



City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 10/30/2012

Report Type: Consent

Title: Agreement: County of Sacramento Medi-Cal Administrative Activities Program

Report ID: 2012-00866

Location: Citywide

Recommendation: Pass a Resolution authorizing the City Manager or designee to 1) execute the Cost Reimbursement Agreement with the County of Sacramento for Medi-Cal Administrative Activities (MAA) program funding for Fiscal Years 2011/12 and 2012/13 in the total amount of \$1,000,000; 2) enter into a new agreement or any amendments with the County for the MAA funding through June 30, 2014, as long as the agreement or amendment terms are substantially the same and any increase in funding does not exceed \$500,000; and 3) adjust the revenue and expenditure budgets for the Parks and Recreation Department and Project G19070400 as necessary to implement the Cost Reimbursement Agreements with the County of Sacramento for the MAA program funding.

Contact: Kelly Bennett-Wofford, Program Manager, (916) 808-3800; Murray Levison, Administrative Officer, (916) 808-6195, Department of Parks and Recreation

Presenter: None

Department: Parks & Recreation Department

Division: Cover The Kids

Dept ID: 19001751

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Resolution
- 4-Contract

City Attorney Review

Approved as to Form
Sheryl Patterson
10/23/2012 8:08:55 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
10/11/2012 4:26:28 PM

Approvals/Acknowledgements

Sandra Talbott, Interim City Attorney

Shirley Concolino, City Clerk
John F. Shirey, City Manager

Russell Fehr, City Treasurer

Department Director or Designee: Jim Combs - 10/22/2012 10:29:47 AM

Description/Analysis

Issue: The Department of Parks and Recreation, through its Cover the Kids program, has been reauthorized to submit reimbursement requests to the County of Sacramento to obtain funds from the State of California's Medi-Cal Administrative Activities (MAA) program. The MAA program offers a way for counties, charter cities and schools to obtain federal reimbursement for the cost of certain administrative activities necessary for the proper and efficient administration of the State's Medi-Cal program. A Cost Reimbursement Agreement with the County is required. A prior agreement with the County covered services provided during a five-year period from July 1, 2006, to June 30, 2011.

Cover the Kids identifies children ages 0-18 throughout Sacramento County who are without health insurance and assists their families to apply for affordable health coverage, retain that coverage and utilize health services. In conducting its regular activities, Cover the Kids employees provide information about and assist with applications to the State of California's Medi-Cal program, which is funded by the Federal Centers for Medicare and Medicaid Services. Cover the Kids and other authorized agencies in Sacramento County submit information to the County about the activities they conduct in support of the State's Medi-Cal program. The County then forwards that information to the State. Reimbursement with Federal funds flows from the State to the County to the City.

The agreement covers the provision of services during two fiscal years, July 1, 2011, to June 30, 2013, and is for a maximum reimbursement of \$1,000,000. Approval is requested for executing the agreement and for any amendments or extensions through June 30, 2014, that could provide additional funding for the current or subsequent fiscal year.

Policy Considerations: Cover the Kids is consistent with the City's strategic plan to achieve sustainability and livability and its mission to protect, preserve and enhance the quality of life for present and future generations.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): This report concerns administrative activities that will not have any significant effect on the environment and that do not constitute a "project," as defined by CEQA Guidelines sections 15061(b)(3), 15378(b)(2).

Sustainability Considerations: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: Approval of this agreement will allow the City's Cover the Kids program to receive up to a total of \$1,000,000 in reimbursement for activities the program regularly conducts. As employees in the

program make contact with families whose children have no health insurance, information and referrals are made to a number of health insurance products, including Medi-Cal. By documenting the work performed in support of the Medi-Cal program and submitting quarterly invoices to the County, the City is able to receive reimbursement for a portion of the City's costs.

Financial Considerations: The Cover the Kids program is funded entirely with outside funds and has no General Fund support. Funding comes from the County of Sacramento's First 5 Sacramento Commission, the four area hospital systems and The California Endowment. These other funding sources are used as the required match for the Medi-Cal Administrative Activities program.

The Cost Reimbursement Agreement covers the provision of services during two fiscal years, through June 30, 2013, and is for a maximum total reimbursement of \$1,000,000. Authorization to extend this program by one year and to accept up to an additional \$500,000 is being requested. Quarterly invoices are submitted to the County within one year of the end of the billing quarter. The County retains six percent of the funds for their administrative costs.

Emerging Small Business Development (ESBD): There are no ESBD considerations with this report.



BACKGROUND

Cover the Kids (CTK), a broad-based collaborative partnership operated through the City of Sacramento's Department of Parks and Recreation, represents both public and private entities that have been coordinating health insurance coverage outreach, enrollment (application assistance), retention, and utilization services since late 1998. CTK expanded its efforts in 2003 and developed a comprehensive plan to provide medical, dental and vision coverage to the uninsured children in Sacramento County. CTK focuses on enrolling eligible children into existing health programs.

According to the 2009 California Health Interview Survey data released in January 2011, the number of uninsured children ages 0-18 has increased to 27,000 in Sacramento County, an increase of 11,000 children from 2007. The most notable reason for the increase in the numbers of uninsured children is the recent economic downturn and loss of employer-sponsored health coverage by working families. Since its inception, CTK has assisted to enroll nearly 50,000 children in Sacramento County into comprehensive health insurance programs such as Medi-Cal, Healthy Families, Kaiser Permanente's Child Health Plan and Healthy Kids. CTK is the 15th highest enrollment entity (of approximately 2,117) in California, due to the number of children CTK enrolls into the Healthy Families program.

CTK coordinates efforts with public agencies, community and faith-based organizations, clinics and school partners to increase children's access to health care, including early health and development screenings. Intensive follow-up services are provided to ensure retention in the programs and education to families about the importance of using the program for such services as preventative well-baby and well-child exams and immunizations. No other program in the county coordinates such an extensive and comprehensive outreach, enrollment, retention, and utilization campaign.

The prior five-year Cost Reimbursement Agreement with the County of Sacramento allowed the City to obtain reimbursement funds from the State of California's Medi-Cal Administrative Activities program up to \$1,738,801. To date, the City has received \$1,565,963 in reimbursement under this prior agreement, and no further reimbursement is expected to be received under the prior five-year agreement. The new agreement proposed for approval would provide for reimbursement of the City's costs for an additional two fiscal years.



RESOLUTION NO. 2012-
Adopted by the Sacramento City Council

October 30, 2012

**AUTHORIZING COST REIMBURSEMENT AGREEMENTS WITH
COUNTY OF SACRAMENTO AND BUDGET AMENDMENTS FOR
MEDI-CAL ADMINISTRATIVE ACTIVITIES PROGRAM FUNDING**

BACKGROUND

- A. The Department of Parks and Recreation, through its Cover the Kids program, has been reauthorized to submit reimbursement requests to the County of Sacramento (County) to obtain funds from the State of California's Medi-Cal Administrative Activities (MAA) program pursuant to Cost Reimbursement Agreements. The MAA program offers a way for counties, charter cities and schools to obtain federal reimbursement for the cost of certain administrative activities necessary for the proper and efficient administration of the State's Medi-Cal program.
- B. Cover the Kids identifies children ages 0-18 throughout Sacramento County who are without health insurance and assists their families to apply for affordable health coverage, retain that coverage and use health services. In conducting its regular activities, Cover the Kids employees provide information about and assist with applications to the State of California's Medi-Cal program.
- C. Cover the Kids and other authorized agencies in Sacramento County submit information to the County about the activities they conduct in support of the State's Medi-Cal program. The County then forwards that information to the State. Reimbursement with Federal funds flows from the State to the County to the City. The funding is provided after services are rendered as reimbursement of costs already incurred. A Cost Reimbursement Agreement with the County is required to receive the reimbursement.
- D. The Cost Reimbursement Agreement covers the provision of services during two fiscal years, from July 1, 2011, to June 30, 2013, and is for a maximum reimbursement amount of \$1,000,000. Approval is requested for executing the Agreement and for any subsequent agreement and/or for any amendments or extensions through June 30, 2014, to provide additional funding for the current or subsequent fiscal year.
- E. Authorization is requested to amend the Department of Parks and Recreation's operating budgets and the budgets for Project G19070400.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager, or the City Manager's designee, is authorized to execute the Cost Reimbursement Agreement with the County of Sacramento for Medi-Cal Administrative Activities (MAA) program funding for Fiscal Years 2011/12 and 2012/13 in the total amount of \$1,000,000.
- Section 2. The City Manager, or the City Manager's designee, is authorized to enter into a new agreement or any amendments with the County for the MAA funding through June 30, 2014, as long as the agreement or amendment terms are substantially the same and any increase in funding does not exceed \$500,000.
- Section 3. The City Manager, or the City Manager's designee, is authorized to adjust the revenue and expenditure budgets for the Parks and Recreation Department and Project G19070400 as necessary to implement the Cost Reimbursement Agreements with the County of Sacramento for the MAA program funding.



AGREEMENT

THIS AGREEMENT is made and entered into as of this 1st day of July, 2011, by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and CITY OF SACRAMENTO, COVER THE KIDS, a political subdivision of the State of California, hereinafter referred to as "CONTRACTOR".

RECITALS

WHEREAS, the County of Sacramento has entered into an Agreement with the State Department of Health Services, hereinafter referred to as "STATE", to establish a means of claiming Federal Financial Participation for administrative costs necessary for the proper and efficient administration of the Medi-Cal Program; and

WHEREAS, by the terms of the Agreement between the STATE and COUNTY, COUNTY is deemed to consist of agencies and the departments under its jurisdiction and their respective employees, as well as affiliated agencies operating under contract or memorandum of understanding with it; and

WHEREAS, the purpose of the aforementioned State Agreement is to ensure the more efficient administration of the State Medi-Cal Plan, including Welfare and Institutions Code 14132.47 relating to Medi-Cal Administrative Activities, hereinafter referred to as "MAA"; and

WHEREAS, COUNTY desires to assure that all Title XIX potentially eligible individuals and their families, where appropriate, served by CONTRACTOR, are informed of the Medi-Cal program, and about Medi-Cal covered services; and

WHEREAS, COUNTY wishes to assure that assistance is provided to Medi-Cal eligible individuals, and their families where appropriate, in facilitating their receipt of Medi-Cal covered services; and

WHEREAS, the Sacramento County Board of Supervisors authorized the Department of Health and Human Services to enter into an Agreement with CONTRACTOR in Resolution Number 2011-0400, approved June 7, 2011; and

WHEREAS, COUNTY has determined that the provision of MAA activities by CONTRACTOR is an effective method of assuring the availability, accessibility, coordination, and appropriate utilization of required health care resources to Medi-Cal eligible individuals and their families; and

WHEREAS, COUNTY AND CONTRACTOR desire to enter into this Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, COUNTY and CONTRACTOR agree as follows:

I. OBLIGATIONS AND RESPONSIBILITIES

A. CONTRACTOR RESPONSIBILITIES

CONTRACTOR agrees to:

1. Assess MAA claiming potential within the district and determine which staff will participate in the time survey and what direct charges, if applicable, will be claimed.
2. Provide the identified staff with training on MAA time survey procedures and requirements.
3. Develop and submit, on a timely basis, required MAA Claim Plans and subsequent Claim Plan Amendments to COUNTY for submission to the STATE.
4. Account for the activities of staff conducting MAA activities in accordance with the provisions of Welfare and Institutions Code 14132.47 via the STATE approved time survey instrument.
5. Ensure all participating CONTRACTOR staff claiming reimbursement through Title XIX Medi-Cal administrative claiming are appropriately trained and kept informed of applicable MAA information and requirements for claiming.

6. Ensure that all MAA claiming is conducted in accordance with applicable county, state, and federal regulations, policies and procedures.
7. Determine appropriate methodologies to compute the percentage of Medi-Cal recipients in the, City of Sacramento on a quarterly basis.
8. Ensure no duplicate billings.
9. Submit to COUNTY quarterly claims for submittal to the STATE no later than twelve (12) months after the end of the quarter in which a time study was completed, or MAA costs incurred. Claims shall be submitted to COUNTY in the STATE approved claim invoice format.
10. Certify non-federal match for Title XIX funds claimed for MAA activities conducted by CONTRACTOR. Certification will be made for each quarterly invoice submitted through COUNTY to STATE for payment.
11. Develop procedures for establishing and maintaining files that are consistent with procedures outlined by STATE and COUNTY and ensure that audit files are kept in a current status.
12. Retain all appropriate records and documents for a three (3) year period after the claim submittal or revision; or if an audit is in process, three (3) years after the completion of the audit.
13. Make audit files available to state or federal auditors and respond to inquiries from these entities concerning CONTRACTOR MAA claims.
14. Designate an employee to act as liaison with COUNTY for issues concerning this Agreement.

B. COUNTY RESPONSIBILITIES

COUNTY agrees to:

1. Act as a pass through entity for CONTRACTOR MAA claims, effective July 1, 2011.
2. Review and submit CONTRACTOR MAA claims to STATE within thirty (30) days after receipt by COUNTY.
3. Forward CONTRACTOR MAA claim funds to CONTRACTOR after their receipt from STATE. A fee equaling six percent (6%) of claim funds received, as a result of claim submittal, will be retained by COUNTY to support the administration of the MAA program.
4. Designate an employee to act as liaison with CONTRACTOR for issues concerning this Agreement.
5. Maintain copy of CONTRACTOR MAA claims and associated backup documentation for a period of three (3) years after claim submission; or, if an audit is in process, three (3) years after the completion of the audit.
6. Respond to inquiries from state and/or federal audits and coordinate responses with CONTRACTOR.

C. JOINT RESPONSIBILITIES

COUNTY and CONTRACTOR hereby agree to comply with all the applicable laws governing the confidentiality of client information for clients served under this Agreement. Applicable laws include, but are not limited to, 42 U.S.C. Section 1320c-9; 43 CFR Section 41.300; Welfare and Institution Code, Section 14100.2; and 22 CCR Section 51009.

II. TERM

This Agreement shall be effective and commence as of the date first written above and shall end on June 30, 2013 inclusive.

III. NOTICE

Any notice, demand, request, consent, or approval that either party hereto may or is required to give the other pursuant to this Agreement shall be in writing and shall be either personally delivered or sent by mail, addressed as follows:

TO COUNTY

TO CONTRACTOR

DIRECTOR
Department of Health & Human Services
7001-A East Parkway, Suite 1000
Sacramento, CA 95823-2501

City of Sacramento, Cover the Kids
1331 Garden Highway
Sacramento, CA 95833

Either party may change the address to which subsequent notice and/or other communications can be sent by giving written notice designating a change of address to the other party, which shall be effective upon receipt.

IV. COMPLIANCE WITH LAWS

CONTRACTOR shall observe and comply with all applicable federal, state, and county laws, regulations, and ordinances.

V. GOVERNING LAWS AND JURISDICTION

This Agreement shall be deemed to have been executed and to be performed within the State of California and shall be construed and governed by the internal laws of the State of California. Any legal proceedings arising out of or relating to this Agreement shall be brought in Sacramento County, California.

VI. LICENSES, PERMITS, AND CONTRACTUAL GOOD STANDING

- A. CONTRACTOR shall possess and maintain all necessary licenses, permits, certificates, and credentials required by the laws of the United States, the State of California, County of Sacramento, and all other appropriate governmental agencies, including any certification and credentials required by COUNTY. Failure to maintain the licenses, permits, certificates, and credentials shall be deemed a breach of this Agreement and constitutes grounds for the termination of this Agreement by COUNTY.
- B. CONTRACTOR further certifies to COUNTY that it and its principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or county government contracts. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.

VII. PERFORMANCE STANDARDS

COUNTY shall perform its services under this Agreement in accordance with the industry and/or professional standards applicable to COUNTY's services.

VIII. STATUS OF CONTRACTOR

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto. CONTRACTOR's assigned personnel shall not be entitled to any benefits payable to employees of COUNTY. COUNTY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement; and as an independent contractor, CONTRACTOR hereby indemnifies and holds COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.
- B. It is further understood and agreed by the parties hereto that CONTRACTOR in the performance of its obligation hereunder is subject to the control or direction of COUNTY as to the designation of tasks to be performed, the results to be accomplished by the services hereunder agreed to be rendered and performed, and not the means, methods, or sequence used by CONTRACTOR for accomplishing the results.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such person shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. All terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR, and COUNTY shall have no right or authority over such persons or the terms of such employment.

- D. It is further understood and agreed that as an independent contractor and not an employee of County, neither CONTRACTOR nor CONTRACTOR's assigned personnel shall have any entitlement as a COUNTY employee, right to act on behalf of COUNTY in any capacity whatsoever as agent, nor to bind COUNTY to any obligation whatsoever. CONTRACTOR shall not be covered by workers' compensation; nor shall CONTRACTOR be entitled to compensated sick leave, vacation leave, retirement entitlement, participation in group health, dental, life, and other insurance programs, or entitled to other fringe benefits payable by COUNTY to employees of COUNTY.
- E. It is further understood and agreed that CONTRACTOR must issue W-2 and 941 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel under the terms and conditions of this Agreement.

IX. COMPLIANCE WITH CHILD, FAMILY, AND SPOUSAL SUPPORT REPORTING OBLIGATIONS

- A. CONTRACTOR shall comply with all applicable state, federal and local laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the California State Family Code and Chapter 2.160 of the Sacramento County Code. CONTRACTOR shall comply with all earnings assignment orders with respect to its employees and shall provide the names of all new employees to the New Hire Registry maintained by the California Employment Development Department;
- B. Failure to comply with state and federal reporting requirements regarding CONTRACTOR's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment shall constitute a default under this Agreement. Failure to cure such default within 90 days of notice by the COUNTY shall be grounds for termination of the contract.

X. CONFLICT OF INTEREST

COUNTY and COUNTY's officers and employees shall not have a financial interest, or acquire any financial interest, direct or indirect, in any business, property or source of income which could be financially affected by or otherwise conflict in any manner or degree with the performance of services required under this Agreement.

XIV. LOBBYING AND UNION ORGANIZATION ACTIVITIES

- A. CONTRACTOR shall comply with all certification and disclosure requirements prescribed by Section 319, Public Law 101-121 (31 U.S.C. § 1352) and any implementing regulations.
- B. If services under this Agreement are funded with state funds granted to COUNTY, CONTRACTOR shall not utilize any such funds to assist, promote, or deter union organization by employees performing work under this Agreement and shall comply with the provisions of Government Code Sections 16645 through 16649.
- C. If services under this Agreement are funded in whole or in part with Federal funds no funds may be used to support or defeat legislation pending before Congress or any state legislature. CONTRACTOR further agrees to comply with all requirements of the Hatch Act (Title 5 USC, Sections 1501-1508).

XV. NONDISCRIMINATION IN EMPLOYMENT, SERVICES, BENEFITS, AND FACILITIES

- A. CONTRACTOR agrees and assures COUNTY that CONTRACTOR and any subcontractors shall comply with all applicable federal, state, and local anti-discrimination laws, regulations, and ordinances and to not unlawfully discriminate, harass, or allow harassment against any employee, applicant for employment, employee or agent of COUNTY, or recipient of services contemplated to be provided or provided under this Agreement, because of race, ancestry, marital status, color, religious creed, political belief, national origin, ethnic group identification, sex, sexual orientation, age (over 40), medical condition (including HIV and AIDS), or physical or mental disability. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment, the treatment of COUNTY employees and agents, and recipients of services are free from such discrimination and harassment.
- B. CONTRACTOR represents that it is in compliance with and agrees that it will continue to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.), the Fair Employment and Housing Act (Government Code § 12900 et seq.), and regulations and guidelines issued pursuant thereto.

- C. CONTRACTOR agrees to compile data, maintain records, post required notices and submit reports to permit effective enforcement of all applicable anti-discrimination laws and this provision.
- D. CONTRACTOR shall include this nondiscrimination provision in all subcontracts related to this Agreement.

XVI. INDEMNIFICATION

- A. CONTRACTOR shall defend, indemnify and hold harmless COUNTY, its Board of Supervisors, officers, directors, agents, employees and volunteers from and against all demands, claims, actions, liabilities, losses, damages, and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in part by the negligent or intentional acts or omissions of CONTRACTOR's officers, directors, agents, employees, or subcontractors.
- B. COUNTY shall defend, indemnify, and hold harmless CONTRACTOR, its officers, directors, agents, employees, and subcontractors from and against all demands, claims, actions, liabilities, losses, damages and costs, including payment of reasonable attorneys' fees, arising out of or resulting from the performance of the Agreement, caused in part by the negligent or intentional acts or omissions of COUNTY's Board of Supervisors, officers, directors, agents, employees, or volunteers.
- C. It is the intention of COUNTY and CONTRACTOR that the provisions of this paragraph be interpreted to impose on each party responsibility to the other for the acts and omissions of their respective officers, directors, agents, employees, volunteers, and County's Board of Supervisors. It is also the intention of COUNTY and CONTRACTOR that, where comparative fault is determined to have been contributory, principles of comparative fault will be followed and each party shall bear the proportionate cost of any damage attributable to the fault of that party, its officers, directors, agents, employees, volunteers, and COUNTY's Board of Supervisors.

XVII. INSURANCE

Each party, at its sole cost and expense, shall carry insurance, or self-insure its activities in connection with this Agreement, and obtain, keep in force and maintain insurance or an equivalent program of self-insurance for professional liability, general liability, workers' compensation, and business automobile liability adequate to cover its potential liabilities hereunder.

XVIII. INFORMATION TECHNOLOGY ASSURANCES

CONTRACTOR shall take all reasonable precautions to ensure that any hardware, software, and/or embedded chip devices used by CONTRACTOR in the performance of services under this Agreement, other than those owned or provided by COUNTY, shall be free from viruses. Nothing in this provision shall be construed to limit any rights or remedies otherwise available to COUNTY under this Agreement.

XIX. COMPENSATION AND PAYMENT OF INVOICES LIMITATIONS

- A. **The maximum amount payable without amendment under this Agreement shall not exceed \$1,000,000.00.** If it appears that claim amounts will exceed the established maximum for this Agreement, COUNTY may request STATE to increase appropriations for COUNTY. If STATE grants request, CONTRACTOR and COUNTY may amend this Agreement to accommodate increased amount. Any notice from CONTRACTOR requesting additional funding must be provided to COUNTY in a timely manner.
- B. Payment under this Agreement shall be made in the following manner:
 - 1. Upon CONTRACTOR's satisfactory compliance with the responsibilities in Sections I.A and I.C of this Agreement and after COUNTY has received reimbursement for a quarterly claim, COUNTY agrees to transfer to CONTRACTOR an amount equal to the Federal share of cost received as reimbursement for the MAA claim submitted by CONTRACTOR, less a fee of six (6%) percent to be used to support COUNTY MAA Administration, within forty-five (45) days from the day funds are distributed to COUNTY.
 - 2. Payment shall be made based on CONTRACTOR supplying the foregoing information to COUNTY.
 - 3. Invoices shall be submitted quarterly, one original and three copies, to:

Sacramento County DHHS

4. The validity and enforceability of this Agreement are contingent upon the availability of funds appropriated by the U.S. Congress.
5. This Agreement is valid and enforceable only if CONTRACTOR certifies that sufficient matching funds are available for the purpose of this program. This Agreement is also subject to any additional restrictions, limitations or conditions enacted by the appropriate governing body which may affect the provisions, term or funding of this Agreement in any manner.
6. Transfer of funds is contingent upon the availability of federal financial participation.
7. COUNTY will be held harmless from any federal disallowance resulting from payment made to CONTRACTOR. If CONTRACTOR has received MAA claim payments, it shall be liable for any federal disallowance made with respect to those payments. COUNTY shall recoup from CONTRACTOR the amount of any disallowance in the manner authorized by applicable laws and regulations.
8. Both parties to this Agreement recognize the CONTRACTOR is liable only for its own audit exception and has no liability for any other entity, which may enter into a similar agreement with the COUNTY or STATE for the provision of MAA.

XX. SUBCONTRACTS, ASSIGNMENT

- A. Except as set forth in Subsection C, CONTRACTOR shall obtain prior written approval from COUNTY before subcontracting any of the services delivered under this Agreement. CONTRACTOR remains legally responsible for the performance of all contract terms including work performed by third parties under subcontracts. Any subcontracting will be subject to all applicable provisions of this Agreement. CONTRACTOR shall be held responsible by COUNTY for the performance of any subcontractor whether approved by COUNTY or not.
- B. This Agreement is not assignable by CONTRACTOR in whole or in part, without the prior written consent of COUNTY.
- C. Notwithstanding Subsection A, CONTRACTOR may subcontract with PARADIGM HEALTH SERVICES for services delivered under this Agreement.

XXI. AMENDMENT AND WAIVER

Except as provided herein, no alteration, amendment, variation, or waiver of the terms of this Agreement shall be valid unless made in writing and signed by both parties. Waiver by either party of any default, breach, or condition precedent shall not be construed as a waiver of any other default, breach, or condition precedent, or any other right hereunder. No interpretation of any provision of this Agreement shall be binding upon COUNTY unless agreed in writing by DIRECTOR and counsel for COUNTY.

XXII. TIME

Time is of the essence of this Agreement.

XXIII. INTERPRETATION

This Agreement shall be deemed to have been prepared equally by both of the parties, and the Agreement and its individual provisions shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

XXIV. DIRECTOR

As used in this Agreement, "DIRECTOR" shall mean the Director of the Department of Health and Human Services, or his/her designee.

XXV. DISPUTES

In the event of any dispute arising out of or relating to this Agreement, the parties shall attempt, in good faith, to promptly resolve the dispute mutually between themselves. Pending resolution of any such dispute, CONTRACTOR shall continue without delay to carry out all its responsibilities under this Agreement unless the Agreement is otherwise terminated in accordance with the Termination provisions herein. COUNTY shall not be required to make payments for any services that are the subject of this dispute resolution process until such dispute has been mutually resolved by the parties. If the dispute cannot be resolved within 15 calendar days of initiating such negotiations or such other time period as may be mutually agreed to by the parties in writing, either party may pursue its available legal and equitable remedies, pursuant to the laws of the State of California. Nothing in this Agreement or provision shall constitute a waiver of any of the government claim filing requirements set forth in Title 1, Division 3.6, of the California Government Code or as otherwise set forth in local, state and federal law.

XXVI. TERMINATION

- A. COUNTY may terminate this Agreement without cause upon thirty (30) days written notice to the other party. Notice shall be deemed served on the date of mailing. If notice of termination for cause is given by COUNTY to CONTRACTOR and it is later determined that CONTRACTOR was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to this paragraph (A).
- B. COUNTY may terminate this Agreement for cause immediately upon giving written notice to CONTRACTOR should CONTRACTOR materially fail to perform any of the covenants contained in this Agreement in the time and/or manner specified. In the event of such termination, COUNTY may proceed with the work in any manner deemed proper by COUNTY. If notice of termination for cause is given by COUNTY to CONTRACTOR and it is later determined that CONTRACTOR was not in default or the default was excusable, then the notice of termination shall be deemed to have been given without cause pursuant to paragraph (A) above.
- C. COUNTY may terminate or amend this Agreement immediately upon giving written notice to CONTRACTOR, 1) if advised that funds are not available from external sources for this Agreement or any portion thereof, including if distribution of such funds to the COUNTY is suspended or delayed; 2) if funds for the services and/or programs provided pursuant to this Agreement are not appropriated by the State; 3) if funds in COUNTY's yearly proposed and/or final budget are not appropriated by COUNTY for this Agreement or any portion thereof; or 4) if funds that were previously appropriated for this Agreement are reduced, eliminated, and/or re-allocated by County as a result of mid-year budget reductions.
- D. If this Agreement is terminated under paragraph A or C above, CONTRACTOR shall only be paid for any services completed and provided prior to notice of termination. In the event of termination under paragraph A or C above, CONTRACTOR shall be paid an amount which bears the same ratio to the total compensation authorized by the Agreement as the services actually performed bear to the total services of CONTRACTOR covered by this Agreement, less payments of compensation previously made. In no event, however, shall COUNTY pay CONTRACTOR an amount which exceeds a pro rata portion of the Agreement total based on the portion of the Agreement term that has elapsed on the effective date of the termination.
- E. CONTRACTOR shall not incur any expenses under this Agreement after notice of termination and shall cancel any outstanding expenses obligations to a third party that CONTRACTOR can legally cancel.

XXVII. AUDITS AND RECORDS

Upon COUNTY's request, COUNTY or its designee shall have the right at reasonable times and intervals to audit, at CONTRACTOR's premises, CONTRACTOR's financial and program records as COUNTY deems necessary to determine CONTRACTOR's compliance with legal and contractual requirements and the correctness of claims submitted by CONTRACTOR. CONTRACTOR shall maintain such records for a period of four (4) years following termination of the Agreement, and shall make them available for copying upon COUNTY's request at COUNTY's expense. COUNTY shall have the right to withhold any payment under this Agreement until CONTRACTOR has provided access to CONTRACTOR's financial and program records related to this Agreement.

XXVIII. PRIOR AGREEMENTS

This Agreement constitutes the entire contract between COUNTY and CONTRACTOR regarding the subject matter of this Agreement. Any prior agreements, whether oral or written, between COUNTY and CONTRACTOR regarding the subject matter of this Agreement are hereby terminated effective immediately upon full execution of this Agreement.

XXIX. SEVERABILITY

If any term or condition of this Agreement or the application thereof to any person(s) or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.

XXX. FORCE MAJEURE

Neither CONTRACTOR nor COUNTY shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control of such party and without fault or negligence of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism, or other disasters, whether or not similar to the foregoing, and acts or omissions or failure to cooperate of the other party or third parties (except as otherwise specifically provided herein).

XXXI. SURVIVAL OF TERMS

All services performed and deliverables provided pursuant to this Agreement are subject to all of the terms, conditions, price discounts and rates set forth herein, notwithstanding the expiration of the initial term of this Agreement or any extension thereof. Further, the terms, conditions, and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation, or termination of this Agreement shall so survive.

XXXII. DUPLICATE COUNTERPARTS

This Agreement may be executed in duplicate counterparts. The Agreement shall be deemed executed when it has been signed by both parties.

XXXIII. AUTHORITY TO EXECUTE

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement for or on behalf of the parties to this Agreement. Each party represents and warrants to the other that the execution and delivery of the Agreement and the performance of such party's obligations hereunder have been duly authorized.

XXXIV. DRUG FREE WORKPLACE

If the contract is funded in whole or in part with State funds the CONTRACTOR shall comply, and require that its Subcontractors comply, with Government Code Section 8355. By executing this contract Contractor certifies that it will provide a drug free workplace pursuant to Government Code Section 8355.

XXXV. LIMITED ENGLISH PROFICIENCY

To ensure equal access to quality care by diverse populations, CONTRACTOR shall:

- A. Promote and support the attitudes, behaviors, knowledge, and skills necessary for staff to work respectfully and effectively with clients and each other in a culturally diverse work environment.
- B. Have a comprehensive management strategy to address culturally and linguistically appropriate services, including strategic goals, plans, policies, procedures, and designated staff responsible for implementation.
- C. Develop and implement a strategy to recruit, retain and promote qualified, diverse and culturally competent administrative, clinical, and support staff that are trained and qualified to address the needs of the racial and ethnic communities being served.

- D. Require and arrange for ongoing education and training for administrative, clinical, and support staff in culturally and linguistically competent service delivery.
- E. Provide all clients with limited English proficiency access to bilingual staff or interpretation services.
- F. Provide oral and written notices, including translated signage at key points of contact, to clients in their primary language informing them of their right to receive no-cost interpreter services.
- G. Translate and make available signage and commonly-used written client educational material and other materials for members of the predominant language groups in the service area.
- H. Ensure that interpreters and bilingual staff can demonstrate bilingual proficiency and receive training that includes the skills and ethics of interpreting, and knowledge in both languages of the terms and concepts relevant to clinical or non-clinical encounters. Family or friends are not considered adequate substitutes because they usually lack these abilities.
- I. Ensure that the clients' primary spoken language and self-identified race/ethnicity are included in the provider's management information system as well as any client records used by provider staff.

XXXVI. ADDITIONAL PROVISIONS

The additional provisions contained in Exhibits A, B and C attached hereto are part of this Agreement and are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first written above.

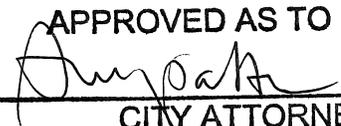
COUNTY OF SACRAMENTO, a political subdivision of the State of California **CITY OF SACRAMENTO, COVER THE KIDS**

By _____
 Ann Edwards, Director, Department of Health and Human Services. Approval delegated pursuant to Sacramento County Code Section 2.61.012 (h)

By _____
 John Shirey, City Manager

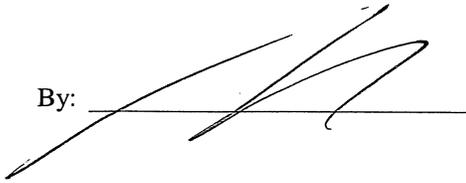
Date: _____

Date: _____

APPROVED AS TO FORM:


CITY ATTORNEY

CONTRACT AND CONTRACTOR TAX STATUS
REVIEWED AND APPROVED BY COUNTY COUNSEL

By:  _____ Date: 6-27-11

**EXHIBIT A to Agreement
between the COUNTY OF SACRAMENTO,
hereinafter referred to as "COUNTY", and
CITY OF SACRAMENTO, COVER THE KIDS,
hereinafter referred to as "CONTRACTOR"**

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

CONTRACTOR agrees to comply with 45 CFR Part 76.100 (Code of Federal Regulations), which provides that federal funds may not be used for any contracted services, if CONTRACTOR is debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.

I (We) certify to the best of my (our) knowledge and belief, that CONTRACTOR named below and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
2. Have not within a three (3)-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
4. Have not within a three (3)-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State, or local) terminated for cause or default.
5. Shall notify COUNTY within ten (10) days of receipt of notification that CONTRACTOR is subject to any proposed or pending debarment, suspension, indictments or termination of a public transaction.
6. Shall obtain a certification regarding debarment and suspension from all its subcontractors that will be funded through this Agreement.
7. Hereby agree to terminate immediately, any subcontractor's services that will be/are funded through this Agreement, upon discovery that the subcontractor is ineligible or voluntarily excluded from covered transactions by any federal department or agency.

CITY OF SACRAMENTO, COVER THE KIDS

BY: _____

DATE: _____

**EXHIBIT B to Agreement
between the COUNTY OF SACRAMENTO,
hereinafter referred to as "COUNTY", and
CITY OF SACRAMENTO, COVER THE KIDS,
hereinafter referred to as "CONTRACTOR"**

INSURANCE REQUIREMENTS FOR CONTRACTORS

Each party, at its sole cost and expense, shall carry insurance -or self-insure- its activities in connection with this Agreement, and obtain, keep in force and maintain, insurance or equivalent programs of self-insurance, for general liability, workers compensation, property, professional liability, and business automobile liability adequate to cover its potential liabilities hereunder. Each party agrees to provide the other thirty (30) days' advance written notice of any cancellation, termination, or lapse of any of the insurance or self-insurance coverages. Failure to maintain insurance as required in this Agreement is a material breach of contract and is grounds for termination of the Agreement.

**EXHIBIT C to Agreement
between the COUNTY OF SACRAMENTO,
hereinafter referred to as "COUNTY", and
CITY OF SACRAMENTO, COVER THE KIDS,
hereinafter referred to as "CONTRACTOR"**

SCHEDULE OF FEDERAL FUNDS

- I. If box is checked, there are no Federal funds in this contract.
- II. If box is checked, there are Federal funds in this contract. Federal funding details for this contract are as follows:

A.	Catalog of Federal Domestic Assistance (CFDA) number:	93.778
	CFDA Title:	Federal Title XIX
	Award Name and Number:	Medi-Cal Administrative Activities
	Award Year:	FY 2011/12 and 2012/13
	Were funds awarded for research and development activities?	No
	Name of the Federal awarding agency:	Center for Medicare and Medicaid Services
	Amount in this contract:	\$1,000,000.00

- III. CONTRACTOR shall comply with the requirements of the Single Audit Act Amendments of 1996 and OMB Circular A-133.
- IV. At the sole discretion of COUNTY, the dollar amount payable under each Federal funding source in paragraph II of this Exhibit C may be changed upon written notice from the COUNTY to CONTRACTOR so long as payments do not exceed the maximum total payment amount in accordance with Exhibit C of this agreement.