



**AMENDMENT NO. 3**  
**TO**  
**CONTRACT NO. MA-042-18010155**  
**FOR**

**Administrative Services Organization for Specialty Mental Health Outpatient Services**

This Amendment ("Amendment No. 3") to Contract No. MA-042-18010155 for Administrative Services Organization for Specialty Mental Health Outpatient Services is made and entered into on July 1, 2020 ("Effective Date") between Beacon Health Strategies, LLC ("Contractor"), with a place of business at 5665 Plaza Dr., Cypress, CA 90630, 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, on June 23, 2015, the Parties executed Contract No. MA-042-18010155 for Administrative Services Organization for Specialty Mental Health Outpatient Services, effective July 1, 2015 through June 30, 2017, in an amount not to exceed \$10,221,360 ("Contract"); and

WHEREAS, on March 28, 2017, the Parties executed Amendment No. 1 to renew the Contract, effective July 1, 2017 through June 30, 2020, in an amount not to exceed \$16,073,877, for a revised cumulative contract amount of \$26,295,243; and

WHEREAS, on May 8, 2018, the Parties executed Amendment No. 2 to amend the Contract, effective July 1, 2017 through June 30, 2020, to increase the amount not to exceed by \$805,114 from \$16,073,877 to \$16,878,991, for a revised cumulative contract amount of \$27,100,357; and

WHEREAS, on June 1, 2018, County exercised the contingency cost increase authority to increase the Period One Maximum Obligation by \$45,000, increasing the amount not to exceed to \$16,923,991, for a revised cumulative contract amount of \$27,145,357; and

WHEREAS, the Parties now desire to enter into this Amendment No. 3 to extend the Contract for County to continue receiving and Contractor to continue providing the services set forth in 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 extended for a period of six months, effective July 1, 2020 through December 31, 2020, in an amount not to exceed \$3,233,540 for this extension period, for a revised cumulative contract amount of \$30,333,897; on the amended terms and conditions.

Exhibit A, Section III. Budget, subsection A; Section V. Payments, subsection A (not including numbered paragraphs); and Section IX. Staffing, subsection A, are deleted in their entirety and replaced with the following:

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**Style Definition**

**Deleted:** SECOND AMENDMENT TO AGREEMENT FOR PROVISION OF ADMINISTRATIVE SERVICES ORGANIZATION FOR SPECIALTY MENTAL HEALTH OUTPATIENT SERVICES BETWEEN COUNTY OF ORANGE AND BEACON HEALTH STRATEGIES, LLC JULY 1, 2017 THROUGH JUNE 30, 2020

**THE SECOND AMENDMENT TO AGREEMENT**

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**“III. BUDGET**

A. COUNTY shall pay CONTRACTOR in accordance with the Payments Paragraph in this Exhibit A to the Contract and the following budgets, which are set forth for informational purposes only and may be adjusted by mutual agreement, in writing, by ADMINISTRATOR and CONTRACTOR.

|                       | <u>TOTAL</u>  |
|-----------------------|---------------|
| ADMINISTRATIVE COST   |               |
| Salaries              | \$ 63,500     |
| Benefits              | 12,700        |
| Services and Supplies | 8,300         |
| Indirect Costs        | 9,800         |
|                       | <u>90,300</u> |

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SUBTOTAL  
ADMINISTRATIVE  
COST

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PROGRAM COST

Salaries

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8  
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Benefits

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Services and Supplies

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BEACON HEALTH STRATEGIES, LLC

SUBTOTAL  
PROGRAM COST

\$

1,  
3  
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9  
4  
1  
1

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Mental Health Claims

\$

1  
7  
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TOTAL GROSS COST

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REVENUE

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FFP/Other

\$

1,

3

2

5,

7

5

2

State

1,

6

8

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Federal DMC

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Discretionary

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TOTAL REVENUE \$  
3,  
2,  
3,  
3,  
5,  
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TOTAL MAXIMUM \$  
OBLIGATION 3,  
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**I. PAYMENTS**

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A. COUNTY shall pay CONTRACTOR monthly, in arrears, at the negotiated amount of \$16,347 per month for Indirect Costs and the provisional amount of \$522,577 per month for Administrative, Program Direct Costs, and Mental health Claims Costs. All payments are interim payments only, and subject to Final Settlement in accordance with the Cost Report Paragraph of the Agreement for which CONTRACTOR shall be reimbursed for the actual cost of providing the services hereunder; provided, however, the total of such payments does not exceed COUNTY's Maximum Obligation as specified in the Referenced Contract Provisions of the Agreement and, provided further, CONTRACTOR's costs are reimbursable pursuant to COUNTY, state, and federal regulations. ADMINISTRATOR may, at its discretion, pay supplemental invoices for any month for which the provisional amount specified above has not been fully paid."

**II. STAFFING**

A. CONTRACTOR shall, at a minimum, provide the following staffing pattern expressed in Full-Time Equivalents (FTEs) continuously throughout the term of the Contract. One (1) FTE shall be equal to an average of forty (40) hours work per week.

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| <u>ADMINISTRATION</u>                            | <u>FTEs</u>  |
|--|--------------|
| <u>HR Representative</u>                         | <u>0.04</u>  |
| <u>Project Manager</u>                           | <u>0.35</u>  |
| <u>Operation Director</u>                        | <u>0.35</u>  |
| <u>Accounting Manager</u>                        | <u>0.02</u>  |
| <u>Tech. Ops</u>                                 | <u>0.18</u>  |
| <u>Application Developer</u>                     | <u>0.13</u>  |
| <u>EDI Specialist</u>                            | <u>0.03</u>  |
| <u>Data Base Developer/Analyst</u>               | <u>0.01</u>  |
| <u>SUBTOTAL ADMINISTRATION</u>                   | <u>1.11.</u> |
| <br>   |              |
| <u>PROGRAM</u>                                   |              |
| <u>Program Director</u>                          | <u>0.30</u>  |
| <u>Clinical Manager</u>                          | <u>1.00</u>  |
| <u>Clinical Lead</u>                             | <u>1.00</u>  |
| <u>Utilization Review Clinician</u>              | <u>5.00</u>  |
| <u>Membership Service Representative</u>         | <u>7.00</u>  |
| <u>Medical Director</u>                          | <u>0.26</u>  |
| <u>ASO Network Manager</u>                       | <u>1.00</u>  |
| <u>Claims Appeal Manager</u>                     | <u>0.15</u>  |
| <u>Claims Data Specialist (Pooled Staff)</u>     | <u>3.00</u>  |
| <u>Credentialing Specialist (Pooled Staff)</u>   | <u>0.50</u>  |
| <u>Quality Improvement Coordinator</u>           | <u>0.50</u>  |
| <u>Care Coordinator</u>                          | <u>6.00</u>  |
| <u>After Hours Clinician (Pooled Staff)</u>      | <u>1.25</u>  |
| <u>Data Base Developer</u>                       | <u>0.25</u>  |
| <u>Data Base Administrator</u>                   | <u>0.50</u>  |
| <u>Sr. Accountant</u>                            | <u>0.20</u>  |
| <u>After Hours Member Service Representative</u> | <u>2.50</u>  |
| <u>DMC Team Lead</u>                             | <u>1.00</u>  |
| <u>After Hours Clinician DMC</u>                 | <u>0.50</u>  |
| <u>Customer Service Supervisor</u>               | <u>1.00</u>  |
| <u>Provider Relations Specialist</u>             | <u>0.50</u>  |
| <u>Provider Dispute Specialist</u>               | <u>1.00</u>  |

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BEACON HEALTH STRATEGIES, LLC

|                               |              |
|-------------------------------|--------------|
| <u>Regulatory Ops Analyst</u> | <u>1.00</u>  |
| <u>SUBTOTAL PROGRAM</u>       | <u>35.41</u> |
| <u>TOTAL FTEs</u>             | <u>36.52</u> |

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 Amendments No. 1 and No.2, the terms and conditions of this Amendment No. 3 prevail. In all other respects, the terms and conditions of the Contract, including Amendments No. 1 and No.2 not specifically changed by this Amendment No. 3 remain in full force and effect.

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