

**NAPA COUNTY AGREEMENT NO. 220003B
AMENDMENT NO. 3**

THIS AMENDMENT NO. 3 TO AGREEMENT NO. 220003B is effective as of the 1st day of July 2024, by and between NAPA COUNTY, a political subdivision of the State of California, hereinafter referred to as "COUNTY" and **PROGRESS FOUNDATION, INC.**, whose mailing address is 1100 Lincoln Ave. #108, Napa, CA 94558, 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, on or about September 13, 2022, the Parties amended 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); and

WHEREAS, on or about July 1, 2023, the Parties amended the Agreement to increase the contract maximum, replace Exhibit A-1 with Exhibit A-2 (Scope of Work) and Exhibit B-1 with Exhibit B-2 (Compensation and Financial Reporting), and incorporate an Exhibit D (Specialty Mental Health Services CalAIM and Payment Reform Contractor Boilerplate); and

WHEREAS, as of the effective date of this Amendment No. 3, the Parties wish to amend the Agreement to increase the contract maximum and replace Exhibit B-2 with Exhibit B-3 (Compensation and Financial Reporting) in order to reflect the contract maximum increase accordingly.

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 **Nine Hundred Twenty Thousand One Hundred Ninety Dollars (\$920,190.00)** of which **Thirty-Five Thousand Three Hundred Ninety-Three Dollars (\$35,393.00)** is increased by virtue of the Amendment No. 3; 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 B-2 is hereby replaced with "Exhibit B-3" attached hereto and incorporated by reference as set forth herein, and all references in the Agreement to Exhibit "B-2" shall refer to "Exhibit B-3" commencing as of the effective date of this Amendment No. 3.

- 3. 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. 3 to Napa County Agreement No. 220003B as of the first date written above.

PROGRESS FOUNDATION, INC.

By Steve Fields
STEVE FIELDS, Executive Director

By Swati Kapadia
SWATI KAPADIA, Chief Financial Officer

“CONTRACTOR”

NAPA COUNTY, a political subdivision of the State of California

By _____
JOELLE GALLAGHER
Chair of the Board of Supervisors

"COUNTY"

<p>APPROVED AS TO FORM Office of County Counsel By:</p> <p>By: Rachel L. Ross (e-signature)</p> <p>Date: 9/20/2024</p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: _____</p> <p>Processed By:</p> <p>_____ Deputy Clerk of the Board</p>	<p>ATTEST: NEHA HOSKINS Clerk of the Board of Supervisors</p> <p>By: _____</p>
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EXHIBIT B-3
COMPENSATION AND FINANCIAL REPORTING

July 1, 2024 through June 30, 2025
(and each subsequent automatic renewal)

Compensation

1. Agreement maximum shall not to exceed **\$920,190.00**.
2. Approved services performed, at any program site, shall be administered, billed, and reviewed through CONTRACTOR’s central fiscal office.

Payment Rates

COUNTY shall compensate CONTRACTOR for contract services provided and properly documented, as defined in Table 1 and in Exhibit A. Rates billed for contract services during the contract term shall be based the following:

TABLE 1: PAYMENT SCHEDULE

July	\$76,682.50
August	\$76,682.50
September	\$76,682.50
October	\$76,682.50
November	\$76,682.50
December	\$76,682.50
January	\$76,682.50
February	\$76,682.50
March	\$76,682.50
April	\$76,682.50
May	\$76,682.50
June	\$76,682.50
Total Contract Maximum	\$920,190.00

Financial Reporting

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

COUNTY shall withhold any payments for mental health services for which documentation of Medical Necessity by CONTRACTOR’s Residential staff is not sufficient to claim the 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.

1. HHSA 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.

COUNTY will bill the services performed by CONTRACTOR and provided by CONTRACTOR to COUNTY 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.

2. 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.

Required Submissions

1. Budget. Fifteen days prior to the beginning of the Fiscal Year, CONTRACTOR may submit an estimated Budget consistent with the Fiscal Year contract maximum. CONTRACTOR shall include available overall capacity, capacity by classification of services, and availability of services (i.e., 24/7, 5 days/week, 7 days/week, and hours, if applicable). COUNTY may also request estimated FTEs, by standardized classification, and

identify those providing Direct Client Care. The COUNTY may supply a revised Budget Template and monthly invoice template which correlates to services, capacity utilization tracking, and standardized FTE professional classification fields.

2. Invoices. CONTRACTOR shall submit valid and accurate *Monthly* itemized invoices to BHInvoices@countyofnapa.org by the *15th of each month* for all authorized contract services provided in the preceding *month*.

The invoice shall itemize all of the following, within a provided template, for each billed service:

- i. Daily beds available for Napa County usage, as contracted.
- ii. Number of beds utilized by Napa County consumers per day.
- iii. Client name(s).
- iv. Program name.
- v. Description of service.
- vi. Approved staff member who provided service.
- vii. Identifiable Activity Code.
- viii. Must correlate to approved staff member's scope of service, by credential.
- ix. Date of service.
- x. Length of service.
- xi. Rate of service.
- xii. Total amount billed for each service.
- xiii. Invoice shall only include billing for the eligible contract services performed in the manner described herein.

Validity and accuracy of invoice submission is critical to ensure timely payment of invoices for contracted services. Invoices will be paid within 60 days of receipt of invoices that are valid, accurate, and approved. If COUNTY staff requires any invoice follow-up, clarification, adjustment, or resubmission from CONTRACTOR, the 60-day timeframe for invoice payment resets to the date all outstanding issues are resolved, and the most recently received invoice is confirmed to be valid and accurate.

3. Annual Cost Report. COUNTY may require CONTRACTOR to submit an annual cost report, at no additional cost to COUNTY. If a cost report is required, CONTRACTOR will be notified, and the cost report will be 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.

Other Limitations Affecting Payments

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 of this agreement. Other limitations affecting contract payments may include, but are not limited to:

1. 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.
2. 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.
3. CONTRACTOR shall make COUNTY whole for disallowances for payment or lost revenues as identified and discovered by the COUNTY that are attributable to CONTRACTOR's performance under this Agreement, including, but not limited to, CONTRACTOR's insufficient documentation of Medical Necessity or billing errors by CONTRACTOR that preclude COUNTY from claiming the Federal Financial Participation share of Medi-Cal.
4. To the extent CONTRACTOR shall make whole the COUNTY 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.
5. 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 this agreement may lead at any time to withholding of payments and/or a termination of the agreement based on breach of contract.