

CONTRACT PURCHASE ORDER RELEASE  
COMMUNITY MENTAL HEALTH SYSTEM

PO NUMBER: DPHM14000207  
PO AMOUNT: \$4,168,339.00

TO: MENTAL HEALTH MGMT I INC DBA CANYON MANO  
655 CANYON RD  
NOVATO CA 94948

PO PRINT DATE: 09/09/2013

PHONE :  
VENDOR ID: 12323

TERMS: NET  
FOB : DEST

ISSUE DATE : 09/09/2013

BPO # : BPHM09000042 <<  
EFF. DATE : 10/01/2008  
EXP. DATE : 12/31/2014

DELIVER TO: 1380 HOWARD ST 4TH FLOOR  
SAN FRANCISCO CA 94103-0000

AUTHORIZED SIGNATURE:

DATE : 9/9/13  
PHONE:

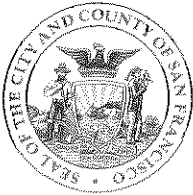
ORIGINAL ORDER MUST BE SIGNED TO BE VALID

INVOICE TO: SUBSTANCE ABUSE & FORENSICS (HMI01)  
1380 HOWARD ST - RM 444  
SAN FRANCISCO CA 94103-0000

TERMS:

THIS CONTRACT PURCHASE ORDER AND THE ACCOMPANYING SIGNED CONTRACT  
AUTHORIZE YOU TO BEGIN PERFORMING THE CONTRACT AND INVOICING THE  
CITY. THIS IS SUBJECT TO THE TERMS AND CONDITIONS IN THE CONTRACT. ANY  
TERMS AND CONDITIONS ON THE REVERSE OF THIS DOCUMENT DO NOT APPLY.

YOU MUST INCLUDE THE CONTRACT PURCHASE ORDER NUMBER ON ALL INVOICES.



CONTRACT PURCHASE ORDER RELEASE  
COMMUNITY MENTAL HEALTH SYSTEM

PO NUMBER: DPHM14000207  
PO AMOUNT: \$4,168,339.00

ITEM	COMMODITY ID	UOM	TAX	QUANTITY	UNIT PRICE	TOTAL PRICE
	NAME/SPECS					
1	7400-20 SVC,MED/HLTH;CMH (COMMUNITY MENTAL HEALTH)	EA	N	1.00	4,168,339.0000	4,168,339.00

TO PROVIDE 24-HOUR MENTAL HEALTH REHABILITATION SERVICES.

OCTOBER 1, 2008 THROUGH JUNE 30, 2009 - - - \$3,122,814  
JULY 1, 2009 THROUGH JUNE 30, 2010 - - - \$3,981,222  
JULY 1, 2010 THROUGH JUNE 30, 2011 - - - \$3,981,222  
JULY 1, 2011 THROUGH JUNE 30, 2012 - - - \$3,981,222  
JULY 1, 2012 THROUGH JUNE 30, 2013 - - - \$4,168,339  
JULY 1, 2013 THROUGH JUNE 30, 2014 - - - \$4,168,339  
JULY 1, 2014 THROUGH DECEMBER 31, 2014 - - - \$2,083,870  
CONTINGENCY AMOUNT - - - - - \$1,043,819  
BLANKET PURCHASE ORDER AMOUNT - - - - - \$26,530,847

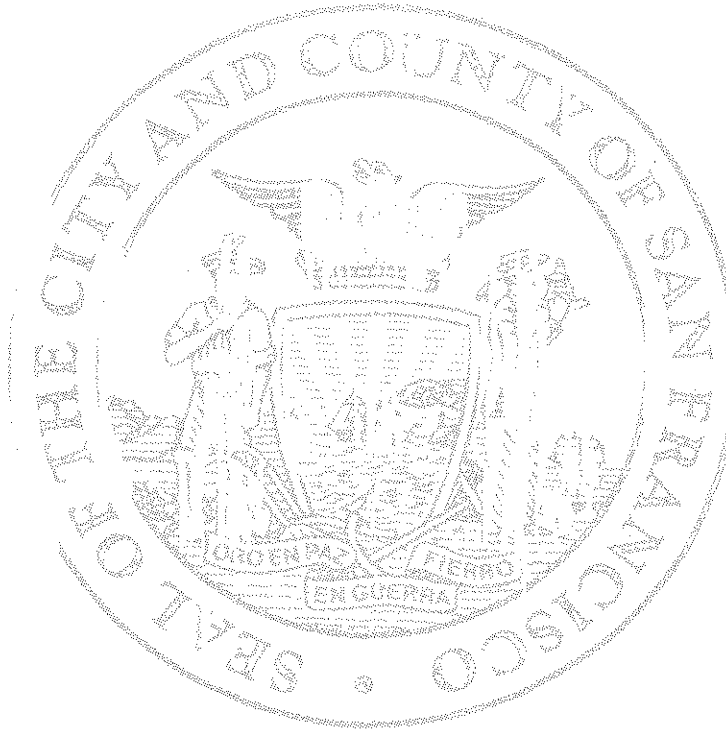
TOTAL ITEMS AMOUNT \$4,168,339.00  
SALES TAX \$.00  
INVOICE AMOUNT \$4,168,339.00




CONTRACT PURCHASE ORDER RELEASE  
COMMUNITY MENTAL HEALTH SYSTEM

PO NUMBER: DPHM14000207  
PO AMOUNT: \$4,168,339.00

SFX INDEX	SUBOBJ USERCODE PROJCT PRJDTL GRANT GRNTDTL	AMOUNT
01	HMHMLT730416 02789	4,168,339.00
		-----
		4,168,339.00



ADPICS/FAMIS: FY 13-14 CITY/COUNTY OF SAN FRANCISCO CONTRACT PURCHASE ORDER INPUT FORM		Original Modification Increase <input checked="" type="checkbox"/> X Decrease No cost mod		DOCUMENT NUMBER COHMI4000018 DPHMI4000207		DEPARTMENT 82 Community Behavioral Health Services DEPARTMENT CONTROL NO HM-14-6402-MH DATE 5/21/13 PAGE 1 OF 1																																																													
Complete for Contract Order type Agreements and Contracts AMOUNT OF THIS ENCUMBRANCE \$4,168,339 OTHER DEPARTMENT # OF CONTRACT ORDER		TOTAL APPROVED CONTRACT \$26,530,847 CONTRACT SERVICE REDUCTION NO		ORIGINAL CONTRACT NUMBER BPHM09000042 FROM 07/01/13 TO 06/30/14																																																															
CMS #6402 CONTRACTOR Mental Health Mgmt I, Inc dba ADDRESS Canyon Manor 653 Canyon Road, P O Box 865 Novato, CA 94948		VENDOR NO 12323 SUFFIX 01 PERMITS No 94-2319128 PHONE # (415) 892-1628		DELIVER TO Same		SEND COPIES IN DUPLICATE TO: (Inter-Office) PH&P Accounting Office 1380 Howard St., Rm. 447 San Francisco, CA 94103																																																													
TERMS OF PAYMENT Monthly RETAINAGE REQUIRED, YES/NO: NO IF YES, AMOUNT OR %		INSURANCE REQUIRED AMOUNT EXPIRATION ATTACH																																																																	
COMMODITY OR SERVICE CODE # 7400-20 (CMHS) PROFSERV -- BID	DETAILED DESCRIPTION OF SERVICES AND PRODUCTS FY 13-14 renewal Term: 10-1/08 - 12/31/14 <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Contract Amount</th> <th>Contingency Approved</th> <th>Contingency Used</th> <th>Encumbrance</th> <th>Blanket Total</th> </tr> </thead> <tbody> <tr> <td>08/09 encumbered</td> <td>\$3,122,814</td> <td></td> <td></td> <td>\$3,122,814</td> <td></td> </tr> <tr> <td>09/10 encumbered</td> <td>\$3,981,222</td> <td></td> <td></td> <td>\$3,981,222</td> <td></td> </tr> <tr> <td>10/11 encumbered</td> <td>\$3,981,222</td> <td></td> <td></td> <td>\$3,981,222</td> <td></td> </tr> <tr> <td>11/12 encumbered</td> <td>\$3,981,222</td> <td></td> <td></td> <td>\$3,981,222</td> <td></td> </tr> <tr> <td>12/13 encumbered</td> <td>\$3,981,222</td> <td></td> <td></td> <td>\$3,981,222</td> <td></td> </tr> <tr> <td>12/13 encumbered</td> <td>\$187,117</td> <td></td> <td></td> <td>\$187,117</td> <td></td> </tr> <tr> <td>13-14 This encumbrance</td> <td>\$4,168,339</td> <td></td> <td></td> <td>\$4,168,339</td> <td></td> </tr> <tr> <td>14-15 To be encumb</td> <td>\$2,083,870</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>TOTAL</td> <td>\$25,487,028</td> <td>\$1,043,819</td> <td></td> <td>\$23,403,158</td> <td>\$26,530,847</td> </tr> </tbody> </table>						Contract Amount	Contingency Approved	Contingency Used	Encumbrance	Blanket Total	08/09 encumbered	\$3,122,814			\$3,122,814		09/10 encumbered	\$3,981,222			\$3,981,222		10/11 encumbered	\$3,981,222			\$3,981,222		11/12 encumbered	\$3,981,222			\$3,981,222		12/13 encumbered	\$3,981,222			\$3,981,222		12/13 encumbered	\$187,117			\$187,117		13-14 This encumbrance	\$4,168,339			\$4,168,339		14-15 To be encumb	\$2,083,870					TOTAL	\$25,487,028	\$1,043,819		\$23,403,158	\$26,530,847	WORKER'S COMP \$1,000,000 6/1/2014 <input checked="" type="checkbox"/> X COMP. GEN. LIABILITY \$1,000,000 6/1/2014 <input checked="" type="checkbox"/> X AUTOMOBILE \$1,000,000 4/1/2014 <input checked="" type="checkbox"/> X UMBRELLA <input type="checkbox"/> FIDELITY BOND/ (= initial pyt amt) COMM. BLANKET 1,000,000 7/1/2014 <input checked="" type="checkbox"/> X OTHER Prof. INSURANCE- Liab. \$1,000,000 6/1/2014 <input checked="" type="checkbox"/> X ATTACHMENTS - Please identify by title or description _____ _____ SYSTEM USE	
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PREPARED BY (Print) Brenda Mendietta Principal Clerk Phone # 255-3490 Fax # 252-3088						APPROVALS																																																													
APPROVED BY (Signature) 						MATERIALS, SUPPLIES, & SERVICES - PURCHASER REAL PROPERTY LEASES & RENT - DIRECTOR OF PROPERTY CONTROLLER																																																													
Line Document Number No. Number Suffix		Amount Index Code 4,168,339 00 HMMHMLT730416		Sub-Object User Code 02789 SK 8/5/13		Project Grant Project Project Detail Grant Grant Detail ADDENDUM ATTACHED <input type="checkbox"/>																																																													
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**City and County of San Francisco  
Office of Contract Administration  
Purchasing Division**

**First Amendment**

THIS AMENDMENT (this "Amendment") is made as of **this 1<sup>st</sup> day of July, 2013**, in San Francisco, California, by and between **Mental Health Management, Inc., dba Canyon Manor** ("Contractor"), and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Director of the Office of Contract Administration.

**Recitals**

WHEREAS, City and Contractor have entered into the Agreement (as defined below); and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to extend the term of the contract, increase the contract amount, and update standard contractual clauses;

NOW, THEREFORE, Contractor and the City agree as follows:

**1. Definitions.** The following definitions shall apply to this Amendment:

a. **Agreement.** The term "Agreement" shall mean the Agreement dated October 1, 2008, Contract Number BPHM09000042, between Contractor and City, as amended by this first amendment.

b. **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**2. Modifications to the Agreement.** The Agreement is hereby modified as follows:

a. **Section 2 Term of the Agreement currently reads as follows:**

**2. Term of the Agreement**

Subject to Section 1, the term of this Agreement shall be from October 1, 2008 to June 30, 2013.

The City shall have the sole discretion to exercise the following options pursuant to RFP-1-2008 dated January 29, 2008 to extend the Agreement term:

- Option 1: July 1, 2013 - June 30, 2014
- Option 2: July 1, 2014 - June 30, 2015
- Option 3: July 1, 2015 - June 30, 2016
- Option 4: July 1, 2016- June 30, 2017
- Option 5: July 1, 2017- June 30, 2018

**Such section is hereby amended in its entirety to read as follows:**

**2. Term of the Agreement**

Subject to Section 1, the initial term of this Agreement shall be from October 1, 2008 to December 31, 2014.

The City shall have the sole discretion to exercise the following options pursuant to RFP-1-2008 dated January 29, 2008 to extend the Agreement term:

- Option 1: July 1, 2014 - June 30, 2015
- Option 2: July 1, 2015- June 30, 2016
- Option 3: July 1, 2016 - June 30, 2017
- Option 4: July 1, 2017 - June 30, 2018

**b. Section 5. Compensation of the Agreement currently reads as follows:**

**5. Compensation**

Compensation shall be made in monthly payments on or before the 30th day of each month for work, as set forth in Section 4 of this Agreement, that the Director of the Public Health Department, in his or her sole discretion, concludes has been performed as of the 1st day of the immediately preceding month. In no event shall the amount of this Agreement exceed Twenty Million Nine Hundred Sixty Six Thousand, Seven Hundred Fifty Eight Dollars (\$20,966,758). The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by The Department of Public Health as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall City be liable for interest or late charges for any late payments.

**Such section is hereby amended in its entirety to read as follows:**

**5. Compensation**

Compensation shall be made in monthly payments on or before the 30th day of each month for work, as set forth in Section 4 of this Agreement, that the Director of the Public Health Department, in his or her sole discretion, concludes has been performed as of the 1st day of the immediately preceding month. In no event shall the amount of this Agreement exceed Twenty Six Million, Five Hundred Thirty Thousand, Eight Hundred Forty-Seven Dollars (\$26,530,847). The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by The Department of Public Health as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall City be liable for interest or late charges for any late payments.

c. **Section 8. Submitting False Claims: Monetary Penalties of the Agreement currently reads as follows:**

**8. Submitting False Claims; Monetary Penalties**

Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to \$10,000 for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

**Such section is hereby amended in its entirety to read as follows:**

**8. Submitting False Claims; Monetary Penalties**

Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. The text of Section 21.35, along with the entire San Francisco Administrative Code is available on the web at <http://www.municode.com/Library/clientCodePage.aspx?clientID=4201>. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

d. **Section 15. Insurance of the Agreement currently reads as follows:**

**15. Insurance**

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

(1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

(2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

(3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

(4) Blanket Fidelity Bond (Commercial Blanket Bond): Limits in the amount of the Initial Payment provided for in the Agreement

(5) Professional liability insurance with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with professional services to be provided under this Agreement.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must provide the following:

(1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

(2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

c. All policies shall provide thirty (30) days' advance written notice to City of reduction or nonrenewal of coverages or cancellation of coverages for any reason. Notices shall be sent to the following address:

Office of Contract Management and Compliance  
Department of Public Health  
101 Grove Street, Room 307  
San Francisco, California 94102

d. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

e. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

f. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.



g. Before commencing any operations under this Agreement, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

h. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

**Such section is hereby amended in its entirety to read as follows:**

## **15. Insurance**

a. Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

1) Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and

2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and

3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

4) Blanket Fidelity Bond (Commercial Blanket Bond): Limits in the amount of the Initial Payment provided for in the Agreement

5) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with professional services to be provided under this Agreement.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

c. Regarding Workers' Compensation, Contractor hereby agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

d. All policies shall provide thirty days' advance written notice to the City of reduction or nonrenewal of coverages or cancellation of coverages for any reason. Notices shall be sent to the City address in the "Notices to the Parties" section.

e. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

f. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

g. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

h. Before commencing any operations under this Agreement, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Failure to maintain insurance shall constitute a material breach of this Agreement.

i. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

j. If a subcontractor will be used to complete any portion of this agreement, the Contractor shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents and employees and the Contractor listed as additional insureds.

k. Any of the terms of conditions of this Section 15 may be waived by the City's Risk Manager in writing, and attached to this Agreement as Appendix C. Such waiver is fully incorporated herein. The waiver shall waive only the requirements that are expressly identified and waived, and under such terms and conditions as stated in the waiver.

e. **Section 16. Indemnification of the Agreement currently reads as follows:**

**16. Indemnification**

Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in

effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

**Such section is hereby amended in its entirety to read as follows:**

**16. Indemnification**

Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City. In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

**f. Section 20. Default; Remedies of the Agreement currently reads as follows:**

**20. Default; Remedies**

a. Each of the following shall constitute an event of default ("Event of Default") under this Agreement:

(1) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement: 8, 10, 15, 24, 30, 37, 53, 55, 57, 58, and item 1 of Appendix D attached to this Agreement.

(2) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten days after written notice thereof from City to Contractor.

(3) Contractor (a) is generally not paying its debts as they become due, (b) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (c) makes an assignment for the benefit of its creditors, (d) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property or (e) takes action for the purpose of any of the foregoing.

(4) A court or government authority enters an order (a) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (b) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (c) ordering the dissolution, winding-up or liquidation of Contractor.

b. On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

c. All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

**Such section is hereby amended in its entirety to read as follows:**

## **20. Default; Remedies**

A. Each of the following shall constitute an event of default ("Event of Default") under this Agreement:

1) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

8. Submitting False Claims; Monetary

37. Drug-free workplace policy

	Penalties.		
10.	Taxes	53.	Compliance with laws
15.	Insurance	55.	Supervision of minors
24.	Proprietary or confidential information of City	57.	Protection of private information
30.	Assignment	58.	Graffiti removal

2) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten days after written notice thereof from City to Contractor.

3) Contractor (a) is generally not paying its debts as they become due, (b) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (c) makes an assignment for the benefit of its creditors, (d) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property or (e) takes action for the purpose of any of the foregoing.

4) A court or government authority enters an order (a) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (b) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (c) ordering the dissolution, winding-up or liquidation of Contractor.

**B.** On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

**C.** All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

**g. Section 22. Rights and Duties upon Termination or Expiration** of the Agreement currently reads as follows:

## **22. Rights and Duties upon Termination or Expiration**

a. This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement: 8 through 11, 13 through 18, 24, 26, 27, 28, 48 through 52, 56, 57 and item 1 of Appendix D attached to this Agreement.

b. Subject to the immediately preceding subsection (a), upon termination of this Agreement prior to expiration of the term specified in Section 2, this Agreement shall terminate and be of no further

force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City. This subsection shall survive termination of this Agreement.

Such section is hereby amended in its entirety to read as follows:

## **22. Rights and Duties upon Termination or Expiration**

This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement:

- |   |   |
|---|---|
| 8. Submitting false claims                                      | 24. Proprietary or confidential information of City     |
| 9. Disallowance   | 26. Ownership of Results                                |
| 10. Taxes   | 27. Works for Hire                                      |
| 11. Payment does not imply acceptance of work                   | 28. Audit and Inspection of Records                     |
| 13. Responsibility for equipment                                | 48. Modification of Agreement.                          |
| 14. Independent Contractor; Payment of Taxes and Other Expenses | 49. Administrative Remedy for Agreement Interpretation. |
| 15. Insurance   | 50. Agreement Made in California; Venue                 |
| 16. Indemnification   | 51. Construction  |
| 17. Incidental and Consequential Damages                        | 52. Entire Agreement                                    |
| 18. Liability of City   | 56. Severability  |
|   | 57. Protection of private information                   |

Subject to the immediately preceding sentence, upon termination of this Agreement prior to expiration of the term specified in Section 2, this Agreement shall terminate and be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City. This subsection shall survive termination of this Agreement.

**h. Section 24. Proprietary or Confidential Information of City of the Agreement currently reads as follows:**

## **24. Proprietary or Confidential Information of City**

a. Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

b. Contractor shall maintain the usual and customary records for persons receiving Services under this Agreement. Contractor agrees that all private or confidential information concerning persons receiving Services under this Agreement, whether disclosed by the City or by the individuals themselves,

shall be held in the strictest confidence, shall be used only in performance of this Agreement, and shall be disclosed to third parties only as authorized by law. Contractor understands and agrees that this duty of care shall extend to confidential information contained or conveyed in any form, including but not limited to documents, files, patient or client records, facsimiles, recordings, telephone calls, telephone answering machines, voice mail or other telephone voice recording systems, computer files, e-mail or other computer network communications, and computer backup files, including disks and hard copies. The City reserves the right to terminate this Agreement for default if Contractor violates the terms of this section.

c. Contractor shall maintain its books and records in accordance with the generally accepted standards for such books and records for five years after the end of the fiscal year in which Services are furnished under this Agreement. Such access shall include making the books, documents and records available for inspection, examination or copying by the City, the California Department of Health Services or the U.S. Department of Health and Human Services and the Attorney General of the United States at all reasonable times at the Contractor's place of business or at such other mutually agreeable location in California. This provision shall also apply to any subcontract under this Agreement and to any contract between a subcontractor and related organizations of the subcontractor, and to their books, documents and records. The City acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

d. The City owns all records of persons receiving Services and all fiscal records funded by this Agreement if Contractor goes out of business. Contractor shall immediately transfer possession of all these records if Contractor goes out of business. If this Agreement is terminated by either party, or expires, records shall be submitted to the City upon request.

e. All of the reports, information, and other materials prepared or assembled by Contractor under this Agreement shall be submitted to the Department of Public Health Contract Administrator and shall not be divulged by Contractor to any other person or entity without the prior written permission of the Contract Administrator listed in Appendix A.

**Such section is hereby amended in its entirety to read as follows:**

#### **24. Proprietary or Confidential Information of City.**

Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

#### **i. Section 25. Notices to the Parties currently reads as follows:**

#### **25. Notices to the Parties**

Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To CITY: Office of Contract Management and Compliance  
Department of Public Health

1380 Howard Street, 4<sup>th</sup> Floor  
San Francisco, California 94103

FAX: (415) 252-3088  
e-mail: David.Folmar@sfdph.org

And:

Elizabeth Gray  
Community Behavioral Health Services  
1380 Howard Street, 5<sup>th</sup> Floor  
San Francisco, Ca 94103

FAX: (415) 255-3657  
e-mail: [Elizabeth.Gray@sfdph.org](mailto:Elizabeth.Gray@sfdph.org)

To CONTRACTOR: Mental Health Management Inc., dba Canyon  
Manor  
655 Canyon Rd  
Novato, CA 94948

FAX: (415) 892-8624  
e-mail: REvatzCanyonM@aol.com

Any notice of default must be sent by registered mail.

Such section is hereby amended in its entirety to read as follows:

**25. Notices to the Parties.**

Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To City: Office of Contract Management and Compliance  
Department of Public Health  
1380 Howard Street, 4<sup>th</sup> Floor  
San Francisco, CA 94103

To Contractor: Mental Health Management I, Inc. dba Canyon Manor  
655 Canyon Road  
Novato, CA 94948

Any notice of default must be sent by registered mail.

**j. Section 28. Audit and Inspection of Records currently reads as follows:**

**28. Audit and Inspection of Records**

a. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

b. Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report and the associated management letter(s) shall be transmitted to the Director of Public Health or his /her designee within one hundred eighty (180) calendar days following Contractor's fiscal year end date. If Contractor expends \$500,000 or more in Federal funding per year, from any and all Federal awards, said audit shall be conducted in accordance with OMB Circular A-133,



Audits of States, Local Governments, and Non-Profit Organizations. Said requirements can be found at the following website address: <http://www.whitehouse.gov/omb/circulars/a133/a133.html>. If Contractor expends less than \$500,000 a year in Federal awards, Contractor is exempt from the single audit requirements for that year, but records must be available for review or audit by appropriate officials of the Federal Agency, pass-through entity and General Accounting Office. Contractor agrees to reimburse the City any cost adjustments necessitated by this audit report. Any audit report which addresses all or part of the period covered by this Agreement shall treat the service components identified in the detailed descriptions attached to Appendix A and referred to in the Program Budgets of Appendix B as discrete program entities of the Contractor.

c. The Director of Public Health or his / her designee may approve of a waiver of the aforementioned audit requirement if the contractual Services are of a consulting or personal services nature, these Services are paid for through fee for service terms which limit the City's risk with such contracts, and it is determined that the work associated with the audit would produce undue burdens or costs and would provide minimal benefits. A written request for a waiver must be submitted to the DIRECTOR ninety (90) calendar days before the end of the Agreement term or Contractor's fiscal year, whichever comes first.

d. Any financial adjustments necessitated by this audit report shall be made by Contractor to the City. If Contractor is under contract to the City, the adjustment may be made in the next subsequent billing by Contractor to the City, or may be made by another written schedule determined solely by the City. In the event Contractor is not under contract to the City, written arrangements shall be made for audit adjustments.

**Such section is hereby amended in its entirety to read as follows:**

**28. Audit and Inspection of Records.**

Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

**k. Section 32. Earned Income Credit (EIC) forms currently reads as follows:**

**32. Earned Income Credit (EIC) Forms**

Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found.

a. Contractor shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless Contractor has already provided such EIC Forms at least once during the calendar year in which such

effective date falls); (ii) promptly after any Eligible Employee is hired by Contractor; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement.

b. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Contractor of the terms of this Agreement. If, within thirty days after Contractor receives written notice of such a breach, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, Contractor fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law.

c. Any Subcontract entered into by Contractor shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section.

d. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

**Such section is hereby amended in its entirety to read as follows:**

### **32. Earned Income Credit (EIC) Forms**

Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found. Contractor shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless Contractor has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Contractor; and (iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Contractor of the terms of this Agreement. If, within thirty days after Contractor receives written notice of such a breach, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, Contractor fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law. Any Subcontract entered into by Contractor shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

**1. Section 33. Local Business Enterprise Utilization; Liquidated Damages currently reads as follows.**

### **33. Local Business Enterprise Utilization; Liquidated Damages**

#### **a. The LBE Ordinance**

Contractor, shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of

Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

**b. Compliance and Enforcement**

If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17.

By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the HRC shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City.

Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of HRC or the Controller upon request.

**Such section is hereby amended in its entirety to read as follows:**

**33. Local Business Enterprise Utilization; Liquidated Damages**

The LBE Ordinance. Contractor, shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

#### Compliance and Enforcement

Enforcement. If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17. By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the HRC shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City. Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of HRC or the Controller upon request.

#### **m. Section 42. Limitations on Contributions currently reads as follows:**

##### **42. Limitations on Contributions**

Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

**Such section is hereby amended in its entirety to read as follows:**

##### **42. Limitations on Contributions**

Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must

be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after July 1, 2013.

**4. Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first referenced above.

CITY

CONTRACTOR

Recommended by:

Mental Health Management Inc., dba Canyon Manor

  
BARBARA GARCIA, MPA  
Director of Health

5/22/13  
Date

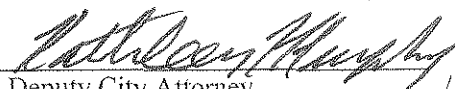
  
RICHARD EVATZ  
Executive Director  
655 Canyon Road  
Novato, CA 94948

5/9/13  
Date


Approved as to Form:

DENNIS J. HERRERA  
City Attorney

City vendor number: 12323

By:  5/23/13  
Deputy City Attorney Date

Approved:

 9/4/2013  
JACI FONG  
Director Office of Contract  
Administration and Purchaser Date

## Appendix A

### COMMUNITY BEHAVIORAL HEALTH SERVICES

Term: 7/1/13-12/31/14

The following requirements are incorporated into Appendix A, as provided in this Agreement under Section 4. SERVICES.

A. Contract Administrator:

In performing the SERVICES hereunder, CONTRACTOR shall report to Valerie Lai, Contract Administrator for the CITY, or her designee.

B. Reports:

(1) CONTRACTOR shall submit written reports as requested by the CITY. The format for the content of such reports shall be determined by the CITY. The timely submission of all reports is a necessary and material term and condition of this Agreement. All reports, including any copies, shall be submitted on recycled paper and printed on double-sided pages to the maximum extent possible.

(2) CONTRACTOR agrees to submit to the Director of Public Health or his designated agent (hereinafter referred to as "DIRECTOR") the following reports: Annual County Plan Data; Utilization Review Data and Quarterly Reports of De-certifications; Peer Review Plan, Quarterly Reports, and relevant Peer Review data; Medication Monitoring Plan and relevant Medication Monitoring data; Charting Requirements, Client Satisfaction Data, Program Outcome Data, and Data necessary for producing bills and/or claims in conformance with the State of California Uniform Method for Determining Ability to Pay (UMDAP; the state's sliding fee scale) procedures.

C. Evaluation:

CONTRACTOR shall participate as requested with the CITY, State and/or Federal government in evaluative studies designed to show the effectiveness of CONTRACTOR'S SERVICES. CONTRACTOR agrees to meet the requirements of and participate in the evaluation program and management information systems of the CITY. The CITY agrees that any final written reports generated through the evaluation program shall be made available to CONTRACTOR within thirty (30) working days. CONTRACTOR may submit a written response within thirty working days of receipt of any evaluation report and such response will become part of the official report.

D. Possession of Licenses/Permits:

CONTRACTOR warrants the possession of all licenses and/or permits required by the laws and regulations of the United States, the State of California, and the CITY to provide the SERVICES. Failure to maintain these licenses and permits shall constitute a material breach of this Agreement.

Space owned, leased or operated by providers, including satellites, and used for SERVICES or staff shall meet local fire codes. Documentation of fire safety inspections and corrections of any deficiencies shall be made available to reviewers upon request.

E. Adequate Resources:

CONTRACTOR agrees that it has secured or shall secure at its own expense all persons, employees and equipment required to perform the SERVICES required under this Agreement, and that all such SERVICES shall be performed by CONTRACTOR, or under CONTRACTOR'S supervision, by persons authorized by law to perform such SERVICES.

F. Admission Policy:

Admission policies for the SERVICES shall be in writing and available to the public. Such policies must include a provision that clients are accepted for care without discrimination on the basis of race, color, creed, religion, sex, age, national origin, ancestry, sexual orientation, gender identification, disability, or AIDS/HIV status, except to the extent that the SERVICES are to be rendered to a specific population as described in Appendix A. CONTRACTOR shall adhere to Title XIX of the Social Security Act and shall conform to all applicable Federal and State statutes and regulations. CONTRACTOR shall ensure that all clients will receive the same level of care regardless of client status or source of reimbursement when SERVICES are to be rendered.

G. San Francisco Residents Only:

Only San Francisco residents shall be treated under the terms of this Agreement. Exceptions must have the written approval of the Contract Administrator.

H. Grievance Procedure:

CONTRACTOR agrees to establish and maintain a written Client Grievance Procedure which shall include the following elements as well as others that may be appropriate to the SERVICES: (1) the name or title of the person or persons authorized to make a determination regarding the grievance; (2) the opportunity for the aggrieved party to discuss the grievance with those who will be making the determination; and (3) the right of a client dissatisfied with the decision to ask for a review and recommendation from the community advisory board or planning council that has purview over the aggrieved service. CONTRACTOR shall provide a copy of this procedure, and any amendments thereto, to each client and to the Director of Public Health or his/her designated agent (hereinafter referred to as "DIRECTOR"). Those clients who do not receive direct SERVICES will be provided a copy of this procedure upon request.

I. Infection Control, Health and Safety:

(1) CONTRACTOR must have a Bloodborne Pathogen (BBP) Exposure Control plan as defined in the California Code of Regulations, Title 8, §5193, Bloodborne Pathogens (<http://www.dir.ca.gov/title8/5193.html>), and demonstrate compliance with all requirements including, but not limited to, exposure determination, training, immunization, use of personal protective equipment and safe needle devices, maintenance of a sharps injury log, post-exposure medical evaluations, and record keeping.

(2) CONTRACTOR must demonstrate personnel policies/procedures for protection of staff and clients from other communicable diseases prevalent in the population served. Such policies and procedures shall include, but not be limited to, work practices, personal protective equipment, staff/client Tuberculosis (TB) surveillance, training, etc.

(3) CONTRACTOR must demonstrate personnel policies/procedures for Tuberculosis (TB) exposure control consistent with the Centers for Disease Control and Prevention (CDC) recommendations for health care facilities and based on the Francis J. Curry National Tuberculosis Center: Template for Clinic Settings, as appropriate.

(4) CONTRACTOR is responsible for site conditions, equipment, health and safety of their employees, and all other persons who work or visit the job site.

(5) CONTRACTOR shall assume liability for any and all work-related injuries/illnesses including infectious exposures such as BBP and TB and demonstrate appropriate policies and procedures for reporting such events and providing appropriate post-exposure medical management as required by State workers' compensation laws and regulations.

(6) CONTRACTOR shall comply with all applicable Cal-OSHA standards including maintenance of the OSHA 300 Log of Work-Related Injuries and Illnesses.

(7) CONTRACTOR assumes responsibility for procuring all medical equipment and supplies for use by their staff, including safe needle devices, and provides and documents all appropriate training.



(8) CONTRACTOR shall demonstrate compliance with all state and local regulations with regard to handling and disposing of medical waste.

J. Acknowledgment of Funding:

CONTRACTOR agrees to acknowledge the San Francisco Department of Public Health in any printed material or public announcement describing the San Francisco Department of Public Health-funded SERVICES. Such documents or announcements shall contain a credit substantially as follows: "This program/service/ activity/research project was funded through the Department of Public Health, CITY and County of San Francisco."

K. Client Fees and Third Party Revenue:

(1) Fees required by federal, state or CITY laws or regulations to be billed to the client, client's family, or insurance company, shall be determined in accordance with the client's ability to pay and in conformance with all applicable laws. Such fees shall approximate actual cost. No additional fees may be charged to the client or the client's family for the SERVICES. Inability to pay shall not be the basis for denial of any SERVICES provided under this Agreement.

(2) CONTRACTOR agrees that revenues or fees received by CONTRACTOR related to SERVICES performed and materials developed or distributed with funding under this Agreement shall be used to increase the gross program funding such that a greater number of persons may receive SERVICES. Accordingly, these revenues and fees shall not be deducted by CONTRACTOR from its billing to the CITY.

(3) CONTRACTOR agrees that funds received by CONTRACTOR from a source other than the CITY to defray any portion of the reimbursable costs allowable under this Agreement shall be reported to the CITY and deducted by CONTRACTOR from its billings to the CITY to ensure that no portion of the CITY'S reimbursement to CONTRACTOR is duplicated.

L. Billing and Information System

CONTRACTOR agrees to participate in the CITY'S Community Mental Health Services (CMHS) and Community Substance Abuse Services (CSAS) Billing and Information System (BIS) and to follow data reporting procedures set forth by the CMHS/CSAS BIS and Quality Improvement Units.

M. Patients Rights:

All applicable Patients Rights laws and procedures shall be implemented.

N. Under-Utilization Reports:

For any quarter that CONTRACTOR maintains less than ninety percent (90%) of the total agreed upon units of service for any mode of service hereunder, CONTRACTOR shall immediately notify the Contract Administrator in writing and shall specify the number of underutilized units of service.

O. Quality Improvement:

CONTRACTOR agrees to develop and implement a Quality Improvement Plan based on internal standards established by CONTRACTOR applicable to the SERVICES as follows:

- (1) Staff evaluations completed on an annual basis.
- (2) Personnel policies and procedures in place, reviewed and updated annually.
- (3) Board Review of Quality Improvement Plan.

P. Compliance with Community Mental Health Services and Community Substance Abuse Services Policies and Procedures

In the provision of SERVICES under Community Mental Health Services or Community Substance Abuse Services contracts, CONTRACTOR shall follow all applicable policies and procedures established for contractors by Community Mental Health Services or Community Substance Abuse Services, as

applicable, and shall keep itself duly informed of such policies. Lack of knowledge of such policies and procedures shall not be an allowable reason for noncompliance.

Q. Working Trial Balance with Year-End Cost Report

If CONTRACTOR is a Non-Hospital Provider as defined in the State of California Department of Mental Health Cost Reporting Data Collection Manual, it agrees to submit a working trial balance with the year-end cost report.

R. Harm Reduction

The program has a written internal Harm Reduction Policy that includes the guiding principles per Resolution # 10-00 810611 of the San Francisco Department of Public Health Commission.

2. **Description of Services**

Detailed description of services are listed below and are attached hereto  
Appendix A-1, A-2 Canyon Manor

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

### 1. Program Name

Mental Health Management I, Inc.  
dba. Canyon Manor  
655 and 653 Canyon Road, P.O. Box 865  
Novato, CA 94948-0865  
(415) 892-1628 –Telephone  
(415) 892-8624 - Facsimile

### 2. Nature of Document

☐ New      ☒ Renewal      ☐ Modification

### 3. Goal Statement

The overall program goal at Canyon Manor is to maximize each individual's functional capacity by providing integrated services, fostering self-care and return to the highest level of independent living possible in the community.

### 4. Target Population

San Francisco residents admitted to Canyon Manor will be 18 years to 60 years of age and have an Axis I DSM-IV psychiatric diagnosis.

### 5. Modality (ies) of Service/Intervention

A. **Modality of Service/Intervention.** Please refer to CRDC.

B. **Definition of Billable Services.** Institution for "Mental Disease" means a hospital, nursing facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment or care of persons with mental illness, including medical attention, nursing care, and related services.

### 6. Methodology

#### Admission Process

Individuals admitted to Canyon Manor licensed as a MHRC will focus primarily on those with behavior management issues. However, as the MHRC license allows, individuals may also be admitted who have concomitant medical problems and/or have physical impairments requiring special needs that might include the use of a wheelchair, walker, or cane; individuals admitted to Canyon may also have vision and/or hearing loss, or speech impediment. Canyon Manor will primarily admit San Francisco residents directly from acute psychiatric inpatient units.

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

The Director of CBHS Placement will authorize referrals to Canyon Manor into contracted beds. All such referrals will have been approved for locked psychiatric MHRC level of care by the Director of CBHS Placement or designee.

Each San Francisco resident admitted to Canyon Manor into a contract bed will be reviewed every thirty (30) days by the CBHS Utilization Review Nurse, who will monitor on-going treatment and progress toward treatment goals including discharge as soon as clinically appropriate.

Individuals who suffer exclusively from developmental disability, mental retardation, dementia, or physical illness without a psychiatric component will not be considered for admission to Canyon Manor.

If a San Francisco resident on voluntary status or a private conservatee is referred by the Placement Program to Canyon Manor, an addendum to the admission agreement will be signed by private conservator or voluntary resident *in advance of admission* indicating that voluntary individual or private conservator will comply with CBHS' utilization management decisions regarding the individual's readiness to move to a lower level of care.

### **Admission Expectations**

The CBHS Placement Director will be informed of the decision whether to admit or not admit within 72 hours of receipt of the referral packet.

The center's physician "Initial Assessment and Treatment Plan" must consist of the following components and be signed by the attending psychiatrist/physician within five (5) business days of admission, and the facility shall send a copy of the "Treatment Plan" to the conservator and CBHS UR nurse within fourteen (14) calendar days:

1. A 5-Axis DSM-IV diagnosis
2. Signs and symptoms of psychiatric impairment and any pre-existing medical conditions.
3. Long and short-term goals that are based on individual resident capabilities and that are realistically attainable by client.
4. Measurable objectives with specific time frames with special emphasis on medication regimen.
5. Special treatment and interventions and services with identification of the professional discipline responsible for each element of care.
6. Estimated duration of treatment and continuously updated progress notes reflecting justification for continued stay and identification of obstacles to community placement.
7. Prognosis.
8. Dated legible physician notes and signature.
9. Specification of drug regimen or no drug regimen.

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

10. Evidence of communication with client's former physician upon admission and with client's future physician upon discharge.

Admission and documentation will include the following:

1. A non-psychiatrist physician must perform a history and physical examination within seventy-two (72) hours of client's admission.
2. Physician must provide reason for deferment of either the physical examination or any process within the examination. Attempts to complete a physical examination must be documented weekly. If, after fourteen days (14), these attempts are not successful, the client's conservator must be contacted to arrange a court date so that the court can mandate the necessary care.
3. The center shall obtain a copy of the conservator's investigation report and this report shall be present in the legal section of the client record.
4. The following demographic data will be collected for the purpose of conducting treatment and outcome evaluations: sex, age, race, marital status, legal status, psychiatric diagnosis, and primary language. In addition, the center will record information about the client's previous placement, prior hospitalizations, and reason for current hospitalization.

### **Ongoing Expectations**

Center will provide:

1. Annual physical examination
2. Annual update regarding medication consents (with witness signatures).
3. Documentation in client's record the center's follow-up care regarding dental and eye care in addition to any necessary medical care.
4. Transportation and escort for clinic visits when necessary.
5. Adherence to all protocols regarding conserved clients, including issues of client refusal of medications.
6. Dictations or treatment services. In the case of conserved clients refusing laboratory tests, the center may negotiate with San Francisco General Hospital for recommended tests to be done there provided there is a court order for the clients to receive such tests.
7. Assistance and cooperation in efforts to obtain client entitlements. The center will collect, document and report to the County the SSI, VA and other third party payments
8. Participate fully in the County's Billing and Data Collection system regarding entitlements.
9. Submit to San Francisco CBHS Billing Office, monthly invoices per the agreement with San Francisco Billing Office. Invoice attachments will include specific to each center:
  - a. client's last name
  - b. first name
  - c. units of service provided for that quarter.
  - d. rate per UOS

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

San FRANCISCO CBHS will make payment adjustments quarterly for any client not authorized for treatment.

10. Attending psychiatrists court testimony when required and following conditions must be met:
  - a. Be fully prepared, i.e., review client chart prior to proceedings
  - b. Appear on time and sit through the hearing process in order to provide expert testimony in client's case
  - c. In case of inability to attend, sufficient notice must be given by the psychiatrist. If time does not permit mailing notice, then the notice must be faxed to the mental health court.

**Progress notes shall reflect the following:**

**Psychiatrists:** the attending psychiatrist must make a note at least every thirty- (30) days that addresses:

1. Client's current level of functioning, addressing all 5 Axis
2. Description of client's behaviors that present as an obstacle to discharge.
3. Behavioral assessment of current behavioral barriers effecting discharge potential
4. Documentation to support significant changes in functioning level, progress/regression.
5. Specific justification as to why resident needs to remain at current level of care.
6. Document current dose of medication(s).
7. Client's response to medication(s).
8. Client's compliance with medication(s).
9. Client's use of PRN medication.
10. Notes shall reflect physician's use of laboratory results to determine adjustment to medication(s).
11. There shall be evidence of a monthly assessment and update regarding PRN psychotropic medication.

**Nursing Staff:** Nursing staff must make a note at least every seven- (7) days that addresses:

1. Nursing management of the client specific to problems identified in the client's treatment plan.
2. Areas of the client's ADL's requiring nursing intervention and frequency of that intervention.

**Program Staff:**

1. Client's attendance and participation in MHRC's program will be documented in client's chart.
2. Client will receive at least weekly individual sessions with group leader to discuss goals and progress.

**Discharge Expectations:**

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

Social work documentation shall begin at point of admission with updates based on evaluation of client's functional capacity. Documentation shall be relevant to client's treatment goals and plans. Barriers to discharge will be identified and interventions that will address and/or resolve those barriers will be documented.

CBHS Linkage Staff, working in the Placement Program, and SPR staff will interface on a regular basis with Canyon Manor social services staff regarding the discharge readiness of clients.

When requested to make a client ready for discharge or transfer, the center will prepare all paperwork for client discharge and make all arrangements within five (5) working days of receipt of written or verbal request from conservator, CBHS Linkage/Placement staff, or SPR staff.

Canyon Manor will notify Director of CBHS Placement or his/her designee by fax or telephone on the day of discharge of any San Francisco resident.

Canyon Manor will send medication and prescription information with client upon discharge.

#### **Need for Acute Hospitalization**

In the event that the Canyon Manor staff determines that a San Francisco resident should return to the acute hospital sector, the following procedures will be observed:

1. Emergency returns during working hours, Monday-Friday: refer to Psychiatric Emergency Return of San Francisco Residents Placed in out-of-county L-facilities (Manual No 3.03.3).
2. Non-emergency returns: an authorization is necessary from the Director of CBHS Placement or his/her designee.
3. Off-hour emergency returns: The CBHS Placement Director must be notified on the next working day of any emergency returns made during non-business hours.
4. The bed of any client referred to the acute hospital will be held for seven (7) days pending his/her return. Bed may be held longer with authorization from Placement Director.

#### **County Payment for Physician Services**

The County will authorize payment of services rendered by physicians when itemized bills, which identify the client(s) served, are submitted to the County. All bills for court testimony; administrative meeting and utilization review meetings must specify name of client and duration of meeting in minutes.

The County reserves the right to interview and approve all physicians who are applying to assume responsibility for County residents, and the center must provide notice to County in a timely manner regarding and physician resignations.

Contractor: Mental Health Management I, Inc.  
Program: Canyon Manor  
City Fiscal Year: July 1, 2013-June 30, 2014

## **7. Objectives and Measurements**

### **A. Performance/ Outcome Objectives**

#### **OUTCOME 1: IMPROVE CLIENT SYMPTOMS**

##### **Objective A.1: Reduce Psychiatric Symptoms**

**A.2.c. During this Fiscal Year, Canyon Manor will not return more than four (4) San Francisco residents per month to PES.**

Data Source: An advance notification to the Placement Director of each situation involving a return to PES and the Center maintained log of all clients who return to PES.

Measurement: The Placement Director will be notified in advance of each situation involving a return to PES. The Canyon Manor Program Director will maintain a log of all clients returned to PES. Canyon Manor Program Director will analyze the data and if necessary make any program adjustments in order to maintain, achieve the objective for the next quarter. Canyon Manor Program Director will submit a log with the above information every three months (Oct 12, Jan 13, Apr 13, Jul 13) to San Francisco Program Manager

#### **OUTCOME 3: IMPROVE CLIENT FUNCTIONING**

### **B. OTHER MEASURABLE OBJECTIVES/PROCESS OBJECTIVES**

#### **Objective 2 Reliance on Institutions**

**B.2.a Any client returned to PES or SFGH for acute treatment will be readmitted to the center when the client no longer meets the medical necessity criteria for acute inpatient according to Title IX. The referring center will accept the client back in a time frame that does not require more than two administrative days (weekends and holidays excluded).**

Data Source: Log maintained by Placement Staff and Client Flow database.



**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

Program Review Measurement:

Objective will be evaluated based on administration closest to or within the 12-month period from July 1, 2012 to June 30, 2013.

Measurement: Canyon Manor Program Director will review log and analyze quarterly and take any needed action if objective is not met.

**Objective 3. Quality of Care**

**B.3.a Program will ensure that a Continuous Quality Improvement (CQI) process is in place**

**that focuses on the center's utilization management, including length of stay.**

**Individual**

**center's medical staff will participate in a peer review process and peer review activities**

**that will be reported quarterly. Each center will participate in quality of care (critical incident) conferences involving San Francisco residents.**

Data Source: Canyon Manor Program Director will submit CQI reports to CBHS addressing the three items above to the CBHS Program Manager on a quarterly basis.

Program Review Measurement:

Objective will be evaluated based on 12-months period from July 1, 2012 to June 30, 2013.

Measurement: Canyon Manor Program Director will review and analyze CQI reports to CBHS on a quarterly basis to ensure that all three items mentioned above are contained in the reports.

**Objective 6: Client Satisfaction**

**B.6.b During Fiscal Year 2012-13, 100% of unduplicated clients who received a face-to-face billable service during this survey period will be given and encouraged to complete a**

**City-wide Client Satisfaction Survey.**

Data Source: Program Tracking Sheet and Program Self Report

Program Review Measurement:

Objective will be evaluated based on the survey administration closest to the 12-month period from July 1, 2012 to June 30, 2013.

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

Measurement: Canyon Manor Program Director will insure that Administrative Staff follow the proper procedures in order to capture the most unduplicated clients in attendance at Canyon Manor on the targeted survey days by interviewing the staff involved. Also, he will review and analyze data provided by San Francisco CBHS. If objective is not met he will adjust procedures/program for next year's Client Satisfaction Survey days in order to achieve compliance.

### **C. Continuous Quality Improvement, Program Productivity and Service Access**

#### **Objective 6. Cultural Competency**

**C.6.a. Working with their CBHS program managers, programs will develop three (3) mutually agreed upon opportunities for improvement under their 2010 Cultural Competency Reports and report on the identified program-specific opportunities for improvement and progress toward these improvements by September 20, 2012. Reports should be sent to both program managers and the DPH/EEO.**

Data Source: Program managers will review progress utilizing the DPH Cultural Competency Report Evaluation Tool.

Program Review Management: Objective will be evaluated quarterly during the 12-month period from July 1, 2012 to June 30, 2013. Only the summaries from the two first quarterly meetings held by March 2013 will be included in the program review.

Measurement: Program Director will submit the evaluation of the objective in the Cultural Competency Report for review. If objective not met, plan will be generated to meet objective in the next 12 month period.

#### **8. Continuous Quality Improvement**

Centers shall maintain a regularly scheduled Continuous Quality Improvement Committee and extend an invitation to the County to attend as needed to facilitate the exchange of information. Committee membership shall consist of the following staff: one attending psychiatrist or Medical Director, Director of Nurses, Director of Program, and Social Worker. Attendance shall be documented and submitted as part of regular reports to the County.

Canyon Manor's CQI/QA committee shall determine the types of CQI/QA activities, including monitoring and evaluation to be employed at Canyon Manor and shall approve the CQI/QA calendar, assuring that the activities selected cover all types of services and all categories of care rendered in Canyon Manor and that they are effective.

**Contractor:** Mental Health Management I, Inc.  
**Program:** Canyon Manor  
**City Fiscal Year:** July 1, 2013-June 30, 2014

Canyon Manor's CQI/QA committee shall also be responsible for assuring that activities are directed toward the continuous improvement of care, that written indicators and thresholds for evaluation are developed and applied, that appropriate actions are implemented to eliminate or reduce identified problems or otherwise improve care to the greatest degree reasonably possible, that such corrective action has been adequate by subsequent monitoring and that the effectiveness of Canyon Manor's monitoring and evaluation and other CQI/QA activities are reappraised at least annually.

The individual committee and departments will be responsible for monitoring and evaluation of the client care they provide. Activities shall be coordinated through the CQI/QA Coordinator, and findings shall be reported to the CQI/QA committee. Every effort shall be made to keep all CQI/QA information and activities confidential, except where prohibited by law.

Reports will be submitted by each applicable committee or department according to the CQI/QA calendar for that year. Each year's calendar shall include, but not be limited to, ongoing monitoring and evaluation of the quality and appropriateness of care in the following services:

1. Client's Assessment and Treatment Process.
2. Client Care
3. Dietetic Care
4. Drug Usage
5. Medical Care
6. Nursing Care
7. Oral Health Care
8. Rehabilitation Care
9. Social Services
10. Cultural Competence

Because of limited and shrinking mental health resources, coupled with the need to immediately serve many acute clients coming in the front door, the program will consistently apply utilization review and discharge/exit criteria to alleviate increasing caseload pressure.

Canyon Manor Program services are in accord with the San Francisco Mental Health Plan Mission Statement and system goals and values. Canyon Manor agrees to comply with Health Commission, Local, State, Federal and/or Funding Source policies and requirements such as Harm Reduction, Health Insurance Portability and Accountability Act (HIPAA), Cultural Competency, and Client Satisfaction. We continue to review and improve on an ongoing basis our Wellness & Recovery model in conjunction with our collateral contracts.

**Appendix B**  
**Calculation of Charges**  
Term: 7/1/13-12/31/14

**1. Method of Payment**

A. Invoices furnished by CONTRACTOR under this Agreement must be in a form acceptable to the Contract Administrator and the CONTROLLER and must include the Contract Progress Payment Authorization number or Contract Purchase Number. All amounts paid by CITY to CONTRACTOR shall be subject to audit by CITY. The CITY shall make monthly payments as described below. Such payments shall not exceed those amounts stated in and shall be in accordance with the provisions of Section 5, COMPENSATION, of this Agreement.

Compensation for all SERVICES provided by CONTRACTOR shall be paid in the following manner. For the purposes of this Section, "General Fund" shall mean all those funds which are not Work Order or Grant funds. "General Fund Appendices" shall mean all those appendices which include General Fund monies.

(1) Fee for Service (Monthly Reimbursement by Certified Units at Budgeted Unit Rates:

CONTRACTOR shall submit monthly invoices in the format attached, Appendix F, and in a form acceptable to the Contract Administrator, by the fifteenth (15<sup>th</sup>) calendar day of each month, based upon the number of units of service that were delivered in the preceding month. All deliverables associated with the SERVICES defined in Appendix A times the unit rate as shown in the appendices cited in this paragraph shall be reported on the invoice(s) each month. All charges incurred under this Agreement shall be due and payable only after SERVICES have been rendered and in no case in advance of such SERVICES.

(2) Cost Reimbursement (Monthly Reimbursement for Actual Expenditures within Budget:

CONTRACTOR shall submit monthly invoices in the format attached, Appendix F, and in a form acceptable to the Contract Administrator, by the fifteenth (15<sup>th</sup>) calendar day of each month for reimbursement of the actual costs for SERVICES of the preceding month. All costs associated with the SERVICES shall be reported on the invoice each month. All costs incurred under this Agreement shall be due and payable only after SERVICES have been rendered and in no case in advance of such SERVICES.

B. Final Closing Invoice

(1) Fee For Service Reimbursement:

A final closing invoice, clearly marked "FINAL," shall be submitted no later than forty-five (45) calendar days following the closing date of each fiscal year of the Agreement, and shall include only those SERVICES rendered during the referenced period of performance. If SERVICES are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to CITY. CITY'S final reimbursement to the CONTRACTOR at the close of the Agreement period shall be adjusted to conform to actual units certified multiplied by the unit rates identified in Appendix B attached hereto, and shall not exceed the total amount authorized and certified for this Agreement.

(2) Cost Reimbursement:

A final closing invoice, clearly marked "FINAL," shall be submitted no later than forty-five (45) calendar days following the closing date of each fiscal year of the Agreement, and shall include only those costs incurred during the referenced period of performance. If costs are not invoiced during this period, all unexpended funding set aside for this Agreement will revert to CITY.

C. Payment shall be made by the CITY to CONTRACTOR at the address specified in the section entitled "Notices to Parties."

D. Upon execution of this Agreement, contingent upon prior approval by the CITY'S Department of Public Health of each year's revised Appendix A (Description of Services) and each year's revised Appendix B (Cost Reporting Data Collection Form), and within each fiscal year, the CITY agrees to make an initial payment to CONTRACTOR not to exceed twenty-five per cent (25%) of the General Fund portion of the CONTRACTOR'S allocation for the applicable fiscal year.

CONTRACTOR agrees that within that fiscal year, this initial payment shall be recovered by the CITY through a reduction to monthly payments to CONTRACTOR during the period of October 1 through March 31 of the applicable fiscal year, unless and until CONTRACTOR chooses to return to the CITY all or part of the initial payment for that fiscal year. The amount of the initial payment recovered each month shall be calculated by dividing the total initial payment for the fiscal year by the total number of months for recovery. Any termination of this Agreement, whether for cause or for convenience, will result in the total outstanding amount of the initial payment for that fiscal year being due and payable to the CITY within thirty (30) calendar days following written notice of termination from the CITY.

## **2. Program Budgets and Final Invoice**

A. Program Budgets are listed below and are attached hereto.

Appendix B-1 Mental Health Management, Inc., dba Canyon Manor Cost Report Data Collection (CRDC) Form

### **B. COMPENSATION**

Compensation shall be made in monthly payments on or before the 30<sup>th</sup> day after the DIRECTOR, in his or her sole discretion, has approved the invoice submitted by CONTRACTOR. The breakdown of costs and sources of revenue associated with this Agreement appears in Appendix B, Cost Reporting/Data Collection (CR/DC) and Program Budget, attached hereto and incorporated by reference as though fully set forth herein. The maximum dollar obligation of the CITY under the terms of this Agreement shall not exceed Twenty Six Million Five Hundred Thirty Thousand, Eight Hundred Forty Seven Dollars (\$26,530,847) for the period of October 1, 2008 through December 31, 2014.

CONTRACTOR understands that, of this maximum dollar obligation, \$1,043,819 is included as a contingency amount and is neither to be used in Appendix B, Budget, or available to CONTRACTOR without a modification to this Agreement executed in the same manner as this Agreement or a revision to Appendix B, Budget, which has been approved by the Director of Health. CONTRACTOR further understands that no payment of any portion of this contingency amount will be made unless and until such modification or budget revision has been fully approved and executed in accordance with applicable CITY and Department of Public Health laws, regulations and policies/procedures and certification as to the availability of funds by the Controller. CONTRACTOR agrees to fully comply with these laws, regulations, and policies/procedures.

(1) For each fiscal year of the term of this Agreement, CONTRACTOR shall submit for approval of the CITY's Department of Public Health a revised Appendix A, Description of

Services, and a revised Appendix B, Cost Reporting Data Collection form, based on the CITY's allocation of funding for SERVICES for the appropriate fiscal year. CONTRACTOR shall create these appendices in compliance with the instructions of the Department of Public Health. These appendices shall apply only to the fiscal year for which they were created. These appendices shall become part of this Agreement only upon approval by the CITY.

(2) CONTRACTOR understands that, of the maximum dollar obligation stated above, the total amount to be used in Appendix B, Budget and available to CONTRACTOR for the entire term of the contract is as follows, notwithstanding that for each fiscal year, the amount to be used in Appendix B, Budget and available to CONTRACTOR for that fiscal year shall conform with the Appendix A, Description of Services, and a Appendix B, Cost Reporting Data Collection form, as approved by the CITY's Department of Public Health based on the CITY's allocation of funding for SERVICES for that fiscal year.

October 1, 2008 through June 30, 2009	\$3,122,814
July 1, 2009 through June 30, 2010	\$3,981,222
July 1, 2010 through June 30, 2011	\$3,981,222
July 1, 2011 through June 30, 2012	\$3,981,222
July 1, 2012 through June 30, 2013	\$4,168,339
July 1, 2013 through June 30, 2014	\$4,168,339
July 1, 2014 through December 31, 2014	\$2,083,870
October 1, 2008 through December 31, 2014	\$25,487,028

(3) CONTRACTOR understands that the CITY may need to adjust sources of revenue and agrees that these needed adjustments will become part of this Agreement by written modification to CONTRACTOR. In event that such reimbursement is terminated or reduced, this Agreement shall be terminated or proportionately reduced accordingly. In no event will CONTRACTOR be entitled to compensation in excess of these amounts for these periods without there first being a modification of the Agreement or a revision to Appendix B, Budget, as provided for in this section of this Agreement.

C. CONTRACTOR agrees to comply with its Budget as shown in Appendix B in the provision of SERVICES. Changes to the budget that do not increase or reduce the maximum dollar obligation of the CITY are subject to the provisions of the Department of Public Health Policy/Procedure Regarding Contract Budget Changes. CONTRACTOR agrees to comply fully with that policy/procedure.

D. No costs or charges shall be incurred under this Agreement nor shall any payments become due to CONTRACTOR until reports, SERVICES, or both, required under this Agreement are received from CONTRACTOR and approved by the DIRECTOR as being in accordance with this Agreement. CITY may withhold payment to CONTRACTOR in any instance in which CONTRACTOR has failed or refused to satisfy any material obligation provided for under this Agreement.

E. In no event shall the CITY be liable for interest or late charges for any late payments.

F. CONTRACTOR understands and agrees that should the CITY'S maximum dollar obligation under this Agreement include State or Federal Medi-Cal revenues, CONTRACTOR shall expend such revenues in the provision of SERVICES to Medi-Cal eligible clients in accordance with CITY, State, and Federal Medi-Cal regulations. Should CONTRACTOR fail to expend budgeted Medi-Cal revenues herein, the CITY'S maximum dollar obligation to CONTRACTOR shall be proportionally reduced in the amount of such unexpended revenues. In no event shall State/Federal Medi-Cal revenues be used for clients who do not qualify for Medi-Cal reimbursement.

**DPH 1: Department of Public Health Contract Budget Summary**

DMH Legal Entity Number (MH):		272	Prepared By/Phone #:		Fiscal Year: 13-14	
DMH Legal Entity Name (MH)/Contractor Name (SA):		Mental Health Mgmt. I, Inc. dba Canyon Manor		Document Date: 7/1/2013		
Contract Appendix Number:	B-1	B-1	B-#	B-#	B-#	
Appendix A Name:						
Provider Number:	38HB1	38HB1				
FUNDING TERM:	7/1/13-6/30/14	7/1/13-6/30/14				TOTAL
<b>FUNDING USES</b>						
Salaries & Employee Benefits:	3,397,395					3,397,395
Operating Expenses:	1,178,494	20,000				1,198,494
Capital Expenses:						0
Subtotal Direct Expenses:	4,575,889	20,000	0	0	0	4,595,889
Indirect Expenses:						0
Indirect %:	0%	0%	0%	0%	0%	
TOTAL FUNDING USES	4,575,889	20,000	0	0	0	4,595,889
Employee Fringe Benefits %:						
<b>CBHS MENTAL HEALTH FUNDING SOURCES</b>						
						-
						-
						-
						-
						-
TOTAL CBHS MENTAL HEALTH FUNDING SOURCES	4,148,339	20,000	-	-	-	4,168,339
<b>CBHS SUBSTANCE ABUSE FUNDING SOURCES</b>						
						-
						-
						-
						-
						-
TOTAL CBHS SUBSTANCE ABUSE FUNDING SOURCES	-	-	-	-	-	-
<b>OTHER DPH-COMMUNITY PROGRAMS FUNDING SOURCES</b>						
						-
						-
						-
						-
TOTAL OTHER DPH-COMMUNITY PROGRAMS FUNDING SOURCES	-	-	-	-	-	-
TOTAL DPH FUNDING SOURCES	4,148,339	20,000	0	0	0	4,168,339
<b>NON-DPH FUNDING SOURCES</b>						
	427,550					
TOTAL NON-DPH FUNDING SOURCES	427,550	0	0	0	0	427,550
TOTAL FUNDING SOURCES (DPH AND NON-DPH)	4,575,889	20,000	-	-	-	4,595,889

**DPH 2: Department of Public Health Cost Reporting/Data Collection (CRDC)**

DMH Legal Entity Name (MH)/Contractor Name (SA): Mental Health Mgmt. Inc					Contract Appendix #: B-1	
Provider Name: Canyon Manor					Document Date: 7/1/2013	
Provider Number: 38HB1					Fiscal Year: FY 13-14	
Program Name:		Canyon Manor	Canyon Manor			
Program Code (formerly Reporting Unit):		38HB1	38HB1			
Mode/SFC (MH) or Modality (SA)		05/36-39				
Service Description:				0	0	TOTAL
FUNDING TERM:		7/1/13-6/30/14	7/1/13-6/30/14	-	-	
<b>FUNDING USES</b>						
Salaries & Employee Benefits:		3,397,395				3,397,395
Operating Expenses:		1,178,494	20,000			1,198,494
Capital Expenses (greater than \$5,000):						0
Subtotal Direct Expenses:		4,575,889	20,000	0	0	4,595,889
Indirect Expenses:						0
TOTAL FUNDING USES:		4,575,889	20,000	0	0	4,595,889
<b>CBHS MENTAL HEALTH FUNDING SOURCES</b>						
CFDA #:						
						0
						0
						0
						0
TOTAL CBHS MENTAL HEALTH FUNDING SOURCES		4,148,339	20,000	-	-	4,168,339
<b>CBHS SUBSTANCE ABUSE FUNDING SOURCES</b>						
CFDA #:						
						-
						-
						-
						-
TOTAL CBHS SUBSTANCE ABUSE FUNDING SOURCES		-	-	-	-	-
<b>OTHER DPH-COMMUNITY PROGRAMS FUNDING SOURCES</b>						
CFDA #:						
						-
						-
						-
TOTAL OTHER DPH-COMMUNITY PROGRAMS FUNDING SOURCES		-	-	-	-	-
TOTAL DPH FUNDING SOURCES		4,148,339	20,000	-	-	4,168,339
<b>NON-DPH FUNDING SOURCES</b>						
						0
TOTAL NON-DPH FUNDING SOURCES		427,550	0	0	0	427,550
TOTAL FUNDING SOURCES (DPH AND NON-DPH)		4,575,889	20,000	-	-	4,595,889
<b>CBHS UNITS OF SERVICE AND UNIT COST</b>						
Number of Beds Purchased (if applicable)						
Substance Abuse Only - Non-Res 33 - ODF # of Group Sessions (classes)						
Substance Abuse Only - Licensed Capacity for Medi-Cal Provider with Narcotic Tx Program						
Cost Reimbursement (CR) or Fee-For-Service (FFS):		FFS	CR			
DPH Units of Service:		17,563	#DIV/0!	-	-	
Unit Type:						
Cost Per Unit - DPH Rate (DPH FUNDING SOURCES Only)		0.00	0.00	0.00	0.00	
Cost Per Unit - Contract Rate (DPH & Non-DPH FUNDING SOURCES):		236.20	#DIV/0!	0.00	0.00	
Published Rate (Medi-Cal Providers Only):						
Unduplicated Clients (UDC):						Total UDC:



**DPH 4: Operating Expenses Detail**

Provider Number: 38HB1  
 Provider Name: Management I, Inc. dba Canyon Manor  
 Document Date: 7/1/13

Appendix #: B-1

Expenditure Category	TOTAL	General Fund	Funding Source 1 (overwrite here with Funding Source Name)	Funding Source 2 (overwrite here with Funding Source Name)	Funding Source 3 (overwrite here with Funding Source Name)	Funding Source 4 (overwrite here with Funding Source Name)
	Term: 7/1/13-6/30/14	Term: _____	Term: _____	Term: _____	Term: _____	Term: _____
Rental of Property	\$ -					
Utilities(Elec, Water, Gas, Phone, Scavenger)	\$ -					
Office Supplies, Postage	\$ -					
Building Maintenance Supplies and Repair	\$ -					
Printing and Reproduction	\$ -					
Insurance	\$ -					
Staff Training	\$ -					
Staff Travel-(Local & Out of Town)	\$ -					
Rental of Equipment	\$ -					
CONSULTANT/SUBCONTRACTOR (Provide Names, Dates, Hours & Amounts)	\$ -					
CONSULTANT/SUBCONTRACTOR (Provide Names, Dates, Hours & Amounts)	\$ -					
CONSULTANT/SUBCONTRACTOR (Provide Names, Dates, Hours & Amounts)	\$ -					
CONSULTANT/SUBCONTRACTOR (Provide Names, Dates, Hours & Amounts)	\$ -					
CONSULTANT/SUBCONTRACTOR (Provide Names, Dates, Hours & Amounts)	\$ -					
CONSULTANT/SUBCONTRACTOR (Provide Names, Dates, Hours & Amounts)	\$ -					
Other:	\$ -					
Reimbursement for profession MD services provided to the SF clients at Canyon Manor.	\$ 20,000.00	20,000				
	\$ -					
	\$ -					
	\$ -					
	\$ -					
	\$ -					

<b>TOTAL OPERATING EXPENSE</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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**Appendix F**  
**Invoice**

Appendix F  
PAGE A

INVOICE NUMBER: M01 JL 3

Ct.Blanket No.: BPHM TBD

User Cd

Ct. PO No.: POHM TBD

Fund Sources: General Fund

Invoice Period : July 2013

Final Invoice:		(Check if Yes)
----------------	--	----------------

ACE Control Number: [REDACTED]

\*Unduplicated Counts for AIDS Use Only.

\$ 4,148,089.88

NOTES:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Date

**DEPARTMENT OF PUBLIC HEALTH CONTRACTOR  
COST REIMBURSEMENT INVOICE**

Appendix F  
PAGE A

Control Number

**Contractor: Mental Health Management Inc. - Canyon Manor**

Address: 653 Canyon Road, P.O. Box 865, Novato, CA 94948

Tel. No.: (415) Tel. No.: (415) 892-1628

Fax No.: (415) Fax No.: (415) 892-8624

Contract Term: 07/01/2013 - 06/30/2014

PHP Division: Community Behavioral Health Services

INVOICE NUMBER:

M03 JL 3

Ct. Blanket No.: BPHM

TBD

User Cd

Ct. PO No.: POHM

DPHM13000037

Fund Source:

General Fund

Invoice Period:

July 2013

Final Invoice:

(Check if Yes)

ACE Control Number:

Program/Exhibit	TOTAL CONTRACTED		DELIVERED THIS PERIOD		DELIVERED TO DATE		% OF TOTAL		REMAINING DELIVERABLES		% OF TOTAL	
	UOS	UDC	UOS	UDC	UOS	UDC	UOS	UDC	UOS	UDC	UOS	UDC
B-1 Canyon Manor PC# - 38HB1												
					-		#DIV/0!		-		#DIV/0!	

Unduplicated Counts for AIDS Use Only.

Description	BUDGET	EXPENSES THIS PERIOD	EXPENSES TO DATE	% OF BUDGET	REMAINING BALANCE
Total Salaries	\$ -	\$ -	\$ -	0.00%	\$ -
Fringe Benefits	\$ -	\$ -	\$ -	0.00%	\$ -
<b>Total Personnel Expenses</b>	\$ -	\$ -	\$ -	0.00%	\$ -
Operating Expenses					
Occupancy	\$ -	\$ -	\$ -	0.00%	\$ -
Material and Supplies	\$ -	\$ -	\$ -	0.00%	\$ -
General Operating	\$ -	\$ -	\$ -	0.00%	\$ -
Staff Travel	\$ -	\$ -	\$ -	0.00%	\$ -
Consultant/ Subcontractor	\$ -	\$ -	\$ -	0.00%	\$ -
Other: Reimbursement for Profession MD svcs	\$ 20,000.00	\$ -	\$ -	0.00%	\$ 20,000.00
provided to the SF Clients at Canyon Manor	\$ -	\$ -	\$ -	0.00%	\$ -
	\$ -	\$ -	\$ -	0.00%	\$ -
<b>Total Operating Expenses</b>	\$ 20,000.00	\$ -	\$ -	0.00%	\$ 20,000.00
Capital Expenditures	\$ -	\$ -	\$ -	0.00%	\$ -
<b>TOTAL DIRECT EXPENSES</b>	\$ 20,000.00	\$ -	\$ -	0.00%	\$ 20,000.00
Indirect Expenses	\$ -	\$ -	\$ -	0.00%	\$ -
<b>TOTAL EXPENSES</b>	\$ 20,000.00	\$ -	\$ -	0.00%	\$ 20,000.00
Less: Initial Payment Recovery					
Other Adjustments (DPH use only)					
<b>REIMBURSEMENT</b>		\$ -			

NOTES:

I certify that the information provided above is, to the best of my knowledge, complete and accurate; the amount requested for reimbursement is in accordance with the contract approved for services provided under the provision of that contract. Full justification and backup records for those claims are maintained in our office at the address indicated.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Send to:

Community Program Budget/ Invoice Analyst  
1380 Howard St., 4th Floor  
San Francisco, CA 94103

DPH Authorization for Payment

Authorized Signatory

Date

Jul

CMHS/CSAS/CHS5/22/2013 INVOICE



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
06/06/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER LIC #0E77964</b> Argo Insurance Brokers, Inc. 2300 Contra Costa Blvd Suite 375 Pleasant Hill, CA 94523		<b>CONTACT NAME:</b> Eileen Hollander <b>PHONE (A/C, No, Ext):</b> 925-852-0445 <b>E-MAIL:</b> eileenh@argoinsurance.com <b>ADDRESS:</b>		<b>FAX (A/C, No):</b> 925-852-0495
<b>INSURED</b> Mental Health Mgt., Inc., Mental Health Mgt. I, Inc., DBA: Canyon Manor, Marin County S.A.R.T. Program, Inc. 655 Canyon Road Novato, CA 94947		<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
		<b>INSURER A:</b> AMERICAN EMPIRE SURPLUS LINES INS CO		35351
		<b>INSURER B:</b> SENTINEL INS CO LTD		11000
		<b>INSURER C:</b> ZURICH AMER INS CO		16535
		<b>INSURER D:</b>		
		<b>INSURER E:</b>		
		<b>INSURER F:</b>		

COVERAGES      CERTIFICATE NUMBER: 34066014      REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	X	13CG0175419	06/01/13	06/01/14	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ Excluded PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X	57UUNAM8624	04/01/13	04/01/14	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N Y N/A	WC969732801	01/01/13	01/01/14	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability		13CG0175419	06/01/13	06/01/14	\$1,000,000 3,000,000 Per Incident Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The City & County of San Francisco, It's Officers, Agents and Employees are Additional Insureds per the language provided in the attached endorsement.

Applicable Form(s): CG2026 1185 &amp; HA9916 0312

## CERTIFICATE HOLDER

City and County of San Francisco  
CBHS, Office of Contract Management and Compliance  
Attn: Brenda Mendieta  
1380 Howard Blvd. Room #442  
  
San Francisco, CA 94103

USA

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL AUTOMOBILE BROAD FORM ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESS AUTO COVERAGE FORM**

To the extent that the provisions of this endorsement provide broader benefits to the "insured" than other provisions of the Coverage Form, the provisions of this endorsement apply.

#### **1. BROAD FORM INSURED**

##### **A. Subsidiaries and Newly Acquired or Formed Organizations**

The Named Insured shown in the Declarations is amended to include:

- (1) Any legal business entity other than a partnership or joint venture, formed as a subsidiary in which you have an ownership interest of more than 50% on the effective date of the Coverage Form. However, the Named Insured does not include any subsidiary that is an "insured" under any other automobile policy or would be an "insured" under such a policy but for its termination or the exhaustion of its Limit of Insurance.
- (2) Any organization that is acquired or formed by you and over which you maintain majority ownership. However, the Named Insured does not include any newly formed or acquired organization:
  - (a) That is a partnership or joint venture,
  - (b) That is an "insured" under any other policy,
  - (c) That has exhausted its Limit of Insurance under any other policy, or
  - (d) 180 days or more after its acquisition or formation by you, unless you have given us notice of the acquisition or formation.

Coverage does not apply to "bodily injury" or "property damage" that results from an "accident" that occurred before you formed or acquired the organization.

##### **B. Employees as Insureds**

Paragraph A.1. - WHO IS AN INSURED - of SECTION II - LIABILITY COVERAGE is amended to add:

- d. Any "employee" of yours while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

##### **C. Lessors as Insureds**

Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- e. The lessor of a covered "auto" while the "auto" is leased to you under a written agreement if:
  - (1) The agreement requires you to provide direct primary insurance for the lessor and
  - (2) The "auto" is leased without a driver.

Such a leased "auto" will be considered a covered "auto" you own and not a covered "auto" you hire.

##### **D. Additional Insured if Required by Contract**

(1) Paragraph A.1. - WHO IS AN INSURED - of Section II - Liability Coverage is amended to add:

- f. When you have agreed, in a written contract or written agreement, that a person or organization be added as an additional insured on your business auto policy, such person or organization is an "insured", but only to the extent such person or organization is liable for "bodily injury" or "property damage" caused by the conduct of an "insured" under paragraphs a. or b. of Who Is An Insured with regard to the ownership, maintenance or use of a covered "auto."

If an "employee's" personal insurance also applies on an excess basis to a covered "auto" hired or rented by your "employee" on your behalf and at your direction, this insurance will be primary to the "employee's" personal insurance.

### **3. AMENDED FELLOW EMPLOYEE EXCLUSION**

EXCLUSION 5. - FELLOW EMPLOYEE - of SECTION II - LIABILITY COVERAGE does not apply if you have workers' compensation insurance in-force covering all of your "employees".

Coverage is excess over any other collectible insurance.

### **4. HIRED AUTO PHYSICAL DAMAGE COVERAGE**

If hired "autos" are covered "autos" for Liability Coverage and if Comprehensive, Specified Causes of Loss, or Collision coverages are provided under this Coverage Form for any "auto" you own, then the Physical Damage Coverages provided are extended to "autos" you hire or borrow, subject to the following limit.

The most we will pay for "loss" to any hired "auto" is:

- (1) \$100,000;
- (2) The actual cash value of the damaged or stolen property at the time of the "loss"; or
- (3) The cost of repairing or replacing the damaged or stolen property,

whichever is smallest, minus a deductible. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage. No deductible applies to "loss" caused by fire or lightning. Hired Auto Physical Damage coverage is excess over any other collectible insurance. Subject to the above limit, deductible and excess provisions, we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own.

We will also cover loss of use of the hired "auto" if it results from an "accident", you are legally liable and the lessor incurs an actual financial loss, subject to a maximum of \$1000 per "accident".

This extension of coverage does not apply to any "auto" you hire or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households.

### **5. PHYSICAL DAMAGE - ADDITIONAL TEMPORARY TRANSPORTATION EXPENSE COVERAGE**

Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to provide a limit of \$50 per day and a maximum limit of \$1,000.

### **6. LOAN/LEASE GAP COVERAGE**

Under SECTION III - PHYSICAL DAMAGE COVERAGE, in the event of a total "loss" to a covered "auto", we will pay your additional legal obligation for any difference between the actual cash value of the "auto" at the time of the "loss" and the "outstanding balance" of the loan/lease.

"Outstanding balance" means the amount you owe on the loan/lease at the time of "loss" less any amounts representing taxes; overdue payments; penalties, interest or charges resulting from overdue payments; additional mileage charges; excess wear and tear charges; lease termination fees; security deposits not returned by the lessor; costs for extended warranties, credit life insurance, health, accident or disability insurance purchased with the loan or lease; and carry-over balances from previous loans or leases.

### **7. AIRBAG COVERAGE**

Under Paragraph B. EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE, the following is added:

The exclusion relating to mechanical breakdown does not apply to the accidental discharge of an airbag.

### **8. ELECTRONIC EQUIPMENT - BROADENED COVERAGE**

a. The exceptions to Paragraphs B.4 - EXCLUSIONS - of SECTION III - PHYSICAL DAMAGE COVERAGE are replaced by the following:

Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- (1) Permanently installed in or upon the covered "auto";
- (2) Removable from a housing unit which is permanently installed in or upon the covered "auto";
- (3) An integral part of the same unit housing any electronic equipment described in Paragraphs (1) and (2) above; or



# CERTIFICATE OF LIABILITY INSURANCE

DATE (M/DD/YYYY)  
06/06/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> LIC #0E77964 Argo Insurance Brokers, Inc. 2300 Contra Costa Blvd Suite 375 Pleasant Hill, CA 94523	1-925-671-5110	<b>CONTACT</b> NAME: Eileen Hollander PHONE (A/C, No, Ext): 925-852-0445 E-MAIL ADDRESS: eileenh@argoinsurance.com FAX (A/C, No): 925-852-0495
<b>INSURED</b> Mental Health Mgt., Inc., Mental Health Mgt. I, Inc., DBA: Canyon Manor, Marin County S.A.R.T. Program, Inc. 655 Canyon Road Novato, CA 94947		<b>INSURER(S) AFFORDING COVERAGE</b> INSURER A: GREAT AMER INS CO INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
		NAIC # 16691

## COVERAGES

CERTIFICATE NUMBER: 34063948

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> Y N/A						WC STATUTORY LIMITS <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Crime Bond Employee Dishonesty			SAA3756772	07/01/13	07/01/14	Crime 1,027,024 Deductible 10,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

City and County of San Francisco acknowledged as Loss Payee

## CERTIFICATE HOLDER

City and County of San Francisco  
CBHS, Office of Contract Management and Compliance  
Attn: Brenda Mendieta  
1380 Howard Blvd. Room #442  
San Francisco, CA 94103  
USA

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE