

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
"CalMHSA"
PARTICIPATION AGREEMENT AMENDMENT NO. 1

This Participation Agreement Amendment No. 1 ("Amendment No. 1") amends Participation Agreement No. 3910-CMRCM-2023-LC, executed on June 29, 2023 (the "Agreement"), and is entered into by and between the California Mental Health Services Authority ("CalMHSA") and Lake County ("Participant"). This Amendment No. 1 shall be effective upon execution.

Addition to Exhibit A – Program Description and Funding

Effective upon execution of this Amendment No. 1, Exhibit A is amended to provide Participant with the following revenue cycle management services in addition to the State Reporting services for which Participant is already contracted:

A. Monthly Revenue Cycle Management - Billing and Accounts Receivable (A/R) Cycle Support

- a. CalMHSA will provide all month-end processes for the completion of A/R and Billing Processes at CalMHSA's office and will provide support and assist Participant's staff for month-end A/R and billing processes for all requirements set forth by DHCS. Services include:
 - i. Pre-Billing error identification with services and/or charges.
 - ii. Coordination with Participant staff to address identified errors.
 - iii. Generation of initial batches and claims outputs
 1. Other Health Coverage (OHC) – Creation of CMS 1500 compiles to be printed and submitted by Participant staff (once per month).
 2. Medicare – Creation of Medicare 837 claims to be submitted by CalMHSA to appropriate fiscal intermediary on behalf of the Participant (once per month).
 3. Medi-Cal – Creation of Medi-Cal 837 claims for both mental health and/or substance use programs to be submitted by CalMHSA to DHCS on behalf of the Participant (once per month).
 4. Generation of claims to secondary payors per appropriate submission methods (e.g. Medi/Medi claims processing) (once per month).
 - iv. Generation of supplemental batches and claims outputs
 1. Other Health Coverage (OHC) – Creation of CMS 1500 compiles to be printed and submitted by Participant staff (once per month).
 2. Medicare – Creation of Medicare 837 claims to be submitted by CalMHSA to appropriate fiscal intermediary on behalf of the Participant (once per month).
 3. Medi-Cal – Creation of Medi-Cal 837 claims for both mental health and/or substance use programs to be submitted by CalMHSA to DHCS on behalf of the Participant (once per month).
 4. Generation of claims to secondary payors per appropriate submission methods (e.g. Medi/Medi claims processing) (once per month).
 - v. Attainment and processing of remittance information
 1. Other Health Coverage (OHC) – Is solely the responsibility of the Participant.

2. Medicare - CalMHSA will attain the 835 electronic remittance information from the appropriate fiscal intermediary and post the transactions into the SmartCare Electronic Health Record (EHR).
 3. Medi-Cal - CalMHSA will attain the 835 electronic remittance information from DHCS and post the transactions into the SmartCare EHR.
- vi. Denials and Rebilling
1. For all benefit payors/guarantors, CalMHSA will coordinate with the Participant to address identified issues with denied claims.
 2. CalMHSA will generate and submit all re-billed claims based upon the claims outputs previously identified.
 3. CalMHSA and Participant will manage all denials until each is worked to an appropriate conclusion.
- b. CalMHSA will provide training and support to program staff for program processes required in the month-end process.
- c. CalMHSA will use all reasonable efforts to comply with all state billing and reporting requirements for timely, accurate and complete processing of electronic claims or files.
- d. Participant will be the sole party responsible for ensuring timeliness, accuracy and the complete entry of data by Participant staff necessary for CalMHSA to submit electronic claims or files.
- e. CalMHSA will perform data review to ensure HIPAA compliance for electronic submittal to DHCS or other third-party payer in preparation for CalMHSA electronic data submission.
- f. CalMHSA and Participant will work in good faith to address routine questions. CalMHSA and Participant will work together to identify consequential issues. Once an issue is determined to be “consequential”, CalMHSA and Participant will coordinate the entry of a case/ticket into the provided support system. CalMHSA will provide on-going management of logged cases/tickets. Routine questions will not be tracked. CalMHSA will provide Participant, upon request, a copy of Participant’s requests for support.
- g. CalMHSA will assist and monitor EOB (HIPAA 835) – Explanation of benefit denials and report back to Participant on a monthly basis or other agreed upon predetermined schedule.
- h. When CalMHSA makes changes to existing information system’s software that results in a need for consultation or training of Participant employees, the associated costs will be paid by CalMHSA.
- i. CalMHSA and Participant will develop procedures and policies to ensure all parties know when files are created or posted.

Addition to Exhibit A – Fee Structure

Effective upon execution of this Amendment No. 1, Exhibit A – Program Description and Funding is amended by adding the following fees to the Fee Structure. Such fees are in addition to the State Reporting fees included in the Agreement:

B. Fee Structure

SERVICE TYPE	ANNUAL RATE
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Monthly Revenue Cycle Management – Billing and Accounts Receivable (A/R) Cycle Report * • Submissions • Adjustments • Denials • Resubmissions • Receivables County Staff Support for Medi-Cal Claims and State Reporting (Included at no charge) • Communications with Clinicians • Issue Resolutions • Questions and Inquiries	\$68,510.00
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* Monthly Revenue Cycle Management – Billing and Accounts Receivable (A/R) Cycle Support fee is subject to a five percent (5%) annual increase.

NOTE: The above rate is based on current actual number of transactions. Significant increases or decreases in number of transactions will impact the rate in the same manner and will be adjusted accordingly.

Addition to Exhibit B – General Terms and Conditions

Exhibit B, Section V Fiscal Provisions

Section V of Exhibit B is amended by adding the following subsection immediately following Section V.B:

Payment Terms

Participant shall be invoiced quarterly by CalMHSA for the services described in this Amendment. Payment shall be due within thirty (30) days of receipt of each invoice in accordance with the terms of the Agreement.

APPLICABLE FISCAL PERIOD	ANNUAL AMOUNT
7/1/2026 – 6/30/2027	\$68,510.00
7/1/2027 – 6/30/2028	\$71,935.50
7/1/2028 – 3/20/2029	\$54,424.63

All other terms or provisions in the Agreement not cited in this Amendment No. 1 shall remain in full force and effect.

CalMHSA

Signed:  _____ Name (Printed): Dr. Amie Miller, Psy.D., MFT
DocuSigned by: 82E8EF8AB7CC448...
Title: Executive Director Date: 8/28/2026

Participant (County):

Signed: Jackson Berumen Name (Printed): Lloyd Guintivano
Title: County Counsel Signed for by: **Jackson Berumen – Deputy County Counsel**
Date: 08/26/2026

Signed: _____	Name (Printed): _____
Title: <u>Board of Supervisor Chair</u>	Date: _____