

**NAPA COUNTY AGREEMENT NO. 220004B  
AMENDMENT NO. 1**

**THIS AMENDMENT NO. 1 TO AGREEMENT NO. 220004B** is effective as of the \_\_\_\_\_ day of \_\_\_\_\_ 2022, by and between NAPA COUNTY, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and **PROGRESS FOUNDATION, INC.**, hereinafter referred to as "CONTRACTOR." COUNTY and CONTRACTOR may be referred to below collectively as "Parties" and individually as "Party."

**RECITALS**

**WHEREAS**, on or about July 1, 2021, COUNTY and CONTRACTOR entered into Napa County Agreement No. 220003B (hereinafter referred to as "Agreement") for CONTRACTOR to provide mental health services to clients of its Health and Human Services Agency; and

**WHEREAS**, the Parties wish to amend the Agreement to increase the contract maximum on page 1 of the Agreement commencing in Fiscal Year 2022-2023 and each automatic renewal thereof, and replace Exhibit A with Exhibit A-1 (Scope of Work) and Exhibit B with Exhibit B-1 (Compensation and Financial Reporting).

**TERMS**

**NOW, THEREFORE**, for good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the Parties amend the Agreement as follows:

1. The maximum amount of payment on Page 1 of the Agreement shall be **ONE MILLION SEVENTY-THREE THOUSAND SIXTY-EIGHT DOLLARS (\$1,073,068 .00)**, reflecting an increase of **Twenty Thousand Dollars (\$20,000.00)**; provided however, that such amounts shall not be construed as guaranteed sums, and compensation shall be based upon services actually rendered and expenses actually incurred.
2. Exhibit A is hereby replaced with "Exhibit A-1" attached hereto and incorporated by reference as set forth herein, and all references in the Agreement to Exhibit "A" shall refer to "Exhibit A-1" commencing as of the effective date of this Amendment No. 1.
3. Exhibit B is hereby replaced with "Exhibit B-1" attached hereto and incorporated by reference as set forth herein, and all references in the Agreement to Exhibit "B" shall refer to "Exhibit B-1" commencing as of the effective date of this Amendment No. 1.
4. Except as provided above, the terms and conditions of the Agreement shall remain in full force and effect as originally approved and last amended.

**IN WITNESS WHEREOF**, the Parties hereto have executed this Amendment No. 1 to Napa County Agreement No. 220004B as of the first date written above.

PROGRESS FOUNDATION, INC.

By   
STEVE FIELDS, Executive Director



By \_\_\_\_\_  
SWATI KAPADIA, Chief Financial Officer

“CONTRACTOR”

NAPA COUNTY, a political subdivision of  
the State of California

By \_\_\_\_\_  
RYAN GREGORY, Chair of the Board of  
Supervisors

"COUNTY"

<p>APPROVED AS TO FORM Office of County Counsel By: Rachel L. Ross (e-signature) _____ Deputy County Counsel Date: August 24, 2022</p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS Date: _____ Processed By: _____ _____ Deputy Clerk of the Board</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors By: _____</p>
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**EXHIBIT A-1**  
**SCOPE OF WORK**

**PROGRESS FOUNDATION**  
**Progress Place Crisis Residential Program**  
**From Board Approval Date through June 30, 2023**  
**(and each subsequent automatic renewal thereof)**

**General Description**

CONTRACTOR will operate Progress Place, an 8-bed crisis residential treatment program for COUNTY's Health and Human Services Agency-Mental Health Division. (herein referred to as COUNTY). The crisis residential program is located at 3133 Laurel Street, Napa. This program is designed to serve as an alternative to psychiatric hospitalization, Psychiatric Hospital Facility (PHF) step downs, and Napa County Detention Center (NCDC) transition referrals. Services are designed to be intensive and of short duration.

**Crisis Residential Treatment Program**

The crisis residential program operates and is staffed 24 hours per day, 7 days per week. The usual length of stay is 14 days, but actual length of stay is determined through use of authorization processes defined by COUNTY and close collaboration regarding ongoing verification and documentation of medical necessity for this level of mental health services.

The program is certified by the Department of Health Care Services (DHCS) as a "Crisis Residential Treatment Service" and is licensed by the State Department of Social Services as a "Social Rehabilitation Facility".

**Target Population**

- a) Adults age 18 and older in psychiatric crisis without severe organic impairment and without physical disability requiring hospital or significant nursing care.
- b) Voluntary.
- c) Ambulatory.
- d) Lacking those support systems which could counter the need for a higher level of supervised care.
- e) Included primary diagnosis for specialty mental health services.
- f) Able to participate voluntarily in the Progress Place crisis program activities.
- g) All of the above and transitioning out of PHF's.
- h) All of the above and transitioning out of NCDC.

**Description of Program Requirements**

Certification as an Organizational Provider: CONTRACTOR shall operate as, and meet all standards required of, an organizational provider defined and regulated in Title 9, Division 1, Chapter 11, CCR. CONTRACTOR shall meet DHCS as well as the MHP's certification process to include an on-site review in addition to a review of relevant documentation. At minimum, COUNTY certification requires that CONTRACTOR meets the following standards:

- a. Staff providing Specialty Mental Health Crisis Residential services shall possess the necessary license or certification to provide those services. CONTRACTOR certifies that all staff providing services hereunder are qualified to provide the service for which reimbursement is claimed, based upon education, experience and licensure. CONTRACTOR shall maintain records verifying said qualifications for each service provider providing services under this agreement, and documenting the provision of supervised hours as required by the Board of Behavioral Sciences for Marriage and Family Counselor- Interns, (MFTI), or an Associate Clinical Social Workers (ASW). CONTRACTOR shall provide evidence of said records as requested by COUNTY.
- b. Maintain a safe facility.
- c. Maintain medical records in a manner that meets state and federal standards. All medical record requirements for Specialty Mental Health Crisis Residential services shall be met and/or exceeded.
- d. Meet any additional requirements established by the MHP as part of a credentialing or other evaluation process.
- e. Store and monitor medications in compliance with all applicable state and federal laws and regulations.
- f. Possess the necessary license to operate.
- g. Provide for appropriate supervision of staff.
- h. Have as head of service a licensed mental health professional or other appropriate individual as described in Sections 622 through 630 of Title 9, Division 1, Chapter 3, of the California Code of Regulations.
- i. Possess appropriate liability insurance.
- j. Have accounting and fiscal practices that are sufficient to comply with its obligations pursuant to CCR Title 9, Division 1, Chapter 11, Section 1840.105.
- k. As a condition for reimbursement, CONTRACTOR shall ensure beneficiaries shall receive the same level of services as provided all other individuals served.
- l. Inform the MHP of any sentinel event or occurrence in which COUNTY'S client receiving services covered under this contract suffers physical injury, emotional trauma, death or serious side-effect which could be attributed as caused in any way by CONTRACTOR. Such events shall be immediately reported to the Napa County Mental Health Director and/or his/her designee.
- m. CONTRACTOR shall provide culturally and linguistically appropriate services to individuals as defined in the Napa County Specialty Mental Health Plan.

### **Referral and Admission**

Referrals originate from and are authorized by Napa County's Crisis Stabilization Services (CSS) operated by Crestwood and COUNTY Mental Health Adult Services Unit for PHF step down and NCDC transition referrals.

### **Medical Necessity in the Referral and Admission Process**

Crestwood's CSS staff and COUNTY Adult Mental Health Unit will ensure that referrals made to Progress Place meet criteria for Crisis Residential mental health services at the time of the referral. In the event that both COUNTY and CONTRACTOR staff agree that an individual does not meet criteria, but could benefit from a limited amount of Progress Place service, then this referral will follow the normal admission procedures for Progress Place. Both

CONTRACTOR and COUNTY staff will clearly document that the referral does not meet criteria and is not billable as a Medi-Cal Specialty Mental Health service.

The intended result of this relationship is that the needs of the community and the mental health system are met: (1) individuals are diverted from hospitalization at the point of crisis for stabilization; (2) individuals' length of stay on inpatient units are shortened; and (3) those imminently at risk of hospitalization are diverted to the program for further treatment.

The close working relationship with the CSS Program and COUNTY Mental Health generally results in agreement on which individuals to serve. When it does not, and CONTRACTOR wishes to decline an admission or to discharge of an individual being served a review by COUNTY's Assistant Deputy Director (or designee) shall be requested and completed prior to finalizing this decision. Any denials shall include a review by the COUNTY to determine the reason for the denial.

### **Intake Process**

Individuals appropriately referred to the crisis program are interviewed by CONTRACTOR staff.

Assessment information regarding the individual's personal, social, medical and psychiatric history is gathered at this time. If a licensed staff person from the CSSP or COUNTY Mental Health has not provided a five axis diagnosis upon referral, CONTRACTOR's staff will provide licensed staff for the purpose of determining the individual's diagnosis at intake. If it is determined that the referral meets medical necessity criteria (referred to above) and is appropriate for admission, then the individual is accepted into the program. If both CONTRACTOR and COUNTY agree that the individual does not meet admission criteria but requires Progress Place services on a limited basis, then staff will follow the procedure outlined herein.

An initial treatment plan and admission agreements are required. CONTRACTOR shall review the admission agreement with each admitted individual and discuss the following topics: tentative discharge date; agreement to abide by program rules; payment obligations for room, board, and services; and authorization requirements for the transmission of information concerning history, care, and treatment to other providers as necessary for coordination of care purposes.

All relevant information is entered into a medical record, which conforms to documentation regulation standards and the needs of COUNTY and is the responsibility of CONTRACTOR.

### **Discharge Planning**

Discharge planning begins at the time of admission. The reintegration of the individual with family, close friends, and community supports is a major part of this effort. Although it is primarily the responsibility of the CONTRACTOR, the COUNTY's Mental Health Division is expected to continue to take an active role in discharge planning for Progress Place program participants who are case managed. Discharge decisions will also be dependent upon ongoing confirmation and supporting documentation by Progress Place that the individual meets (or does not meet) medical necessity criteria for this level of care, and by determination of the Progress Place Authorization Committee.

CONTRACTOR will continue to work closely with the COUNTY's Adult and Older Adult Services Divisions, including the CSSP, Case Managers, and others in the network, to assure successful resolution of the crisis and return of the individual to a less restrictive environment.

**Medi-Cal Service Documentation Requirements**

Effective July 1, 2022 CONTRACTOR shall comply with the most current DHCS CalAIM documentation requirements. CONTRACTOR shall also comply with elements outlined in both COUNTY Mental Health Documentation Manual and COUNTY Mental Health policy and procedures related to CalAIM documentation and best practice protocols.

CONTRACTOR shall provide COUNTY with access to all documentation of services provided under this agreement for COUNTY'S use in administering this agreement. Without limitation, COUNTY shall have access to such documentation for quality assurance and for audit or substantiation of claims for payment of services.

**Quality Assurance**

CONTRACTOR shall institute and conduct a Quality Assurance Process for all services provided hereunder. Said process shall include as a minimum a system for verifying that all services provided and claimed for reimbursement shall meet specialty mental health service definitions and be documented accurately

CONTRACTOR will provide COUNTY with notification and a summary of any internal audit exceptions and the specific corrective actions taken to sufficiently reduce the errors that are discovered through CONTRACTOR'S internal audit process. CONTRACTOR shall provide this notification and summary to COUNTY in a timely manner.

**Orientation, Training and Technical Assistance**

COUNTY will endeavor to provide CONTRACTOR with training and support in the skills and competencies to (a) conduct, participate in, and sustain the performance levels called for in the contract, and (b) conduct the quality management activities called for by the contract.

COUNTY shall provide CONTRACTOR with all applicable standards for the delivery and accurate documentation of services. COUNTY shall make ongoing technical assistance available in the form of direct consultation to the contractor upon CONTRACTOR's request to the extent that COUNTY has capacity and capability to provide this assistance. In so doing, COUNTY is not relieving CONTRACTOR of its duty to provide training and supervision to its staff or to ensure that its activities comply with applicable regulations and other requirements included in the terms and conditions of this agreement. Any requests for technical assistance by CONTRACTOR regarding any part of this agreement shall be directed to the COUNTY's designated contract monitor.

### **Contract Monitoring**

COUNTY shall monitor CONTRACTOR's performance under this agreement to ensure the safety of individuals served, the appropriateness of services provided, their efficacy and effectiveness, and to protect against fiscal disallowances.

COUNTY shall designate a contract monitor who shall monitor CONTRACTOR's performance under this agreement and serve as the primary point of contact regarding this agreement.

### **Monitoring Site Visits**

This agreement contains provisions related to required objective service documentation standards, adherence to clinical standards of care, individual satisfaction levels, individual outcomes, authorization processes and invoicing. Without limiting those provisions, COUNTY shall have the right to conduct one or more site visits to the CONTRACTOR's place of business to monitor performance under this agreement. COUNTY will normally provide CONTRACTOR with thirty (30) days or more prior written notice of such site visits. This notice shall include:

- a) the specific monitoring tool(s) that will be utilized,
- b) the preparation required of the CONTRACTOR prior to the monitoring visit. HHS may require the provision of specific information in writing prior to the site visit to expedite the monitoring activities.
- c) the information to be available for review at the time of the visit, which may include, among other things, service records, program policies and procedures, proof of licensure or certification, and documentation substantiating staff hours or other costs incurred by CONTRACTOR in providing the services being purchased. HHS may require the provision of specific information in writing prior to the site visit to expedite monitoring activities.

As an outcome of the site visit, COUNTY shall provide CONTRACTOR with a preliminary monitoring report for review before it is finalized. This report shall contain a summary of information collected or reviewed; the evaluator's assessment, conclusions, and recommendations; and, any requirements or sanctions to be imposed on the CONTRACTOR, such as disallowances, recoupments, or requests for plans of action.

CONTRACTOR will have two weeks to give notice of any disagreement with any of the findings and to present information supporting the provider's position. If appropriate, COUNTY may conduct additional monitoring activities to evaluate the CONTRACTOR's position.

COUNTY shall then finalize and issue its report. If the final report identifies material variations between CONTRACTOR's service activities and the standards required under this agreement, COUNTY may require CONTRACTOR to prepare a written plan of action to address those variations. COUNTY will also have such other remedies as are provided under this agreement.

### **Performance Standards**

In evaluating service records of individuals served under this agreement, COUNTY will evaluate services with reference to applicable contract, state, and federal standards for service delivery and documentation to determine whether they qualify for payment under this agreement...

In the event COUNTY revises any required standards in the course of the contract year, the revised tool shall be provided to the CONTRACTOR, along with an explanation of the impact of any changes on the contractor.

COUNTY and CONTRACTOR agree to work collaboratively to develop key service quality indicators and outcomes and identify sources of reliable data to measure them. In addition, attributes and characteristics of persons served and other information needed shall be identified.

CONTRACTOR shall provide COUNTY upon request, with documentation of CONTRACTOR's organizational capacity to conduct internal quality management activities, including chart audits. CONTRACTOR shall provide documentation of the measures in place to assess key quality factors (including appropriateness, efficacy, and effectiveness) and key risks (including individual safety and adherence to funding standards). At minimum, CONTRACTOR shall be required to conduct internal case record reviews at least quarterly. CONTRACTOR shall submit timely reports of these internal monitoring activities, as well as quarterly reports on incidents, accidents, and individual complaints.

### **Program Goal and Objectives**

#### **Goal:**

1. To reduce the utilization of psychiatric inpatient facilities.

#### **Objectives:**

1. Of those individuals admitted to the program, 85% will move to a less restrictive setting at discharge.
2. Of those individuals admitted to the program 90% will not require inpatient hospitalization during their stay in the program.

### **Program Reporting**

CONTRACTOR will provide data to COUNTY on a semi-annual basis to describe achievement of these objectives. If Performance Objective is not achieved, CONTRACTOR will include a brief explanation of the obstacles that prevented this along with the CONTRACTOR's plan for addressing those obstacles.

### **Sentinel Events and Critical Incident Reporting**

CONTRACTOR must report all program sentinel events to both COUNTY Mental Health Director and Mental Health Provider Services Coordinator within 24 hours of occurring.

- A **Sentinel Event** is defined as: death, permanent harm, and severe temporary harm with intervention required to sustain life.

CONTRACTOR must report all program critical incidents to both COUNTY Mental Health Provider Services Coordinator within 48 hours of occurring



- A **Critical Incident** is defined as: client injuries severe enough to involve and ambulance being called, assaults or violence involving clients, and adverse medication reactions.

CONTRACTOR shall send COUNTY Mental Health Provider Services Coordinator copies of Community Care Licensing (CCL) related to both sentinel events and critical incident reports.

CONTRACTOR shall maintain a program policy delineating protocols and procedures for sentinel events and critical incidents.

### **Grievance Requirements**

CONTRACTOR shall comply with COUNTY's grievance policy and procedure to address any concern or problem voiced by the individual, and to provide individuals with a means to register, and to resolve grievances and appeals. CONTRACTOR shall ensure that the following procedures are followed:

- a) When an individual expresses a concern regarding CONTRACTOR'S services, CONTRACTOR shall determine the nature of the concern and, if the concern is easily fixed or poses a risk to others, it should be immediately resolved.
- b) For all grievances, provide the individual with the Mental Health Grievance Form for Medi-Cal Eligible Beneficiaries (Grievance Form) and direct them to fill it out and return it to COUNTY's Mental Health Quality Coordinator in the postage paid envelope. CONTRACTOR is responsible for completing the Grievance form for oral grievances received.
- c) Provide beneficiaries with reasonable assistance in completing forms and taking procedural steps including, but not limited to, providing interpreter services and toll-free numbers that have adequate TTY/TTD and interpreter capability.
- d) Notify COUNTY's Mental Health Quality Coordinator within 24 hours of the next business day via fax or phone that a grievance has been made and provide the details of the grievance. Provide the individual's name, the date and time that the grievance was made, CONTRACTOR's name, a brief description of the concern, and any steps taken to resolve the matter.
- e) Provide individuals with reasonable assistance in completing forms and taking procedural steps including, but not limited to, providing interpreter services and toll-free numbers that have adequate TTY/TTD and interpreter capability.
- f) Notify COUNTY's Quality Coordinator **within 24 hours via FAX@ 707-299-2199** that a grievance has been made and provide the individual's name, the date and time that the grievance was made, staff member's name, and a brief description of the concern, and any steps taken to resolve the matter. Refer questions to Mental Health Quality Coordinator @ 707-299-1968.

**EXHIBIT B-1**  
**COMPENSATION AND FINANCIAL REPORTING**

**PROGRESS FOUNDATION**  
**Progress Place Crisis Residential Program**  
**From Board Approval Date through June 30, 2023**  
**(and each subsequent automatic renewal thereof)**

**I. COMPENSATION**

COUNTY shall provide CONTRACTOR up to the total contract maximum amount of \$1,073,068.

To request reimbursement for deliverables defined in Exhibit A-1, Scope of Work, the CONTRACTOR must submit an invoice or claim form to the County Mental Health Fiscal Analyst. COUNTY shall make monthly advance payments based on one-twelfth (1/12) of the total annual compensation amount of \$1,073,068.

Partial funding for this agreement in the amount of \$69,267 is dependent upon CONTRACTOR's acceptance of 14 direct referrals from Napa County Detention Center (NCDC). If CONTRACTOR serves more than 14 NCDC clients in a fiscal year payment amount shall not exceed \$69,267.

**II. FINANCIAL REPORTING**

Payment for program services is dependent upon provision of services and ongoing documentation of Medical Necessity standards for this level of care.

CONTRACTOR shall submit an annual cost report due by August 31st following the end of the fiscal year. Failure to submit the cost report timely may result in the suspension of payments until the cost report is received by the COUNTY. Any funds received in excess of actual costs shall be refunded to the county.

COUNTY shall withhold any payments for mental health services for which documentation of Medical Necessity by CONTRACTOR's Crisis Residential staff is not sufficient to claim the Federal Financial share of Medi-Cal.

CONTRACTOR shall reimburse COUNTY for all overpayments identified by CONTRACTOR COUNTY, and/or State or Federal oversight agencies as an audit exception. CONTRACTOR shall make any repayment based on audit exception(s) upon discovery of said exception(s). If reimbursement is required, CONTRACTOR shall reimburse COUNTY within 60 days of identification.

**HHA Billing for Mental Health Services**

A billing unit is defined as one (1) day of service. CONTRACTOR will submit a claim for each day of service by means of an invoice form and an itemized "Residential Mental Health Attendance" form which clearly identifies the dates in which the client was present in the program, received services, and met medical necessity criteria for billing Transitional Residential

Mental Health Services. CONTRACTOR shall clearly identify NCDC clients on both invoice form and “Residential Mental Health Attendance” form.

COUNTY will bill the services performed by CONTRACTOR and provided by CONTRACTOR to HHS to various private or governmental third party payors. COUNTY is the only party who may bill and seek reimbursement for the services performed by CONTRACTOR to COUNTY. CONTRACTOR is prohibited from seeking any reimbursement, including but not limited to various private or governmental third party payors (e.g., Medicare, Medi-Cal, TRICARE, Champus) or other individuals, for any of the services performed by CONTRACTOR. CONTRACTOR will cooperate with COUNTY to facilitate COUNTY in obtaining the maximum legal reimbursement for the services provided. CONTRACTOR is responsible for ensuring that the CONTRACTOR adhere to this provision.

#### Electronic Medical Record and Billing Provision

As specified by COUNTY, Contractor shall update its clinical and fiscal practices at the COUNTY’s request where change is necessary to ensure the following:

- a. Correct billing of Medi-Cal services by COUNTY to Short-Doyle/Medi-Cal (SD/MC);
- b. Congruence with COUNTY requirements for documentation, clinical or fiscal; and,
- c. Seamless integration with and use of electronic medical record, the electronic billing system, and other relevant aspects of the COUNTY’s electronic software system.

Additional costs incurred by CONTRACTOR shall be solely borne by CONTRACTOR except as otherwise specified in subsequent amendments to this contract.

### **III. LIMITATIONS AFFECTING PAYMENT**

CONTRACTOR shall perform services and provide such documentation as required by all applicable State and Federal laws, rules, and regulations, and as described in Exhibit A-1 of this agreement. Other limitations affecting contract payments may include, but are not limited to:

CONTRACTOR shall provide such documentation as required by COUNTY at any time in order to substantiate its claims for payment. COUNTY may elect to withhold payment for failure by CONTRACTOR to provide such documentation required by COUNTY.

CONTRACTOR’s services and claims are subject to any audits conducted by COUNTY, the State of California or federal government, or other auditors. Any resulting audit exemption shall be repaid to COUNTY.

To the extent CONTRACTOR is required to make COUNTY whole under this Paragraph, COUNTY may elect to withhold any payments for past services, offset against any payments for future services for which CONTRACTOR provides, or demand reimbursement without offset.

CONTRACTOR shall pay any penalty or fine assessed against COUNTY arising from CONTRACTOR’s failure to comply with all applicable Federal or State Health Care Program Requirements, including, but not limited to any penalties and fines, which may be assessed under a Federal or State False Claims Act provision.

Non-compliance with the provisions of this Exhibit B-1 may lead at any time to withholding of payments and/or a termination of the Agreement based on breach of contract.