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AGREEMENT FOR SERVICES #839-PHD0409

THIS AGREEMENT 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 Progress House, Inc., a California nonprofit public benefit corporation qualified as a tax exempt organization under Section 501 (c) (3) of the Internal Revenue code of 1986, whose principal place of business is 2844 Coloma Street, Placerville, CA 95667 (hereinafter referred to as "Contractor");

RECITALS

WHEREAS, County has determined that it is necessary to obtain a Contractor to provide alcohol and other drug treatment services, described herein; 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 and local laws; and

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

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

Article I. DEFINITIONS

The words and terms of this contract are intended to have their usual meaning unless a specific or more limited meaning is associated with their usage pursuant to Health & Safety Code (HSC) Division 10.5; Title 9, California Code of Regulations (CCR) Division 4; and Title 22, CCR.

Definitions of Drug Medi-Cal covered treatment modalities and services are found in CCR Title 22. Standards for all treatment modalities are found in the American Society of Addiction Medicine-Patient Placement Criteria for the Treatment of Substance-Related Disorders, Second Edition, 1996.

In addition to the above, the following definitions will apply to this Agreement:

- “ADP” refers to the California State Department of Alcohol and Drug Programs.
- “ASAM PPC-2” means the American Society of Addiction Medicine Patient Placement Criteria for the Treatment of Substance-Related Disorders, Second Edition, as published by the American Society of Addiction Medicine, Inc. 1996.
- “ASI” means the Addiction Severity Index, which is a semi-structured interview designed to address seven potential problem areas in substance abusing patients: medical status, employment and support, drug use, alcohol use, legal status, family-social status, and psychiatric status.
- “Client” means a person seeking services or one for whom a defined service has been provided. Client is an all-inclusive term that may refer to both Drug Medi-Cal and non-Drug Medi-Cal eligible individuals.
- “Day Care Habilitative” means substance abuse counseling and rehabilitation services lasting three or more hours, but less than 24 hours, per day, for three or more days per week.
- “Drug Medi-Cal (DMC) statement maximum allowance” means the current reimbursement rate for California Drug Medi-Cal services, as set by the State.
- “Early Intervention” means activities designed to modify a substance abuser’s behavior and can include but is not limited to: education, information, and referral to treatment/recovery services. Medical necessity for these activities need not be established.
- “Eligible client” means any person who fulfills the criteria for the services provided under a specific funding stream, pursuant to Section 4.01.
- “Group Health/Addiction Education” means activities designed to modify a substance abuser’s behavior and can include but is not limited to: education, information, and referral to treatment/recovery services. Medical necessity for these activities need not be established.

- “Health Education Addiction Recovery through Self-Responsibility (H.E.A.R.T.S.) Jail Services” means eight (8) hours per week of classroom education on substance abuse for H.E.A.R.T.S. participants as well as associated support tasks such as class preparation, grading homework, and follow-up, for a total not-to-exceed of seventy-two (72) hours per month.
- "HIV Set-Aside" means funding for activities involved in the prevention and delay of the progression of HIV and tuberculosis by encouraging counseling, assessment and testing. The HIV unit of service consists of three (3) components: (1) pre- and (2) post-counseling services, and (3) administration of an HIV test.
- “Lifeskills” means services that address substance abuse issues through support and enhancement of a client’s ability to manage activities of daily living. Medical necessity for these activities need not be established; however, only those treatment services which satisfy all Drug Medi-Cal criteria for medical necessity are reimbursable under Minor Consent Drug Medi-Cal.
- "Medical Necessity" means substance abuse treatment services, or in the case of Early Periodic Screening, Diagnosis and Treatment (EPSDT), services that meet the criteria specified in Title 22, Section 51340.1 that are reasonable and necessary to protect life, prevent significant illness or disability, or alleviate severe pain through the diagnosis and treatment of a disease, illness or injury.
- "Minor Consent Drug Medi-Cal Services" means drug and alcohol abuse treatment and counseling services rendered to a person age 12 through 21 who, without parental consent, may receive medically necessary services related to drug and alcohol abuse or dependence. Except for full-scope Medi-Cal beneficiaries age 12 through 21 who have a zero share of cost Medi-Cal card, and who are only using the confidentiality provisions of the minor consent regulations, reimbursement for minor consent services are one hundred percent (100%) State General Fund Drug Medi-Cal. There is no federal financial participation.
- “Outpatient Drug Free” means treatment, recovery, or rehabilitation services, with or without medication, including counseling and supportive services, for clients who do not reside in a treatment facility (also known as non-residential services). These services may be provided in an individual or group setting.
- "Outreach/Intervention" means activities designed to encourage individuals in need of treatment/recovery services to undergo such treatment. Medical necessity for these activities need not be established.
- "Parenting Woman" means a female who is in one or more of the following categories:
 - Has custody of a dependent child 0-17.
 - Is attempting to regain legal custody of a child 0-17.
 - Has voluntarily placed a child 0-17 with a care giver and is attempting to parent.
- “Payment of last resort” means that Contractor has made every reasonable effort to collect reimbursement for the cost of providing services to eligible clients who are entitled to benefits under

the Social Security Act, including Title XVIII and Title XIX programs; any State compensation program; any other public assistance program for medical expenses; any grant program; any private health insurance; or to any other benefit program.

○ "Perinatal Drug Medi-Cal" means Drug Medi-Cal substance abuse services that are provided to pregnant or postpartum women. The Drug Medi-Cal defined postpartum period is 60 days from the date pregnancy terminated plus the days remaining until the end of the month in which the pregnancy terminated.

○ "Perinatal Outreach/Publicity" means services that identify and encourage eligible pregnant and parenting women in need of alcohol/drug treatment services to take advantage of these services or to inform members of the professional community about treatment services so that they may become referral sources.

○ "Projected Revenues" means an estimation of client fee collections, insurance collections, and other third party payments.

○ "Public Health Finance" means the Finance unit of the Health Services Department – Public Health Division that processes Alcohol and Drug Program invoices.

○ "Service documentation" means verification that a reimbursable unit of service has been rendered to a client. Service documentation shall include the following:

- Dated progress notes with sufficient detail to make possible an evaluation of services.
- An original signature of the counselor rendering service unit on each progress note.
- Recorded clock hours for both group and individual services.
- Original client signature on dated attendance rosters for group services.
- Original client signature on all treatment plans.

○ "Unit of Service" means face-to-face contact on a calendar day. For outpatient drug free and day care habilitative the face-to-face unit is a client visit. For male, female or perinatal residential detoxification or treatment services the unit of service is a resident day. Only one face-to-face service contact per day is covered by Drug Medi-Cal, except for emergencies when an additional face-to-face contact may be covered for crisis intervention, or when a return visit is made to receive collateral services. To count as a unit of service, the second contact shall not duplicate the service provided on the first contact, and each contact shall be clearly documented in the client's record. The day of admission is a billable resident day. The day of discharge is not a billable resident day. If the day of admission and discharge are the same day it is a billable resident day.

○ "Youth Treatment Services" means alcohol and drug treatment services for individuals ages 12 through 17 (inclusive). It is strongly recommended that Contractor adhere to the California State Department of Alcohol and Drug Programs' "Youth Treatment Guidelines" (August 2002).

Article II. SCOPE OF SERVICES

Section 2.01 Alcohol and Drug Treatment Services

(a) **Intake:** Demographic, financial, health, family, living situation and other pertinent information shall be collected as necessary to establish client records and support reporting requirements. Intake also includes dissemination of required information to clients including but not limited to Contractor confidentiality policies, complaint procedures pursuant to Section 2.02(b)(iv) and Section 5.01, and admission procedures.

(b) **Assessments:** Initial assessments of clients shall be developed using appropriate assessment and screening tools, as identified in Section 2.02(a) of this Agreement.

(c) **Treatment Plans:** An individualized treatment plan shall be developed for each client using information obtained in the intake and assessment process. The treatment plan must be completed within thirty (30) days of the date the client is admitted to treatment. The treatment plan shall identify problems to be addressed, goals to be reached, action steps, target dates, type and frequency of services to be provided, and the assigned counselor. Treatment plans must be maintained in client records, and kept current as treatment progresses.

(d) **Case Management:** This function shall be performed to integrate and coordinate all necessary services and to help ensure successful treatment and recovery. Case management may include evaluating payment resources, determining the nature of services to be provided, planning the delivery of treatment services, identifying appropriate treatment resources, referring clients to other resources as appropriate, monitoring client progress, documenting treatment, participating in case conferences, and other similar types of activities.

(e) **Client treatment:** Treatment shall be delivered through a program that offers services at different levels of intensity depending on individual client needs. Treatment shall be consistent with findings that result from administration of the ASAM PPC-2. Clients admitted to treatment may be tested for drug usage; however, the cost of drug testing shall be included within Contractor's rate for service and shall not be billed separately. Following is a description of the required services:

(i) Low intensity outpatient education and treatment services are those services or activities provided to clients who are willing to cooperate in their own treatment but who need motivating and monitoring to sustain the recovery process. These services are appropriate for individuals who are able to maintain abstinence or control their substance use and to pursue recovery goals with minimal support. Participants served at this level are in a supportive recovery environment or have the necessary coping skills to deal with a non-supportive recovery environment. Outpatient drug free (individual and/or group), health/addiction education, crisis intervention, and/or collateral visits may be provided at this level.

(ii) High intensity outpatient education and treatment services are those services provided to clients whose resistance to treatment is high enough to require a structured program, but not so high as to render outpatient treatment ineffective. These services may

also be indicated for individuals whose addiction symptoms intensify while participating in low intensity outpatient services. Outpatient drug free (individual and/or group), day care habilitative, health/addiction education, crisis intervention, and/or collateral visits may be provided at this level.

Section 2.02 Support Tasks and Activities

(a) *Assessment Tools*

Contractor shall maintain the capability to administer the ASI-Lite, Adolescent ASI assessment instrument, ASAM PPC-2 Patient Placement Criteria, and an appropriate screening instrument such as the Substance Abuse Subtle Severity Index (S.A.S.S.I.).

(b) *Client Admission to Treatment*

(i) Contractor shall receive requests for service directly from clients. When a request for service is made by any eligible client, Contractor shall ensure that services are initiated with reasonable promptness. Waiting lists of more than 30 days for services subsidized under this Agreement shall be reported in writing to the Administrator no later than the 15th day of each month.

(ii) Contractor agrees to admit on a priority basis pregnant women and/or HIV-positive individuals, and to advise individuals seeking treatment of these priority admission provisions. Contractor may not require clients to disclose HIV status; however, clients may volunteer this information.

(iii) Contractor shall develop and make available to the public a written copy of its admission policy and procedure and must ensure that said policy complies with all applicable State and federal requirements concerning admission of clients into treatment.

(iv) Contractor shall establish written procedures informing clients of their rights, including the right to file a complaint alleging discrimination, violation of civil rights, or any type of inappropriate or offensive treatment by Contractor staff. Contractor shall provide a copy of its complaint procedures to all clients upon their admission to treatment. These procedures shall describe the specific steps clients are to follow when filing complaints and the action that Contractor will take to resolve client complaints.

(c) *Revenue Collection*

(i) *Client Fees:* Contractor shall charge a fee to clients for whom services are provided pursuant to this Agreement, assessing ability to pay on the basis of individual expenses in relation to income, assets, estates, and responsible relatives. Determination of fees shall be performed in accordance with a fee scale developed by Contractor and approved by the Administrator pursuant to Section 8.07. Client fees shall be based upon the person's ability to pay for services, but shall not exceed the actual cost of service provided. No person shall be denied services because of an inability to pay.

(ii) *Client Financial Assessment:* All clients whose alcohol and drug treatment services are subsidized under this Agreement shall be certified by Contractor as unable to pay the amount charged to this Agreement. The certification of each client who is unable to pay shall be documented in writing on a Client Financial Assessment Form (Section 8.07), which is developed by Contractor and approved by the Administrator. This form shall be maintained by Contractor in the client's record.

(iii) *Payment of Last Resort:* Pursuant to Title 45 Code of Federal Regulations (CFR) Section 96.137, Contractor must ensure that federal block grant funds are the "payment of last resort" for alcohol and drug treatment services subsidized under this Agreement. Contractor shall make every reasonable effort, including the establishment of systems for eligibility determination, billing and collection, to collect reimbursement for the costs of providing services to persons who are entitled to benefits under the Social Security Act, including Title XVIII and Title XIX programs, any State compensation program, any other public assistance program for medical expenses, any grant program, any private health insurance or any other benefit program.

(iv) *Third-Party Revenue:* Contractor shall make every reasonable effort to obtain all available third-party reimbursement for which persons served hereunder may be eligible. Charges to insurance carriers shall be on the basis of Contractor's actual cost.

(v) *Other Revenues:* Contractor shall charge for services and supplies used by persons other than individuals or groups eligible for services pursuant to this Agreement.

(vi) *Screening and Referral:* Contractor shall screen clients to determine their potential eligibility for Veterans Health Care Services and refer them to a Veterans Administration (VA) facility if it appears eligibility may exist. The nearest VA facility is:

Sacramento VA Medical Center
10535 Hospital Way
Mather, CA 95655
(916) 366-5366

Section 2.03 Communicable Diseases

(a) Contractor shall provide tuberculosis (TB) services, directly or by referral to the El Dorado County Health Services Department – Public Health Division or another appropriate provider. These TB services shall consist of the following:

- (i) Counseling with respect to tuberculosis.
- (ii) Testing to determine whether the individual has been infected and to determine the appropriate form of treatment.
- (iii) Provision for, or referral of, infected clients for medical examination and treatment.

(b) A Health Questionnaire shall be completed for all clients admitted for residential or nonresidential alcohol and/or other drug services. Contractor shall use either form ADP 10100-A-E for its health questionnaire or it may develop one which contains at a minimum, the information requested in ADP 10100-A-E. Contractor staff shall review each completed questionnaire. When appropriate, the client shall be referred to licensed medical professionals for physical and laboratory examinations. A medical clearance or release shall be obtained prior to admission whenever a client is referred to a licensed medical professional for such examinations.

(c) Prior to obtaining a medical clearance, Contractor shall not accept persons who have communicable diseases, with the exception of persons with asymptomatic HIV (Human Immunodeficiency Virus) disease, symptomatic HIV disease and AIDS (Acquired Immunodeficiency Syndrome) Indicator Conditions.

(d) Contractor shall perform activities that help prevent and delay the progression of HIV infection. This includes encouraging clients to receive testing, collecting test samples (which are then sent to a lab for processing), and providing both pre- and post-test counseling.

Section 2.04 Interim Services

All persons who are not admitted into treatment within fourteen (14) days due to lack of capacity, and who place their names on the waiting list for admission, shall be provided interim services. Interim services shall consist of tuberculosis (TB) counseling, voluntary testing, referral for medical evaluation, if appropriate, and voluntary and confidential HIV testing, pre- and post-test counseling. For pregnant women, interim services shall also include counseling on the effects of alcohol and drugs on the developing fetus; and referral to prenatal medical care services. Interim services may be provided directly or by referral to the El Dorado County Health Services Department or another appropriate provider. Provision of interim services shall be documented on the Drug Abuse Treatment Access Report (DATAR) and reported monthly to the State Department of Alcohol and Drug Programs.

Section 2.05 Participation in Meetings

Contractor shall participate in individual and/or group provider meetings as requested by the County.

Section 2.06 Participation in Training

Contractor shall attend relevant substance abuse training programs and/or conferences as requested by the County.

Section 2.07 Record Keeping

Clinical Records: Contractor shall preserve and make available its clinical records for services rendered under this Agreement for a period of five (5) years from the date of final payment under this Agreement, and for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by either of the following:

If this Agreement is terminated or partially terminated, all of the records relating to work terminated shall: a) be preserved and made available for a pursuant to Section 7.02(h); or b) at the sole option of the County, immediately become the property of the County and shall be delivered by Contractor to the County.

If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) year period, the records shall be retained until completion of the action and resolution of all issues that arise from it, or until the end of the regular five (5) year period, whichever is later.

Statistical Records: Contractor shall keep all statistical data and records pursuant to Article VIII on forms and/or electronic storage media provided by the Administrator. These records shall be available for inspection as required by the Administrator.

Subcontractor Records: Should County consent, in writing, to the subcontracting of services, Contractor shall include in all subcontracts entered into with third parties to facilitate the provision of Services hereunder, the following clause:

"(Name of vendor or subcontractor) agrees to maintain and preserve, until five (5) years after termination of Contractor's agreement with the County of El Dorado, pertinent books, documents, papers and records of (name of vendor or subcontractor) related to this (purchase order or subcontract) and to permit the County to have access to, to examine and to any of such pertinent records."

Financial Records: Contractor shall prepare and maintain accurate and complete financial records of its costs and operating expenses. Such records shall reflect the actual costs of the service for which payment is claimed in accordance with generally accepted principles of accounting. Eligibility determination results and fees charged to and collected from persons receiving services, together with a record of all billings sent and revenues received from any source, on behalf of persons treated pursuant to this Agreement, must be reflected in Contractor's financial records. Any apportionment of or distribution of costs, including direct costs, to or between programs or cost centers of Contractor shall be made in accordance with generally accepted accounting principles.

Section 2.08 Reporting

State Data Submission: Contractor shall submit to ADP in accordance with Health and Safety Code Section 11758.12 (c), that information required by the State in a manner identified by, or on forms provided by, ADP. The data shall include, but is not limited to: Drug and Alcohol Treatment Access Report (DATAR), California Outcomes Measurement Systems (CalOMS) Participant Records, California Outcomes Measurement Systems Provider Summary; and Drug and Alcohol Services Information System (DASIS) Uniform Facilities Data Set (UFDS).

County Data Submission: Contractor shall report to the County any problems in implementing the provisions of this Agreement, staff changes, status of licenses and/or certifications, changes in

modalities and/or populations served, and reasons for any such changes. Further, when requested to do so by the County, Contractor shall submit documents related to client services, administrative activities, or other program operation functions.

Cost Report (as defined in Section 4.06): Submit on or before September 15th of the year in which this Agreement is terminated.

Board of Director's Minutes: Contractor shall provide Administrator the minutes of all Contractor's monthly Board of Director's meetings to include monthly Treasurer's report.

Notification of Injury or Death: Contractor shall notify Administrator, in writing, within twenty-four (24) hours of becoming aware of any occurrence that may expose County to liability. Such occurrences shall include, but not be limited to: accidents, injuries, death, acts of negligence, and loss of or damage to any County property in possession of Contractor.

Article III. TERM

This Agreement shall become effective July 1, 2009 and shall expire June 30, 2010 unless earlier terminated pursuant to the provisions under Article XVI and Article XVII herein. Further, Contractor shall be obligated to perform such duties as would normally extend beyond this term, including but not limited to, obligations with respect to confidentiality, indemnification, audits, reporting and accounting.

Article IV. COMPENSATION FOR SERVICES

Section 4.01 Funding Types

- (a) Contractor shall maintain familiarity with federal and State laws, rules, and regulations (as cited in Section 5.08) so that it can correctly charge services described in the Scope of Work to funding types that allow payment for those services. This Agreement, which is for fiscal year 2009-2010, includes funds from federal fiscal years (FFY) 2009 and 2010 Substance Abuse Prevention and Treatment (SAPT) awards. SAPT funds from the FFY 2009 award are available for expenditure beginning July 1, 2009; they must be expended by June 30, 2010. SAPT funds from the FFY 2010 award become available October 1, 2009; they must be expended by June 30, 2010. This Agreement provides the following types of funding to Contractor.
- (i) *SAPT Discretionary*: These are federal block grant funds, which are to be used in a discretionary manner for substance abuse treatment, prevention, and recovery services.
 - (ii) *SAPT Federal Block Grant HIV Set Aside*: Federal law requires that five percent (5%) of the State's total SAPT block grant award be expended on HIV early intervention. These funds are for HIV prevention, testing, and counseling services for clients in treatment programs.

- (iii) *SAPT Federal Block Grant Adolescent and Youth Treatment Programs*: These funds are for substance abuse services to youth age 12 through 17 (inclusive), as described in ADP's Youth Treatment Guidelines (2002).
- (iv) *State General Fund Discretionary*: These are State funds, which are to be used in a discretionary manner to fund alcohol and other drug treatment services.

Section 4.02 Amount of Funding

- (a) The total maximum obligation of County for services provided under this Agreement is set forth below, by funding type:

Maximum Federal Fiscal Year (FFY) 2008-09 Block Grant Obligation (to be expended by June 30, 2010)

SAPT Federal Block Grant Discretionary (includes H.E.A.R.T.S.)	FY 2008-09	\$22,802.00
SAPT Federal Block Grant HIV Set Aside	FY 2008-09	0
SAPT Federal Block Grant Perinatal Set Aside	FY 2008-09	7,619.00
SAPT Federal Block Grant Youth Treatment	FY 2008-09	0
<i>Total Maximum FFY 2008-09 Grant Obligation of this Agreement</i>		<u>\$30,421.00</u>

Maximum FFY 2009-10 Block Grant Obligation (to be expended by June 30, 2010)

SAPT Federal Block Grant Discretionary (includes H.E.A.R.T.S.)	FY 2009-10	\$73,247.00
SAPT Federal Block Grant HIV Set Aside	FY 2009-10	0
SAPT Federal Block Grant Perinatal Set Aside	FY 2009-10	22,545.00
SAPT Federal Block Grant Youth Treatment	FY 2009-10	0
<i>Total Maximum FFY 2009-10 Block Grant Obligation of this Agreement</i>		<u>\$95,792.00</u>

Total Maximum SAPT Block Grant Obligation of this Agreement **\$126,213.00**

Maximum State General Fund Obligation

State General Fund Discretionary	FY 2009-10	\$20,095.00
Perinatal State General Fund Discretionary	FY 2009-10	0
Total Maximum State General Fund Obligation of this Agreement		<u>\$20,095.00</u>

TOTAL PROVISIONAL AMOUNT OF THIS AGREEMENT: \$146,308.00
TOTAL NOT-TO-EXCEED AMOUNT OF THIS AGREEMENT: \$185,000.00

- (b) The Total Provisional Amount of this Agreement is the maximum amount to which Contractor is entitled by County; however, Contractor may submit a written formal request to County to increase that amount and County will consider that request. The Health Services Department Director in his or her discretion, and depending upon funding availability, may increase or decrease the Total Provisional Amount of this Agreement, and may revise the component amounts of the Total Provisional Amount of this Agreement, as detailed in the grant and/or funding obligations above, up to but not to exceed the Total Not-to-Exceed Amount of this Agreement, by written notice to Contractor. County shall not be obligated to pay Contractor for any amount above the established Total Provisional Amount

of this Agreement as shown herein above or as approved and authorized in writing by the Health Services Department Director.

- (c) 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.
- (d) Contractor billing rates for services performed during the term of this agreement shall be in accordance with the State-approved Drug Medi-Cal (DMC) rates in effect for the period in which services were performed. This standardized rate provision applies to all substance abuse and other therapeutic counseling and treatment services, as defined in Exhibit A, attached hereto and made a part hereof, regardless of the type of funding used for such services, as set forth in Article IV herein. Approved DMC rates may be obtained by Contractor from the California Department of Alcohol and Drug Programs (State ADP) website (currently <http://www.adp.ca.gov/dmc/dmc.shtml>) or by contacting State ADP or County ADP directly. Any changes made by the State to DMC rates, and the effective date of those changes, shall be as defined by the State and automatically become a part herein. Should the State at any time provide notification that it does not have approved DMC rates, Contractor shall continue to use the last approved DMC rates in effect prior to such notification, until the State identifies new approved DMC rates. The effective date of new State-approved rates will be as stipulated by the State.
- (e) The maximum payment for rates for specified services included in Article II – Scope of Services, are as outlined in Exhibit A, Service Reimbursement Schedule, included herein and made by reference a part hereof.
- (f) County shall pay Contractor for the actual costs of providing service, less any revenues actually received from client fees, insurance, and/or other third party payers, provided that non-Drug Medi-Cal services are billed to County by unit of service at an amount not exceeding the provisional amount specified in Section 4.02(a) of this Agreement.
- (g) The total payments shall not exceed the County's Total Maximum Obligation, by funding type, as set forth in Section 4.02.
- (h) All Contractor costs must be allowable pursuant to applicable State and federal laws, regulations, policies and procedures, as set forth in Section 5.08.
- (i) Costs shall be reconciled annually in the cost report, as detailed in Section 4.05 of this Agreement. The cost report settlement is the process that determines whether billing rates were an accurate representation of actual costs.

- (j) County shall pay contractor monthly in arrears. Monthly payments are billing rate payments only, and subject to Cost Report final settlement in accordance with Section 4.05 of this Agreement.

Section 4.03 Invoicing

- (a) Contractor invoices shall be on forms approved, or provided by, Administrator and shall include client detail required on such forms. All charges claimed on invoices shall include support documentation identifying those individuals who received the service being charged.
- (b) Invoices are due by the tenth (10th) day of the month following the month in which services were delivered. Payments to Contractor shall be released by County no later than forty-five (45) days after receipt and approval of the correctly completed invoice and client detail forms.
- (c) Invoices submitted later than the last day of the month following the month in which services were delivered will be considered retroactive. Retroactive invoices shall be ineligible for payment unless there are extenuating circumstances that justify submission of such invoices, and the Contract Administrator has authorized retroactive billing in writing in advance of the invoice submission date.
- (d) Invoices shall be submitted to County at the Health Services Department – Public Health Division, Alcohol and Drug Programs Division, 941 Spring Street, Suite 4, Placerville, CA 95667.
- (e) All billings to County shall be supported, at Contractor’s facility, by source documentation including, but not limited to, ledgers, books, vouchers, journals, time sheets, payrolls, signed attendance rosters, appointment schedules, client data cards, client charts, schedules for allocating costs, invoices, bank statements, canceled checks, receipts, receiving records, and records of services provided. Administrator may require Contractor to submit documentation in support of the monthly billing and reserves the right to determine the type and amount of such documentation. Patient demographic and identifying information, including social security numbers, may be required.
- (f) Contractor may not invoice for, and will not be reimbursed for, services provided beyond the expiration and/or termination of this Agreement, unless County has notified Contractor in writing of its intent to extend the Agreement.

Section 4.04 Payment Withholding

Administrator may withhold or delay any payment if Contractor fails to comply with any provisions of this Agreement. In addition, as a means to ensure continuous operation of Contractor’s facility, County may defer payments as described in Section 5.04 of this Agreement. County reserves the right to defer payment of any amount included on a monthly invoice that exceeds one twelfth of the total amount available within the funding type being charged. Further, in the event Contractor expends the entire amount obligated by this Agreement in any funding type before the end of the

term of the Agreement, and the County has not previously deferred payment, the County offers no assurance that any additional amounts will be made available.

Section 4.05 Cost Report

- (a) Contractor shall submit a Cost Report to the County on or before September 15, 2010 covering all expenditures for the term of this Agreement.
- (b) Contractor shall prepare the Cost Report in accordance with all federal, State, and County requirements and generally accepted accounting principles. Contractor shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice. Such costs and allocations shall be supported by source documentation maintained by Contractor and available at any time to Administrator upon reasonable notice.
- (c) Contractor shall document that costs are reasonable and allowable and directly or indirectly related to the services provided hereunder. The Cost Report shall be the final financial record of services rendered under this Agreement for subsequent audits, if any.
- (d) Final Settlement shall be based upon the actual and reimbursable costs for services hereunder, less applicable revenues, not to exceed County's Total Maximum Obligations as set forth in Section 4.02. Contractor shall not claim expenditures to County that are not reimbursable pursuant to applicable federal, State and County laws, regulations and requirements. Any payment made by County to Contractor, which is subsequently determined to have been for a non-reimbursable expenditure or service, shall be repaid by Contractor to County in cash within forty-five (45) days of submission of the Cost Report.
- (e) If the Cost Report shows the actual and reimbursable cost of services provided pursuant to this Agreement, less applicable revenues, is lower than the aggregate of monthly payments to Contractor, Contractor shall remit the difference to County. Such reimbursement shall be made, in cash, with the submission of the Cost Report.
- (f) When the State reconciliation of costs occurs, if the State settlement shows that the aggregate of monthly payments to Contractor for covered services provided under this agreement exceeds Contractor's allowable cost, in accordance with CCR Title 22, Section 51516.1, Contractor shall remit the difference to County. Contractor shall pay County the difference within forty-five (45) days after verification of amount owed or the completion of an Appeal Process through County, whichever comes first. In the event of a State Alcohol and Drug cost report audit and/or program audit, both State General Fund and Federal Medicaid portions of all Contractor disallowances shall be reimbursed to County within forty-five (45) days of completion of an appeal process following receipt of a final Audit Report or the completion of an Appeal Process through County, whichever comes first.

Article V. PERFORMANCE REQUIREMENTS

Section 5.01 Code of Conduct

Contractor shall establish a written Code of Conduct for employees, volunteers, interns and the Board of Directors which shall include but not be limited to, standards related to the use of drugs and/or alcohol; staff relationships with clients; prohibition of sexual conduct with clients; and conflict of interest. Prior to providing any services pursuant to this Agreement, all employees, volunteers and interns shall agree, in writing, to maintain the standards set forth in the Code of Conduct. A copy of the Code of Conduct shall be provided to each client and shall be posted in writing in a prominent place in Contractor's facility (ies).

Section 5.02 Cultural Competence

- (a) To ensure equal access to quality care by diverse populations, every treatment provider receiving funds from this contract shall:
- (i) 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.
 - (ii) Have a comprehensive management strategy to address culturally and linguistically appropriate services, including strategic goals, plans, policies, procedures, and designated staff responsible for implementation.
 - (iii) 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.
 - (iv) Require and arrange for ongoing education and training for administrative, clinical, and support staff in culturally and linguistically competent service delivery.
 - (v) Provide all clients with limited English proficiency access to bilingual staff or interpretation services.
 - (vi) 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.
 - (vii) 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.
 - (viii) 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.
 - (ix) Ensure that the clients' primary spoken language and self-identified race and ethnicity are included in the provider's management information system as well as any client records used by provider staff.
 - (x) Implement the Limited English Proficiency (LEP) Policy Guidance for recipients of funds from the federal Health and Human Services Agency at

- (xi) <http://www.lep.gov>. Additional information and resources for serving persons with LEP can be accessed at <http://www.lep.gov>.
- (b) Contractor shall, to the extent feasible, provide services pursuant to this Agreement in a culturally competent manner by recruiting, hiring and maintaining trained, experienced staff that are able to deliver services with sensitivity toward and respect for clients from diverse backgrounds. Contractor staff shall complete a minimum of one (1) cultural-sensitivity training per year.

Section 5.03 Employee Qualifications

Contractor shall only employ individuals as substance abuse counselors who meet all applicable State requirements pertaining to certification and/or licensure, and who are qualified and competent to perform the tasks assigned to them. Any individual providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients or residents in an ADP licensed or certified program is required to be certified as defined in Title 9, CCR, Division 4, Chapter 8. Contractor shall regularly evaluate the performance of its entire treatment staff and implement immediate corrective action if any performance problems are identified. The County may request in writing that the Contractor investigate incidents of suspected poor performance by Contractor treatment staff, and the Contractor shall do so within the timeframes and under the terms contained in the County's written request. Contractor shall report findings of said investigation to Contract Administrator, along with plan for corrective action.

Section 5.04 Continuous Operation

Contractor shall operate continuously throughout the term of this Agreement with at least the minimum number and type of staff required to meet applicable federal, State, and County requirements, and which are necessary for the provision of services hereunder.

To ensure that services are available continuously throughout the term of this Agreement, Contractor shall plan for even expenditures of funds provided by this Agreement throughout the Term of the Agreement. To the maximum extent possible, Contractor shall deliver services each month that are commensurate with one-twelfth (1/12) of the total dollar amount available to pay for those services.

Section 5.05 Drug Free Workplace

- (a) Contractor shall comply with the requirements of the Drug-Free Work Place Act of 1990 (Government Code Section 8355 et seq.) and will provide a drug-free work place by taking the following actions:
- (b) Publish a statement notifying all employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's or organization's work place and specifying the actions that will be taken against employees for violations of the prohibitions as required by the Government Code, Section 8355(a).
- (c) Establish a drug-free awareness program as required by the Government Code, Section 8355(b) to inform all employees about the following:
- (i) The dangers of drug abuse in the work place;
 - (ii) The person's or organization's policy of maintaining a drug-free work place;
 - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees for drug abuse violations.
- (d) Provide, as required by the Government Code, Section 8355(c), that every employee engaged in the performance of the contract:
- (i) Be given a copy of the Contractor's drug-free policy statement; and
 - (ii) As a condition of employment, agree to abide by the terms of the statement.
- (e) Failure to comply with requirements for a drug-free work place may result in suspension of payments under the Agreement or termination of the Agreement or both.

Section 5.06 No Unlawful Use or Unlawful Use Messages Regarding Drugs

Contractor agrees that information produced through these funds, and which pertains to drug- and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program pursuant to Health and Safety Code Section 11999. By signing this Agreement, Contractor agrees that it will enforce these requirements.

Section 5.07 Debarment and Suspension Certification

By signing this agreement, Contractor agrees to comply with federal suspension and debarment regulations found in CFR Title 45 Part 76. "Debarred" means excluded or disqualified from contracting with the federal, State or local government.

By signing this agreement, Contractor certifies to the best of his or her knowledge and belief, that it and its principals:

- Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency.
- Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

If the Contractor is unable to certify to any statements in this certification, Contractor shall submit an explanation to the County.

If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, County may terminate this contract for cause or default.

Section 5.08 Laws and Rules

Contractor shall comply with, and accept as binding, all applicable governmental laws, regulations, policies, and standards as they exist now or may be hereafter amended or changed. These laws, regulations, policies, and standards shall include, but not be limited to, the following:

- California State Department of Alcohol and Drug Programs Certification Standards (July 1999);
- California State Department of Alcohol and Drug Programs Perinatal Services Network Guidelines (1997);
- California Health and Safety Code, Divisions 10.5 and 10.6, and Section 11758.12(d);
- California Code of Regulations, Title 22;
- California Code of Regulations, Title 9, Division 4;
- Code of Federal Regulations (CFR), Title 21, Title 41, Title 42 and Title 45;
- California State Department of Health and Human Services Health Care Financial Administration Manual 15;
- California Welfare and Institutions Code, Section 14100.2;
- Part 92 of the Federal Grants Management Handbook, Subpart L(a)(2);
- Title 31, Section 319, U.S.C.;
- OMB Circular A-133;
- Public Law 103-227, also known as the Pro-Children Act of 2001;
- Public Law 106-310, which addresses nondiscrimination and institutional safeguards for religious providers, and which is implemented through Title 42, CFR, Part 54; and
- Drug-Free Work Place Act of 1990 (Government Code Section 8350 et seq.)

Section 5.09 Nondiscrimination in Employment and Services

By signing this Agreement, Contractor certifies that under the laws of the United States and the State of California, incorporated into this Agreement by reference and made a part hereof as if set forth in full, Contractor will not unlawfully discriminate against any person.

(a) Federal Law Requirements

- Titles VI of the Civil Rights Act of 1964, as amended, prohibiting discrimination based on race, color, or national origin in federally funded programs.
- Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
- Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 UC Sections 6101 - 6107), which prohibits discrimination on the basis of age.
- Age Discrimination in Employment Act (29 CFR Part 1625).
- Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.

- Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.
 - Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
 - Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), which prohibits discrimination on the basis of handicap.
 - Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance.
 - Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
 - The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
 - The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
- (b) State Law Requirements
- Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.)
 - Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
 - Title 9, Division 4, Chapter 6 of the CCR, commencing with Section 10800.

Contractor agrees to post in conspicuous places, notices available to all employees and applicants for employment setting forth the provisions of the Equal Employment Opportunity Act in conformance with Federal Executive Order No. 11246; and Section 503 of the Rehabilitation Act of 1973 (as amended). Contractor agrees to comply with provisions of the Rehabilitation Act of 1973.

For the purpose of this Contract, discrimination on the basis of race, color, creed, national origin, sex, age, or physical, sensory, cognitive, or mental disability includes, but is not limited to, the following: unlawfully denying an otherwise eligible individual any service or providing a benefit which is different, or is unlawfully provided in a different manner or at a different time, from that provided to others under this Contract; unlawfully subjecting any otherwise eligible individual to segregation or separate treatment in any matter related to the receipt of any service; unlawfully restricting an otherwise eligible individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and/or unlawfully treating any individual differently from others in determining whether such individual satisfied any admission, enrollment, eligibility, membership, or other requirement or condition which individuals shall meet in order to be provided any service or benefit.

Contractor shall establish written procedures under which service participants are informed of their rights including their right to file a complaint alleging discrimination or a violation of their civil rights. Participants in programs funded hereunder shall be provided a copy of their rights that shall

include the right of appeal and the right to be free from sexual harassment and sexual contact by members of the treatment, recovery, advisory, or consultant staff.

Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.

Section 5.10 Smoking Prohibition Requirements

Contractor shall comply, and require that its Subcontractors comply, with Public Law 103-227, also known as the Pro-Children Act of 1994 (20 USC Section 6081, et seq.), and with California Labor Code Section 6404.5, the California Smoke-Free Workplace Law, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education, or library services to children under the age of 18 if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed.

Section 5.11 Accessibility

Contractor agrees that County shall, on a cycle of at least every three years, assess, monitor, and document Contractor's compliance with Section 504 of the Rehabilitation Act of 1973 (as amended) and Americans with Disabilities Act of 1990 to ensure that recipients/beneficiaries and intended recipients/beneficiaries of services are provided services without regard to physical or mental disability. Contractor shall also monitor to ensure that beneficiaries and intended beneficiaries of service are provided services without regard to race, color, creed, national origin, sex, or age.

If the Contractor employs more than fifteen (15) staff members, Contractor must:

- Maintain an internal complaint resolution procedure that includes due process standards and provides for the prompt and equitable resolution of complaints alleging any action or omission that transgresses federal or State accessibility laws or regulations.
- Designate at least one employee as the person responsible for: (1) implementing an internal accessibility program to ensure persons with disabilities have access to the Contractor's facility, and (2) receiving and resolving complaints that allege violation of federal or State accessibility laws or regulations.

Section 5.12 Retaliation

Neither Contractor, nor Contractor's employees or agents shall intimidate, coerce, or take adverse action against any person for the purpose of interfering with rights secured by federal or State laws, or because such person has filed a complaint, certified, assisted or other participated in an

investigation, proceeding, hearing, or any other activity undertaken to enforce rights secured by federal or State law.

Section 5.13 Licenses

Contractor, in its officers, agents, employees and subcontractors shall, throughout the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates, waivers and exemptions necessary for the provision of services hereunder and required by the laws or regulations of the United States, the State of California, County or other applicable governmental agencies. Contractor shall notify Administrator immediately and in writing of its inability to obtain or maintain, irrespective of the pendency of the appeal, such permits, licenses, approvals, certificates, waivers and exemptions. Said inability shall be cause for termination of this Agreement.

Section 5.14 Child Support Compliance Act

Contractor acknowledges that it:

- Recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal 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 Family Code; and,
- To the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

Section 5.15 Union Organizing

Contractor, by signing this Agreement, hereby acknowledges the applicability of California Government Code Sections 16645 through 16649 to this Contract.

- (a) Contractor will not assist, promote, or deter union organizing by employees performing work on a state service contract, including a public works contract.
- (b) No state funds received under this Contract will be used to assist, promote, or deter union organizing.
- (c) Contractor will not, for any business conducted under this Contract, use any state property to hold meetings with employees or supervisors, if the purpose of such meetings is to assist, promote or deter union organizing unless the state property is equally available to the general public for holding meetings.
- (d) If the Contractor incurs costs, or makes expenditures to assist, promote, or deter union organizing, Contractor will maintain records sufficient to show that no reimbursement from state funds has been sought for these costs, and the Contractor shall provide those records to the Attorney General upon request.

Section 5.16 Literature

Any new literature, including educational and promotional materials, distributed by Contractor for purposes directly related to this Agreement shall indicate that Contractor's services are supported by County, State and/or federal funds, as appropriate.

Section 5.17 Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

None of the funds made available through this Agreement may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

Section 5.18 Restriction on Distribution of Sterile Needles

No funds made available through this Agreement shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

Article VI. CONFIDENTIALITY

Contractor agrees to implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of all confidential information that it creates, receives, maintains or transmits.

Contractor will provide the County with information concerning such safeguards upon request. Contractor shall comply with all applicable State and federal statutes and regulations regarding confidentiality, including, but not limited to, the confidentiality and security of information requirements in the following:

- Title 42 USC Section 290 dd-2
- Title 42, CFR Part 2
- Title 42, CFR Part 96, Sec. 96.132(e)
- Title 42, USC 1320d through 1320d-8
- Title 45, CFR Parts 160, 162, and 164 - the Health Insurance
- Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules
- Welfare and Institutions Code (hereinafter referred to W&IC), Section 14100.2, which is specific to Medi-Cal
- HSC Sections 11812 and 11845.5
- HSC Sections 123110 through 123149.5 - Patient Access to Health Records
- Title 22, California Code of Regulations (hereinafter referred to as Title 22), Section 51009, which is specific to Medi-Cal
- Civil Code Sections 56 through 56.37 - Confidentiality of Medical Information Act
- Civil Code Section 1798.80 through 1798.82 - Customer Records (breach of security)
- Civil Code Section 1798.85 - Confidentiality of Social Security Numbers

Contractor shall ensure that no list of persons receiving services under this Agreement is published, disclosed, or used for any purpose except for the direct administration of this program or other uses authorized by law that are not in conflict with requirements for confidentiality contained in Title 42, Code of Federal Regulations, Part 2; Welfare and Institutions Code, Section 14100.2; Health and Safety Code, Section 11977; and Title 22, California Code of Regulations, Section 51009.

Prior to providing any services pursuant to this Agreement, all employees, subcontractors, and volunteer staff or interns of Contractor shall agree, in writing, with Contractor to maintain the

confidentiality of any and all information and records that may be obtained in the course of providing such services.

Section 6.01 HIPAA Compliance

If any of the work performed under this Agreement is subject to the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), then Contractor shall perform the work in compliance with all applicable provisions of HIPAA. As identified in Document 3K which is referenced in Exhibit B, attached hereto and incorporated by reference herein. Contractor shall cooperate to assure mutual agreement as to those transactions between them, to which this provision applies. Refer to Document 3K for additional information.

- (a) **Trading Partner Requirements**
 - (i) No Changes. Contractor hereby agrees that for the personal health information (Information) it will not change any definition, data condition or use of a data element or segment as proscribed in the federal HHS Transaction Standard Regulation (45 CFR Part 162.915(a))
 - (ii) No Additions. Contractor hereby agrees that for the Information, it will not add any data elements or segments to the maximum data set as proscribed in the HHS Transaction Standard Regulation (45 CFR part 162.915 (b)).
 - (iii) No Unauthorized Uses. Contractor hereby agrees that for the Information, it will not use any code or data elements that either are marked “not used” in the HHS Transaction’s Implementation specification or are not in the HHS Transaction Standard’s implementation specifications (45 CFR Part 162.915 (c)).
 - (iv) No Changes to Meaning or Intent. Contractor hereby agrees that for the Information, it will not change the meaning or intent of any of the HHS Transaction Standard’s implementation specification (45 CFR Part 162.915 (d)).
- (b) **Concurrence for Test Modifications to HHS Transaction Standards.** Contractor agrees and understands that there exists the possibility that ADP or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, Contractor agrees that it will participate in such test modifications.
- (c) **Adequate Testing.** Contractor is responsible to adequately test all business rules appropriate to their types and specialties.
- (d) **Deficiencies.** Contractor agrees to cure transactions errors or deficiencies identified by the State, and transactions errors or deficiencies identified by an enrolled provider.
- (e) **Code Set Retention.** Contractor understands and agrees to keep open code sets being processed or used in this Agreement for at least the current billing period or any appeal period, whichever is longer.
- (f) **Data Transmission Log.** Contractor and County shall establish and maintain a Data Transmission Log, which shall record any and all Data Transmission taking place between the Parties during the term of this Agreement. Each party will take necessary and reasonable steps to ensure that such Data Transmission Logs constitute a current, accurate, complete and unaltered record of any and all Data Transmissions between the parties, and shall be retained by each party for no less than twenty-four (24) months following the date of the Data Transmission. The Data Transmission Log may be maintained on computer media or other

suitable means provided that, if it is necessary to do so, the information contained in the Data Transmission Log may be timely retrieved and presented in a readable form.

Article VII. INSPECTIONS AND AUDITS

Section 7.01 Audits

Because the compensation paid to Contractor pursuant to this Agreement is comprised of both federal and State funds, Contractor shall comply with the following requirements:

- This Agreement and any subcontracts shall be subject to the examination and audit by the California Bureau of State Audits for a period of three years from the date that final payment is made pursuant to the Agreement (Government Code, Section 10527).
- Contractor agrees that the State, the Comptroller General of the United States, and any authorized representatives have the right to review, obtain, and copy all records pertaining to the performance of this Agreement. Contractor agrees to provide the State with any and all relevant information requested.
- All expenditures of state and federal funds furnished to the Contractor pursuant to this Agreement are subject to audit by the State. Such audits shall consider and build upon external independent audits performed pursuant to audit requirements of the Office of Management and Budget (OMB) Circular A-133 (Revised June 27, 2003). Objectives of such audits may include, but not be limited to, the following:
 - To determine whether units of service claimed/reported are properly documented by service records and accurately accumulated for claiming/reporting;
 - To validate data reported by the Contractor for prospective contract negotiations;
 - To provide technical assistance in addressing current year activities and providing recommendations on internal controls, accounting procedures, financial records, and compliance with laws and regulations;
 - To determine the cost of services, net of related patient and participant fees, third-party payments, and other related revenues and funds;
 - To determine that expenditures are made in accordance with applicable state and federal laws and regulations and contract requirements; and/or,
 - To determine the facts in relation to analysis of data, complaints, or allegations, which may be indicative of fraud, abuse, willful misrepresentation, or failure to achieve the Agreement objectives.
- Contractor shall comply with all terms and conditions of this Agreement and all pertinent state and federal statutes and regulations. Contractor shall permit the Contract Administrator, State, Department of Health Care Services (DHCS), United States Department of Health and Human Services (DHHS), Comptroller General of the United States, or other authorized state or federal agencies and representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract. Contractor shall allow the State, DHCS, DHHS, the Comptroller General of the United States, and other authorized state or federal agencies and representatives to review and copy any and all books and records maintained by the Contractor related to these services at any time during normal business hours. Unannounced visits may be made at the discretion of the State. Employees who might reasonably have information related to such records may be interviewed.

- The refusal of the Contractor to permit access to and inspection of electronic or print books and records, physical facilities, and interviews with employees, as described in this part constitutes an express and immediate material breach of this Agreement and will be sufficient basis to terminate the Agreement for cause or default.

Section 7.02 Control Requirements

- (a) Performance of this Agreement is subject to all applicable federal and state laws, regulations and standards. In accepting the allocation outlined in Article IV herein pursuant to HSC Sections 118114 (a) and (b), Contractor shall: (1) establish written procedures consistent with the following requirements; (2) monitor for compliance with the written procedures; and (3) be held accountable for audit exceptions taken by the State against the County and Contractor for any failure to comply with these requirements:
 - (i) HSC, Division 10.5, commencing with Section 11760;
 - (ii) Title 9, California Code of Regulations, (CCR) (herein referred to as Title 9), Division 4, commencing with Section 9000;
 - (iii) Government Code Section 16367.8;
 - (iv) Government Code, Article 7, Federally Mandated Audits of Block Grant Funds Allocated to Local Agencies, Chapter 1, Part 1, Division 2, Title 5, commencing at Section 53130;
 - (v) Title 42, United States Code (USC), Sections 300x-21 through 300x-31, 300x-34, 300x-57, and 330x-65 and 66;
 - (vi) The Single Audit Act Amendments of 1966 (Title 31, USC Sections 7501-7507) and the Office and Management and Budget (OMB) Circular A-133 revised June 27, 2003;
 - (vii) Title 45, Code of Federal Regulations (CFR), Sections 96.30 through 96.33 and Sections 96.120 through 96.137;
 - (viii) Title 42, CFR, Sections 8.1 through 8.34;
 - (ix) Title 21, CFR, Sections 1301.01 through 1301.93, Department of Justice, Controlled Substances; and
 - (x) State Administrative Manual (SAM), Chapter 7200 (General Outline of Procedures).
- (b) Contractor shall be familiar with the above laws, regulations, and guidance.
- (c) The provisions of Section 7.02 are not intended to abrogate any provisions of law or regulation, or any standards existing or enacted during the term of this Agreement.
- (d) Contractor shall adhere to the applicable provisions of Title 45, CFR, Part 96, Subparts C and L, as applicable, in the expenditure of the Substance Abuse Prevention and Treatment (SAPT) Block Grant funds. Document 1A, 45 CFR 96, Subparts C and L, as noted in Exhibit B, attached hereto and incorporated by reference herein.
- (e) This Agreement is subject to any additional restrictions, limitations or conditions enacted by the federal or State government that affect the provisions, terms, or funding of this Agreement in any manner.
- (f) If Contractor receives Perinatal funds, Contractor shall comply with the requirements for perinatal programs funded under Exhibit B (Document 1G), attached hereto and incorporated by reference herein, "Perinatal Services Network Guidelines 2004" until such time new

Perinatal Services Network Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.

- (g) If Contractor receives Youth Treatment funding, Contractor should follow the guidelines in Exhibit B (Document 1V) attached hereto and incorporated by reference herein, "Youth Treatment Guidelines" in developing and implementing youth treatment programs until such time new Youth Treatment Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.
- (h) *Record Retention* - Financial and client records shall be retained by Contractor for five (5) years from the date of submission of the Cost Report that pertains to this Agreement. Records which relate to litigation or settlement of claims arising out of the performance of this Agreement, or cost and expenses of this Agreement to which exception has been taken by County or State or federal governments, shall be retained by Contractor until disposition of such appeals, litigation, claims or exceptions is completed.
- (i) Administrator, any authorized representative of County, any authorized representative of the State of California, the Secretary of the United States Department of Health and Human Services, the Comptroller General of the United States, or any of their authorized representatives, shall have access to any books, documents, and records, including but not limited to, medical and client records, of Contractor which such persons deem pertinent to this Agreement, for the purpose of conducting an audit, evaluation, or examination, or making transcripts during the periods of retention set forth in to this Agreement. Such persons may at all reasonable times inspect or otherwise evaluate the services provided pursuant to this Agreement, and the premises in which they are provided or administered.
- (j) Contractor shall actively participate and cooperate with any persons specified in Section 7.02(i) in any evaluation or monitoring of services provided pursuant to this Agreement, and shall provide the above-mentioned persons adequate office space to conduct such evaluation or monitoring.
- (k) Contractor shall obtain an annual financial statement audit in accordance with Government Auditing Standards. If Contractor's total federal expenditures, excluding Federal Medi-Cal/Medicaid, are \$300,000 or more, Contractor must obtain an audit in accordance with OMB Circular A-133.
- (l) Contractor shall maintain client records, books, documents, records and other evidence, accounting procedures and practices sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses, all of which will be deemed to constitute "records" for purposes of this section. Such records shall clearly reflect the cost and scope of the services provided to each client.

- (m) Contractor's facility, office (or such parts thereof as may be engaged in the performance of this Agreement) and its records shall be subject at all reasonable times to inspection and audit reproduction by County.
- (n) Within fourteen (14) days after final audit is approved by Contractor's Board of Directors, Contractor shall forward to Administrator a copy of any audit report. Such audit shall include, but not be limited to, management, financial, programmatic or any other type of audit of Contractor's operations, whether or not the cost of such operation or audit is reimbursed in whole or in part through this Agreement.
- (o) Following any audit report, in the event of non-compliance with applicable laws and regulations governing funds provided through this Agreement or serious deficiencies in Contractor's internal control structure, County may terminate this Agreement as provided for in Article XVII or direct Contractor to immediately implement appropriate corrective action. A plan of corrective action shall be submitted to Administrator in writing within fifteen (15) days after receiving notice from County.
- (p) Contractor will have two (2) months to implement a corrective action plan and to submit to County a written report of corrective action taken. Failure to implement said corrective action plan shall be cause for termination of this Agreement.
- (q) County shall respond to all audits of Contractor with reconciliation to County records. If County concurs with State findings, final payment of Contractor's assessed disallowances shall be subject to provisions of Section 4.05 of this Agreement.
- (r) All Contractor's funding records related to this Agreement shall be subject to audit by County at any time during the term of this Agreement, and for a period that extends through any required records retention period, should it be requested by County's Auditor-Controller. In the event that Contractor has more than one funding agreement with County, Contractor shall maintain an individual schedule of expenses for each County agreement, such that can be reconciled to an audit of any individual agreement. If Contractor receives in excess of \$500,000 in total funding from County in any one fiscal year, Contractor must have an independent/individual audit of each County agreement.
- (s) Contractor shall include in any contract with an audit firm a clause to permit access by the State to the working papers of the external independent auditor, and require that copies of the working papers shall be made available for the State at its request.

Section 7.03 Site Inspection

The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor, the Contractor shall provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of

their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

Article VIII. REPORT AND OTHER DOCUMENT SUBMISSION

Contractor shall comply with the following timeframes for submitting reports and other documents required under the terms of this Agreement:

Section 8.01 State Data Submission

Monthly reports shall be postmarked no later than the seventh (7th) day of each calendar month for receipt by the State Department of Alcohol and Drug Programs no later than the tenth (10th) day of each calendar month.

Section 8.02 County Data Submission

License and/or certification changes, changes in modalities and/or populations served, documents related to client services, administrative activities, or other program operation functions shall be submitted within five (5) working days from the date of the event or request from the County.

Section 8.03 Board of Directors Minutes

Submit within thirty (30) calendar days from the date of completion to Contract Administrator.

Section 8.04 Notification of Injury or Death

Submit within twenty-four (24) hours of the event or date the event becomes known to Contractor.

Section 8.05 Cost Report (as defined in Section 4.05)

Submit to Public Health Finance on or before September 15th of the year in which this Agreement is terminated.

Section 8.06 Financial Statement

Provide Administrator two (2) copies of the Contractor's annual financial statement audit within fourteen (14) days after final audit is approved by Contractor's Board of Directors.

Section 8.07 Sliding Fee Scale and Client Financial Assessment Form

Provide to Administrator no later than July 15 of the year in which this Agreement commences.

Section 8.08 Waiting List

If wait time exceeds 30 days for any client, report in writing to Administrator no later than the 15th day of each month.

Section 8.09 Noncompliance with Reporting Requirements

Contractor agrees that County has the right to withhold payments until Contractor has submitted any required data and reports to the State, as identified in Exhibit B, Document 1F, "Reporting Requirement matrix – County Submission Requirements for the Department of Alcohol and Drug Programs."

Section 8.10 California Outcomes Measurement System (CalOMS) for Treatment (CalOMS Tx) and for Prevention (CalOMS Pv).

Contractor shall:

- (a) Conduct information technology (IT) systems testing and pass State certification testing before commencing submission of CalOMS Tx data. If Contractor changes or modifies the CalOMS Tx IT system, then Contractor shall re-test and pass state certification prior to submitting data from new or modified system. Contractor must comply with ADP compliance requirements for data content, data quality, data completeness, reporting frequency, reporting deadlines, and report method.
- (b) Participate in CalOMS informational meetings, training, and readiness meetings for both CalOMS Tx and CalOMS Pv.
- (c) Implement and maintain a method for collecting and electronically submitting data for CalOMS Tx or subcontract for services to submit CalOMS Tx electronically.
- (d) Meet the requirements in the Privacy, Confidentiality and Information Security Provisions as outlined in Document 3K (as identified in Exhibit B).
- (e) The following business rules for the electronic submission of CalOMS Tx and CalOMS Pv data are:
 - (i) Prevention service/activity data is to be reported via CalOMS Pv by all funded primary prevention providers. Services are to be reported by the date of occurrence on a weekly basis. No more than one week's data shall be aggregated into one reported service.
 - (ii) All CalOMS Pv service/activity data shall be reviewed by each County and released to the State no later than the end of the first month following the close of each quarter. The reporting quarters are: July through September, October through December, January through March, and April through June.
 - (iii) Reporting progress on prevention goals and objectives via the Evaluation Module within CalOMS Pv shall be done on an annual basis. This information is due no later than August 31 of each fiscal year.
 - (iv) Electronic submission of CalOMS Tx data is due 45 days from the end of the last day of the report month.
 - (v) If the Contractor cannot submit CalOMS Pv data by the established due dates, the Contractor shall submit a written request for an extension. The written request shall be approved by the State prior to the established due date.
 - (vi) If the Contractor experiences system or service failure or other extraordinary circumstances that affect its ability to timely submit CalOMS Tx and/or CalOMS Pv data, and/or to meet other CalOMS Tx and CalOMS Pv data compliance requirements, the Contractor shall report the problem in writing before the established data submission deadlines. The written notice shall include a remediation plan that is subject to review and approval by the State. A grace period of up to sixty (60) days may be granted, at the State's sole discretion, for the Contractor to resolve the problem before NNA payments are withheld.
 - (vii) If the State-experiences system or service failure, no penalties will be assessed to Contractor for late data submission.

- (viii) Contractor shall comply with the treatment and prevention data quality standards established by the State. Failure to meet these standards on an ongoing basis may result in withholding NNA funds.
- (ix) If the Contractor submits data after the established deadlines, due to a delay or problem, Contractor is still responsible for collecting and reporting data from time of delay or problem.

Section 8.11 Drug and Treatment Access Report (DATAR)

- (a) The Contractor shall:
 - (i) Be responsible to submit a monthly DATAR report in an electronic copy format as provided by the State; and ensure that, should County consent, in writing, to the subcontracting of services, all treatment providers with whom Contractor makes a contract or otherwise pays for the services, and who are required to report CalOMS Treatment client data, submit monthly DATAR report in an electronic copy format as provided by the State.
 - (ii) Ensure that all DATAR reports are submitted to the State by the 10th of the month following the report activity month.
 - (iii) Ensure that all applicable providers are enrolled in the State's web-based DATARWeb program for submission of data.
 - (iv) In those instances where the Contractor maintains, either directly or indirectly, a central intake unit or equivalent which provides intake services including a waiting list, the Contractor shall identify and begin submitting monthly DATAR reports for the central intake unit by a date to be specified by the State.
- (b) Noncompliance Provision

The Contractor shall be considered compliant if a minimum of 95% of required DATAR reports from the Contractor's treatment providers are received by the due date.

Article IX. USE OF FUNDS

Section 9.01 Use of Substance Abuse Prevention and Treatment Funds

Non-profit Contractors receiving SAPT Block Grant funds shall comply with the financial management standards contained in Title 45, CFR, Part 74, Sections 74.21(b)(1) through (4) and (b)(7), and Part 96, Section 96.30

- (a) Contractor shall not use SAPT funds provided by this Agreement for the following purposes:
 - (i) Purchasing or improving land, including constructing or permanently improving any building or facility, except for tenant improvements.
 - (ii) Providing inpatient hospital services or purchasing major medical equipment.
 - (iii) Satisfying any expenditure of non-federal funds as a condition for the receipt of federal funds (matching).
 - (iv) Making cash payments to intended recipients of services through this Agreement.
 - (v) Contracting or subcontracting with any entity other than an individual or nonprofit entity.

- (vi) Paying an individual salary or compensation for services at a rate exceeding \$120,000 per year.
 - (vii) Supplanting current funding for existing services.
 - (viii) Fund-raising.
- (b) In addition, unless otherwise specified in writing by Administrator, Contractor shall not use the funds provided by this Agreement for the following purposes:
- (i) Purchase of gifts, meals, entertainment, awards, or other personal expenses for Contractor's staff, members of Board of Directors, or clients.
 - (ii) Making personal loans to Contractor's staff or members of the Board of Directors, or making salary advances or giving bonuses to Contractor's staff.
 - (iii) Reimbursement of Contractor's Board of Directors members for expenses or services.
 - (iv) Purchase of artwork or other items that are for decorative purposes and do not directly contribute to the quality of services to be provided pursuant to this Agreement.

Section 9.02 Lobbying and Restrictions

Applicable to any federally funded grant or contract in excess of \$100,000 per Title 31, USC, Section 1352 and 45 CFR Part 93:

- (a) Certification and Disclosure Requirements:
- (i) Each person (or recipient) who requests or receives a contract, subcontract, grant, or sub grant, which is subject to Title 31, USC, Section 1352, and which exceeds \$100,000 at any tier, shall file a certification (Exhibit B attached hereto and incorporated by reference herein) entitled "Certification Regarding Lobbying" that the recipient has not made, and will not make, any payment prohibited by Section 9.01 of this provision.
 - (ii) Each recipient shall file a disclosure (in the form set forth in Exhibit B, Document 1X, entitled "Disclosure of Lobbying Activities – Standard Form - LLL") if any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence any officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal grant.
 - (iii) Each recipient shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.
 - (iv) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Section 9.02(a) of this provision herein. An event that materially affects the accuracy of the information reported includes:
 - 1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - 2) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action;

- 3) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action;
- 4) Each person (or recipient) who requests or receives from a person referred to in Section 9.02(a)(i) of this provision a contract, subcontract, grant or sub grant exceeding \$100,000 at any tier under a contract or grant shall file a certification, and a disclosure form, if required, to the next tier above; and,
- 5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Section 9.02(a)(i) of this provision. That person shall forward all disclosure forms to AOD program contract manager.

Section 9.03 Prohibition

Title 31, USC, Section 1352, provides in part that no Federally appropriated funds may be expended, have been paid, or will be paid by the recipient of a federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

Section 9.04 Procurement Rules

Nonprofit organizations and commercial businesses, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment and services related to such purchases for performance under this Agreement.

- (a) Equipment purchases shall not exceed \$50,000 annually.
- (b) All equipment purchases are subject to Section 9.04(d) through Section 9.04(h) of this Agreement.
- (c) Nonprofit organizations and commercial businesses shall use a procurement system that meets the following standards:
 - (i) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employees, officer, or agent shall participate in the selection, award, or administration of a procurement contract in which, to the best of their knowledge, they have a financial interest.
 - (ii) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open and free competition.
 - (iii) Procurements shall be conducted in a manner that provides for all of the following.
 - 1) Avoid purchasing unnecessary or duplicate items.
 - 2) Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - 3) Take positive steps to utilize small and veteran-owned businesses.
- (d) Unless waived or otherwise stipulated in writing by the State, prior written authorization from the Contract Administrator will be required before the Contractor or Subcontractor may

make a purchase of \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. Contractor shall provide in its request for authorization all particulars necessary, as specified by the State, for evaluating the necessity or desirability of incurring such costs. The term “purchase” excludes the purchase of services from its subcontractors and public utility services at rates established for uniform applicability to the general public.

- (e) In special circumstances, determined by the State (e.g., when the State has a need to monitor certain purchases, etc.), the State may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. The State reserves the right to request repayment for any Contractor and/or its Subcontractors purchase that the State determines to be unnecessary in carrying out performance under this agreement.
- (f) Contractor and/or its Subcontractors shall maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or its Subcontractors at any time.
- (g) For all purchases, Contractor and/or its Subcontractors shall maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. All records shall be sufficient to determine the reasonableness of costs incurred by the Contractor and/or its Subcontractors and must be capable of verification by qualified auditors. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor and/or its Subcontractors for inspection or audit.
- (h) The State may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under (b) of this provision by giving the Contractor no less than thirty (30) calendar days written notice.

Section 9.05 Restrictions on Grantee Lobbying – Public Law No 109-149 §503

No part of any appropriation contained in this Act shall be used, other than for formal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself, any State legislature, or any State legislative body itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

Section 9.06 Hatch Act

Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

Section 9.07 Religious Activity

No state or federal funds shall be used by the Contractor or its Subcontractors for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or its Subcontractors to provide direct, immediate, or substantial support to any religious activity.

Section 9.08 Nondiscrimination and Institutional Safeguards for Religious Providers

Contractor shall establish such processes and procedures as necessary to comply with the provisions of Title 42, USC. Section 300x-65 and Title 42, CFR, Part 54, (Reference Exhibit B, Document 1B).

Section 9.09 Restrictions on Salaries

Contractor agrees that no part of any federal funds provided under this Agreement shall be used by the Contractor or, should the County agree in writing to subcontracting, its subcontractors to pay the salary and wages of an individual at a rate in excess of Level I of the Executive Schedule. Salary and wages schedules may be found at <http://www.opm.gov/oca>. SAPT Block Grant funds used to pay a salary in excess of the rate of basic pay for Level I of the Executive Schedule shall be subject to disallowance. The amount disallowed shall be determined by subtracting the individual's actual salary from the Level I rate of basic pay and multiplying the result by the percentage of the individual's salary that was paid with SAPT Block Grant funds.

Section 9.10 Domestic Partners Act

Pursuant to Public Contract Code 10295.3, no state agency may enter into any contract executed or amended after January 1, 2007, for the acquisition of goods or services in the amount of \$100,000 or more with a contractor who, in the provision of benefits, discriminates between employees with spouses and employees with domestic partners, or discriminates between domestic partners and spouses of those employees.

Section 9.11 Adherence to Computer Software Copyright Laws

Contractor certifies that it has appropriate systems and controls in place to ensure that State or federal funds available under this Agreement will not be used for the acquisition, operation or maintenance of computer software in violation of copyright laws. (Reference: Executive Order D-10-99 and Department of General Services Management Memo 00-02).

Section 9.12 Trafficking Victims Protection Act of 2000

Contractors that provide services covered by this Agreement shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C. 7104). For full text of the award term, go to: <http://www.samhsa.gov/grants/trafficking.aspx>.

Section 9.13 Federal Funding Accountability and Transparency Act of 2005

Contractor must comply with the Federal Funding Accountability and Transparency Act of 2005 (Pub. L. 109-282).

Article X. THIRD PARTY BENEFITS

Neither party hereto intends that this Agreement shall create rights hereunder in third parties including but not limited to any subcontractors or any clients provided services hereunder.

Article XI. WAIVER OF DEFAULT OR BREACH

County's waiver of any default or breach by the Contractor shall not be considered a waiver of any subsequent default or breach by Contractor. County's waiver of any default or any breach by Contractor shall not be considered modification of the terms of this Agreement.

Article XII. 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 XIII. 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 XIV. 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 XV. 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 workmanlike 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 shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

Article XVI. FISCAL CONSIDERATIONS

The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 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.

Article XVII. DEFAULT, TERMINATION, AND CANCELLATION

Section 17.01 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.

County may terminate this Agreement immediately, upon written notice, on the occurrence of any of the following events:

- The loss by Contractor of legal capacity.
- Cessation of services.

- The delegation or assignment of Contractor's services operation or administration to another entity without written approval by Administrator.
- The continued incapacity of Contractor to perform duties required pursuant to this Agreement.
- Unethical conduct or malpractice by any person providing or supervising services pursuant to this Agreement or by any person administering program or providing programmatic fiscal management; provided, however, County may waive this option if Contractor removes such person from employment or from serving persons treated or assisted pursuant to this Agreement.
- Failure to implement a corrective action plan in accordance with Section 7.02(n) and Section 7.02(o) of this Agreement.
- The inability of Contractor to maintain all necessary licenses in accordance with Section 5.13 of this Agreement.
- Noncompliance with Section 5.08 of this Agreement.
- After receiving a Notice of Cancellation or Termination, Contractor shall do the following:
 - Comply with termination instructions provided by Administrator in a manner which is consistent with recognized standards of quality care and prudent business practice.
 - Obtain immediate clarification from Administrator of any unsettled issues of contract performance during the remaining Agreement term.
 - If clients are to be transferred to another facility for services, furnish Administrator, upon request, all client information and records deemed necessary by Administrator to affect an orderly transfer.
 - Assist Administrator in effecting the transfer of clients in a manner consistent with their best interest.
 - Return to County, in the manner indicated by Administrator, any equipment and supplies purchased fully and explicitly for the purposes of this Agreement with funds provided by County.
 - If records are to be transferred to County, pack and label such records in accordance with directions provided by Administrator.
 - To the extent services are terminated, cancel outstanding commitments covering the procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding commitments which relate to personnel services. With respect to these canceled commitments, Contractor shall submit a written plan for settlement of all outstanding liabilities and all claims arising out of such cancellation of commitment which shall be subject to written approval of Administrator.
 - The rights and remedies of County provided in this Article shall not be exclusive, and are in addition to any other rights and remedies provide by law or under this Agreement.

Section 17.02 Bankruptcy

This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.

Section 17.03 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.

Section 17.04 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 XVIII. NOTICE TO PARTIES

All notices to be given by the parties hereto shall be in writing and served by depositing same 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 SERVICES DEPARTMENT
931 SPRING STREET
PLACERVILLE, CA 95667
ATTN: NEDA WEST, DIRECTOR**

or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

**PROGRESS HOUSE, INC.
2844 COLOMA STREET
PLACERVILLE, CA 95667
ATTN: TOM AVEY, EXECUTIVE DIRECTOR**

or to such other location as the Contractor directs.

Article XIX. 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 attorneys 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.

Article XX. INSURANCE

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

- Full Workers' Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- 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 \$1,000,000.00 per occurrence.

Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.

The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management. 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 upon the occurrence of such event.

The certificate of insurance must include the following provisions stating that:

- The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;

- The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.

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.

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.

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.

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.

Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.

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.

Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for the protection of the County.

Article XXI. 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 XXII. 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 XXIII. CONFLICT OF INTEREST

The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees. Contractor acknowledges that state laws on conflict of interest, found in the Political Reform Act, Public Contract Code Section 10365.5 apply to this Agreement. 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 contract 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".

Article XXIV. CALIFORNIA RESIDENCY (FORM 590)

All independent Contractors providing services to the County must file a State of California Form 590, certifying their California residency or, in the case of a corporation, certifying that they have 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 XXV. TAXPAYER IDENTIFICATION NUMBER (FORM W-9)

All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

Article XXVI. 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 El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

Article XXVII. ADMINISTRATOR

The County Officer or employee with responsibility for administering this Agreement is Shirley White, Health Services Department – Public Health Division Alcohol and Drug Program Manager, or successor.

Article XXVIII. 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 XXIX. 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 XXX. VENUE

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

Article XXXI. ENTIRE AGREEMENT

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

REQUESTING DEPARTMENT HEAD CONCURRENCE:

By: 
Neda West, Director
Health Services Department

Dated: 10-9-09

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EXHIBIT A

SERVICE REIMBURSEMENT SCHEDULE
El Dorado County Health Services Department - Public Health Division
Substance Abuse and other Therapeutic Counseling and Treatment Services

Services will be billable based on the specific types of services defined in each agreement. All rates may not apply within each individual agreement depending on type of service needed and/or availability and criteria of funding source.

OUTPATIENT SERVICES		State Alcohol Drug Criteria / Rates	
SERVICE DEFINITION		Perinatal	All Other
<p>Group Session (1.5 hrs) – A face-to-face session in which one or more therapists or counselors treat a group of clients (see criteria by category), focusing on the needs of the individuals served. Group sessions may include:</p> <ul style="list-style-type: none"> • Anger Management • Parenting • Dual Diagnosis 		<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p>	<p>Any client who does not meet Perinatal criteria.</p>
<p>Drug Medi-Cal Criteria for Billing Rates – See Title 22</p>	<p>Discretionary Funds (NNA) Criteria for billing rates Two or more clients at the same time.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Group Counseling UOS Rate</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Group Counseling UOS Rate</p>

EXHIBIT A

SERVICE DEFINITION		Perinatal	All Other
<p>Individual Counseling Session (50 minutes) - A face-to-face session between a client and a therapist or counselor. Including, but not limited to:</p> <ul style="list-style-type: none"> • Dual Diagnosis 		<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p>	<p>Any client who does not meet Perinatal criteria.</p>
<p>Drug Medi-Cal Criteria for Billing Rates – See Title 22</p>		<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>
<p>Day Care Rehabilitative – Substance abuse counseling and rehabilitation services, lasting three or more hours, but less than 24 hours, per day, for three or more days per week.</p>		<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p>	<p>Any client who does not meet Perinatal criteria.</p>
<p>Drug Medi-Cal Criteria for Billing Rates – See Title 22</p>	<p>Discretionary Funds (NNA) Criteria for billing rates Two or more clients at the same time.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Day Care Rehabilitative UOS Rate</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Day Care Rehabilitative UOS Rate</p>

EXHIBIT A

SERVICE DEFINITION	Perinatal	All Other
<p>Individual Assessment (50-60 minutes) – The evaluation or analysis of the cause or nature of mental, emotional, psychological, behavioral, and substance abuse disorders; the diagnosis of drug abuse disorders; and the assessment of treatment needs to provide medically necessary treatment services.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>
<p>Intake (50 minutes) – The process of admitting a client into substance abuse treatment. Should include medical coverage evaluation, sliding fee scale determination, and other client demographic information.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>

EXHIBIT A

SERVICE DEFINITION	Perinatal	All Other
<p>Treatment Planning (50 minutes) - Collaborative session between program staff and client to identify problems, goals, action steps, and target dates as components of an individual's prescribed course of substance abuse treatment.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>
<p>Discharge (50 minutes) –Face-to-face final collaborative session between program staff and client to reinforce newly developed recovery skills and develop a plan to maintain those skills upon conclusion of treatment.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>

EXHIBIT A

SERVICE DEFINITION	Perinatal	All Other
<p>Crisis Intervention (50 minutes) – Face-to-face contact between a program staff person and a client in crisis. Services provided must focus on alleviating the crisis problem. Crisis means an unforeseen event or circumstance which presents an imminent threat of relapse, or actual relapse, to the client.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>
<p>Case Management (50 minutes) - Activities involved in the integrating and coordinating of all necessary services to ensure successful treatment and recovery. This involves managing multiple clients and is limited to four (4) episodes per month. Not billable per client.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>Current Drug Medi-Cal Reimbursement Rate for Program Code 20 (Alcohol and Drug Services) Outpatient Drug Free (ODF) Individual Counseling UOS Rate</p>

EXHIBIT A

SERVICE DEFINITION	Perinatal	All Other
<p><i>Transitional Housing (per day)</i> – A clean and sober living environmental meeting the requirements of the California Association of Recovery Homes.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p> <p>\$17.50 per day</p>	<p>Any client who does not meet Perinatal criteria.</p> <p>\$17.50 per day</p>

EXHIBIT A

INPATIENT SERVICES SERVICE DEFINITION	State Alcohol Drug Criteria / Rates	
	Perinatal	All Other
<p>Residential Treatment (per bed day) – The actual rate will be negotiated between the purchaser and the vendor for the delivery of services to males and females in an inpatient setting. Program should consist of group education and counseling, drug screening, individual counseling, treatment planning and introduction to support programs such as AA / NA.</p>	<p>Client must be pregnant and substance using; or parenting and substance using, with a child or children ages birth through 17 years. This includes a woman who is attempting to regain legal custody of her child(ren).</p>	<p>Any client who does not meet Perinatal criteria.</p>
	<p>Current Drug Medi-Cal Reimbursement Rate for Program Code 25 (Alcohol and Drug Services) Perinatal Residential Treatment</p>	<p>Up to \$92.00 per day</p>
<p>Residential Perinatal Drug Medi-Cal (room and board per bed day) - Eligible clients must meet Title 22 Drug Medi-Cal requirements and program must be Drug Medi-Cal certified. Program should consist of group education and counseling, drug screening, individual counseling, treatment planning and introduction to support programs such as AA / NA. May only be billed to Discretionary Funds.</p>	<p>\$17.00 per day</p>	<p>Does not apply.</p>

Collaborative Case Management & Court Sessions	
Attendance at Case Management Conference	Up to \$60.00 per hour
Attendance at Drug Court Session	Up to \$60.00 per hour

EXHIBIT A

Substance Abuse Testing & Miscellaneous Fixed Rates

Urinalysis substance abuse testing	\$30.00 per test
Ethyl glucuronide testing (aka EtG testing)	\$40.00 per test
Hair strand testing	\$95.00 per test
H.E.A.R.T.S.	\$28.00 per hour
HIV Test Pre and Post Counseling Services	\$40.00 per test

EXHIBIT B
AGREEMENT #839-PHD0409

LIST OF DOCUMENTS INCORPORATED BY REFERENCE
FISCAL YEAR 2009-10 - - NET NEGOTIATED AMOUNT AGREEMENT

Document ID	Reference Document
Document 1A	Title 45, Code of Federal Regulations 96, Subparts C and L, Substance Abuse Prevention and Treatment Block Grant Requirements http://www.access.gpo.gov//nara/cfr/waisidx_04/45cfr96_04.html
Document 1B	Title 42, Code of Federal Regulations, Charitable Choice Regulations http://www.access/gpo/gov//nara/cfr/waisidx_04/042cfr54_04.html
Document 1C	Driving-Under-the-Influence Program Requirements
Document 1D(a)	Services to California Department of Corrections and Rehabilitation (CDCR) – Parolee Services Network (PSN)
Document 1D(b)	SAPT Female Offender Treatment Project (FOTP)
Document 1F	Reporting Requirement Matrix – County Submission Requirements for the Department of Alcohol and Drug Programs
Document 1G	Perinatal Services Network Guidelines 2004 (for Non-DMC Perinatal Programs) http://www.adp.ca.gov/perinatal/pdf/guidelines_04.pdf
Document 1H(a)	Service Code Descriptions
Document 1H(b)	Program Coding List
Document 1J(a)	NNA Audit Appeals Process
Document 1K	Drug and Alcohol Treatment Access Report (DATAR) http://www.adp.ca.gov/datar/manuals/DATARWeb_manual.pdf

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- Document 1P Alcohol and/or Other Drug Program Certification Standards (March 15, 2004)
http://www.adp.ca.gov/Licensing/doc/Alcohol_andor_Other_Drug_Program_Certification_Standards.doc
- Document 1T CalOMS Prevention User Manual
http://www.kitsco.com/casupport/WebHelp/CalOMS_Manual.html
- Document 1V Youth Treatment Guidelines
http://www.adp.ca.gov/youth/pdf/Youth_Treatment_Guidelines.pdf
- Document 1W Certification Regarding Lobbying
- Document 1X Disclosure of Lobbying Activities – Standard Form LLL
<http://www.whitehouse.gov/omb/grants/sfillin.pdf>
- Document 2F Standards for Drug Treatment Programs (October 21, 1981)
http://www.adp.ca.gov/dmc/pdf/DMCA_Standards_for_Drug_Treatment_Programs.pdf
- Document 2P County Certification – Cost Report Year-End Claim for Reimbursement
- Document 3G California Code of Regulations, Title 9 – Rehabilitation and Developmental Services, Division 4 – Department of Alcohol and Drug Programs, Chapter 4 – Narcotic Treatment Programs
<http://www.calregs.com>
- Document 3H California Code of Regulations, Title 9 – Rehabilitation and Developmental Services, Division 4 – Department of Alcohol and Drug Programs, Chapter 8 – Certification of Alcohol and Other Drug Counselors
<http://www.calregs.com>
- Document 3J CalOMS Treatment Data Collection Guide
http://www.adp.ca.gov/CalOMS/pdf/CalOMS_Data_Collection_Guide.pdf
- Document 3K Privacy, Confidentiality and Information Security Provisions
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Document 3O Quarterly Federal Financial Management Report (QFFMR) 2008-09

http://www.adp.ca.gov/NNA/support_files.shtml

Docment 3Q CalOMS Treatment Data Compliance Standards

http://www.adp.ca.gov/CalOMS/pdf/CalOMS_Data_Compliance.pdf

Document 3T ADP Local Assistance Funding Matrix