

**AGREEMENT BETWEEN COUNTY OF LAKE AND DAVIS GUEST
HOME FOR ADULT RESIDENTIAL SUPPORT SERVICES AND
SPECIALTY MENTAL HEALTH SERVICES FOR FISCAL YEAR 2020-21
FOR 2019-20 SERVICES**

This Agreement is made and entered into by and between the County of Lake, hereinafter referred to as “County,” and Davis Guest Home, hereinafter referred to as “Contractor,” collectively referred to as the “parties.”

RECITALS

WHEREAS, the Lake County Behavioral Health Services Department provides mental health services to the residents of Lake County; and

WHEREAS, the Board of Supervisors of County has determined that its mental health program requires a program to provide specialized mental health services for the residents of Lake County; and

WHEREAS, Contractor has appropriate staffing and facilities necessary to provide such specialized mental health services and desires to enter into this Agreement with County upon the provisions hereinafter set forth; and

WHEREAS, contractor provided services during fiscal year 2019-20 for which contractor was not compensated and payment on services rendered must be made.

NOW, THEREFORE, based on the forgoing recitals, the parties hereto agree as follows:

1. **SERVICES.** Subject to the terms and conditions set forth in this Agreement, Davis Guest Home provided to County the services described in the “**Scope of Services**” attached hereto and incorporated herein as **Exhibit A** at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and **Exhibits A/B/C**, the Agreement shall prevail.

2. **TERM.** This Agreement shall be effective on the date executed by the parties and shall terminate upon payment of compensation to contractor in the amount provided in section 3 herein.

3. **COMPENSATION.** Contractor was selected by County to provide the services described hereunder in **Exhibit A**, titled, “**Scope of Services.**” **Compensation to Contractor shall not exceed Fifty Two Thousand One Hundred Ten Dollars (\$52,110.00).**

The County shall compensate Contractor for services rendered in Fiscal Year 2019-2020, in accordance with the provisions set forth in **Exhibit B**, titled “**Fiscal Provisions**” attached hereto and incorporated herein. Contractor was not in default under any provisions of this Agreement.

4. **MODIFICATION.** This Agreement may only be modified by a written amendment hereto, executed by both parties; however, matters concerning scope of services which do not

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affect the compensation may be modified by mutual written consent of Contractor and County executed by the Lake County Behavioral Health Services Administrator.

5. NOTICES. All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with the United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

County of Lake
Lake County Behavioral Health Services
PO Box 1024
6302 Thirteenth Avenue
Lucerne, CA 95458-1024
Attn: Todd Metcalf, M.P.A.
Behavioral Health Services Director

Davis Guest Home.
1878 E. Hatch Road
Modesto, CA 95351

Attn: Lonny Davis
Owner

6. EXHIBITS. The Agreement Exhibits, as listed below, are incorporated herein by reference:

Exhibit A - Scope of Services
Exhibit B - Fiscal Provisions
Exhibit C - Compliance Provisions

7. TERMS AND CONDITIONS. Contractor warrants and agrees that it has complied with all terms and conditions of this Agreement including **Exhibit A**, **Exhibit B**, and **Exhibit C**, titled, “**Compliance Provisions**,” attached hereto and incorporated herein in addition to all other applicable federal, state and local laws, regulations and policies.

8. INTEGRATION. This Agreement, including attachments, constitutes the entire agreement between the parties regarding its subject matter and supersedes all prior Agreements, related proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties.

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County and Contractor have executed this Agreement on the day and year first written above.

DAVIS GUEST HOME

Owner
Date: 09/15/2020

Date:

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EXHIBIT A – SCOPE OF SERVICES**

1. CONTRACTOR'S RESPONSIBILITIES. Contractor agrees to comply with all applicable Medi-Cal laws, regulations, including 1915(b) Waiver and any Special Terms and Conditions.

1.1 Contractor shall possess and maintain all necessary licenses, permits, certificates and credentials required by the laws of the United States, the State of California, County of Lake and all other appropriate governmental agencies, including any certification and credentials required by County. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by County. Contractor and County shall comply with California Code of Regulations (CCR), Title 9, Section 18010.435, in the selection of providers and shall review for continued compliance with standards at least every three (3) years.

1.2 The Contractor shall maintain written policies and procedures on advance directive in compliance with the requirements of 42, Code of Federal Regulations (CFR), Section 422.128 and 438.6(i)(1), (3) and (4). Any written materials prepared by the Contractor for beneficiaries shall be updated to reflect changes in state laws governing advance directives as soon as possible, but not later than 90 days after the effective date of the change. For purposes of this contract, advance directives means a written instruction, such as a living will or durable power of attorney for health care, recognized under State law, relating to the provision of health care when the individual is incapacitated as defined in 42 C.F.R 489.100.

1.3 Contractor will observe and comply with all applicable Federal, State and local laws, ordinances and codes which relate to the services to be provided pursuant to this Agreement, including but not limited to the Deficit Reduction Act (DRA) of 2005, the Federal and State False Claims Acts, and the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Health Information Technology for Economic and Clinical Health Act, found in Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005 (HITECH Act); and the HIPAA Omnibus Final Rule.

1.4 Contractor will assure that each client has adequate information about the Contractor's problem resolution processes by including information describing the grievance, appeal, and expedited appeal processes in the Contractor's beneficiary booklet and providing the beneficiary booklet to beneficiaries. Contractor will post notices explaining grievance, appeal, and expedited appeal process procedures in locations at all Contractor provider sites. Notices shall be sufficient to ensure that the information is readily available to both clients and provider staff. The posted notice shall explain the availability of fair hearings after the exhaustion of an appeal or expedited appeal process, including information that a fair hearing may be requested whether or not the beneficiary has received a notice of action pursuant to CCR, Title 9, and Section 1850.210. A Contractor provider site means any office or facility owned or operated by the Contractor at which clients may obtain specialty mental health services.

1.5 Client's rights shall be assured pursuant to California law and regulation, including but not limited to Welfare and Institutions Code 5325, Title 9, CCR, Sections 860 through 868 and

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Title 42, CFR, Section 438.100(b)(1) and, (b)(2). Included in these rights is the right of beneficiaries to participate in decisions regarding his or her health care, including the right to refuse potential treatment.

1.6 Contractor agrees to extend to County or its designee, the right to review and monitor all 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.

1.7 All expenses of copying records and other documents shall be borne by the party seeking to review those records and/or documents and charged at the rate of \$0.25 cents per page.

1.8 Upon discovery of a reportable breach by Contractor, the Contractor must notify County within 24 hours of a suspected breach incident by submitting an incident report to the Behavioral Health Compliance Officer/Privacy Officer, and fulfill the mandated reporting requirements. Contractor will make his/her best efforts to preserve data integrity and the confidentiality of protected health information.

1.9 Upon termination of the Agreement all Protected Health Information provided by Lake County Behavioral Health Services to Contractor, or created or received by Contractor on behalf of County, is destroyed or returned to County, or if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.

1.10 Contractor shall comply with the provision of the County's Cultural Competency Plan by maintaining 100% compliance with National Culturally Linguistically Appropriate Services (CLAS) standards. Contractor shall provide proof, no less than annually or upon County's request, evidence of compliance including but not limited to attendance and training agendas, or other such documentation which reasonably evidences compliance.

1.11 Contractor shall provide secure access to teleconferencing resources and services utilizing a County pre-approved web-based software/service for clients requiring evaluation or assessment by County-contracted professionals. Contractor will observe and comply with all State and Federal regulations in regards to provision of this service. County agrees to work with contractor to agree upon sufficient notification to which this service will be used.

1.12 County agrees that in the event individuals placed with Contractor are no longer conserved by County, Contractor will be notified as to the change of Conservator status.

1.13 County agrees to continue case management responsibility for any client whose County conservatorship terminates while residing at one of Contractor's facilities. County further agrees to work towards avoiding a non-conserved client leaving Contractor's facility and becoming a Stanislaus County permanent resident. All efforts will be made to relocate such a client to county of origin for placement.

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1.14 County agrees to give Contractor a written two-week notice upon terminating a resident's placement at one of Contractor's facilities. Residents that are moved from Contractor's facility without providing a two-week written notice or before the date indicated on the notice will continue to be County's responsibility for payment of the term indicated in the termination notice.

1.15 County shall be responsible to remove residents within 30 days upon notification that they have failed placement or in the opinion of Davis Guest Home administration are no longer appropriate for the level of care at Davis Guest Homes. Residents who are not removed from Davis Guest Home facilities within 30 days of receiving discharge notice (as stipulated in the Admission Agreement) will be assessed a daily rate of Three Hundred Fifty Dollars (\$350.00) from day 31 until which time they are relocated (as indicated in Exhibit B – Section 4.3 under Payment Terms on Page 14 of this agreement.)

1.16 County agrees to provide Contractor names and contact information (including after-hours contact numbers) for Case Managers and/or Conservators in the event of an emergency. Emergency contacts must be available to respond within One (1) hour.

2. REPORTING REQUIREMENTS. Contractor agrees to provide County with any reports which may be required by State or Federal agencies for compliance with this Agreement.

2.1 Contractor shall submit a year-end program summary in a format to be provided by County. Failure to provide reports in a timely fashion will constitute a material breach of the contract and grounds for termination as defined under **Exhibit C**, Section 8, titled "**Due Performance – Default.**"

2.2 At County's request, within ninety (90) days after the close of the fiscal year, Contractor shall provide County with an annual Cost Report in the appropriate format for submission to the State of California, Department of Health Care Services for Medi-Cal reimbursement. This Cost Report will establish the final basis upon which Contractor will be paid for services provided during the term of this Agreement. If Contractor's costs do not meet the contracted rate, Contractor will be required to pay back the difference to County.

3. RECORDS RETENTION.

3.1 Contractor shall prepare, maintain and/or make available to County upon request, all records and documentation pertaining to this Agreement, including financial, statistical, property, recipient and service records and supporting documentation for a period of ten (10) years from the date of final payment of this Agreement. If at the end of the retention period, there is ongoing litigation or an outstanding audit involving the records, Contractor shall retain the records until resolution of litigation or audit. After the retention period has expired, Contractor assures that confidential records shall be shredded and disposed of appropriately.

3.2 Clinical records of each client served at the Facility shall be the property of County and shall be kept at least ten (10) years following discharge. Clinical records of un-emancipated minors shall be kept at least one (1) year after such minor has reached the age of eighteen (18)

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years or ten (10) years past the last date of treatment, whichever is longer. Records of minors who have been treated by a licensed psychologist must be retained until minor has reached age 25. All information and records obtained in the course of providing services under this Agreement shall be confidential and Contractor shall comply with State and Federal requirements regarding confidentiality of patient information (including but not limited to section 5328 of the Welfare and Institutions Code (W&I), and Title 45, and CFR, section 205.50 for Medi-Cal-eligible patients). All applicable regulations and statutes relating to patients' rights shall be adhered to. This provision shall survive the termination, expiration, or cancellation of this Agreement. Clinical records shall contain sufficient detail to make possible an evaluation by County's Behavioral Health Administrator or designee, or DHCS and shall be kept in accordance with the rules and regulations of the Community Mental Health Services Act of 1967 (MHSA), as amended.

4. DESCRIPTION OF SERVICES. Contractor operates 8 licensed residential care homes in Stanislaus County, with a combined total of 260 beds. Contractor operates licensed 24 hour, long term Residential Care Facilities which are licensed by the Community Care Licensing Division of the California Department of Social Services. The facilities specializes in serving the adult population, either ambulatory or non-ambulatory, who behave inappropriately in areas such deficiencies, and medication resistance. Additionally, Contractor operates an Acute 5-bed facility designed to accommodate difficult to place residents. This location will provide generous staff to resident ratios (not over six to one) and provide intensive resident supervision.

4.1 Contractor shall provide specialty mental health services to clients referred by County. These services shall be provided pursuant to the laws and regulations of the State of California governing such programs. These services shall be provided at Contractor's facilities, hereinafter called "**Facility**", and located at the following addresses:

Davis Guest Home #1 & #2
1878 E. Hatch Road
Modesto, CA 95351

Davis Guest Home #3 (Acute Facility)
1628 Nadine Avenue
Ceres, CA 95307

Davis Guest Home #4
1552 Ohio Avenue
Modesto, CA 95358

Davis Guest Home #5
2405 Mauna Loa Avenue
Ceres, CA 95370

Davis Guest Home #6
1209 N. Central Avenue
Modesto, CA 95307

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**Davis Guest Home #7
1232 Nadine Avenue
Modesto, CA 95351**

4.2 Contractor shall provide staffing at the Facility twenty-four (24) hours per day, seven (7) days per week, and staffing will include all legally required care for clients, all in accordance with laws and regulations outlined in California Code of Regulations (CCR), Title 22, Divisions 2, and 6.

4.3 Contractor shall admit only those clients who require Residential Support Services as defined by appropriate law and regulations. All clients admitted to the facility, if applicable, must (either personally or on their behalf by an authorized representative) enter into an "Admission Agreement" and must have a completed "Physician's Report for community Care Facilities.

4.4 Goals and Outcomes

Davis Guest Home instructs and encourages clients to participate in tasks that promote independent living skills. As a result of residing at Davis Guest Home and participating in our full range of activities we expect each individual will experience an enrichment of life. This may be evidenced in many different ways;

1. An ability to interact in the community in a socially acceptable manner.
2. An increased awareness of resources within the community that are available for the resident's information, recreation, transportation, etc.
3. The development of personal hygiene of social interaction skills with family members, staff and other residents.

4.5 Current Programs and Services Offered

Davis Guest Home is dedicated to discovering each resident's interest and goals and to assist our residents in achieving these with training opportunities, education and counseling. Each day Davis Guest Home provides opportunities for residents to participate in activities or educational opportunities in the following areas:

Educational:

Money Management/Budgeting Training
Public Transportation Access/Utilization
Interpersonal/Dyadic Communications Skills
Family and Peer Relational Processes
Nutritional/Menu Planning and Food Preparation
Responsibility Orientation, Cause/Effect Sequences
Chemical Dependency/Substance Abuse Awareness

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Socialization/Group Interactions:

- Current Events/Cultural Relativity
- Problem Solving/Life challenge-bridge
- Self-Disclosure/Transparency Therapy
- Healthy Responses to relational Pain/Trust Development
- Self-Acceptance Support Group

Entertainment/Recreational

- Annual trips to Disneyland
- Concerts, Community Events
- Holiday Celebrations
- Movies, Games, and Sports
- Bingo Bonanza
- Talent Shows/Competition
- Pizza/Ice Cream Socials
- Shopping Trips
- Birthday Celebrations

4.6 The following is a partial list of behaviors/symptoms that Davis Guest Home is prepared to address:

1. Serious, psychotic impairment: difficulty with self-care in bathing dressing, grooming, toileting, eating; persistently intrusive behavior requiring significant redirection: serious regression which impedes or prevents program participation.
2. Sub-acute danger to self, including suicidal ideation
3. Gross inactivity
4. Basic difficulties in sharing, working out, co-existing in a room with another person
5. Exaggerated, loud outbursts in response to perceived injustices
6. Problem smoking in unauthorized areas
7. Borrowing, begging or stealing or inappropriate handling of money or property
8. Medication Compliance
9. Paranoid perception-which goes unvoiced and sometimes leads to the person acting out of place in the community
10. Reversed sleep patterns - up all night. Sleeping in the day
11. Sexual acting out
12. Excessive dependency

4.7 Davis Guest Home is staffed with individuals that have bi-lingual capabilities: two of our administrative staff are fluent in sign language. We stress a multi-cultural approach that

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is reflected in both our staffing and programming. Staff members regularly receive training in defusing assaultive situations, and utilize early intervention techniques that serve to help prevent hospitalizations in most instances. Resident's personal and incidental funds are placed in trust and may be withdrawn by the client at regular intervals as determined by the resident's service plan, payee, and case management contracts. Davis Guest Home provides transportation to day programs, community events, recreations activities, doctor and medical appointments, and other transportation requirements.

4.8 Quality Assurance Procedures

At Davis Guest Home, qualified personnel distribute medication as directed by psychiatric or physician at prescribed intervals. Davis Guest Home requires all staff documenting or distributing medication to complete in-service training pertaining to medications.

Davis Guest Home services, facility, programs and recorder are evaluated annually by the following agencies: State of California Community Care Licensing, Valley Mountain Regional Center, Stanislaus County Ombudsman Program, and Patient's Rights Consumer Review Task Force, Stanislaus County.

4.9 Designated Psychiatrist

Davis Guest Home residents are provided psychiatric services by local psychiatrists who are contracted with Davis Guest Home. Psychiatrists visit residents on-site regularly and are on call continuously for emergency consultation.

The psychiatrist that Davis Guest Homes contracts with will bill each county's Department of Mental Health the standard Medi-Cal reimbursement rate for the initial consult/new patient assessment, and the regular/subsequent medication refill appointments.

4.10 Long term care for some residents with an active mental health condition maybe up to eighteen (18) months before a referral is made to a lower level of care; however, residents may stay beyond the average length of stay depending on their mental health status. All residents will be reviewed monthly for medical and service necessity.

4.11 Residents will be discharged or transferred from this facility when: 1) the resident has successfully completed a treatment plan and no longer needs residential or rehabilitation services, 2) the resident requests a transfer or discharge, or 3) the resident needs a higher level of medical or psychiatric care.

4.12 A member of Davis Guest Home management team will personally evaluate potential residents considered for placement at one of their facilities. Davis Guest Home reserves

the right to deny placement to any client that does not fit into their population or meet placement criteria. All potential residents will complete an interview process that will entail an examination of records, medical review, Appraisal/Needs of Service Plan, and the pre-placement appraisal form. Each resident considered for placement at our Nadine Avenue Acute Facility must have a specific plan of action regarding emergency interventions and hospitalizations.

5.1 Contractor, in a competent and professional manner, promises to provide the specialized services to Lake County clients certified by licensed staff at Lake County Behavioral Health, as requiring specialized services and who meet the criteria established in accordance with the Lake County Mental Health Plan.

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EXHIBIT B – FISCAL PROVISIONS**

1. **CONTRACTOR'S FINANCIAL RECORDS.** Contractor shall keep financial records for funds received hereunder, separate from any other funds administered by Contractor, and maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's Cost Principles.
2. **INVOICES.**
 - 2.1 Contractor's invoices shall be submitted in arrears on a monthly basis, or such other time that is mutually agreed upon in writing, and shall be itemized and formatted to the satisfaction of the County.
 - 2.2 Contractor's invoices shall be submitted electronically by email to LCBHS_Fiscal@Lakecountyca.gov.
 - 2.3 Contractor shall bill County on or before the tenth (10th) working day of the month following the month in which specialty services were provided.
 - 2.4 All billing forms, including supporting documentation, shall clearly reflect client names, number of client days, types of services, and corresponding rates, as well as the NPI numbers of staff who provided the service. ALL SUPPORTING DOCUMENTATION MUST ACCOMPANY THE APPROVED BILLING FORM OR SERVICE(S) MAY BE DENIED. Supporting documentation will include all progress notes, treatment/client plans and assessments.
 - 2.5 County shall make payment within 20 business days of an undisputed invoice for the compensation stipulated herein for supplies delivered and accepted or services rendered and accepted, less potential deductions, if any, as herein provided. Payment on partial deliverables may be made whenever amounts due so warrant or when requested by the Contractor and approved by the Assistant Purchasing Agent.
 - 2.6 County shall not be obligated to pay Contractor for services provided which are the subject of any bill if Contractor submits such bill to County more than thirty days (30) after the date Contractor provides the services, or more than thirty (30) days after this Agreement terminates, whichever is earlier.
 - 2.7 Monthly payment may vary based on actual services billed.
 - 2.8 County shall not provide reimbursement for date of discharge from any facilities including hospitals, skilled nursing facilities, mental health rehabilitation centers, and residential facilities.
 - 2.9 County clients who are able to pay for services from other public or private resources are not billable under this Agreement.

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2.10 Contractor and County shall each appoint one responsible representative for the purpose of resolving any billing questions or disputes which may arise during the term of this Agreement. Should such issues arise, County shall still be obligated to pay Contractor on a timely basis for those amounts and/or services which are not in dispute or with respect to which there are no questions. Questioned amounts, once adjusted (if necessary) as agreed by the two representatives, shall be paid to Contractor immediately after the Agreement is reached by the two representatives.

3. AUDIT REQUIREMENTS AND AUDIT EXCEPTIONS.

3.1 Contractor warrants that it shall comply with all audit requirements established by County and will provide a copy of Contractor's Annual Independent Audit Report, if applicable.

3.2 County may conduct periodic audits of Contractor's financial records, notifying Contractor no less than 48 hours prior to scheduled audit. Said notice shall include a detailed listing of the records required for review. Contractor shall allow County, or other appropriate entities designated by County, access to all financial records pertinent to this Agreement.

3.3 Contractor shall reimburse County for audit exceptions within 30 days of written demand or shall make other repayment arrangements subject to the approval of County

3.3 DHCS, Centers for Medicare and Medicaid Services (CMS), Health and Human Services (HHS) Inspector General, the Comptroller General or their designees have the right to audit, evaluate and inspect any books, records, contracts, computer or other electronic systems of the contractor or subcontractor that pertain to any aspects of services and activities performed on Medi-Cal beneficiaries per 42 CFR 438.230(i).

3.4 Contractor will make available, for purposes of an audit, evaluation, or inspection, its premises, physical facilities, equipment, books, records, contracts, computer or other electronic systems relating to any Medi-Cal beneficiaries per 42 CFR 438.230(ii).

3.5 The right to audit will exist through ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later per 42 CFR 438.230(iii).

3.6 If DHCS, CMS, or HHS Inspector General determines that there is a reasonable possibility of fraud or similar risk, DHCS, CMS or the HHS Inspector General may inspect, evaluate and audit the Contractor or subcontractor at any time per 42 CFR 438.230(iv). Contractor warrants that it shall comply with all audit requirements established by County and will provide a copy of Contractor's Annual Independent Audit Report, if applicable.

4. PAYMENT TERMS.

4.1 County shall pay Contractor for clients approved for regular residential support services at the rate of One Hundred Ten Dollars (\$110.00) per day. Contractor shall indicate on invoice to County the number of prior approved Bed Hold Days by client at the rate of One Hundred Ten Dollars (\$110.00) per day.

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4.2 In special situations Davis Guest Home may require an adjustment to the daily rate based upon acuity, medical complexity, and behavior problems requiring staff intervention beyond typical staff to client ratios. These rates range between One Hundred Fifty Dollars (\$150.00) and Eight Hundred Dollars (\$800.00) per day for higher acuity/new acute facility placement or private rooms. This rate will be negotiated on a case by case basis. Contractor shall indicate on invoice to County the number of prior approved Bed Hold Days by client at the rate negotiated for increased service level.

4.3 Residents who are not removed from Davis Guest Home facilities within 30 days of receiving discharge notice (as stipulated in the Admission Agreement) will be assessed a daily rate of Three Hundred Fifty Dollars (\$350.00) from day 31 until which time they are relocated.

4.4 County shall pay the daily rate for clients participating in the program when a client is absent for a short time which is defined as not more than seven (7) days of non-medical leave and not more than ten (10) days of medical leave upon prior notification by Contractor. Hospital days and passes require payment to Contractor within time framed indicated in this agreement. Extensions may be secured with written notice to Contractor.

4.5 Augmented services provided by Davis Guest Home such as transportation outside of Stanislaus County, extraordinary staffing requests, residents requiring special medical attention waivers or treatments and other enhanced services may be negotiated on an individual basis.

4.6 Before placement; all residents of Davis Guest Home must have in place some form of medical insurance or provision for medical care and treatments including payment arrangements.

4.7 Board and Care shall be paid from the clients' SSI or SSI/SSA benefits. If the client does not yet receive SSI or SSI/SSA benefits, or those benefits have been diminished due to back payments owed to other entities, or do not reflect standard residential care rates, County will provide payment to cover the delinquent and/or amount owed. The clients SSI or SSI/SSA monthly residential board and care rate is currently \$1,069.37 per month for a client who receives one check and \$1,089.37 for a client who receives two checks (this monthly amount is subject to annual adjustments by the Federal Government and State of California, which adjustments shall be effective without the need for amendment to the Agreement.

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EXHIBIT C – COMPLIANCE PROVISIONS**

1. **INFORMATION INTEGRITY AND SECURITY.** Contractor shall immediately notify County of any known or suspected breach of personal, sensitive and confidential information related to Contractor's work under this Agreement.

2. **NON-DISCRIMINATION.** Contractor shall not unlawfully discriminate against any qualified worker or recipient of services because of race, religious creed, color, sex, sexual orientation, national origin, ancestry, physical disability, mental disability, medical condition, marital status or age.

3. **DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS.**

3.1 The Contractor certifies to the best of its knowledge and belief, that it and its subcontractors:

A. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

B. Have not, within a three-year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity with commission of any of the offenses enumerated in the preceding paragraph; and

D. Have not, within a three-year period preceding this Agreement, had one or more public transactions terminated for cause or default.

3.2 Contractor shall report immediately to County, in writing, any incidents of alleged fraud and/or abuse by either Contractor or Contractor's subcontractor. Contractor shall maintain any records, documents, or other evidence of fraud and abuse until otherwise notified by County.

4. **AGREEMENTS IN EXCESS OF \$100,000.** Contractor shall comply with all applicable orders or requirements issued under the following laws:

4.1 Clean Air Act, as amended (42 USC 1857).

4.2 Clean Water Act, as amended (33 USC 1368).

4.3 Federal Water Pollution Control Act, as amended (33 USC 1251, et seq.)

4.4 Environmental Protection Agency Regulations (40 CFR, Part 15 and Executive Order 11738).

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5. INDEMNIFICATION AND HOLD HARMLESS. Contractor shall indemnify and defend County and its officers, employees, and agents against and hold them harmless from any and all claims, losses, damages, and liability for damages, including attorney's fees and other costs of defense incurred by County, whether for damage to or loss of property, or injury to or death of person, including properties of County and injury to or death of County officials, employees or agents, arising out of, or connected with Contractor's operations hereunder or the performance of the work described herein, unless such damages, loss, injury or death is caused solely by the negligence of County.

6. STANDARD OF CARE. Contractor represents that it is specially trained, licensed, experienced and competent to perform all the services, responsibilities and duties specified herein and that such services, responsibilities and duties shall be performed, whether by Contractor or designated subcontractors, in a manner according to generally accepted practices.

7. INTEREST OF CONTRACTOR. Contractor assures that neither it nor its employees has any interest, and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of services hereunder.

8. DUE PERFORMANCE – DEFAULT. Each party agrees to fully perform all aspects of this agreement. If a default to this agreement occurs then the party in default shall be given written notice of said default by the other party. If the party in default does not fully correct (cure) the default within 30 days of the date of that notice (i.e. the time to cure) then such party shall be in default. The time period for corrective action of the party in default may be extended in writing executed by both parties, which must include the reason(s) for the extension and the date the extension expires.

Notice given under this provision shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable time period. No such notice shall be deemed a termination of this Agreement, unless the party giving notice so elects in that notice, or so elects in a subsequent written notice after the time to cure has expired.

9. INSURANCE.

9.1 Contractor shall procure and maintain Workers' Compensation Insurance for all of its employees.

9.2 Contractor shall procure and maintain Comprehensive Public Liability Insurance, both bodily injury and property damage, in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverage: personal injury, premises-operations, products and completed operations, blanket contractual, and independent contractor's liability.

9.3 Contractor shall procure and maintain Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in

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connection with Contractor's business in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence.

9.4 Contractor shall procure and maintain Professional Liability Insurance for the protection against claims arising out of the performance of services under this Agreement caused by errors, omissions or other acts for which Contractor is liable. Said insurance shall be written with limits of not less than one million dollars (\$1,000,000).

9.5 Contractor shall not commence work under this Agreement until it has obtained all the insurance required hereinabove and submitted to County certificates of insurance naming the County of Lake as additional insured. Contractor shall provide County certificates of insurance within 30 days of date of execution of the Agreement. Contractor agrees to provide to County, at least 30 days prior to expiration date, a new certificate of insurance.

9.6 In case of any subcontract, Contractor shall require each subcontractor to provide all of the same coverage as detailed hereinabove. Subcontractors shall provide certificates of insurance naming the County of Lake as additional insured and shall submit new certificates of insurance at least 30 days prior to expiration date. Contractor shall not allow any subcontractor to commence work until the required insurances have been obtained.

9.7 For any claims related to the work performed under this Agreement, the Contractor's insurance coverage shall be primary insurance as to the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees, agents or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.

9.8 The Commercial General Liability and Automobile Liability Insurance must each contain, or be endorsed to contain, the following provision:

The County, its officers, officials, employees, agents, and volunteers are to be covered as additional insureds and shall be added in the form of an endorsement to Contractor's insurance on Form CG 20 10 11 85. Contractor shall not commence work under this Agreement until Contractor has had delivered to County the Additional Insured Endorsements required herein.

Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under subdivision (b) of California Civil Code Section 2782.

9.9 Insurance coverage required of Contractor under this Agreement shall be placed with insurers with a current A.M. Best rating of no less than A: VII.

Insurance coverage in the minimum amounts set forth herein shall not be construed to relieve the Contractor for liability in excess of such coverage, nor shall it preclude County from taking other action as is available to it under any other provision of this Agreement or applicable law. Failure of County to enforce in a timely manner any of the provisions of this section shall not act as a waiver to enforcement of any of these provisions at a later date.

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9.10 Any failure of Contractor to maintain the insurance required by this section, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Agreement.

10. ATTORNEY'S FEES AND COSTS. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

11. ASSIGNMENT. Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of County except that claims for money due or to become due Contractor from County under this Agreement may be assigned by Contractor to a bank, trust company, or other financial institution without such approval. Written notice of any such transfer shall be furnished promptly to County. Any attempt at assignment of rights under this Agreement except for those specifically consented to by both parties or as stated above shall be void.

12. INDEPENDENT CONTRACTOR. It is specifically understood and agreed that, in the making and performance of this Agreement, Contractor is an independent contractor and is not an employee, agent or servant of County. Contractor is not entitled to any employee benefits. County agrees that Contractor shall have the right to control the manner and means of accomplishing the result agreed for herein.

Contractor is solely responsible for the payment of all federal, state and local taxes, charges, fees, or contributions required with respect to Contractor and Contractor's officers, employees, and agents who are engaged in the performance of this Agreement (including without limitation, unemployment insurance, social security and payroll tax withholding.)

13. OWNERSHIP OF DOCUMENTS. All non-proprietary reports, drawings, renderings, or other documents or materials prepared by Contractor hereunder are the property of County. In the event of the termination of this Agreement for any reason whatsoever, Contractor shall promptly turn over all said reports, drawings, renderings, information, and/or other documents or materials to County without exception or reservation.

14. SEVERABILITY. If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

15. ADHERENCE TO APPLICABLE DISABILITY LAW. Contractor shall be responsible for knowing and adhering to the requirements of Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, (42 U.S.C. Sections 12101, et seq.). California Government Code Sections 12920 et seq., and all related state and local laws.

16. HIPAA COMPLIANCE. Contractor will adhere to Titles 9 and 22 and all other applicable Federal and State statutes and regulations, including the Health Insurance Portability

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and Accountability Act of 1996 (HIPAA) and will make his best efforts to preserve data integrity and the confidentiality of protected health information.

17. SAFETY RESPONSIBILITIES. Contractor will adhere to all applicable CalOSHA requirements in performing work pursuant to this Agreement. Contractor agrees that in the performance of work under this Agreement, Contractor will provide for the safety needs of its employees and will be responsible for maintaining the standards necessary to minimize health and safety hazards.

18. JURISDICTION AND VENUE. This Agreement shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue of any action or proceeding regarding this Agreement or performance thereof shall be in Lake County, California. Contractor waives any right of removal it might have under California Code of Civil Procedure Section 394.

19. RESIDENCY. All independent contractors providing services to County for compensation must file a State of California Form 590, certifying California residency or, in the case of a corporation, certifying that they have a permanent place of business in California.

20. NO THIRD-PARTY BENEFICIARIES. Nothing contained in this Agreement shall be construed to create, and the parties do not intend to create, any rights in or for the benefit of third parties.

21. UNUSUAL OCCURRENCE REPORTING. Contractor is required to have procedures for reporting unusual occurrences relating to health and safety issues. Contractor shall report to County any unusual events, accidents, or injuries requiring medical treatment for clients, staff, or members of the community. An unusual occurrence shall be reported to the County in writing (or electronic mail) as soon as possible but no later than three (3) working days of the Contractor's knowledge of the event. An unusual occurrence is subject to investigation by Lake County Behavioral Health; and upon a request, a copy of the County's investigation shall be made available to the State Department of Behavioral Health, which may subsequently conduct its own investigation.

22. OVERSIGHT. Lake County Behavioral Health Services shall conduct oversight and impose sanctions on the Contractor for violations of the terms of this Agreement, and applicable federal and state law and regulations, in accordance with Welfare & Institutions Code 14712(3) and CCR, Title 9, Section 1810.380 and 1810.385.

24. NON-APPROPRIATION. In the event County is unable to obtain funding at the end of each fiscal year for specialty mental health services required during the next fiscal year, County shall have the right to terminate this Agreement, without incurring any damages or penalties, and shall not be obligated to continue performance under this Agreement. To the extent any remedy in this Agreement may conflict with Article XVI of the California Constitution or any other debt limitation provision of California law applicable to County, Contractor hereby expressly and irrevocably waives its right to such remedy.






Davis Guest Home FY 20-21 for 19-20 Svcs

Final Audit Report

2020-09-15

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