

**NAPA COUNTY AGREEMENT NO. 220003B  
AMENDMENT NO. 4**

**THIS AMENDMENT NO. 4 TO AGREEMENT NO. 220003B** is effective as of the 1<sup>st</sup> day of July 2025, 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**, on or about July 1, 2025 the Parties amended 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; and

**WHEREAS**, as of the effective date of this Amendment No. 4, the Parties wish to amend the Agreement to increase the contract maximum, replace Exhibit A-2 with Exhibit A-3 (Scope of Work), and replace Exhibit B-3 with Exhibit B-4 (Compensation and Financial Reporting) in order to incorporate updated language and reflect the contract maximum increase.

**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 Two Hundred Fifty-Six Thousand Dollars (\$1,256,000.00)** of which **Three Hundred Thirty-Five Thousand Eight Hundred Ten Dollars (\$335,810.00)** is increased by virtue of the Amendment No. 4; 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-2 is hereby replaced with “Exhibit A-3” attached hereto and incorporated by reference as set forth herein, and all references in the Agreement to Exhibit “A-2” shall refer to “Exhibit A-3” commencing as of the effective date of this Amendment No. 4.
3. Exhibit B-3 is hereby replaced with “Exhibit B-4” attached hereto and incorporated by reference as set forth herein, and all references in the Agreement to Exhibit “B-3” shall refer to “Exhibit B-4” commencing as of the effective date of this Amendment No. 4.
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.

**[SIGNATURE PAGE TO FOLLOW]**

**IN WITNESS WHEREOF**, the Parties hereto have executed this Amendment No. 4 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 \_\_\_\_\_  
AMBER MANFREE  
Chair of the Board of Supervisors

"COUNTY"

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <i>Jo Ann Iwasaki Parker</i>, Deputy</p> <p>Date: February 11, 2026</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 A-3**  
**SCOPE OF WORK**

**July 1, 2025 through June 30, 2026**  
**(and each subsequent automatic renewal)**

**Introduction**

CONTRACTOR will operate Bella House, a 12-bed mental health transitional residential treatment program for the COUNTY's Health and Human Services Agency (HHS). The program shall serve adults with a history of serious and persistent mental health problems and provide services targeted toward the development of more independent living skills, the building of a community support system, and appropriate use of services and support designed to assist individuals' efforts to achieve self-sufficiency. CONTRACTOR shall utilize a full range of community treatment and social service resources as part of the overall treatment approach.

CONTRACTOR shall ensure that the facility maintains certification and provides COUNTY with evidence of (re)certification by the California Department of Healthcare Services as a "Transitional Residential Treatment Service" and licensure by the State Department of Social Services as a "Social Rehabilitation Facility" at required intervals.

The maximum length of stay shall conform to licensing and certification standards and may range from approximately three (3) months to a maximum of eighteen (18) months.

CONTRACTOR shall provide said services in CONTRACTOR'S programs as described herein; and locations as described herein.

**Target Population**

1. Age 18 and above without severe organic impairment and without physical disability requiring hospital or nursing care.
2. Voluntary or, if conserved, willing to participate in programming.
3. Ambulatory.
4. Lacking those support systems which could counter institutionalization or other more restrictive levels of care.
5. Has a primary mental health diagnosis.

**Service Location(s)**

Bella House  
1046 Bella Dr  
Napa, CA 94558

## **Program Description**

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 the Department of Health Care Services (DHCS) certification process. DHCS will State-certify CONTRACTOR. CONTRACTOR must also meet the COUNTY Mental Health Plan (MHP) certification process to include an onsite review in addition to a review of relevant documentation. At minimum, COUNTY certification requires that CONTRACTOR meets the following standards:

1. Staff providing Specialty Mental Health Transitional 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 Associate Marriage and Family Therapists (AMFT), Associate Clinical Social Workers (ASW), or Associate Professional Clinical Counselors (APCC). CONTRACTOR shall provide evidence of said records as requested by COUNTY.
2. Maintain a safe facility.
3. Maintain client records in a manner that meets state and federal standards. All medical record requirements for Specialty Mental Health Transitional Residential services shall be met and/or exceeded.
4. Store and monitor medications in compliance with all applicable state and federal laws and regulations.
5. Meet any additional requirements established by the MHP as part of a credentialing or other evaluation process.
6. Provide for appropriate supervision of staff.
7. 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, Article 8 of the California Code of Regulations.
8. Possess appropriate liability insurance.
9. 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.
10. As a condition for reimbursement, CONTRACTOR shall ensure beneficiaries shall receive the same level of services as provided all other clients served.
11. 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 Behavioral Health Director and/or his/her designee.

12. CONTRACTOR shall provide culturally and linguistically appropriate services to clients as defined in the Napa County Specialty Mental Health Plan.

**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 require objective service documentation standards, adherence to clinical standards of care, served individuals' satisfaction levels, treatment outcomes, authorization processes and invoicing. Without limiting those provisions, COUNTY shall have the right to conduct one (1) 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:

1. Specific monitoring tool(s) that will be utilized;
2. The preparation required of the CONTRACTOR prior to the monitoring visit. COUNTY may require the provision of specific information in writing prior to the site visit to expedite the monitoring activities; and,
3. Information to be available for review at the time of the visit, which may include, among other things, client 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. COUNTY 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 (2) 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.

### **Referral and Admission**

Referrals may originate from COUNTY's Behavioral Health Division and may also originate with CONTRACTOR's Progress Place Crisis Residential Program. Bella House will serve an agreed upon number of County clients on conservatorship "stepping down" from Institutions for Mental Disease (IMD) facilities. Clients will be selected for referral from IMDs through a process of agreement between CONTRACTOR and COUNTY Behavioral Health staff.

### **Request for Service and Authorization Requirements**

CONTRACTOR staff shall interview and assess all Bella House candidates and shall obtain authorization from COUNTY prior to accepting individuals into the program as described herein.

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

The Residential Utilization Review Committee or equivalent body will ensure that referrals made to Bella House meet Medical Necessity Criteria for Transitional Residential mental health services at the time of the referral. The close working relationship with the COUNTY generally results in agreement on which clients 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 Clinical Program Director (or designee) shall be requested and completed prior to finalizing this decision.

### **Intake Process**

Individuals referred to CONTRACTOR's Bella House program are interviewed by CONTRACTOR staff. Assessment information regarding the individual's personal, social, medical, and psychiatric history is gathered at this time. CONTRACTOR will provide licensed staff for the purpose of determining the individual's diagnosis. If it is determined that the referral meets program criteria and is appropriate for admission, then the individual is accepted into the program.

Within one (1) business day of the date of admission, CONTRACTOR will complete and submit intake forms to COUNTY.

An initial treatment plan is developed and the individual then enters into an admission agreement with the program. The agreement outlines such things as: tentative discharge date; agreeing to abide by program rules; paying the amount determined for room, board, and services; and

authorizing transmission of information concerning history, care, and treatment to other providers for coordination of care purposes.

All relevant information is entered into a medical record, which conforms to state and federal medical records standards and is the responsibility of CONTRACTOR.

CONTRACTOR's Bella House staff will continue to work closely with COUNTY's HHSA staff, including Case Managers and others in the COUNTY's behavioral health service network, to assure successful resolution of program participant's issues.

### **Information Requirements**

All individuals seen under this agreement shall be provided with informing materials as required by State and Federal Health Care regulations. CONTRACTOR shall coordinate with COUNTY staff to ensure that each individual being provided specialty mental health services shall receive appropriate intake materials. CONTRACTOR assumes responsibility for completion of required Medi-Cal beneficiary informing materials when CONTRACTOR receives authorization from COUNTY to enroll a beneficiary into Napa County Behavioral Health if the beneficiary is not receiving services from another Napa County Behavioral Health service provider at the time the CONTRACTOR starts services. When CONTRACTOR is responsible for distribution of informing materials, CONTRACTOR shall maintain written verification that materials were distributed and/or completed for each individual receiving services.

### **Discharge Planning**

Discharge planning begins shortly after admission. The reintegration of the program participant with family, close friends, and community supports is a major focus of this effort. Although it is primarily the responsibility of the CONTRACTOR, COUNTY's staff is expected to take an active role in discharge planning for Bella House clients who are case managed by COUNTY. Client discharge planning from Bella House into the community who are transitioning from IMDs will be actively case managed by County Behavioral Health staff and coordination with Bella House staff.

CONTRACTOR will complete and submit a discharge/notification of termination form to COUNTY for each discharge within one (1) business day of date of discharge.

### **Medi-Cal Service Documentation Requirements**

CONTRACTOR shall comply with the most current DHCS CalAIM documentation requirements. CONTRACTOR shall also comply with elements outlined in both COUNTY Behavioral Health Documentation Manual and COUNTY Behavioral 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.

### **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:

1. When an individual expresses a concern regarding the dissatisfaction of any matter involving a contracted provider which include but are not limited to; the quality of care or services provided, aspects of interpersonal relationships such as rudeness of a provider or employee, failure to respect the member's rights regardless of whether remedial action is requested, and the member's right to dispute an extension of time proposed by the BHP to make an authorization decision. 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.
2. 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 Grievance Coordinator in Quality Management r in the postage paid envelope. Grievances may also be taken verbally either in person or over the phone. CONTRACTOR is responsible for completing the Grievance form for oral grievances received.
3. 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.
4. Notify COUNTY's Grievance Coordinator within 24 hours of the next business day via email, 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 and the name and contact information for any staff involved.
5. The COUNTY's Grievance Coordinator is responsible for notifications, acknowledgements, investigations, reporting, and resolutions. The COUNTY may request evidence of correction or information detailing that an issue has been adequately addressed by CONTRACTOR.

### **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.

### **Performance Standards**

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.

In evaluating the 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 audit 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 client 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 client complaints.

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.

### **Program Goal and Objective**

Goal: Of those individuals admitted to the program, ***85% will move to a less structured setting within 18 months of admission***

Objective: Program participants will demonstrate an ***increase in their ability to function independently as indicated on the Independent Living Skills Survey (I.L.L.S.)***, which is administered monthly.

### **Program Reporting**

CONTRACTOR will provide data to COUNTY on a quarterly basis to describe achievement or lack of achievement of this objective. Summaries of the I.L.L.S measure will be sent to COUNTY Adult Services Supervisor for review.

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 the obstacles.

**EXHIBIT B-4**  
**COMPENSATION AND FINANCIAL REPORTING**

**July 1, 2025 through June 30, 2026**  
**(and each subsequent automatic annual renewal)**

**1. Compensation**

- Total agreement maximum shall not exceed \$1,256,000.00

**2. Payment Structure/Rates**

- Bed Day Rate/Treatment = \$267.61 per day
- Bed Hold Rate = \$160.57 per day
- Board & Care Rate (for clients with no income) \$18.83 per day

**Bed Holds**

COUNTY shall compensate CONTRACTOR on a fee-for-services basis for services provided and documented as defined in Exhibit A. The COUNTY fee-for-service bed day rate for bed holds (defined as beds not occupied by Napa County clients but held for Napa County clients for more than one day) is \$160.57. All bed holds must be authorized by COUNTY's Behavioral Health Division and shall be made through mutual determination by COUNTY's Behavioral Health Division and CONTRACTOR.

**Board and Care**

When clients are unable to pay for their Board and Care COUNTY will reimburse CONTRACTOR at the rate of \$18.83 per day. Total reimbursement for Board and Care cannot exceed \$74,220 per fiscal year.

**Clients with Medi-Cal and Other Health Coverage (OHC)**

Per Federal Regulation, providers must bill all Other Health Coverage (OHC) options prior to submitting claims to COUNTY for Medi-Cal reimbursement. The CONTRACTOR may bill the COUNTY for claims requiring OHC billing and the COUNTY will pre-pay the pending OHC claim. The CONTRACTOR must provide the Explanation of Benefits (EOB) or denial letter along with a copy of the original claim submitted to private insurance within 5 months from the date of service. If the EOB or denial letter is not received by the COUNTY within 5 months from the date of service, the COUNTY will offset the payment for the current period by this pre-paid amount.

The OHC insurer is considered the primary insurance and may pay all, part, or none of the cost of services. Any unreimbursed cost may be claimable to Medi-Cal.

It is in the best interest of the client and CONTRACTOR to submit claims to the OHC insurer in a timely manner. If no response or EOB is received from the OHC within 90-days from the date of claim submission, CONTRACTOR may presume denial from the OHC and submit a letter stating that no response was received from the OHC, along with a copy of the original claim submitted to the OHC.

The COUNTY makes every attempt to identify eligibility and notify CONTRACTOR if OHC eligibility exists. As eligibility verification for OHC can be inconsistent, it is also imperative that CONTRACTOR inquire with the client/guardian as to possible OHC and notify the COUNTY if OHC eligibility is discovered.

The COUNTY is unable to provide a comprehensive list of procedures and points of contact for OHC insurers as they are numerous and have individual requirements. Therefore, CONTRACTOR is responsible for obtaining the necessary information to fulfill its duty to bill OHC insurers. As able, the COUNTY will assist CONTRACTOR in finding contact information for OHC insurers, but the COUNTY is under no obligation to do so, and this does not alleviate CONTRACTOR from the sole responsibility to do so.

### **3. 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.

### **4. HHSA Billing**

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.

### **5. 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.

## **6. Required Submissions**

**Budget.** Fifteen days prior to the beginning of the Fiscal Year, CONTRACTOR shall 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 shall supply a revised Budget Template and monthly invoice template which correlates to services, capacity utilization tracking, and standardized FTE professional classification fields.

**Service Invoices.** CONTRACTOR shall submit valid and accurate *Monthly* itemized invoices to [BHInvoices@countyofnapa.org](mailto:BHInvoices@countyofnapa.org) by the 15<sup>th</sup> of each month for all authorized contract services provided in the preceding month. CONTRACTOR shall use COUNTY's HHSA billing team service report to review and approve. Upon CONTRACTOR service approval, CONTRACTOR shall submit approved services as an invoice on agency letterhead with total amount due and service month and year to [BHInvoices@countyofnapa.org](mailto:BHInvoices@countyofnapa.org).

**Invoices for client board and care and supplemental costs.** CONTRACTOR shall submit a separate *Monthly* itemized invoice to [BHInvoices@countyofnapa.org](mailto:BHInvoices@countyofnapa.org) for board and care and supplemental costs not covered by a client's SSI/SSA income by the 15<sup>th</sup> of each month provided in the preceding month.

The invoice shall itemize all of the following

- i. Client name(s)
- ii. Program name
- iii. Description of cost
- iv. Total amount billed for each client cost

**Annual Cost Report.** CONTRACTOR may be required to submit an annual cost report. 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. 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.
5. 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.
6. 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.