AMENDMENT NO. 3
TO
CONTRACT NO. MA-042-22011507
FOR
INPATIENT MENTAL HEALTH SERVICES FOR YOUTH

This Amendment ("Amendment No. 3") to Contract No. MA-042-22011507 for Inpatient Mental Health Services for Youth is made and entered into on July 1, 2025 ("Effective Date") between Children's Hospital of Orange County DBA CHOC Children's ("Contractor"), with a place of business at 1201 West La Veta Ave., Orange, CA 92868, and the County of Orange, a political subdivision of the State of California ("County"), through its Health Care Agency, with a place of business at 405 W. 5th St., Ste. 600, Santa Ana, CA 92701. Contractor and County may sometimes be referred to individually as "Party" or collectively as "Parties".

RECITALS

WHEREAS, the Parties executed Contract No. MA-042-22011507 ("Contract") for Inpatient Mental Health Services for Youth, effective July 1, 2022 through June 30, 2023, in an amount not to exceed $500,000, renewable for two additional one-year terms; and

WHEREAS, the Parties executed Amendment No. 1 to renew the Contract for one year, effective July 1, 2023, through June 30, 2024, in an amount not to exceed $500,000, for a revised cumulative contract total amount not to exceed $1,000,000, and to amend Exhibit A of the Contract; and

WHEREAS, the Parties executed Amendment No. 2 to renew the Contract for one year, effective July 1, 2024 through June 30, 2025, in an amount not to exceed $1,500,000, for a revised cumulative contract total amount not to exceed $2,500,000, and to amend Exhibit A of the Contract; and

WHEREAS, the Parties now desire to enter into this Amendment No. 3 to renew the Contract for one year for County to continue receiving and Contractor to continue providing the services set forth in the Contract, to amend Paragraph XXX. Termination of the Contract, and to amend Exhibit A of the Contract.

NOW THEREFORE, Contractor and County agree to amend the Contract as follows:

1. The Contract is renewed for a term of one (1) year, effective July 1, 2025, through June 30, 2026, in an amount not to exceed $1,500,000 for this renewal term, for a revised cumulative Contract Total Amount Not to Exceed $4,000,000.

2. Page 4, Referenced Contract Provisions, Term provision and Amount Not To Exceed provision, of the Contract are deleted in their entirety and replaced with the following:

"**Term:** July 1, 2022 through June 30, 2026
Period One means the period from July 1, 2022, through June 30, 2023
Period Two means the period from July 1, 2023, through June 30, 2024

Period Three means the period from July 1, 2024, through June 30, 2025
Period Four means the period from July 1, 2025, through June 30, 2026

Amount Not To Exceed:

Period One Amount Not To Exceed:	$ 500,000
Period Two Amount Not To Exceed:	$ 500,000
Period Three Amount Not To Exceed:	$1,500,000
Period Four Amount Not To Exceed:	$1,500,000
Total Amount Not To Exceed:	$4,000,000"

3. Paragraph XXX. TERMINATION, subparagraph A, of the Contract is deleted in its entirety and replaced with the following:

"A. Either Party may terminate this Contract, without cause, upon thirty (30) calendar days' written notice. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract."

4. Exhibit A, Paragraph I. Common Terms and Definitions, subparagraph A., of the Contract is deleted in its entirety and replaced with the following:

"A. The parties agree to the following terms and definitions, and to those terms and definitions which, for convenience, are set forth elsewhere in the Contract.

1. Acute Day means those days authorized by ADMINISTRATOR's designated Utilization Management Unit when the Client meets medical necessity criteria set forth in Title 9 of the California Code of Regulations (CCR), section 1820.205.

2. Administrative Day means those days authorized by ADMINISTRATOR's designated Utilization Management Unit when the Client no longer meets medical necessity criteria for acute psychiatric hospital services but has not yet been accepted for placement at a non-acute licensed residential treatment facility in a reasonable geographic area.

3. Administrative Services Organization (ASO) means and refers to administrative and mental health services components that include maintenance of a contract provider network including credentialing and contracting, adjudication of provider claims for specialty mental health services, and the operation of a 24-hour telephone access and authorization line.

4. Admission means documentation, by CONTRACTOR, for completion of entry and evaluation services provided to Clients.

5. Authorization means a unique individual's complete utilization management (UM) process, which includes reviewing clinical documents when clinically indicated, evaluating medical necessity and formally deciding to authorize/deny additional inpatient psychiatric services, that lasts for the duration of the inpatient stay, i.e. initial admission notification to discharge, aftercare planning, whichever comes first.

6. Bed Day means one (1) calendar day during which CONTRACTOR provides Crisis Residential Services within the Mental Health Plan as described in this Exhibit A of the Contract. If admission and discharge occur on the same day, one (1) Bed Day will be charged.

7. Behavioral Health Services Act (BHSA) means a voter-approved initiative to develop a comprehensive approach to providing community-based behavioral health services and supports for California residents.

8. Care Coordination means services that assist a Client to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. This definition applies to programs under the DMC-ODS and MHP.

9. Care Plan means a written plan, including by reference any juvenile court order(s), developed and signed by the Family Team that includes the following elements:

a. A statement of an overall goal or vision for the Client and Client's family.

b. The strengths of the Client and Client's family.

c. The needs, as defined by specific life areas that must be met to achieve the goal(s) of the Client and Client's family.

d. Prevention and intervention safety plans.

e. The type, frequency, and duration of intervention strategies.

f. Financial responsibility for the components of the POC.

g. Desired outcomes.

10. Case Management means the activities of managing services and coordinating care to Clients, including assessments, referrals, service planning, linkage consultation, discharge planning and coordination.

11. Children Youth Services (CYS) means the division of Behavioral Health Services responsible for the administration and oversight of Mental Health Services to children and adolescents.

12. Client means any individual, referred or enrolled, for services under the Contract who is living with mental, emotional, or behavioral disorders.

13. Client Day means one (1) calendar day during which CONTRACTOR provides all services described hereunder, including the day of admission and excluding the day of discharge. If admission and discharge occur on the same day, one (1) client day shall be charged.

14. Client-directed means services delivered in a therapeutic alliance between providers and Clients where both are partners in goal setting and treatment planning. The final decision for treatment options rests with the Client and designated family members.

15. Client Satisfaction Surveys means surveys to measure Clients' overall satisfaction with Mental Health Services, and with specific aspects of those services in order to identify problems and opportunities for improvement.

16. Client Support System/Family means immediate family members, extended family members, significant others or other supports designated by the Client.

17. Clinical Documents means any clinical information, documentation or data collected from the service provider for purposes of conducting concurrent review and coordinating treatment.

18. Closed-loop referral means the people, processes and technologies that are deployed to coordinate and refer Clients to available community resources (i.e.,

health care, behavioral health services, and/or other support services) and follow-up to verify if services were rendered.

19. Completion means the completion of a program whereby the Client has made adequate progress in treatment and no longer meets medical necessity for the Level of Care.

20. Concurrent Review means the review of treatment authorization requests for inpatient mental health services by providers in order to approve, modify, or deny requests based on medical necessity. The review of the treatment authorization requests is concurrent with the provision of services and is required after the first day of admission through discharge.

21. Contract Monitor means a person designated by COUNTY to consult with and assist both CONTRACTOR and any contractor providers in the provision of services to COUNTY Clients as specified herein. The Contract Monitor shall at no time be construed as being ADMINISTRATOR.

22. Co-Occurring means a person has at least one substance use disorder and one mental health disorder that can be diagnosed independently of each other.

23. Credentialing means a review process conducted by ADMINISTRATOR, including a peer review process, based upon specific criteria, standards and prerequisites, to approve a provider or professional who applies to be contracted to provide care in a hospital, clinic, medical group or in a health plan.

24. Crisis Assessment Team (CAT) means the team of behavioral health specialists operated by COUNTY to provide community-based assessment and intervention for youth in crisis operating 24/7. The CAT serves as the central point for locating psychiatric beds for youth and facilitating admission for those who require this level of care.

25. Crisis Stabilization Unit (CSU) means a behavioral health crisis stabilization program that operates 24 hours a day that serves Orange County residents, aged 13 and older, who are experiencing behavioral health crises that cannot wait until regularly scheduled appointments. Crisis Stabilization services include psychiatric evaluations provided by Doctors of Medicine (MD), Nurse Practitioners (NP), Doctors of Osteopathic Medicine (DO), counseling/therapy provided by Licensed Clinical Social Workers or Marriage Family Therapists or registered/waivered clinicians, nursing assessments, collateral services that include consultations with family, significant others and outpatient providers, client and family education, crisis intervention services, basic medical services, medication services, and referrals and linkages to the appropriate level of continuing care and community services, including Peer Specialist and Peer Mentoring services. As a designated outpatient facility, the CSU may evaluate and treat Clients for no longer than 23 hours and 59 minutes. The primary goal of the CSU is to help stabilize the crises and begin treating Clients in order to refer them to the most appropriate, least restrictive, non-hospital setting when indicated or to facilitate admission to psychiatric inpatient units when the need for this level of care is present. The CSU must meet state and local regulatory requirements

26. Diagnosis means identifying the nature of a disorder. When formulating a Diagnosis(es), CONTRACTOR shall use the diagnostic codes as specified in the most current edition of the Diagnostic 3 and Statistical Manual of Mental Disorders (DSM)

published by the American Psychiatric Association and/or ICD 10. ICD10 diagnoses will be recorded on all IRIS documents, as appropriate.

27. Early Periodic Screening Diagnostic and Treatment (EPSDT) means the State of California's implementation of the Federal child health component of Medicaid program which provides physical, mental, and developmental health services for children and young adults.

28. Education Coordinator means an individual who is responsible for providing assistance and support with educational and vocational services as well as coordinating instruction on the unit and linkage back to the home school at discharge.

29. Engagement means the process where a trusting relationship between CONTRACTOR's staff and Client is developed over a short period of time, so CONTRACTOR and Client can develop a plan to link the Client to appropriate services within the community. Engagement of the Client is the objective of a successful outreach.

30. Face-to-Face means an encounter between the Client/parent/guardian and CONTRACTOR where they are both physically present. This does not include contact by phone, email, etc., except for Telepsychiatry provided in a manner that meets COUNTY protocols.

31. Family Member means any traditional or non-traditional support system, significant other or natural support designated by the Client.

32. Full Service Partnership/Wraparound (FSP/W) means a program model described in COUNTY's MHSA plan that has been approved by the state. The MHSA plan describes how COUNTY will use MHSA funds to develop and implement treatment plans for mental health Clients through FSP/W's. An FSP/W is an evidence-based and strength-based model with the focus on the individual rather than the disease. It is culturally competent in-home, intensive, mental health care coordination services that will address family needs across all life domains of the Client. This level of care is a possible linkage after discharge from inpatient services.

33. Head of Service means an individual ultimately responsible for overseeing the program and is required to be licensed as a mental health professional.

34. Health Care Practitioner (HCP) means a person duly licensed and regulated under Division 2 (commencing with Section 500) of the Business and Professions Code, who is acting within the scope of their license or certificate.

35. Intake means the initial face-to-face meeting between a Client and CONTRACTOR staff in which specific information about the Client is gathered including the ability to pay and standard admission forms pursuant to this Contract.

36. Integrated Records Information System (IRIS) means COUNTY's database system and refers to a collection of applications and databases that serve the needs of programs within COUNTY and includes functionality such as registration and scheduling, laboratory information system, billing and reporting capabilities, compliance with regulatory requirements, electronic medical records, and other relevant applications.

37. Intensive Care Coordination (ICC) means a medically necessary service provided to Medi-Cal beneficiaries under the EPSDT benefit. ICC includes assessment,

care planning and coordination of services across child services systems and providers, including intensive services for children/youth who meet the Katie A. Subclass criteria.

38. Intensive Home-Based Services (IHBS) means a medically necessary service provided to Medi-Cal beneficiaries under the EPSDT benefit. IHBS are individualized, strength-based mental health treatment interventions designed to ameliorate mental health conditions that interfere with a Client's functioning. IHBS are provided only in conjunction with ICC and are recommended by the Child and Family Team. IHBS is also provided to the Katie A. Subclass population.

39. Lanterman–Petris–Short (LPS) means the Act (Cal. Welf & Inst. Code, sec. 5000 et seq.), which provides guidelines for handling involuntary civil commitment to a mental health institution in the State of California.

40. Licensed Clinical Social Worker (LCSW) means a licensed individual, pursuant to the provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical services to Clients. The license must be current and in force and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

41. Licensed Marriage Family Therapist (MFT) means a licensed individual, pursuant to the provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions of Chapter 14 of the California Business and Professions Code, who can provide clinical services to Clients. The license must be current and in force and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

42. Licensed Professional Clinical Counselor (LPCC) means a licensed individual, pursuant to the provisions of Chapter 13 of the California Business and Professions Code, pursuant to the provisions of Chapter 16 of the California Business and Professions Code, who can provide clinical service to Clients. The license must be current and in force and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

43. Licensed Psychiatric Technician (LPT) means a licensed individual, pursuant to the provisions of Chapter 10 of the California Business and Professions Code, who can provide clinical services to Clients. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

44. Licensed Psychologist means a licensed individual, pursuant to the provisions of Chapter 6.6 of the California Business and Professions Code, who can provide clinical services to Clients. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

45. Licensed Vocational Nurse (LVN) means a licensed individual, pursuant to the provisions of Chapter 6.5 of the California Business and Professions Code, who can provide clinical services to Clients. The license must be current and in force and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

46. Linkage means when a Client has attended at least one appointment or made one visit to the identified program or service for which the Client has received a referral or to which they have self-referred.

47. Live Scan means an inkless, electronic fingerprint which is transmitted directly to the Department of Justice (DOJ) for the completion of a criminal record check, typically required of employees who have direct contact with the individuals served.

48. Medi-Cal means the State of California's implementation of the federal Medicaid health care program which pays for a variety of medical services for children and adults who meet eligibility criteria.

49. Medi-Cal Certified Peer Specialists means an individual in a paid position who has been through the same or similar Recovery process as those being assisted to attain their Recovery goals. A Certified Peer Specialist practice is informed by personal experience.

50. Medical Necessity means health-care services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, disease, or its symptoms and that meet accepted standards of medicine. It is a level of impairment, and needed intervention related to criteria as defined in the COUNTY's MHP under Medical Necessity for Medi-Cal reimbursed Specialty Mental Health Services.

51. Medication Services means face-to-face or telehealth/telephone services provided by a licensed physician, licensed psychiatric nurse practitioner, or other qualified medical staff. This service shall include documentation of the clinical justification for use of the medication, dosage, side effects, compliance, and response to medication.

52. Medication Support Services means services provided by licensed physicians, registered nurses, or other qualified medical staff, which include prescribing, administering, dispensing and monitoring of psychiatric medications or biologicals that are necessary to alleviate symptoms of mental illness. These services also include evaluation and documentation of the clinical justification and effectiveness of medication, dosage, side effects, compliance, and response to medication. In addition, the licensed physicians, registered nurses, or other qualified medical staff must obtain informed consent from Clients prior to providing medication education and plan development related to the delivery of these services and/or Assessment to Clients.

53. Mental Health Professional (MHP) means COUNTY as the MHP Manager with COUNTY clinics as well as COUNTY contracted clinics, including CONTRACTOR, being providers in the Plan.

54. Mental Health Services (MHS) means individual or group therapy and intervention being provided to Clients that are designed to reduce mental disability and restore or improve daily functioning. Mental Health Services must be consistent with goals of learning and development, as well as independent living and enhanced self-sufficiency. In addition, these services cannot be provided as a component of adult residential services, crisis residential treatment services, Crisis Intervention, crisis stabilization, day rehabilitation, or day treatment intensive. Service activities may include, but are not limited to: Assessment, plan development, rehabilitation, and collateral. Also, Mental Health Services may be either Face-to-Face Contact, or by telephone with Clients or significant support individuals, and services may be provided anywhere in the community.

a. Assessment means a service activity, which may include a clinical analysis of the history and current status of a Client's mental, emotional, behavioral disorder, and relevant cultural issues. The Assessment also needs to include history of services being provided, diagnosis, and any testing procedures that were used.

b. Collateral means significant support individual(s) in a Client's life and is/are used to define services provided to the Client with the intent of improving or maintaining the mental health status of the Client. The Client may or may not be present for this service activity.

c. Family Therapy means a clinical service that includes family members identified by the Client in the treatment process, providing education about factors important to the Client's treatment as well as holistic recovery of the family system.

d. Group Therapy means a goal directed face-to-face therapeutic intervention with a group of no less than two (2), and for SUD no more than twelve (12), Clients receiving services at the same time. Such intervention shall be consistent with the Clients goals and focus primarily on symptom reduction as a means to improve functional impairments.

e. Individual Therapy means a goal directed face-to-face therapeutic intervention with the Client which focuses on the mental health needs of the Client.

55. Mental Health Services Act (MHSA) is a voter-approved initiative to develop a comprehensive approach to providing community-based mental health services and supports for California residents. It is also known as "Proposition 63."

56. National Provider Identifier (NPI) means the standard unique health identifier that was adopted by the Secretary of HHS Services under HIPAA for health care providers. All HIPAA covered healthcare providers, individuals, and organizations must obtain an NPI for use to identify themselves in HIPAA standard transactions. The NPI is assigned for life.

57. Network Provider means mental health service providers credentialed and under contract with CONTRACTOR. Such providers may be individual practitioners, provider groups, or clinics.

58. Notice of Adverse Benefit Determination (NOABD), as outlined in California Code of Regulations Title 9 Chapter 11 Section 1850.210 and Title 22, Section 50179 means to provide formal written notification via hand-delivery or mail to Medi-Cal Beneficiaries and faxed or mailed to ADMINISTRATOR when services are denied, modified, reduced, delayed, suspended or terminated as specified by State standards.

59. Notice of Privacy Practices (NPP) means a document that notifies Clients of uses and disclosures of PHI/PII. The NPP may be made by, or on behalf of, the health plan or health care provider as set forth in HIPAA.

60. Outcomes Analyst means an individual who ensures that a program maintains a focus on program outcomes and quality assurance of the data being reported. This individual is responsible for reviewing outcome data and other collected information for accuracy and correcting any errors prior to entering into the data capture system. The Outcomes Analyst will analyze data and develop strategies for gathering new data from the Client's perspective to improve the program's understanding of Client's needs and desires towards furthering their recovery. In addition, this position

will be responsible for attending all data and outcome related meetings and ensuring that the program is being proactive in all data collection requirements and changes at the local and state levels.

61. Outreach means linking potential Clients to appropriate Mental Health Services within the community. Outreach activities will include educating the community about the services offered and requirements for participation in the various mental health programs within the community. Such activities may result in CONTRACTOR developing Referral sources for Clients from programs being offered within the community.

62. Out-of-County means any California county other than Orange County or border community.

63. Pathways to Wellbeing is the program that the State Departments of Social Services and Health Care Services have put into place to serve youth, many of whom had been in the Katie A. Subclass which was established in settlement of the lawsuit, Katie A. et al. v. Bonta et al., a class action lawsuit filed in Federal District Court concerning the availability of intensive mental health services to children in California who are either in foster care or at imminent risk of coming into care.

64. Patients' Rights Advocacy means the group responsible for providing outreach and educational materials to inform Clients about their rights and remedies in receiving mental health treatment; representing Client interests in fair hearings, grievances and other legal proceedings related to the provision of services; and monitoring mental health programs for compliance with patients' rights legal standards as the designee of the Local Mental Health Director.

65. Primary Source Verification means procedures for the review and direct verification of credentialing information submitted by care providers, including, but not limited to, confirmation of references, appointments, and licensure.

66. Program Director means an individual who is responsible for all aspects of administration and clinical operations of the mental health program, including development and adherence to the annual budget. This individual will also be responsible for the following: hiring, development and performance management of professional and support staff, and ensuring mental health treatment services are provided in concert with COUNTY and state rules and regulations.

67. Protected Health Information (PHI) means individually identifiable health information usually transmitted through electronic media. PHI can be maintained in any medium as defined in the regulations, or for an entity such as a health plan, transmitted or maintained in any other medium. It is created or received by a covered entity and is related to the past, present, or future physical or mental health or condition of an individual, provision of health care to an individual, or the past, present, or future payment for health care provided to an individual.

68. Psychiatrist means an individual who meets the minimum professional and licensure requirements set forth in Title 9, CCR, Section 623, and, preferably, has at least one (1) year of experience treating children and TAY.

69. Quality Improvement (QI) means the use of interdisciplinary teams to review performance measures to identify opportunities for improvement. The teams use participatory processes to analyze and confirm causes for poor performance, design

interventions to address causes, implement interventions, and measure improvement. Successful improvements are then implemented wherever appropriate. Where interventions are unsuccessful, the team again addresses the causes and designs new interventions until improvements are achieved.

70. Quality Improvement Committee (QIC) means a committee that meets quarterly to review one percent (1%) of all "high-risk" Medi-Cal recipients in order to monitor and evaluate the quality and appropriateness of services provided. At a minimum, the committee is comprised of one (1) ADMINISTRATOR, one (1) clinician, and one (1) physician who are not involved in the clinical care of the cases.

71. Rehabilitation Service means an activity which includes assistance to improving, maintaining, or restoring a Client's or group of Clients' functional skills, daily living skills, social and leisure skill, grooming and personal hygiene skills, meal preparation skills, support resources and/or medication education.

71. Referral means effectively linking Clients to other services within the community and documenting follow-up provided within five (5) business days to assure that Clients have made contact with the referred service(s).

72. Registered Nurse (RN) means a licensed individual, pursuant to the provisions of Chapter 6 of the California Business and Professions Code, who can provide clinical services to Clients. The license must be current and in force, and has not been suspended or revoked. Also, it is preferred that the individual has at least one (1) year of experience treating children and TAY.

73. Residential Counselor means an individual in a paid position who has a High School Diploma or General Educational Development Certificate (GED) and two (2) years' experience working in a paid position in the mental health field.

74. Resource Recommendation means the process of providing a Client with one or more suggested resources, without plans and/or an ability to follow up on Linkage status.

75. Retrospective Review means determination of the appropriateness or necessity of services after they have been delivered, generally through the review of the medical or treatment record.

76. Self-Referral means when a Client or family member directly contacts a service provider with the goal of receiving services for themselves or a family member, regardless of Linkage status

77. Serious Persistent Mental Impairment (SPMI) means an adult with a behavioral health disorder that is severe in degree and persistent in duration, which may cause behavioral functioning which interferes substantially with the primary activities of daily living, and which may result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time. W&I 5600.3.

78. Seriously Emotionally Disturbed (SED) means children or adolescents under the age of 18 years who have a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms. W&I 5600.3.

79. Service Authorization means the determination of appropriateness of services prior to the services being rendered, based upon medical or service necessity criteria. This includes the authorization of outpatient services authorized by CONTRACTOR.

80. Soft Token means the security device which allows an individual user to access COUNTY's computer-based IRIS.

81. Structured Therapeutic Activities means organized program activities that are designed to meet treatment goals and objectives for increased social responsibility, self-motivation, and integration into the larger community. Such activities would include participation in the social structure of the residential program. It includes the Client's progression, with increasing levels of responsibility and independence through job and other assignments culminating in employment seeking and employment initiating activities in the community.

82. Student Intern means student(s) currently enrolled in an accredited graduate or undergraduate program and is/are accumulating supervised work experience hours as part of field work, internship, or practicum requirements. Acceptable programs include all programs that assist students in meeting the educational requirements to be a Licensed MFT, a LCSW, a Licensed Clinical Psychologist, a Licensed PCC, or to obtain a Bachelor's degree. Individuals with graduate degrees and have two (2) years of full-time experience in a mental health setting, either post-degree or as part of the program leading to the graduate degree, are not considered as students.

83. Substance Use Treatment means a program that uses a stage-wise treatment model and is non-confrontational, follows behavioral principles, considers interactions between mental illness and substance abuse, and has gradual expectations of abstinence. Mental illness and substance abuse research has strongly indicated that a Client with a disorder needs treatment for both problems to recover fully. Focusing on one does not ensure the other will go away. Substance use services integrate assistance for each condition by helping Clients recover from mental illness and substance abuse in one setting and at the same time.

84. Supervisory Review means ongoing clinical case reviews in accordance with procedures developed by ADMINISTRATOR, to determine the appropriateness of Diagnosis and treatment and to monitor compliance to the minimum ADMINISTRATOR and Medi-Cal charting standards. Supervisory review is conducted by the program/clinic director or designee.

85. Targeted Case Management (TCM) means services that assist a Client to access needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. These service activities may include, but are not limited to: communicating and coordinating services through referral; monitoring service delivery to ensure Clients' access to service and the service delivery system; and tracking of Clients' progress and plan development.

86. Therapeutic Behavioral Services (TBS) means one-on-one behavioral interventions with a Client, which is designed to reduce or eliminate targeted behaviors as identified in the Client's treatment plan. Collateral services are also provided to parent(s)/guardian(s) as part of TBS. Clients must be Medi-Cal eligible and meet TBS class membership and service need requirements. Documentation in the medical record

must support Medical Necessity for these intensive services. Cases in which Clients are receiving more than twenty (20) hours per week of TBS or those who are expected to receive more than four months (120 days) of TBS must be approved by ADMINISTRATOR. ADMINISTRATOR has to approve individuals that are delivering these intervention services to ensure they are qualified to deliver these services.

87. Therapy means a therapeutic intervention that focuses primarily on symptom reduction as a means to improve functional impairments. Therapy may be delivered to a Client or a group of Clients, which may include family Therapy with Client being present.

88. Treatment Foster Care (TFC) also known as Therapeutic Foster Care, consists of intensive and highly coordinated mental health and support services provided to a foster parent or caregiver in which the foster parent/caregiver becomes an integral part of the child's treatment team.

89. Uniform Method of Determining Ability to Pay (UMDAP) means the method used for determining an individual's annual liability for Mental Health Services received from the COUNTY mental health system and is set by the State of California. Every Client seen in any COUNTY or COUNTY-contracted program needs an UMDAP regardless of contract payment structure, whether the Contract is actual cost based or fee for service.

90. Unit of Service (UOS) means the measurement used to quantify services provided to a Client; these units can vary depending on type of service in the MHP or DMC ODS plans. Each one (1) hour block that the Client receives crisis stabilization services shall be claimed. Partial blocks of time shall be rounded up or down to the nearest one (1) hour increment except that services provided during the first hour shall always be rounded up.

91. Utilization Management Program means the infrastructure required to carry out the concurrent review services according to this Contract, including, but not limited to, policies and procedures, request staffing and information systems.

92. Warm Hand-off means the process to allow for in-person (or Telehealth/telephonic, if clinically appropriate) care coordination and behavioral health Linkages. For transitions of care, the warm handoff is the first step in establishing a trusted relationship between the Client and the new care provider to ensure seamless service delivery and coordination.

93. Wellness Recovery Action Plan (WRAP) means a self-help technique for monitoring and responding to symptoms to achieve the highest possible levels of wellness, stability, and quality of life."

5. Exhibit A, Paragraph IV. Payments, subparagraph B. through S., of the Contract are deleted in their entirety and replaced with the following:

"B. CONCURRENT REVIEW

1. CONTRACTOR shall comply with concurrent Review Policies and Procedures per DHCS Information Notices 22-017 and any future letters from DHCS outlining updates to this process, including:

a. CONTRACTOR shall notify ADMINISTRATOR's third-party ASO for concurrent review and authorization of services within twenty-four (24) hours of Client admission.

b. CONTRACTOR shall participate in initial, concurrent, and discharge review with

ADMINISTRATOR's third-party ASO to determine medical necessity criteria for authorization of services, for the entire duration of the Client's admission.

C. DHCS PAYMENTS

1. CONTRACTOR shall be reimbursed by DHCS and ADMINISTRATOR for services provided at the following all-inclusive rates per Client Day for acute Psychiatric Inpatient Hospital Services for Medi-Cal eligible Clients referred by ADMINISTRATOR based on the accommodation codes set forth therein.

Accommodation Code	Description	(Period Four)	
		Daily Rate Ages 3-11	Daily Rate Ages 12-17
0114	Single Room Adolescent/Child, Psychiatric (Billed to DHCS)	$1,387.60	$1,387.60
N/A	Invoiced to ADMINISTRATOR	380.60	296.40
	TOTAL	$1,768.20	$1,684.00
169	Administrative Day	Current DHCS Rate	Current DHCS Rate

a. The rate for Accommodation Code 169 is established and adjusted by the DHCS.

b. Rates are inclusive of all Psychiatric Inpatient Hospital Services as defined in this Exhibit A to the Contract and shall constitute payment in full for these services.

c. The number of billable Units of Service shall include the day of admission and exclude the day of discharge unless admission and discharge occur on the same day.

d. DHCS may reimburse Administrative Days for dates in which documentation does not meet requirements for Acute Day reimbursement, contingent upon CONTRACTOR documentation of services that qualify for the Administrative Day reimbursement.

e. Rates do not include physician or psychologist services rendered to Clients, or transportation services required in providing Psychiatric Inpatient Hospital services. These services shall be billed separately from the above per diem rate for Psychiatric Inpatient Hospital services as follows:

1) When Medi-Cal eligible mental health services are provided by a psychiatrist or psychologist, such services shall be billed to COUNTY's ASO. Prior authorization and notification are not required prior to providing these services.

2) When Medi-Cal eligible medical services are provided by a physician, such services shall be billed to the designated CalOptima Plan or CalOptima Direct, depending on the Client's health coverage benefit. Prior authorization and notification may be required prior to providing these services.

3) When Medi-Cal eligible transportation services are provided, such services shall be billed to the designated CalOptima Plan or CalOptima Direct, depending on the Client's health coverage benefit. Prior authorization and notification may be required prior to providing these services and notification is the responsibility of CONTRACTOR.

f. The Bed Day Rates stated above do not include ECT or MRI Services. The rates for ECT and MRI Services shall apply only for the day(s) in which the Client received an approved ECT or MRI (rates listed below). These ECT/MRI Rates reflect CONTRACTOR's reimbursement only, and associated psychiatric professional services shall be billed to COUNTY's ASO, and medical services billed to the Client's Managed Care Plan. CONTRACTOR must obtain prior approval from ADMINISTRATOR to perform the ECT or MRI in order to be reimbursed. CONTRACTOR shall submit to ADMINISTRATOR ECT and MRI invoices that indicate for whom services were provided, the date of service, and shall be supported with such documentation as may be required by ADMINISTRATOR.

Description	Rate
Psychiatric, ECT	N/A
Psychiatric, MRI	N/A

g. For all services outlined above wherein CONTRACTOR has exhausted available funding sources and remains in whole or in part unfunded, CONTRACTOR may not invoice ADMINISTRATOR for said services.

2. DHCS BILLING PROCEDURES

a. CONTRACTOR must obtain an NPI.

b. CONTRACTOR shall invoice DHCS for each Client Day, approved by ADMINISTRATOR, for each Client who meets notification, admission and/or continued stay criteria, documentation requirements, treatment and discharge planning requirements and occupies a psychiatric inpatient hospital bed at 12:00 a.m. in CONTRACTOR's facility. CONTRACTOR may invoice DHCS if the Client is admitted and discharged during the same day; provided, however, that such admission and discharge is not within twenty-four (24) hours of a prior discharge.

c. CONTRACTOR shall determine that Psychiatric Inpatient Hospital services provided pursuant to the Contract are not covered, in whole or in part, under any other state or federal medical care program or under any other contractual or legal entitlement including, but not limited to, a private group indemnification or insurance program or Workers' Compensation Program. CONTRACTOR shall seek to be reimbursed by other coverage prior

to seeking reimbursement by DHCS. DHCS's maximum obligation shall be reduced if other coverage is available.

d. CONTRACTOR shall submit claims to DHCS's fiscal intermediary for all services rendered pursuant to the Contract, in accordance with the applicable invoice and billing requirements contained in WIC, Section 5778.

e. CONTRACTOR may appeal within ninety (90) calendar days, in writing, a denied request for reimbursement to ADMINISTRATOR. In the event that the appeal is denied by ADMINISTRATOR, CONTRACTOR may continue the appeals process by writing directly to DHCS, within thirty (30) calendar days of ADMINISTRATOR's decision. The decision of DHCS shall be final.

D. OVERPAYMENTS

1. CONTRACTOR agrees that DHCS or OCMHP may recoup any such overpayment by withholding the amount owed to DHCS or OCMHP from future payments due CONTRACTOR, in the event that an audit or review performed by ADMINISTRATOR, DHCS, the State Controller's Office, or any other authorized agency discloses that CONTRACTOR has been overpaid.

2. CONTRACTOR agrees that DHCS may recoup funds from prior year's overpayments, which occurred prior to the effective date of this Contract, by withholding the amount currently owed to CONTRACTOR by DHCS.

3. CONTRACTOR may appeal recoupments according to applicable procedural requirements of the regulations adopted pursuant to WIC, Sections 5775, et seq. and 14680, et seq., with the following exceptions:

a) The recovery or recoupment shall commence sixty (60) calendar days after issuance of account status or demand resulting from an audit or review and shall not be deferred by the filing of a request for an appeal according to the applicable regulations.

b) CONTRACTOR's liability to COUNTY for any amount recovered shall be as described in WIC, Section 5778(h).

4. Customary Charges Limitation – DHCS's obligation to CONTRACTOR shall not exceed CONTRACTOR's total customary charges for like services during each hospital fiscal year or portion thereof in which the Contract is in effect. DHCS may recoup any portion of the total payments to CONTRACTOR which are in excess of CONTRACTOR's total customary charges.

E. COUNTY PAYMENTS

1. If ADMINISTRATOR identifies unfunded Clients for whom Medi-Cal eligibility cannot be determined, COUNTY agrees to reimburse CONTRACTOR for services to these Clients at the same all-inclusive rate of $1,684 per Client Day for acute Psychiatric Inpatient Hospital Services as set forth in Paragraph IV.A., above.

a. Rates are inclusive of all psychiatric inpatient hospital services and shall constitute payment in full for these services.

b. Physician/Psychologist Services – COUNTY shall include reimbursement for physician and psychologist services in COUNTY's reimbursement to hospital providers in the daily rate payment to Hospitals.

c. COUNTY will pay for ambulance or medical van transportation to and from designated mental health or health facilities for COUNTY Clients receiving services in accordance with COUNTY's Medical Transportation contract.

d. CONTRACTOR shall make a good faith effort to bill and collect to the full extent of coverage those claims covered by all known third-party, primary, or other insurance or third party-payors (including client fees) for hospital services provided.

e. CONTRACTOR shall provide Medi-Cal confirmation notice that an application for Medi-Cal benefits was submitted for all admissions of 7 days or longer.

f. CONTRACTOR shall document and include with TAR submission, efforts made by CONTRACTOR to follow-up and obtain Medi-Cal benefits application status prior to discharge.

2. CONTRACTOR's invoices to COUNTY shall be on a form mutually agreed upon by both Parties. Invoices are due the twentieth (20th) calendar day of each month. Invoices received after the due date may not be paid within the same month. Payments to CONTRACTOR should be released by COUNTY no later than thirty (30) calendar days after receipt of the correctly completed invoice.

a. Upon receipt of a correctly completed billing form and all required supporting documentation, ADMINISTRATOR shall:

1) Reconcile invoices and claims with Treatment Authorization Request (TAR) submission and ASO authorizations during the concurrent review process.

3. ADMINISTRATOR may deny the TAR if an authorization denial or modification was administered based upon the determination of medical necessity during the concurrent or retro-review process.

4. CONTRACTOR may appeal ADMINISTRATOR's decision by sending a cover letter with an explanation of CONTRACTOR's disagreement to ADMINISTRATOR within ninety (90) calendar days of receiving the TAR denial.

5. ADMINISTRATOR shall submit to CONTRACTOR a written summary of the review and rationale for each decision within sixty (60) calendar days of receiving the letter of appeal. The decision of ADMINISTRATOR shall be final.

6. In the event that the appeal is overturned, ADMINISTRATOR shall coordinate with CONTRACTOR regarding the submission of an adjusted invoice.

7. All invoices to COUNTY shall be supported, at CONTRACTOR's facility, by source documentation including, but not limited to, ledgers, journals, time sheets, invoices, bank statements, canceled checks, receipts, receiving records, and records of services provided.

8. CONTRACTOR shall promptly return any overpayments within sixty (60) business days after the overpayment is verified by ADMINISTRATOR and both parties have agreed to any overpayment amounts to be returned.

F. CONTRACTOR shall submit the 18-3 TAR and clinical records including client Face Sheet, Initial Psychiatric Evaluation, H&P, Daily Progress Notes by the MD/NP; SW Psychosocial Note; Discharge Summary and Discharge Aftercare Plan; For Administrative Days, include SW Progress Notes supporting Admin Day criteria for authorization of payment

for Psychiatric Inpatient Hospital services to ADMINISTRATOR no later than fourteen (14) calendar days after:

1. Ninety-nine (99) calendar days of continuous service to a Client, and/or
2. Discharge.

G. CONTRACTOR shall resubmit the 18-3 TAR and any additional information requested, no later than sixty (60) calendar days from the date of the deferral letter, in the event ADMINISTRATOR defers the 18-3 TAR back to CONTRACTOR to obtain further information.

H. CONTRACTOR must document, in the Client's medical record, each contact with the appropriate placement facility or the person or agency responsible for placement. CONTRACTOR must continue to document contacts with appropriate placement facilities until the Client is discharged. Contacts shall be documented by a brief description of the placement facilities reported bed availability status, reason for denial if applicable, and the signature of the person making the contact.

I. ADMINISTRATOR shall monitor the Client's status, the appropriateness of the facilities being contacted for referral, and/or the Client's chart to determine if the Client's status has changed.

J. CONTRACTOR shall include the Client's name, discharge date, discharge placement and placement phone number. CONTRACTOR shall inform COUNTY of where the Client has been referred for continuing treatment, along with the facility's phone number, contact person and the Client's first appointment time and date.

K. CONTRACTOR shall make reasonable efforts to notify the Regional Center Service Coordinator and Nurse Consultant of a Regional Center Client's admission within twenty-four (24) hours of admission or within twenty-four (24) hours of identifying that a Client is a Regional Center Client.

L. CONTRACTOR shall notify both the Client's Regional Center Service Coordinator and one of the Regional Center Nurse Consultants of the intent to seek their placement services. Such notification must occur on or before the date for which CONTRACTOR intends to seek Administrative Day reimbursement. CONTRACTOR may seek reimbursement from Regional Center for all Administrative Days after the first three (3) Administrative Days.

M. CONTRACTOR shall notify ADMINISTRATOR on the day that the other health insurance benefit has been exhausted, or the day the other health insurance benefit is known to be denied, if the Client has other health insurance coverage in addition to Medi-Cal, and CONTRACTOR intends to seek Medi-Cal reimbursement for all or a portion of the hospital stay.

N. CONTRACTOR shall provide Psychiatric Inpatient Hospital Services in the same manner to Medi-Cal Clients as it provides to all other Clients and not discriminate against Medi-Cal Clients in any manner, including admission practices, placement in special wings or rooms, or provision of special or separate meals.

O. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing to modify the Payments Paragraph of this Exhibit A to the Contract."

6. Exhibit A, Paragraph VI. Services, subparagraph B., of the Contract is deleted in its entirety and replaced with the following:

"B. CLIENTS SERVED – CONTRACTOR shall admit and serve all Clients ages three (3) to seventeen (17) referred by ADMINISTRATOR who meet ADMINISTRATOR's criteria for acute psychiatric hospitalization. CONTRACTOR shall provide Clients with private rooms and provide parent room-in accommodations upon request so parents can stay with the child. CONTRACTOR may admit and serve Clients not referred by ADMINISTRATOR or the CSU."

7. Exhibit A, Paragraph VI. Services, subparagraph C.2.b., of the Contract is deleted in its entirety and replaced with the following:

"b. ANCILLARY SERVICES - CONTRACTOR shall provide ancillary services, necessary for the evaluation and treatment of psychiatric conditions. Services shall be recovery-based, non-coercive and must focus on assisting Clients to become more independent and self-sufficient. Services shall include but not be limited to as clinically indicated:

1) Individual, group and collateral therapies which includes provision or supervision of family therapy sessions. Therapies will include but not limited to:

a) Documentation of Client's attendance/participation in collateral therapy, including schedule of therapies, attendance log, and medical record progress notes.

b) Use of Evidence-Based Practices including but not limited to: motivational interviewing, solution-focused therapy, seeking safety, cognitive behavioral therapy, and/or Dialectical-Behavioral Therapy, to address the unique symptoms and behaviors presented by Clients in accordance to ITP goals.

c) Promote recovery in individual and group sessions. Group topics may include but not be limited to: building a wellness toolbox or resource, list, WRAP plans, symptom monitoring, identifying and coping with triggers, developing a crisis prevention plan, etc.

2) Activities therapy and other adjunctive therapies to provide stress reduction through self-expression in art and music;

3) Integration of health focused interventions into the inpatient treatment program such as movement therapy, yoga, physical fitness, sleep studies and healthy nutrition, initial laboratory services that are consistent with CONTRACTOR's usual and customary hospital admitting protocol;

4) Initial laboratory services that are consistent with CONTRACTOR's usual and customary hospital admitting protocol and additional laboratory and diagnostic services, when necessary for the initiation and monitoring of psychiatric medication treatments;

5) Access as necessary to consultations by physical medicine staff; and

6) Pharmaceutical services."

8. Exhibit A, Paragraph VI. Services, subparagraph J.1., of the Contract is deleted in its entirety and replaced with the following:

"1. CONTRACTOR performance will be measured on the following outcomes:

a. Recidivism of Clients who are re-hospitalized within seven (7) calendar days of discharge.

1) Recidivism of Clients who are re-hospitalized within thirty (30) calendar days of discharge.

b. Ninety five percent (95%) of all Orange County Medi-Cal Clients discharged to the community will be scheduled a follow-up outpatient services appointment to occur within twenty-four (24) hours of discharge."

This Amendment No. 3 modifies the Contract only as expressly set forth herein. Wherever there is a conflict in the terms or conditions between this Amendment No. 3 and the Contract, including all previous amendments, the terms and conditions of this Amendment No. 3 prevail. In all other respects, the terms and conditions of the Contract, including all previous amendments, not specifically changed by this Amendment No. 3 remain in full force and effect.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 3. If Contractor is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, the President, or any Vice President; 2) the second signature must be either the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company.

Contractor: Children's Hospital of Orange County dba CHOC Children's

Kerri Ruppert Schiller	Executive Vice President
Print Name	Title
Signed by: Kerri Ruppert Schiller EA733E343C6A473...	4/10/2025
Signature	Date

County of Orange, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

Print Name	Title
Signature	Date

APPROVED AS TO FORM
Office of the County Counsel
Orange County, California

Brittany McLean	Deputy County Counsel
Print Name	Title
Signed by: Brittany McLean 71CFE638662E411...	4/10/2025
Signature	Date