Directors' authorization for Canyon Manor Administrator/Executive Director and Program Director to sign agreement.

**AGREEMENT
BY AND BETWEEN
HUMBOLDT COUNTY
AND
MENTAL HEALTH MANAGEMENT 1, INC., CANYON MANOR
FOR AUGUST 15, 2012 THROUGH JUNE 30, 2013**

This Agreement, made and entered into this _____ day of December 18, 2012, at Eureka, California, by and between Humboldt County, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and Mental Health Management 1, Inc., Canyon Manor, (*a California Corporation*) hereinafter referred to as "CONTRACTOR," is made upon the following considerations:

WHEREAS, COUNTY through its Department of Health and Human Services (DHHS), Mental Health Branch desires to provide the services of a long-term treatment program for adults with chronic mental illnesses, and who otherwise would be placed in the State Hospital or higher levels of care; and

WHEREAS, CONTRACTOR offers these services; and

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

NOW THEREFORE BE IT AGREED:

1. DESCRIPTION OF SERVICES:

As set forth in Exhibit A, attached hereto 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 August 15, 2012 and shall continue through June 30, 2013, 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 and patients and make allowance for the treatment needs of its clients and patients.

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: Attn: Executive Director
Mental Health Management 1, Inc.
Canyon Manor
PO Box 678
Novato, CA 94947

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 Ninety Thousand, One Hundred Forty-Four Dollars (\$90,144) per Fiscal Year. COUNTY's fiscal year runs July 1st through June 30th. 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.

If State, Federal or County funding or State Maximum Allowance Rates are reduced or deleted, the maximum reimbursement shall be reduced or deleted.

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 Branch 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 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 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

orientation 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 orientation 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 Branch 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 Branch 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 Branch 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:

In the performance of this Agreement, CONTRACTOR may receive confidential information. CONTRACTOR agrees to protect the confidentiality of all DHHS clients and patients in conformance with, but not limited to, the California Welfare and Institutions Code Sections 827, 5328, and 10850, the California Confidentiality of Medical Information Act, California Health & Safety Code sections 1280.15 and 130203 as applicable, the United States Health Information Portability and Accountability Act of 1996 ("HIPAA") and the United States Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("HITECH Act"), and their implementing regulations, including as appropriate Title 45 of the Code of Federal Regulations Section 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 One Million Dollars (\$1,000,000.00) per occurrence for any one (1) 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/Motor liability insurance with a limit of liability of not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all “owned”, “hired”, and “non-owned” vehicles or coverage for “any auto”.
3. Workers Compensation and Employer’s Liability Insurance providing worker’s compensation benefits as required by the Labor Code of the State of California. Said policy shall contain or be endorsed to contain a waiver of subrogation against COUNTY, its officers, agents, and employees. In all cases, the above insurance shall include Employers Liability coverage with limits of not less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and disease.
4. Professional liability insurance/errors and omission coverage in an amount no less than One Million Dollars (\$1,000,000.00) for each occurrence (Three Million Dollars [\$3,000,000.00] general aggregate). Said insurance shall be maintained for the statutory period during which the professional may be exposed to liability. CONTRACTOR shall require that the aforementioned professional liability insurance coverage language be incorporated into its contract with any other entity with which it contracts for professional services.
5. 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 One Hundred Thousand Dollars (\$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 CONTRACTOR'S 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 Humboldt 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 the Humboldt County Mental Health Branch 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)(1).
- B. Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) 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(a)(3) 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 eighteen (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 Women, Infants and Children Program (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 One Thousand Dollars (\$1,000.00) 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 Branch 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 Humboldt County Mental Health Branch Director, 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 Branch Director or designee.
- B. The final admission decision shall rest with CONTRACTOR.

- C. If admission is denied, the Humboldt County Mental Health Branch 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, gender, national origin, age, sexual orientation, or physical or mental disability.
- E. In recognition of the fact that clients are referred by Humboldt County Mental Health Branch and that Humboldt County Mental Health Branch 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 COMPLIANCE-COVERED ENTITY TO COVERED ENTITY

COUNTY and CONTRACTOR each consider and represent themselves as covered entities as defined by the U.S. Health Information Portability and Accountability Act and agree to use and disclose protected health information as required by law.

COUNTY and CONTRACTOR acknowledge that the exchange of protected health information between them is only for treatment, payment, and health care operations.

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

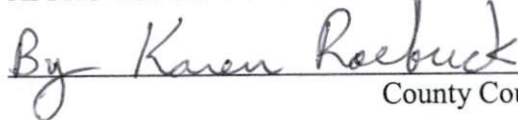
ATTEST:

KATHY HAYES


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

By: 

APPROVED AS TO LEGAL FORM:

By 
County Counsel

APPROVED AS TO INSURANCE:


Risk Manager

COUNTY OF HUMBOLDT:


Chair, of the Board of Supervisors

CONTRACTOR:


Name Alan Jamison

Program Director
Title


Name Richard Evatz

Executive Director
Title

[Two corporate officers must sign.]

EXHIBIT A

**AGREEMENT
BY AND BETWEEN
HUMBOLDT COUNTY
AND**

**MENTAL HEALTH MANAGEMENT 1, INC., CANYON MANOR
AUGUST 15, 2012 THROUGH JUNE 30, 2013**

Scope of Services

CONTRACTOR shall provide the services described below in a manner consistent with the terms and provisions of this Agreement.

A. SERVICES TO BE PROVIDED

Provision of beds for adults (18 years or older) in a Mental Health Rehabilitation Center (MHRC) as an alternative to State hospitalization, acute psychiatric hospital administrative days, or a higher level of care. Services provided in a locked, 24 hour care facility, utilizing resources available to both CONTRACTOR and COUNTY.

It is agreed by COUNTY and CONTRACTOR that the basic service level (the minimum array of services provided to clients in the MHRC) complies with respective California Code of Regulations defining the scope and responsibility of such facility-based services. The MHRC services as they currently exist or as they may be modified or added to during the term of this Agreement include, but are not limited to:

1. An individualized program to meet the specific needs of each client.
2. A structured training regimen with individualized therapy to assist clients in the development of new skills and in modifying behaviors that exclude them from living in a lower level of care facility. The Center shall have the capability of providing all of the following special rehabilitation program services. Individual programs shall be provided based on the specific needs identified through client assessments.
 - a. Self-Help Skills Training. This shall include, but not be limited to:
 - Supervision of medications and education regarding medications
 - Money management
 - Use of public transportation
 - Use of community resources
 - Behavior control and impulse control

- Frustration tolerance
 - Stress management
 - Mental health education
 - Substance abuse education
 - Physical education
- b. Behavioral Intervention Training, This shall include, but not be limited to:
- Behavior modification modalities
 - Remotivation therapy
 - Client government activities
 - Group counseling
 - Individual counseling
- c. Interpersonal Relationships. This shall include, but not be limited to:
- Social counseling
 - Educational and recreational therapy
 - Social activities such as outings, dances, etc.
- d. Pre-vocational Preparation Services. This shall include, but not be limited to:
- Homemaking
 - Work activity
 - Vocational counseling
- e. Discharge planning,
- Out-of-home Planning
 - Linkage to medical services in the community as needed

CONTRACTOR agrees to facilitate access to and utilization of Health Insurance Portability and Accountability Act (HIPAA) compatible web conferencing, video conferencing or telemedicine equipment to enable COUNTY to have joint conferences with client, COUNTY and CONTRACTOR'S clinicians, and/or client's significant others in order to facilitate discharge planning processes. CONTRACTOR will be responsible to obtain informed consent(s) for telemedicine.

CONTRACTOR further agrees that basic services provided under this Agreement will also include appropriate access to medical treatment and up-to-date psychopharmacology including atypical anti-psychotics, transportation to essential offsite therapeutic services, and bilingual/bicultural programming.

B. ADMISSION POLICY AND ADMITTING CRITERIA

COUNTY and CONTRACTOR shall work cooperatively to admit clients to CONTRACTOR'S facility. All admissions shall be subject to screening procedures and standards mutually agreeable to CONTRACTOR and COUNTY. The admission of all

persons receiving services under this Agreement must receive prior approval of the Humboldt County Deputy Director, Department of Health and Human Services Mental Health Branch or her/his authorized representative.

CONTRACTOR shall admit clients with a DSM-IV TR diagnosis. Individuals in need of 24-hour nursing services within the scope of facility services, clients who have histories of or are currently displaying behavioral symptoms (such as combativeness, elopement risk, suicide risk, and excessive verbal abusiveness) which preclude them from being admitted into a lower level of care facility shall be considered for admission. The frequency, scope, and severity of these behaviors are determining factors for admission, which are negotiated between COUNTY and CONTRACTOR for each client admission. COUNTY may grant individual exception to the admission criteria.

If CONTRACTOR denies an admission, COUNTY'S authorized representative shall be notified immediately and informed of the reasons for the denial. As appropriate, and with agreement, COUNTY and CONTRACTOR may hold a "case conference" to discuss the reasons for the denial and the options available in meeting the client's mental health treatment needs. However, the final decision on admission to the facility shall be the responsibility and fall within the authority of CONTRACTOR.

It is agreed by COUNTY and CONTRACTOR that individuals whose mental illness is deemed appropriate for acute care, as well as individuals suffering exclusively from development disability, mental retardation, or physical illnesses (without a psychiatric component) shall not be considered for admission.

C. COUNTY LIAISON, CLIENT DISCHARGE PLANNING

COUNTY shall designate a Facility Liaison who shall be responsible for ongoing contact and consultation with COUNTY clients and facility staff.

CONTRACTOR shall keep COUNTY Facility Liaison fully informed of each client's progress and shall collaborate in pre-discharge and discharge planning.

COUNTY Facility Liaison shall be responsible for arranging community supports deemed necessary for each client to be discharged.

CONTRACTOR will notice County as soon as possible if there is a change in service level that requires acute psychiatric hospitalization.

CONTRACTOR shall discharge client from the facility for the purpose of emergency hospitalization.

D. GOALS

To minimize inappropriate or unnecessary state and local acute psychiatric hospitalization to the extent clinically appropriate by providing quality 24-hour Mental Health Rehabilitation Center (MHRC) services.

To modify client's dysfunctional maladaptive behavior patterns and develop daily living skills which will enable them to live in less restrictive, more independent settings.

CONTRACTOR shall adhere to COUNTY'S individualized client plans to reduce the lengths of stay in order to transition clients to less restrictive levels of care in a timely manner, as appropriate.

E. REPORT REQUIREMENTS

CONTRACTOR shall provide COUNTY with monthly report containing the following information in regard to the prior month:

- Total census
- Number of clients accepted versus number of clients denied services
- Reasons for declined admissions and/or discharges
- Client Names
- Dates of Admission/Discharge
- Documenting the services rendered
- Notification of admission to psychiatric or medical hospital within 24 hours

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

CONTRACTOR shall provide COUNTY with quarterly client treatment plans.

CONTRACTOR and COUNTY understand that additional reporting may be necessary on a weekly, monthly and quarterly basis.

CONTRACTOR will notify COUNTY of any current or anticipated difficulty in providing service, or if the services do not appear to result in the anticipated benefit to the client.

CONTRACTOR shall maintain current licenses and/or certifications, as follows:
Community Care licensure and Certificates of Insurance to be submitted to
Mental Health Branch.

Reports shall be submitted to:

Humboldt County Department of Health and Human Services
Mental Health Branch
Adult Behavioral Health and Recovery Services
Program Analyst
720 Wood Street
Eureka, CA 95501

EXHIBIT B

**AGREEMENT
BY AND BETWEEN
HUMBOLDT COUNTY
AND**

**MENTAL HEALTH MANAGEMENT 1, INC., CANYON MANOR
AUGUST 15, 2012 THROUGH JUNE 30, 2013**

Payment Agreement

CONTRACTOR shall submit request for payment monthly for bed days provided within Canyon Manor, Mental Health Rehabilitation Center (MHRC). Rate of compensation will be consistent with the rates as stated by CONTRACTOR, provided to the COUNTY.

Compensation: Reimbursement from the COUNTY to the CONTRACTOR is based on a maximum rate per bed day for the provision of Mental Health Rehabilitation Center Services as outlined in Exhibit A.

The COUNTY and CONTRACTOR agree to the following rates as of August 15, 2012:

Residential rehabilitation services as described in Exhibit A \$281.70 per bed day

CONTRACTOR may review and submit to COUNTY, in writing, rate changes with a frequency of not more than one time per fiscal year.

COUNTY will reimburse CONTRACTOR for services pursuant to this Agreement not to exceed the maximum amount Ninety Thousand, One Hundred Forty-Four Dollars (\$90,144) per fiscal year. In order to obtain the continued services of CONTRACTOR, COUNTY may adjust the maximum amount through an amendment.

MENTAL HEALTH MANAGEMENT I

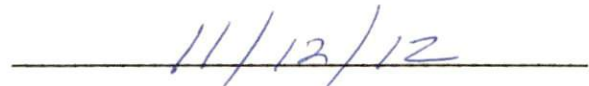
A PSYCHIATRIC DAY TREATMENT CENTER

Mental Health Mgmt. I, Inc.
Board Resolution Date: 12-18-2012

The Mental Health Management I, Inc. Board of Directors hereby authorizes Richard Evatz, Administrator/Executive Director and Alan Jamison, Program Director to approve any and all agreements with Humboldt County on behalf of Mental Health Management I, Inc. dba Canyon Manor.



Donald W Harris
President, Vice President, Secretary, Treasurer



Date