

## SECOND AMENDMENT TO AGREEMENT

Tulare County Agreement Number 23424 is amended on \_\_\_\_\_, between the **COUNTY OF TULARE**, hereinafter referred to as "COUNTY" and **EMQ FAMILIES FIRST, INC. (FORMERLY KNOWN AS FAMILIES FIRST INC.)**, hereinafter referred to as 'CONTRACTOR' with reference to the following:

A. The COUNTY and CONTRACTOR entered Agreement No. 23424 to provide wraparound services for families with multiple, complex needs that may threaten the families' stability and well-being, and ability to keep their children safely at home.

B. The COUNTY and CONTRACTOR amended Agreement No. 23424 on September 30, 2008 to extend the termination of Agreement to June 30, 2009, updating Exhibit "A," "B," "B-1," "B-2," and add Exhibit "B-3."

C. The COUNTY and CONTRACTOR agree to amend Agreement No. 23424 to extend the termination date to June 30, 2010, update Exhibits "A," "B," "B-1," "B-2," "B-3," "C," and "D."

D. This amendment shall become effective July 1, 2009.

### ACCORDINGLY, IT IS AGREED:

I. Effective July 1, 2009 reference to Families First, Inc. is changed to EMQ Families First, Inc.

II. Effective July 1, 2009 reference to Exhibit "B" entitled Proposed Budget Summary Form is changed to Exhibit "B-3."

III. Effective July 1, 2009 reference to Exhibit "B-3" entitled Compensation is changed to Exhibit "B."

IV. Effective July 1, 2009 paragraph 1 entitled Term in the original Agreement is hereby revised to identify the new termination date of June 30, 2010.

V. Effective July 1, 2009 paragraph 11 entitled Notices in the original Agreement is hereby revised to identify the new name and address as follows:

**CONTRACTOR:**

EMQ Families First, Inc.

251 Llewellyn Avenue

Campbell, Ca. 95508

**Fax No.: 408-364-4013**

**Phone No.: 408-379-3790**

VI. Effective July 1, 2009 Exhibit "A" entitled Scope of Services is substituted in its entirety with the attached Exhibit "A," which Exhibit is made a part of this Agreement by reference.

VII. Effective July 1, 2009 Exhibit "B" entitled Compensation is substituted in its entirety with the attached Exhibit "B," which Exhibit is made a part of this Agreement by reference.

VIII. Effective July 1, 2009 Exhibit "B-1" entitled Budget Narrative is substituted in its entirety with the attached Exhibit "B-1," which Exhibit is made a part of this Agreement by



reference.

IX. Effective July 1, 2009 Exhibit "B-2" entitled Cost Report, Reconciliation, and Settlement is substituted in its entirety with the attached Exhibit "B-2," which Exhibit is made a part of this Agreement by reference.

X. Effective July 1, 2009 Exhibit "B-3" entitled Proposed Budget Summary Form is substituted in its entirety with the attached Exhibit "B-3," which Exhibit is made a part of this Agreement by reference.

IX. Effective July 1, 2009 Exhibit "C" entitled Insurance Requirements is substituted in its entirety with the attached Exhibit "C," which Exhibit is made a part of this Agreement by reference.

X. Effective July 1, 2009 Exhibit "D" entitled HIPAA Requirement is substituted in its entirety with the attached Exhibit "D," which Exhibit is made a part of this Agreement by reference..

XI. Except as provided above, all other terms and conditions of Agreement No. 23424 shall remain in full force and effect.

*///*



THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE

By \_\_\_\_\_  
Chairman, Board of Supervisors

ATTEST: JEAN ROUSSEAU  
County Administrative Officer/Clerk of the Board  
Of Supervisors of the County Of Tulare

By \_\_\_\_\_  
Deputy Clerk

EMQ FAMILIES FIRST, INC.

Date: 8/4/09

By [Signature]  
Title Go

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

By [Signature]  
Title CEO

Corporations Code section 313 requires that contracts with a corporation shall be signed by the (1) chairman of the Board, the president or any vice-president and (2) the secretary, any assistant, the chief financial officer, or any assistant treasurer; unless the contract is also accompanied by a certified copy of the Board of Directors resolution authorizing the execution of the contract.

Approved as to Form  
County Counsel

By [Signature]  
Deputy 20091061

Dated 7/22/09

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EMQ FamiliesFirst, Inc.

251 Llewellyn Avenue

Campbell, CA 95508

(408) 379-3790

Fax: (408) 364-4013

Exhibit A

**I. PURPOSE**

Tulare COUNTY Wraparound is designed to serve families with multiple, complex needs that may threaten the families' stability and well-being and ability to keep their child safely at home. CONTRACTOR will provide a strength-based, needs-driven, family-centered, flexible, and cost effective program that helps children and families build life skills, and strengthen individual and family supports so that family functioning is improved, barriers to meeting basic life needs are overcome, and out-of-home placements are prevented. The subsequent decreases in placement and community costs and increases in families' ability to care for their children result in fiscal and human resource savings that can be reinvested toward future placement prevention services.

**II. CONTRACTOR Service Responsibilities**

As the contracted provider for Wraparound Tulare, CONTRACTOR will:

- A. CONTRACTOR shall be available to provide Wraparound services to clients 24 hours per day, 7 days per week, 365 days per year.
- B. CONTRACTOR shall transport clients to appointments or ensure appropriate transportation has been arranged for clients to access services as needed.
- C. CONTRACTOR shall be responsible for facilitating, coordinating, noticing all parties including system partners, and convening the Child and Family Team meetings.
- D. CONTRACTOR shall facilitate the Wraparound Services Planning Process by engaging services following the best practices methods listed below:
  - Families as full partners with access, voice and ownership at all levels of planning and implementation
  - Unique child and child and family team's
  - Culturally competent services tailored to family culture, values, norms, strengths and preferences
  - Flexibility in location, time, planning, service response and funding
  - Perseverance in support and assistance to families
  - Life domain, needs-driven planning
  - Care provided in context of home and community
  - Strengths defined from first conversation

- Commitment to Permanence
  - Strategies linked to family/community strengths
  - Mechanisms and structures to support parent advocacy and leadership
- E. CONTRACTOR shall provide Engagement Services for up to the first 30 days prior to the child's return to the home. During the thirty (30) day Engagement period CONTRACTOR shall make personal contact with the referred family and the referred child for the purpose of introducing the Family Partner and the Facilitator, and to help identify service and resource needs for the purpose of transitioning the child back into the home.
- F. CONTRACTOR shall provide all needed mental health services (individual, group, family therapy) within the first ninety (90) days of the child's enrollment into Wraparound, if the child does not currently have an open case with a County children's mental health clinic and/or a positive connection with a therapist on staff at the county's children's mental health clinic.
- G. CONTRACTOR shall provide intensive case management leading the family to self-sufficiency.
- H. CONTRACTOR shall coordinate the planning and delivery of services with COUNTY system partners, community members, families and schools.
- I. CONTRACTOR shall develop, coordinate, and/or provide formal support and services (home-based and community-based, provided by professionals & non-professionals) to the family.
- J. CONTRACTOR shall help the family develop, coordinate and identify informal supports and services.
- K. CONTRACTOR shall facilitate the development of the Individual Services Plan (ISP) that is individualized, family-centered, strength-based, and needs driven.
- L. CONTRACTOR shall develop, implement, and complete the family's initial individual service plan within the first 30 days of the child's enrollment into Wraparound which shall be presented and approved by the Child and Family Team and the Wraparound Community Team.
- M. CONTRACTOR shall continue to develop, implement and complete updated Individual Service Plans for each enrolled child every 90 days thereafter which shall be approved by the Child and Family Team and reviewed by the Wraparound Community Team.
- N. CONTRACTOR shall employ and appropriately train an adequate number of staff as described in Exhibit B-Addendum B1, to achieve the Wraparound objectives.

- O. CONTRACTOR shall employ the Family Partner at a ratio of one (1) per ten (10) families.
- P. CONTRACTOR shall to identify an informal Family Partner within the first ninety (90) days of the family's enrollment to Wraparound.
- Q. CONTRACTOR shall report to the Community Team on a quarterly basis what activities and how much time they spent with each family enrolled in Wraparound.
- R. CONTRACTOR shall regularly assess, monitor, and update child, family, and placement safety. If a crisis situation occurs which is directly linked to the safety of the child, family and/or the community, an updated Crisis Safety Plan shall be developed/revised immediately and provided to the Community Team for informational purposes by the next scheduled Community Team Meeting.
- S. CONTRACTOR shall provide all of the outcome-based measures consistent with Wraparound requirements as stated in Section IV.
- T. CONTRACTOR shall meet with the Wraparound Community Team as scheduled.
- U. CONTRACTOR shall remain a Medi-Cal certified agent authorized to bill for eligible services during the term of this agreement for youth meeting medical necessity. \*Audit exceptions belong to the CONTRACTOR and the overall contract will be decreased by the amount of the audit exceptions.
- V. CONTRACTOR agrees to follow the Wraparound Best Practice Principles.
- W. CONTRACTOR agrees to conduct ongoing training as determined in consultation with the Wraparound Community Team. Training attendees may include CONTRACTOR staff, Community Based Organizations, and System Partners.
- X. CONTRACTOR shall maintain a tracking log/spreadsheet which shall include but not be limited to: child's demographic information, RISC approval date, enrollment, discharge, disenrollment, and/or graduation dates for each Wraparound child. The tracking log/spreadsheet shall be in a format acceptable to the COUNTY.
- Y. CONTRACTOR shall submit program reports and records as agreed upon by the CONTRACTOR and the COUNTY by the 10<sup>th</sup> working day of the month following the month of service. The COUNTY retains the right to require that the tracking log/spreadsheet be submitted with the monthly invoice for services.
- Z. Enrollment – CONTRACTOR accept referrals from the COUNTY as follows:
  - **Up to 50 children may be served by June 30, 2010.**

AA. CONTRACTOR shall make every effort to hire appropriate bilingual/bicultural staff and ensure that translation services are available to meet the culturally relevant needs of the client.

BB. CONTRACTOR agrees that the criteria for determining continued Wraparound eligibility for children/youth placed in a RCL 10-14 group home shall be as follows:

1. A communal care setting (juvenile hall, psychiatric hospital, group home) shall not exceed thirty (30) days, unless determined to be appropriate by the Wraparound Community Team
2. The Wraparound Community Team shall review cases within twenty-five (25) days of a child's admission to a crisis stabilization or placement facility to determine continued eligibility for a Wraparound slot.
3. Children who remain in a RCL 10-14 group home placement for longer than thirty (30) days past their Wraparound referral start date will be reviewed by the Wraparound Community Team to determine continued eligibility for a Wraparound slot.
4. CONTRACTOR shall continue to provide Wraparound services through eligible Medi-cal funding when a Wraparound participant is placed in a crisis stabilization facility longer than thirty (30) days when assessed and determined to be appropriate by the Wraparound Community Team.

CC. CONTRACTOR shall submit written reports of all critical/special incidents to the Wraparound Community Team by the next scheduled meeting.

### **III. Target Population**

Children considered eligible for Wraparound will meet all of the following criteria:

- Be a Dependent or Ward of Juvenile Court or eligible for AB 3632 or Adoption Assistance Program services within Tulare County.
- Be placed in, or be at-risk of placement in a Rate Classification Level (RCL) 10-14 group home.
- Have an approved or potential place to reside in the community with a parent/guardian, relative caregiver, non-related extended family member, or foster parent who has agreed to participate in Wraparound who has signed a Release of Information form so that the Wraparound Community Team members may fully disclose information necessary to determine the appropriateness for Wraparound.
- Willing to participate in Wraparound.
- Exhibit one or more of the following, but not limited to:

- |   |   |
|---|---|
| ✓ Frequent running away                                     | ✓ Substance use disorder  |
| ✓ Sexualized behavior                                       | ✓ Fire starter  |
| ✓ Posttraumatic stress disorder                             | Minor criminal behavior   |
| ✓ Aggressive/assaultive behavior                            | ✓ School behavior/truancy problems                                |
| ✓ Oppositional/defiant behavior                             | ✓ Beyond control of parents and/or primary care adults            |
| ✓ Self-injurious behavior                                   | ✓ Intensified services have been provided                         |
| ✓ Multiple placements                                       | ✓ Mild Developmental disorder not recognized by a Regional Center |
| ✓ One or more hospitalizations in a Mental Health facility  |   |
| ✓ Previously certified and approved for RCL 13-14 placement |   |

Severely Emotionally Disturbed children may not be excluded due to medical disorder/treatment needs (per WIC 5600) which complicate placement at lowest level of care.

#### **IV. Quality and Program Evaluation, Client Satisfaction & Engagement Outcomes**

CONTRACTOR will utilize Child Living Environment Scale (CLES)), Family Empowerment Scale (FES), Family Center Behavior Scale (FCBS), and the YOC and YOC-SR), completed by both children and parents.) In addition, CONTRACTOR will utilize the Child Assessment Needs and Strengths (CANS) and the Wraparound Fidelity Index 4 (WFI-4) to collect outcome data.

Outcomes to be monitored include but are not limited to:

1. Parent/caregiver satisfaction: The Family Centered Behavior Scale (FCBS) satisfaction questionnaire will be completed by families every six months and at the completion of Wraparound. This tool will also be utilized to help monitor the families' perspective of improved family involvement in service planning. The results of these surveys will be reported quarterly to the Wraparound Community Team.
2. Improvement in family involvement: Reported through CONTRACTOR's quarterly reports.
3. Family functioning: COUNTY and CONTRACTOR will continue to assess tools to evaluate family functioning.
4. Improved school attendance, academic performance, emotional and behavioral adjustment: These indicators will be monitored and reported in a quarterly program report that will report data and rate performance as indicated by the parent, education provider, Contracted Lead Agency, and county agency representatives.
5. Prevention of placement into more restrictive environments: Data regarding the number of children who are able to remain in out-of-group home care or



returned to lower level of group home care will be tracked and reported quarterly.

6. Cost effectiveness: COUNTY will continue to assess tools to evaluate cost effectiveness.

## V. COUNTY Responsibilities

- A. COUNTY has established the Resource Intensive Services Committee (RISC) to approve eligible children for Wraparound enrollment.
- B. Referrals for Wraparound shall be made to Resource Intensive Services Committee (RISC) by Tulare County Probation Department, Child Welfare Services, and Mental Health. Wraparound will serve youth who are in RCL 10-14, however youth who are currently in RCL 12-14 placement, awaiting placement in a higher level or in Juvenile Hall will be given priority for Wraparound. Prior to referral for Wraparound, youth and family members/potential caretakers must be contacted by the social worker, probation officer, or MH coordinator to inform them about the possibility of participating in services, and committed to fully participating in Wraparound should they be selected.
- C. Enrollment – It is anticipated that the COUNTY can refer up to **fifty (50) children to be served by June 30, 2010.**
  - The number of referrals and the foregoing is an estimate only.
- D. CONTRACTOR agrees that the criteria for determining continued Wraparound eligibility for children/youth placed in a RCL 10-14 group home shall be as follows:
  1. A communal care setting (juvenile hall, psychiatric hospital, group home) shall not exceed thirty (30) days, unless determined to be appropriate by the Wraparound Community Team
  2. The Wraparound Community Team shall review cases within twenty-five (25) days of a child's admission to a crisis stabilization or placement facility to determine continued eligibility for a Wraparound slot.
  3. Children who remain in a RCL 10-14 group home placement for longer than thirty (30) days past their Wraparound referral start date will be reviewed by the Wraparound Community Team to determine continued eligibility for a Wraparound slot.
  4. CONTRACTOR shall continue to provide Wraparound services through eligible Medi-cal funding when a Wraparound participant is placed in a crisis stabilization facility longer than thirty (30) days when assessed and determined to be appropriate by the Wraparound Community Team.

## **VI. Funding Formula**

The funding amount available to the CONTRACTOR will vary based on the child being federally or non-federally eligible and the child's level of placement. This contract is **for the period beginning July 1, 2009 through June 30, 2010**. Contract may be extended and funds will be available for two years, subject to the continued availability of funds and satisfactory performance by CONTRACTOR.

Primary and ongoing funds for Wraparound that will make up the provider agency budget are based on SB 163 and come from Foster Care funding, Adoption Assistance Payments, AB3632 and Special Education funding, Kin-gap funds, Foster Parent Training funds, Medi-Cal funding, and Early and Periodic Screening, Diagnosis and Treatment (EPSDT) funding. Funds from these sources will be determined based on the appropriate RCL as determined by the RISC committee.

The COUNTY will hold back twenty percent (20%) of the foster care funding amount due to CONTRACTOR, on a per-child / per-month basis for the purpose of offsetting the county share for EPSDT funds spent for Wraparound eligible children. For a child federally and non-federally eligible to receive foster care funding the following new formula will apply:

	<b>Total RCL Payment</b>	<b>Federal Deduction from TOTAL RCL Payment*</b>	<b>20% County Holdback</b>	<b>Contract Agency Receives</b>	<b>State's Portion of Payment</b>	<b>County's Portion of Payment</b>
<b>RCL 10.5</b>						
Federally Eligible	\$5,291	\$2,646*	<i><b>\$529</b></i>	<i><b>\$2,117</b></i>	\$1,058	\$1,588
Non-Federally Eligible	\$5,291	\$0*	<i><b>\$1,058</b></i>	<i><b>\$4,233</b></i>	\$2,116	\$3,175
<b>RCL 13</b>						
Federally Eligible	\$6,294	\$3,147*	<i><b>\$629</b></i>	<i><b>\$2,518</b></i>	\$1,259	\$1,888
Non-Federally Eligible	\$6,294	\$0*	<i><b>\$1,259</b></i>	<i><b>\$5,035</b></i>	\$2,518	\$3,776

\* SB 163 is a State project that the Federal government is not participating in. Federal funds cannot be used for Wraparound services, therefore only the State and COUNTY portions of those payments will be available to the contract agency. The ratio of federally eligible versus non-federally eligible children referred for services shall be negotiated between the COUNTY and CONTRACTOR.

So that SB 163 funds can be maximized, Wraparound services should fully utilize the continuum of services within the existing service delivery system. These services are widely available and supported by funding streams that include, but are not limited to the following: Adoptions Assistance Program, Medi-Cal, Early and Periodic Screening, Diagnosis and Treatment (EPSDT), Kinship Support Services, Tobacco Settlement funds, Child Abuse Prevention, and Promoting Safe and Stable Families (PSSF) funding.

## **VII. Fiscal Provisions for Foster Care Funding**

- A. For children participating in Wraparound identified at the rate classification level 12-14, the COUNTY will reimburse the CONTRACTOR the RCL 13 payment, minus the cost, if any, of concurrent out-of-home placement for those children. For children participating in the Wraparound Program identified at the rate classification level 10 or 11, the COUNTY will pay the CONTRACTOR the average of the RCL 10 and 11 payments, minus the cost, if any, of concurrent out-of-home placement for those children. RCL payments shall be based on the State's most recent published rates. The federal deduction will be applied to federally eligible children.

The COUNTY will hold back twenty percent (20%) of the amount due to CONTRACTOR, on a per-child / per-month basis, for the purpose of offsetting the county share for EPSDT funds spent for Wraparound eligible children.

- B. Amounts paid to the CONTRACTOR and amounts deducted for concurrent out-of-home placement/county withholding will be prorated to correspond with a child's entrance or exit from Wraparound and entrance and exit from concurrent out-of-home placements.
- C. CONTRACTOR is to provide COUNTY with their monthly invoice for State Foster Care payments by the 10<sup>th</sup> working day of the following month in a spreadsheet format acceptable to the COUNTY.
- D. CONTRACTOR will deposit the balance of any Foster Care funds paid by COUNTY, after appropriate expenditures have been made, into a trust fund account specifically established for the Tulare County Wraparound contract.
- E. On an annual basis, following the cost report settlement and reconciliation timeframes [reference Exhibit B3]; CONTRACTOR shall issue to COUNTY the balance of all Tulare County Wraparound Trust Funds held by CONTRACTOR. The funds shall be mailed to:
- Tulare County Health & Human Services Agency  
Attention: Fiscal Services Branch  
Reference: Tulare County Wraparound Trust Fund  
5957 South Mooney Blvd.  
Visalia, CA 93277
- F. CONTRACTOR is to provide COUNTY with monthly expenditure reports by the last day of the following month.
- G. The COUNTY retains the right to withhold State Foster Care dollars from the CONTRACTOR's payment if required program and fiscal reports are not received by the COUNTY on a timely basis.

- H. Payment covers one month of service. Payments will be made to the CONTRACTOR within 30 days after an approved final invoice is received. The invoice (Exhibit E) along with back-up documentation will be in a format specified by the COUNTY. CONTRACTOR will deliver one invoice monthly to:

Tulare County Child Welfare Services  
Attention: Wraparound Project Analyst  
5957 S. Mooney Blvd  
Visalia, Ca 93277

**\*If the child/family is eligible for EPSDT/Medi-cal funding please see Exhibit B-2**

- I. CONTRACTOR may change any individual line item by 10% in the budgets attached to Exhibit A. All line item shifts in excess of 10%, however, must be accompanied by a justification, and a statement of any changes of program participants or clients to be served as a result of the line item shift. All line item adjustments in excess of 10% must be approved in writing by COUNTY prior to implementation.

**EXHIBIT B  
COMPENSATION  
MEDI-CAL MENTAL HEALTH SERVICES  
FISCAL YEAR 2009/2010**

**A. RATES**

**Specialty Mental Health Services (with prior approval from County)**

Service Function	Mode of Service		Time Basis	Short-Doyle Medi-Cal Maximum Allowance Rates	
	Code	Code		FY 2007-2008	Published
<b>OUTPATIENT SERVICES</b>	<b>15</b>				
Case Management		01-09	Staff Minute	\$	2.02
Mental Health Services - Collateral		10-19	Staff Minute	\$	2.61
Mental Health Services		30-59	Staff Minute	\$	2.61
Crisis Intervention		70-79	Staff Minute	\$	3.88

**COUNTY WILL NOT PAY MORE THAN THE STATE MAXIMUM ALLOWANCE (S.M.A.) RATES.** Any other provision of this Agreement notwithstanding, in no event shall the compensation to the CONTRACTOR exceed the State maximum allowance as reimbursement rates received by the County.

**B. REQUIRED REPORTS: PAYMENT WITHHOLDINGS**

- Any other provision of this Agreement notwithstanding, should CONTRACTOR fail to provide any report by this Agreement in a timely manner and as otherwise set forth in this Agreement, COUNTY may withhold any payments otherwise due CONTRACTOR pursuant to this Agreement, and any other agreement between CONTRACTOR and COUNTY, until such report is properly submitted as determined by the Director.

**C. INVOICING**

- COUNTY will pay CONTRACTOR only for services actually rendered on a monthly basis. COUNTY will not make payment until all services are actually

rendered and an invoice is submitted in accordance with the invoicing requirements of this Agreement.

2. Invoices (see example attached to Exhibit B2) shall be in the format approved by the Tulare County Health & Human Services Agency, Director of Mental Health. All payments made under this agreement shall be made within thirty (30) days of submission of all required documentation and in accordance with the County's payment cycle. Neither COUNTY nor the patient shall be responsible for billings which represent services rendered, if billings are presented more than sixty (60) days after the patient discharge date.
3. CONTRACTOR will submit a claim for actual services rendered and authorized by COUNTY within ten (10) working days from the end of the previous month. Invoices shall be submitted to:

Tulare County Health & Human Services Agency  
Department of Mental Health  
Attn: Managed Care, Authorization Unit  
5957 S. Mooney Blvd.  
Visalia, CA 93277

4. Invoices will include the following information
  - a. Child Service Breakdown (see example attached to Exhibit B2)
  - b. Mental Health Progress Notes to include the following criteria:
    - i. Date of Service
    - ii. Mental Health service provided
    - iii. Name of service provider
    - iv. Legible Signature; signed and printed, by person providing the service; professional degree, licensure, and job title.
    - v. Time of day service was provided
    - vi. Duration of service

**EXHIBIT ADDENDUM – B1  
BUDGET NARRATIVE  
TULARE COUNTY WRAPAROUND PROGRAM  
JULY 1, 2009 TO JUNE 30, 2010**

**REVENUE**

**SB 163 Revenue**

Total SB 163 revenue is projected to be \$1,113,684. For budgetary purposes it was assumed the rate per client was \$3,068. This is the average rate per client for the period 7/1/08 – 12/31/08 minus a 20% county withholding. ( $3835 \times 80\% = 3,068$ ) Given that intakes occur as projected at a rate of 1.5 per month starting 7/1/09, 363 months of service will be provided in the year. ( $363 \text{ months} \times \$3,068 = \$1,113,684$ )

**EPSDT Revenue**

EPSDT revenue is projected to be \$1,080,103. This assumes the delivery of 485,760 minutes of service at present SMA. This assumes delivery of approx. 1,338 units of services per month to each participating family. For budgetary purposes, it was assumed that 31% of the service minutes would be for case management, 69% for mental health and .3% for crisis intervention. This blend of service functions was derived from actual figures for the period 7/1/08-12/31/08. Clinicians, Children and Family Team Facilitators and Family Specialists are billable positions.

**Projected Additions to Trust Fund**

The projected addition to the Trust Fund at June 30, 2010 is \$56,558. For budgetary purposes, this assumes post cost settlement Medi-Cal costs are at 2008 – 2009 (present) SMA and that trust fund dollars pay for medi-Cal costs in excess of SMA.

**PERSONNEL**

*Taxes and benefits were calculated at 28% of salaries.*

**Clinical Program Manager**

The total cost for an average of 1.8333 FTE Clinical Program Manager is \$140,800. The base annual salary is \$60,000 per year. Taxes/benefits at 28% equal \$30,800.  $\$110,000 + \$30,800 = \$140,800$ .

**Clinician**

The total cost for an average of 1.8333 FTE Clinician is \$110,294. The base annual salary is 47,000 per year. Taxes/benefits at 28% equal \$24,127.  $\$86,167 + \$24,127 = \$110,294$ .

**Family/Child Team Facilitator**

The total cost for an average of 4.916 FTE Family/Child Team Facilitators is \$282,570. The base annual salary is \$44,900 per year. Taxes/benefits at 28% are \$61,812.  $\$220,758 + \$61,812 = \$282,570$ .

**Family Specialist**

The total cost for an average of 11 FTE Family Specialist is \$407,222. The base annual salary is \$28,922 per year. Taxes/benefits at 28% are \$89,080.  $\$318,142 + \$89,080 = \$407,222$ .

**Family Partner**

The total cost for an average of 3.42 FTE Family Partner is \$135,574. The base annual salary is \$31,000 per year. Taxes/benefits at 28% equal \$29,657.  $\$105,917 + \$29,657 = \$135,574$ .

**Program Supervisor**

The total cost for an average of 1.25 FTE Program Supervisor is \$65,600. The base annual salary is \$41,000 per year. Taxes/benefits at 28% are \$14,350.  $\$51,250 + 14,350 = \$65,600$ .

**Billing/Filing Clerk**

The total cost for an average of 1.58 FTE Billing/Filing Clerk is \$62,150. The base annual salary is \$32,500 per year. Taxes/benefits at 28% are \$13,595.  $\$48,555 + 13,595 = \$62,150$ .

**Community Resource Specialist**

The total cost for 1.0 FTE Community Resource Specialist is \$51,200. The base annual salary is \$40,000 per year. Taxes/benefits at 28% equal \$11,200.  $\$40,000 + \$11,200 = \$51,200$ .

**Associate Director**

The total cost for .50 FTE Associate Director is \$45,484. The base annual salary is \$71,070 per year. Taxes/benefits at 28% equal \$9,950.  $\$35,535 + \$9,950 = \$45,485$ .

**OPERATING EXPENSES****Program Consultants**

It is estimated the cost of Consultants will be \$10,000. This expense item includes staff training and consultancy by Wraparound experts and the implementation and monitoring of Wraparound fidelity evaluation tools.

**Interpreters**

It is expected that not all individuals needing service in Tulare County will be fluent in English. It is further expected that EMQ FamiliesFirst may not be able to hire staff fluent in all languages spoken in Tulare County. Provision has therefore been made for 363 hours of interpreter services at an estimated hourly rate of \$25.  $(363 \text{ hrs} \times \$25 = \$9,075)$

**Travel – Staff Mileage**

Staff mileage was calculated at 11% of direct salaries  $(\$1,016,324 \times 11\% = \$111,796)$ . This represents approximately 35 miles per day per direct care staff at a reimbursement rate of \$0.505.

**Emergency Funds (Flex)**

It is estimated Emergency Funds (Flex) expenditures will average \$250 per month per client family. Given intake estimates, 363 months of service are expected to be delivered. It is therefore estimated that Emergency fund expenditure will amount to approximately \$90,750.  $(\$250 \times 363 = \$90,750)$ .

**Occupancy Pool**

Occupancy costs were calculated at 22% of direct personnel costs and include office rent, equipment/parts/materials, leases, telephone, outside services, repairs and maintenance and utilities.  $(\$1,016,324 \times 22\% = \$223,591)$



**Regional Pool**

Regional costs were calculated at 6% of direct personnel costs and represent all other allocated costs not directly attributable to program as direct expense. This pool includes the Training Coordinator, Regional Vice President, Executive Director, postage, shipping, printing, dues & subscriptions, office supplies, conference & training and travel. ( $\$1,016,324 \times 6\% = \$60,979$ )

**ADMINISTRATIVE OVERHEAD – G & A Pool**

Indirect costs were calculated at 32% of direct care personnel costs. Indirect costs are allocated on the basis of a program's total payroll costs prior to the addition of taxes and benefits and may fluctuate slightly from month to month. EMQ FamiliesFirst has a strong administrative infrastructure that provides agency-wide support and resources for all programs and services. These include: accounting/fiscal, administrative services, facilities, executive office, human resources, training and information technology. All allocations are in accordance with OMB A-122 and generally accepted accounting principles.

**EXHIBIT B-2**  
**Cost Report, Reconciliation, and Settlement**  
**Fiscal Year 2009-2010**

**EMQ FAMILIESFIRST**

**A. ANNUAL COST REPORT**

CONTRACTOR shall submit an annual Mental Health Cost Report on or before the last day of the fourth month following the close of each COUNTY fiscal year, or on or before the last day of the fourth month following the termination of this Agreement. Extensions of time to file the cost report at any later date must be approved in writing by the Assistant Agency Director- Mental Health Services, the Deputy Director- Clinical Services, or the Assistant Director of Administration. Such cost report shall be prepared in accordance with the requirements set forth in the California Department of Mental Health's Cost Reporting/Date Collection Manual and must be submitted on appropriate California Department of Mental Health fiscal year forms.

**B. RECONCILIATION/INTERIM RATE ADJUSTEMENT**

COUNTY will reconcile the Annual Cost Report and settlement will be based on the lower of cost or Standard Maximum Allowance (SMA) rate, and shall be considered payment in full. SMA rates are updated annually in November. Within ninety (90) days thereafter, COUNTY will make payment, or receive reimbursement from CONTRACTOR, as appropriate. If the Annual Cost Report is submitted late, the CONTRACTOR understands and agrees that COUNTY may not make further payments to CONTRACTOR until Annual Cost Report is submitted.

**C. REPAYMENT OR REIMBURSEMENT TO STATE OR OTHERS**

CONTRACTOR agrees that any repayment or reimbursement that must be made by COUNTY to the State of California or others as a result of an audit or conduct by CONTRACTOR, its agents, officers or employees of the programs or services provided under this Agreement shall be paid by CONTRACTOR, out of its own funds, within thirty (30) days after the parties are notified that repayment or reimbursement is due. For purposes of this provision, it is agreed that offsets made by the state are included within the phrase "repayment or reimbursement".

**D. EXCEPTIONS RE: REPAYMENT OR REIMBURSEMENT**

The reimbursement provisions set forth above will not be applicable if any action or direction by COUNTY with regard to the program is the principal reason for repayment or reimbursement being required. The reimbursement provisions shall also not be applicable if COUNTY fails to give timely notice of any appeal, which results in the termination or barring of any appeal and thereby causes prejudice to CONTRACTOR. COUNTY shall have no obligation to appeal or financially undertake the cost of any appeal, but it shall be able to participate in

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every stage of any appeal if it desires to do so. Any action or failure to act by CONTRACTOR or its officers, employees and subcontractors, past or present, including a failure to make a diligent effort to resolve an audit exception with the state, which has resulted in a required repayment or reimbursement to the state or to others shall be paid by CONTRACTOR in accordance with this Exhibit.

<b>EXHIBIT ADDENDUM B-3</b>
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**PROPOSED BUDGET SUMMARY FORM**  
**TULARE COUNTY WRAPAROUND PROGRAM**  
**July 1, 2009 - June 30, 2010**

Provider: **EMQ FamiliesFirst, Inc**

**REVENUE**

SB 163	\$ 1,113,684
EPSDT	1,080,103
<b>TOTAL REVENUE</b>	<b>\$ 2,193,787</b>

**SALARIES & FRINGE**

**A. Direct Personnel Costs**

(Program & Service Personnel)

Salary	\$ 770,984
Fringe	215,875
<b>Total Direct Personnel Costs</b>	<b>\$ 986,859</b>

**B. Indirect Personnel Costs**

(Administrative and Clerical Personnel)

Salary	\$ 245,340
Fringe	68,695
<b>Total Indirect Personnel Costs</b>	<b>314,035</b>

<b>TOTAL SALARIES &amp; FRINGE</b>	<b>\$ 1,300,895</b>
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**OPERATING EXPENSE**

**Direct Costs**

Program Consultants	\$ 10,000
Interpreters	9,075
Travel - Staff Mileage	111,796
Emergency Funds (Flex)	90,750
Program Supplies	\$ 4,920
<b>Total Direct Costs</b>	<b>\$ 226,541</b>

<b>Occupancy Costs</b>	<b>\$ 223,591</b>
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<b>Regional Management Pool</b>	<b>\$ 60,979</b>
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<b>TOTAL OPERATING EXPENSE</b>	<b>511,111</b>
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<b>TOTAL SALARIES, FRINGE &amp; OPERATING EXPENSE</b>	<b>\$ 1,812,006</b>
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<b>G &amp; A POOL (Administrative Overhead)</b>	<b>\$ 325,224</b>
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<b>TOTAL EXPENSE</b>	<b>\$ 2,137,229</b>
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<b>ADDITION TO TRUST FUND</b>	<b>\$ 56,558</b>
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**Exhibit "C"**  
**INSURANCE REQUIREMENTS**

*CONTRACTOR shall provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property, which may arise from, or in connection with, performance under the Agreement by the CONTRACTOR, his agents, representatives, employees or subcontractors, if applicable.*

**A. Minimum Scope & Limits of Insurance**

1. Coverage at least as broad as Commercial General Liability Insurance of \$1,000,000 combined single limit per occurrence. If the annual aggregate applies it must be no less than \$2,000,000.
2. Comprehensive Automobile Liability Insurance (if applicable) of \$1,000,000 per occurrence.
3. Workers' Compensation and Employer's Liability Insurance as required by law.
4. Professional Errors and Omissions Insurance of \$1,000,000.

**B. Specific Provisions of the Certificate**

1. The Certificate of Insurance for General Liability, Comprehensive Automobile Liability Insurance and Professional Errors and Omissions Insurance have to meet the following requirements:
  - a. *Name the COUNTY, Its officers, agents, employees and volunteers, individually and collectively, as additional insureds.*
  - b. *State that such Insurance for additional insureds shall apply as primary insurance and any other insurance maintained by COUNTY shall be excess.*
  - c. *Provide that coverage shall not be suspended, voided, canceled, reduced In coverage, or otherwise materially changed except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the County.*
2. The Certificate of Insurance for Workers Compensation, should include the following:
  - a. *Waiver of Subrogation. Contractor waives all rights against the County and its agents, officers, and employees for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.*

**C. Deductibles and Self-Insured Retentions**

The COUNTY Risk Manager must approve any deductible or self-insured retention that exceeds \$100,000.

**D. Acceptability of Insurance**

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A (-) from a company admitted to do business in California, any waiver of these standards are subject to approval by the County Risk Manager or County Risk Manager's designee.

**E. Verification of Coverage**

Prior to approval of this Agreement by the COUNTY, the CONTRACTOR shall file with the submitting department, certificates of insurance with original endorsements effecting coverage in a form acceptable to the COUNTY. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.

**Exhibit "D"**  
**HIPAA REQUIREMENT**

The Health insurance Portability and Accountability Act of 1996 (HIPAA)

- A. Definitions: Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Rule.
1. *Business Associate.* "Business Associate" shall mean CONTRACTOR.
  2. *Covered Entity.* "Covered Entity" shall mean COUNTY.
  3. *Individual.* "Individual" shall have the same meaning as the term "individual" in 45 CFR 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
  4. *Privacy Rule.* "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.
  5. *Protected Health Information.* "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
  6. *Required By Law.* "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.501.
  7. *Secretary.* "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
- B. Obligations and Activities of CONTRACTOR
1. CONTRACTOR agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required By Law.
  2. CONTRACTOR agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
  3. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known to CONTRACTOR of a use or disclosure of Protected Health Information by CONTRACTOR in violation of the requirements of this Agreement.
  4. CONTRACTOR agrees to report to COUNTY any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.
  5. CONTRACTOR agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by CONTRACTOR on behalf of COUNTY agrees to the same restrictions and conditions that apply through this Agreement to CONTRACTOR with respect to such information. CONTRACTOR agrees to provide access, at the request of COUNTY, and in the time and manner requested by COUNTY, to Protected Health Information in a Designated Record Set, to COUNTY or, as directed by COUNTY, to an Individual in order to meet the requirements under 45 CFR 164.524

6. CONTRATOR agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the COUNTY directs or agrees to pursuant to 45 CFR 164.526 at the request of COUNTY or an Individual, and in the time and manner requested by COUNTY
7. CONTRACTOR agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by CONTRACTOR on behalf of, COUNTY to the COUNTY, in a time and manner requested by COUNTY for purposes of determining CONTRACTOR'S and/or COUNTY'S compliance with the Privacy Rule.
8. CONTRACTOR agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for COUNTY to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528
9. CONTRACTOR shall provide to COUNTY or an individual, in time and manner designated by COUNTY, information collected in accordance with Title 45, CFR, Section 164.528, to permit the Department to respond to a request by the individual for an accounting of disclosures of PHI in accordance with Title 45, CFR, Section 164.528

C. General Use and Disclosure Provisions: Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, COUNTY, if such use or disclosure of Protected Health Information would not violate the Privacy Rule if done by COUNTY or the minimum necessary policies and procedures of the COUNTY.

D. Specific Use and Disclosure

1. Except as otherwise limited in this Agreement, CONTRACTOR may use Protected Health Information for the proper management and administration of the CONTRACTOR or to carry out the legal responsibilities of the CONTRACTOR.
2. Except as otherwise limited in this Agreement, CONTRACTOR may disclose Protected Health Information for the proper management and administration of the CONTRACTOR, provided that disclosures are Required By Law, or CONTRACTOR obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the CONTRACTOR of any instances of which it is aware in which the confidentiality of the information has been breached.
3. Except as otherwise limited in this Agreement, CONTRACTOR may use Protected Health Information to provide Data Aggregation services to COUNTY as permitted by 42 CFR 164.504(e)(2)(i)(B)

4. CONTRACTOR may use Protected Health Information to report violations of law to appropriate Federal and State authorities consistent with § 164.502(j)(1)

E. Obligations of COUNTY

1. COUNTY shall notify CONTRACTOR of any limitation(s) in its notice of privacy practices of COUNTY in accordance with 45 CFR 164.520, to the extent that such limitation may affect CONTRACTOR'S use or disclosure of Protected Health Information.
2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect CONTRACTOR'S use or disclosure of Protected Health Information
3. COUNTY shall notify CONTRACTOR of any restrictions to the use or disclosure of Protected Health Information that COUNTY has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect CONTRACTOR'S use or disclosure of Protected Health Information.

- F. Permissible Requests by COUNTY: Except as otherwise provided herein, COUNTY shall not request CONTRACTOR to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by COUNTY

G. Miscellaneous

1. *Regulatory References.* A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended.
2. *Amendment.* The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for COUNTY to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub L. No. 104-191.
3. *Survival.* The respective rights and obligations of CONTRACTOR under this Exhibit shall survive the termination of this Agreement.
4. *Interpretation.* Any ambiguity in this Agreement shall be resolved to permit COUNTY to comply with the Privacy Rule.