

**AGREEMENT FOR SERVICES # 007-S1511**  
**Adult Residential Treatment Services**

---

---

**THIS AGREEMENT** is made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Danilo and Gloria Ibanez doing business as Grace Home, duly qualified to conduct business in the State of California, whose principal place of business is 108 Oak Rock Circle, Folsom, CA 95630 (hereinafter referred to as "Contractor") and whose licensed Community Care Facilities are located at Grace Home I, 5801 Pecan Avenue, Orangevale, CA 95662 and Grace Home II, 9260 Loma Lane, Orangevale, CA 95662.

**RECITALS**

**WHEREAS**, County has determined that it is necessary to obtain a Contractor to provide long-term twenty-four (24) hour program and facilities for mentally ill adults (hereinafter referred to as "Client" or "Clients") on an "as requested" basis for the County of El Dorado Health and Human Services Agency, Mental Health Division; and

**WHEREAS**, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

**WHEREAS**, it is the intent of the parties hereto that such services be in conformity with all applicable Federal, State (all references to "State" in this Agreement shall mean the State of California unless otherwise specified), and local laws; and

**WHEREAS**, County has determined that the provision of these services by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors. The County has determined that these are authorized by County of El Dorado Charter, Section 210 (b) (6) and/or Government Code 31000.

**NOW, THEREFORE**, County and Contractor mutually agree as follows:

## ARTICLE I

### Scope of Services:

#### Contractor Responsibilities

- A. Contractor acknowledges that this Agreement is funded in whole or in part with funds from the State of California and the Federal Government.
- B. Contractor agrees that services provided shall be in accordance with all governing regulations or requirements herein this Agreement, which shall have the meaning as they are currently interpreted, or as may be amended during the term of this Agreement.
- C. Contractor agrees to furnish facilities licensed by the California Department of Social Services as a Residential Care Facility for the Elderly ("RCFE") in accordance with Health and Safety Code Section 1569.2(g); personnel, and services necessary to provide long-term, twenty-four hour programs and facilities for Clients over the age of 18 years on an "as requested" basis for the Health and Human Services Agency ("HHS"). Such services provided shall be in accordance with all applicable provisions of Title 9 of the California Code of Regulations ("CCR") and Title 22, CCR, Division 6, Chapter 8, Sections 87100-87793.
- D. Maintain individual client records in accordance with county requirements.
- E. Allow access to the facility, to the extent authorized by law, by county and state staff for client assessment, monitoring, record review, and consultation.
- F. Cooperate with county staff in developing a client service plan to meet the goals, objectives, and activities subsequent to referral and authorization by the county.
- E. Maintain the capability to meet the specialized needs of mentally disordered adults, as identified by the county and in the facility's program plan.
- G. Services: Basic services include care and supervision in accordance with CCR Section 87101 (c) (3) including reasonable access to required medical treatment; up-to-date psychopharmacology; transportation to needed off-site services; and bilingual/bicultural programs.  
Supplemental Services, as defined in Section 1502 of the Health and Safety Code. These supplemental services include, but are not limited to, supportive, supervisory, and rehabilitative services, as identified in the client's service plan, and are provided in addition to the basic care and supervision required for licensure as a community care facility. Supplemental services are intended to facilitate the movement of clients to less restrictive levels of care. Supplemental services shall consist of, but not be limited to, some but not necessarily all of the following components, as specified in the client's service plan:
  1. Providing or arranging transportation to meet the client's mental health needs and for participation in planned programs.
  2. Encouraging the client to take increasing responsibility for the client's own treatment by supporting self-established goals and the use of support and treatment system.
  3. Encouraging the client's use of public transportation, use of leisure time in a constructive manner, and maintenance of adequate grooming.
  4. Assisting the client to learn social relationship skills, such as communication with others and the appropriate expression of feelings.
  5. Assisting the client in developing skills of budgeting, personal shopping, monetary transactions, menu planning, and shopping for, and the preparation of, basic meals.
  6. Assisting the client in becoming responsible for self-medication, as prescribed by the treating physician.
- H. Client Eligibility: Patients served under this Agreement must be age eighteen (18) years or older, and eligible for mental health services in conformance with all applicable Federal and State statutes.

- I. Referral for admission to facility: Clients must be referred by the Health and Human Services Agency (“HHS”) Mental Health Division or Public Guardian (with a Lanterman-Petris-Short conservatorship). Referrals for admission to Contractor’s facility must be approved by Contractor. Contractor shall not be required to accept referrals if it determined that there is insufficient bed capacity. Contractor shall not be required to accept referrals for treatment of individuals housed in jail, or other penal institutions. Contractor reserves the right to deny any referral at the sole discretion of the Contractor.

County Responsibilities:

- A. County shall refer Clients to Contractor in accordance with agreed-upon processes.  
B. County shall participate with Contractor in the co-development of a Service Plan for each Client within thirty (30) days of admission.

**ARTICLE II**

**Term:** This Agreement shall become effective when signed by both parties hereto and shall remain in effect for the period of July 1, 2014 through June 30, 2017 unless terminated by one of the parties pursuant to the provisions under the Articles titled “Fiscal Considerations” and “Default, Termination, and Cancellation” herein.

**ARTICLE III**

**Maximum Contractual Obligation:** The maximum contractual obligation under this Agreement shall not exceed \$192,000 for services provided during the term of this Agreement.

**ARTICLE IV**

**Compensation for Services:**

- A. Rates: Contractor agrees to accept the supplemental residential care services rate of \$700 per month per Client. Prorated payments shall be paid based on Client’s length of stay at a daily rate for partial months.  
B. It is expressly understood and agreed between the parties hereto that the County shall make no payment for County Clients and have no obligation to make payment to Contractor unless the services provided by Contractor hereunder received prior written authorization from the Health and Human Services Agency Director, or designee. It is further agreed that County shall make no payments for services unless Contractor has provided County with evidence of insurance as outlined in the Article titled “Insurance” hereof. County may provide retroactive authorization when special circumstances exist, as determined by the Health and Human Services Agency Director, or designee.  
C. Social Security Income (“SSI”) Benefits: For Clients who receive SSI benefits, or have sufficient alternative income, Client/Client’s payee is required to pay \$32 per day to Contractor as their residential share of cost.

For Clients who do not receive SSI benefits, or have insufficient income to pay their residential share of cost, County will pay an additional amount based on rates for “Single people: Non-medical out-of-home care” (SSA Publication No. 05-11125 “Monthly SSI payment amounts” available at <http://www.socialsecurity.gov/pubs/>) per month until the Client begins to receive SSI benefits or income from an alternative source. At that time, the responsibility for this additional payment will return to the Client/Client’s payee. Should retroactive SSI benefits or other income be received on behalf of Client for any period during which County paid this residential share of cost, County will be reimbursed by Contractor for such payments.

D. Invoices/Remittances: Contractor shall submit monthly invoices no later than thirty (30) days following the end of a “service month” except in those instances where Contractor obtains written approval from the HHS Director or Director’s designee granting an extension of the time to complete billing for services or expenses. For billing purposes, a “service month” shall be defined as a calendar month during which Contractor provides services in accordance with the Article titled “Scope of Services.” Invoices shall be submitted along with supporting documentation including units of service by individual client served, dates of service detail for each client, and facility at which services were provided, for review and authorization.

Invoices / Remittance shall be addressed as indicated in the table below or to such other location as County or Contractor may direct per the Article titled “Notice to Parties.”

| Mail invoices to:  | Mail remittance to:  |
|--|--|
| Health & Human Services Agency<br>3057 Briw Road<br>Placerville, CA 95667<br>Attn: Accounting Unit | Danilo and Gloria Ibanez dba Grace Home<br>108 Oak Rock Circle<br>Folsom, CA 95630 |

For services provided herein, County agrees to pay Contractor monthly in arrears and within forty-five (45) days following the County’s receipt and approval of itemized invoice(s) identifying services rendered.

**ARTICLE V**

**Limitation of County Liability for Disallowances:** Notwithstanding any other provision of the Agreement, County shall be held harmless from any Federal or State audit disallowance resulting from payments made to Contractor pursuant to this Agreement. To the extent that a Federal or State audit disallowance results from a claim or claims for which Contractor has received reimbursement for services provided, County shall recoup within 30 days from Contractor through offsets to pending and future claims or by direct billing, amounts equal to the amount of the disallowance in that fiscal year. All subsequent claims submitted to County applicable to any previously disallowed claim may be held in abeyance, with no payment made, until the federal or state disallowance issue is resolved.

Contractor shall reply in a timely manner to any request for information or to audit exceptions by County, State and Federal audit agencies that directly relate to the services to be performed under this Agreement.

**ARTICLE VI**

**Certification of Program Integrity:** Maintaining current Medi-Cal site certification, if applicable, is the responsibility of Contractor. Site certifications must be renewed every three years. Six months before the expiration of the site certification, Contractor will advise County Utilization Review Coordinator of the upcoming certification.

## ARTICLE VII

**Agreement to Comply with State's Terms and Conditions:** Contractor agrees to comply with all applicable provisions of the State of California Standard Agreement between County and the California Department of Health Care Services for "Mental Health Plan" Available at <http://www.edcgov.us/HHSA/ContractorResources>, "Mental Health Plan."<sup>1</sup> Noncompliance with the aforementioned terms and conditions may result in termination of this Agreement by giving written notice as detailed in the Article titled, "Default, Termination, and Cancellation."

The terms and conditions include, but are not limited to:

- Audit and Inspection Rights;
- Child Support Compliance Act, pursuant to Public Contract Code 7110;
- Claims Certification and Program Integrity, including Title 42 Code of Federal Regulations ("CFR") Part 439, §438.604 and §438.606 and, as effective August 13, 2003, §438.608 as published in the June 14, 2002 Federal Register (Vol. 67, No. 115, Page 41112), which are incorporated herein by reference;
- Client Rights;
  - Welfare and Institutions Code 5325.
  - Title 9, California Code of Regulations (CCR") §§ 860 through 868.
  - Title 42, Code of Federal Regulations, § 438.100.
  - Pursuant to Title 42 CFR § 438.100 (a) and Title 42, CFR §§ 438.100 (b) (1) and (b) (2), Contractor shall have written policies and procedures relating to client's rights and responsibilities.
- Drug Free Workplace - Workplace Act of 1990 (Government Code § 8350 et seq.);
- Mandated Reporter Requirements: Contractor acknowledges and agrees to comply with mandated requirements pursuant to the provisions of Article 2.5, commencing with § 11164, Chapter 2, Title I, Part 4 of the California Penal Code, also known as The Child Abuse and Neglect Reporting Act, and the Elder Abuse and Dependent Civil Protection Act, pursuant to Welfare and Institutions Code commencing with § 4900;
- Federal Law:
  - Title 42, United States Code;
  - Title 42, Code of Federal Regulations, to the extent that these requirements are applicable;
  - Title 42, CFR; Part 438 – Managed Care, limited to those provisions that apply to Prepaid Inpatient Health Plans ("PIHP"), if applicable;
  - Title 45, CFR, Parts 160 and 164, Subparts A and E, to the extent that these requirements are applicable;
  - Title VI of the Civil Rights Act of 1964;
  - Title IX of the Education Amendments of 1972;
  - Age Discrimination Act of 1975;
  - Rehabilitation Act of 1973;
  - Titles II and III of the Americans with Disabilities Act;
  - Deficit Reduction Act of 2005; and
  - Balanced Budget Act of 1997.
- State Law:
  - Division 5, Welfare and Institutions Code (W&I Code);

---

<sup>1</sup><http://www.edcgov.us/HHSAForContractors/>

- Part 2 (commencing with Section 5718), Chapter 3, W&I Code;
- Part 2.5 (commencing with Section 5775), Chapter 4, Division 5, W&I Code;
- Article 5 (Sections 14680 – 14685), Chapter 8.8, Division 9, W&I Code; and
- Title 9, California Code of Regulations, Chapter 11 (commencing with Section 1810.100) – Medical Specialty Mental Health Services, if applicable.
- Clean Air Act & Federal Water Pollution Control Act: The Contractor shall comply with the provisions of Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);
- Copeland Anti-Kickback Act: The Contractor shall comply with the provisions of the Copeland Anti-Kickback Act (18 U.S.C. 874 and 40 U.S.C. 276c);
- Davis-Bacon Act: The Contractor shall comply with the provisions of Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7), as supplemented by Department of Labor regulations (Title 29, CFR, Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction").
- Federal Contractor Exclusions: Pursuant to Title 42, US Code § 1320a-7 and 1320c-5, and Welfare and Institutions Code § 14123.
- Work Standards Safety Act - Work Hours and Safety Standards Act (40 U.S.C. 327-333), sections 102 and 107 of the Agreement Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (Title 29, CFR, Part 5).

## ARTICLE VIII

**License and Certifications:** The Contractor shall procure and keep in full force and effect during the term of this Agreement all permits, registrations and licenses necessary to accomplish the work specified in this Agreement, and give all notices necessary and incident to the lawful execution of the work.

Contractor shall keep informed of, observe, comply with, and cause all of its agents, subcontractors and employees to observe and to comply with all prevailing Federal, State, and local laws, and rules and regulations made pursuant to said Federal, State, and local laws, which in any way affect the conduct of the work of this Agreement. If any conflict arises between provisions of the plans and specifications and any such law above referred to, then the Contractor shall immediately notify the County in writing.

Contractor shall submit a copy of any licensing report issued by a licensing agency to HHSA within ten (10) business days of Contractor's receipt of any such licensing report.

## ARTICLE IX

**Non-Discrimination Provisions:** During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including human immunodeficiency virus ["HIV"] and acquired immune deficiency syndrome ["AIDS"]), mental disability, medical condition (e.g. cancer), age (over 40), marital status, and denial of family care leave. Contractor and any subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act

(Government Code [“GC”] § 12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations [“CCR”] Title 2, § 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing GC § 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 CCR, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Consistent with the requirements of applicable Federal or State law, the Contractor shall not engage in any unlawful discriminatory practices in the admission of beneficiaries, assignments of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual preference, or mental or physical handicap.

Contractor shall comply with the provisions of § 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Human Services, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.

Notwithstanding other provisions of this section, the Contractor may require a determination of medical necessity pursuant to Title 9, CCR, § 1820.205, § 1830.205 or § 1830.210, prior to providing covered services to a beneficiary.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

## **ARTICLE X**

**Quality Assurance and Utilization Review:** Contractor shall establish and maintain systems to review the quality and appropriateness of services in accordance with applicable Federal and State statutes and regulations, and guidelines operative during the term of this Agreement.

Contractor shall comply with existing Federal regulations for utilization review pursuant to Title 42, Code of Federal Regulations, Subpart D. These shall include certification of need for care, evaluation and medical review, plans of care and utilization review plan. Contractor shall establish a Utilization Review Committee with the function to determine that admissions and length of stay are appropriate to that level of care and to identify problems with quality of care. Composition of the committee shall meet minimum Federal requirements.

## **ARTICLE XI**

**Record Retention:** Contractor and its subcontractors providing services under this Agreement agree to make all of its books and records pertaining to the goods and services furnished under the terms of this Agreement available for inspection, examination, or copying by authorized County, the Comptroller General of the United States, State of California or Federal agencies, or their duly authorized representatives, at all reasonable times at Contractor’s place of business or at such other mutually agreeable location in California, in a form maintained in accordance with the general standards applicable

to such book or record keeping, for a term of at least five (5) years from the close of the County's fiscal year in which the Agreement was in effect, or longer period as may be required by Federal or State of California law, including, but not limited to any record retention laws pertaining to minors, psychiatric health facilities, psychology clinics, psychologists and/or other licensed professionals. If at the end of the applicable retention period, there is litigation or an audit or other investigation involving those books or records, Contractor will retain the books or records until the resolution of such litigation, audit, or investigation.

Records shall be maintained on all Clients admitted or accepted for treatment in accordance with Title 22, CCR § 71551.

**ARTICLE XII**

**Audit by California State Auditor:** Contractor acknowledges that contracts involving the expenditure of public funds in excess of \$10,000 are subject to examination and audit by the California State Auditor pursuant to Government Code Section 8546.7. Contractor shall provide Federal, State, or County authorities with access to any books, documents, papers, and records of Contractor, which are directly pertinent to this specific Agreement for the purpose of audit, examination, excerpts, and transcriptions. In order to facilitate these potential examinations and audits, Contractor shall maintain all books, documents, papers, and records necessary to demonstrate performance under this Agreement for a period of at least three (3) years after final payment or for any longer period required by law.

**ARTICLE XIII**

**Changes to Agreement:** This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

**ARTICLE XIV**

**Contractor to County:** It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

**ARTICLE XV**

**Assignment and Delegation:** Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

//

//



## ARTICLE XVI

**Independent Contractor/Liability:** Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful, and competent manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and therefore shall not be charged with responsibility of preventing risk to Contractor or its employees.

## ARTICLE XVII

**Fiscal Considerations:** The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, County of El Dorado is subject to the provisions of Article XVI, § 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products, or equipment subject herein. Such notice shall become effective upon the adoption of a final budget, which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

**Hold Harmless:** Contractor agrees to hold harmless the State of California and its beneficiaries in the event the County cannot or shall not pay for services performed by the Contractor pursuant to this Agreement.

## ARTICLE XVIII

### **Default, Termination, and Cancellation:**

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

- B. Bankruptcy: This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part upon seven (7) calendar days written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise.

## **ARTICLE XIX**

**Notice to Parties:** All notices to be given by the parties hereto shall be in writing and served by depositing it in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO  
HEALTH AND HUMAN SERVICES AGENCY  
3057 BRIW ROAD  
PLACERVILLE, CA 95667  
ATTN: CONTRACTS UNIT

And to:

COUNTY OF EL DORADO  
PROCUREMENT AND CONTRACTS  
360 FAIR LANE, LOWER LEVEL  
PLACERVILLE, CA 95667  
ATTN: TERRI DALY, PURCHASING AGENT

Or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

GRACE HOME  
108 OAK ROCK CIRCLE  
FOLSOM, CA 95630  
ATTN: DANILO AND GLORIA IBANEZ

Or to such other location as the Contractor directs.

#### **ARTICLE XX**

**Change of Address:** In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing pursuant to the provisions contained herein this Agreement under the Article titled "**Notice to Parties.**" Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

#### **ARTICLE XXI**

**Confidentiality and Information Security:** Contractor shall comply with applicable laws and regulations, including but not limited to §§ 14100.2 and 5328 et seq. of the Welfare and Institutions Code, § 431.300 et seq. of Title 42, Code of Federal Regulations, and the Health Insurance Portability and Accountability Act (HIPAA), and its implementing regulations (including but not limited to Title 45, CFR, Parts 160, 162 and 164) regarding the confidentiality and security of individually identifiable health information (IIHI). Contractor shall comply with terms and conditions in accordance with the Agreement between County and California Department of Health Care Services, including "Mental Health Plan, Exhibit F – HIPAA Business Associate Addendum" available at <http://www.edcgov.us/HHSA/ContractorResources>, "Mental Health Plan,"<sup>2</sup> and incorporated herein by reference.

#### **ARTICLE XXII**

**Indemnity:** The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subContractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

//

---

<sup>2</sup><http://www.edcgov.us/HHSAForContractors/>

### **ARTICLE XXIII**

**Litigation:** The County, promptly after receiving notice thereof, shall notify the Contractor in writing of the commencement of any claim, suit, or action against the County or State of California or its officers or employees for which the Contractor must provide indemnification under this Agreement. The failure of the County to give such notice, information, authorization, or assistance shall not relieve the Contractor of its indemnification obligations. The Contractor shall immediately notify the County of any claim or action against it which affects, or may affect, this Agreement, the terms and conditions hereunder, or the County or State of California, and shall take such action with respect to said claim or action which is consistent with the terms of this Agreement and the interest of the County and State.

### **ARTICLE XXIV**

**Waivers:** A failure of County to enforce strictly a provision of this Agreement shall in no event be considered a waiver of any part of such provision. No waiver by County of any breach or default by Contractor shall operate as a waiver of any succeeding breach of the same terms in the Agreement or other default or breach of any of Contractor's obligations under the Agreement. No waiver shall have any effect unless it is specific, irrevocable, and in writing.

### **ARTICLE XXV**

**Debarment and Suspension:** The Contractor shall comply with the provisions of Title 2, CFR, § 180 as implemented by Title 2 CFR § 376, and Executive Orders 12549 and 12689, "Debarment and Suspension," which excludes parties listed on the General Services Administration's list of parties excluded from Federal procurement or non-procurement programs from having a relationship with the Contractor.

**Debarment and Suspension Certification:** By signing this Agreement, the Contractor agrees to comply with applicable Federal suspension and debarment regulations and Contractor further certifies to the best of its knowledge and belief that it and its principals or affiliates, or any subcontractor utilized under the agreement:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
- B. Have not within a three year period preceding this application/proposal/agreement 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 of destruction of records, making false statements, or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in the above Paragraph B;
- D. Have not within a three (3)-year period preceding this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default;
- E. Shall not knowingly enter in to any lower tier or sub-recipient covered transaction with any person(s) who are proposed for debarment under Federal regulations or are debarred, suspended, declared

ineligible or voluntarily excluded from participation in such transactions, unless authorized by the State; and

- F. Shall include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier or sub-recipient covered transactions.
- G. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- H. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal and State Governments, County may immediately terminate this Agreement for cause or default.
- I. The Contractor shall comply with the provisions of Title 2, CFR, § 180 as implemented by Title 2 CFR § 376, and Executive Orders 12549 and 12689, "Debarment and Suspension," which excludes parties listed on the General Services Administration's list of parties excluded from Federal procurement or non-procurement programs from having a relationship with the Contractor.

## **ARTICLE XXVI**

**Insurance:** Contractor shall provide proof of insurance satisfactory to the County of El Dorado Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California; and
- B. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000 aggregate limit.
- C. Automobile Liability Insurance of not less than \$1,000,000 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000 per occurrence.
- E. Contractor shall furnish a certificate of insurance satisfactory to the County of El Dorado Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to County of El Dorado Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement for breach pursuant to the Article titled "Default, Termination, and Cancellation."
- H. The certificate of insurance must include the following provisions stating that:
  - 1. The insurer will not cancel the insured's coverage without prior written notice to County, and;

2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees, or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with County of El Dorado Risk Management, as essential for the protection of the County.

#### **ARTICLE XXVII**

**Interest of Public Official:** No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

#### **ARTICLE XXVIII**

**Interest of Contractor:** Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

//

## ARTICLE XXIX

**Conflict of Interest:** The parties to this Agreement have read and are aware of the provisions of Government Code § 1090 et seq. and § 87100 relating to conflict of interest of public officers and employees. Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this Agreement and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation."

A. Gratuities and Contingency Fees: The County, by written notice to the Contractor, may terminate the right of Contractor to proceed under this Agreement if it is found, after notice and hearing by the County or the State of California, that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the County or the State of California with a view toward securing a contract or securing favorable treatment with respect to the awarding, amending, or performing of such contract.

In the event this Agreement is terminated as provided in the paragraph above, County shall be entitled (a) to pursue the same remedies against Contractor as it could pursue in the event of the breach of the Agreement by the Contractor, and (b) as a predetermined amount of liquidated damages, to exemplary damages in an amount which shall not be less than three times the cost incurred by the Contractor in providing any such gratuities to any such officer or employee.

The rights and remedies of the County provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

The Contractor warrants by execution of this Agreement that no person or agency has been employed or retained by it to solicit or secure this Agreement upon a contract or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees of Contractor, for the purpose of securing business. For breach or violation of this warranty, the County shall have the right to annul this Agreement without liability, paying only for the values of the work actually returned, or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

B. Use of State Funds: Contractor, including its officers and members, shall not use funds received pursuant to this Agreement to support or pay for costs or expenses related to the following:

1. Campaigning or other partisan activities to advocate for either the election or defeat of any candidate for elective office, or for or against the passage of any proposition or ballot measure; or,
2. Lobbying for either the passage or defeat of any legislation.

This provision is not intended and shall not be construed to limit any expression of a view, opinion, or position of any member of Contractor as an individual or private citizen, as long as State funds are not used; nor does this provision limit Contractor from merely reporting the results of a poll or survey of its membership.

C. Conflict of Interest Certification: In accordance with State of California laws and State of California Departmental policy, no employees (including Contractors) shall participate in incompatible activities,

which are in conflict with their job duties. In addition, State law requires employees whose positions are designated in the State Conflict of Interest Code to file statements of economic interest. In signing this Agreement, Contractor certifies that they have read and understand Government Code 19990.

**ARTICLE XXX**

**California Residency (Form 590):** If Contractor is a California resident, Contractors must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

**ARTICLE XXXI**

**Nonresident Withholding:** If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00. Contractor shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

**ARTICLE XXXII**

**Taxpayer Identification Number (Form W-9) and County Payee Data Record Form:** All independent Contractors or Corporations providing services to County must file a Department of the Treasury Internal Revenue Service Form W-9 with County, which certifies their Taxpayer Identification Number. All independent Contractors or Corporations providing services to County may also be required to file a County-issued "Payee Data Record" form with County.

**ARTICLE XXXIII**

**Taxes:** Contractor certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

**ARTICLE XXXIV**

**County Business License:** It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of County of El Dorado without possessing a County business license unless exempt under County Code § 5.08.070.

//



#### **ARTICLE XXXV**

**Administrator:** The County Officer or employee with responsibility for administering this Agreement is Dennis Plunkett, M.C., C.C., Manager of Mental Health Programs, Health and Human Services Agency, or successor.

#### **ARTICLE XXXVI**

**Transfer of Records:** In the event that Contractor ceases operation, all physical and electronic files that are subject to audit shall be transferred to the County for proper storage of physical records and electronic data. Contractor shall notify County of impending closure as soon as such closure has been determined, and provide County with a complete list of records in its possession pertaining to County Clients and operational costs under this Agreement. County shall promptly advise Contractor which records are to be transferred to the custody of County. Contractor shall properly destroy records not transferred to custody of County, and Contractor shall provide documentation of proper destruction of all such records to County.

#### **ARTICLE XXXVII**

**Authorized Signatures:** The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

#### **ARTICLE XXXVIII**

**Partial Invalidity:** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

#### **ARTICLE XXXIX**

**Force Majeure:** Neither the County, the State of California, nor the Contractor shall be deemed to be in default in the performance of the terms of this Agreement if either party is prevented from performing the terms of this Agreement by causes beyond its control, including without being limited to: acts of God, interference, rulings or decision by municipal, Federal, State or other governmental agencies, boards or commissions; any laws and/or regulations of such municipal, State, Federal, or other governmental bodies; or any catastrophe resulting from flood, fire, explosion, or other causes beyond the control of the defaulting party. If any of the stated contingencies occur, the party delayed by force majeure shall immediately give the other party written notice of the cause of delay. The party delayed by force majeure shall use reasonable diligence to correct the cause of the delay, if correctable, to complete performance under this Agreement.

#### **ARTICLE XL**

**Waivers:** Failure of County to enforce any provision of this Agreement shall in no event be considered a waiver of any part of such provision or any other provision contained herein. No waiver by County of any breach or default by Contractor shall operate as a waiver of any succeeding breach of the same terms in the Agreement or other default or breach of any of Contractor's obligations under the Agreement. No waiver shall have any effect unless it is specific, irrevocable, and in writing.

**ARTICLE XLI**

**Venue:** Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in County of El Dorado, California, and shall be resolved in accordance with the laws of the State of California.

**ARTICLE XLII**

**No Third Party Beneficiaries:** Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this agreement.

**ARTICLE XLIII**

**Conflict Prevention and Resolution:** The terms of this Agreement shall control over any conflicting terms in any referenced document, except to the extent that the end result would constitute a violation of Federal or State law. In such circumstances, and only to the extent the conflict exists, this Agreement shall be considered the controlling document.


**ARTICLE XLIV**

**Entire Agreement:** This document and the documents referred to herein or exhibits hereto are the entire Agreement 007-S1511 between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

**REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:**

By:  Dated: 3/28/14  
Dennis Plunkett, M.C., C.C., Manager of Mental Health Programs  
Health and Human Services Agency

**REQUESTING DEPARTMENT HEAD CONCURRENCE:**

By:  Dated: 3/31/14  
Don Ashton, M.P.A., Director  
Health and Human Services Agency

//

IN WITNESS WHEREOF, the parties hereto have executed this Agreement # 007-S1511 on the dates indicated below.

- - COUNTY OF EL DORADO - -

Dated: \_\_\_\_\_


By: \_\_\_\_\_  
Norma Santiago, Chair  
Board of Supervisors  
"County"

ATTEST:  
James S. Mitrising  
Clerk of the Board of Supervisors


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

Dated: \_\_\_\_\_

- - CONTRACTOR - -

By:   
Danilo Ibanez, individually and  
d.b.a. Grace Home  
"Contractor"

Dated: 4/1/14

By:   
Gloria Ibanez, individually and  
d.b.a. Grace Home  
"Contractor"

Dated: 4/1/14

sk