

# ORIGINAL

## AGREEMENT FOR SERVICES #086-S1511 AMENDMENT I

### Drug and Alcohol Program Services

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This Amendment I to that Agreement for Services #086-S1511, is made and entered into by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), and Progress House, Inc., a California non-profit public benefit corporation qualified as a tax exempt organization under Title 26 Code of Federal Regulations Section 1.501(c)(3) commonly referred to as Section 501 (c)(3) of the Internal Revenue Code of 1986, whose principal place of business is 2844 Coloma Street, Placerville, CA 95667 (Mailing: P.O. Box 1666, Placerville, CA 95667), and whose Agent for Service of Process is Barbara Vermilyea, 2844 Coloma Street, Placerville, CA 95667 (hereinafter referred to as "Contractor").

### RECITALS

**WHEREAS**, Contractor has been engaged by County to provide Alcohol and Drug Program counseling, prevention and treatment, or other services on an "as requested" basis for clients referred by the County of El Dorado Health and Human Services Agency (HHS) in accordance with Agreement for Services 086-S1511 dated September 30, 201, incorporated herein and made by reference a part hereof; and

**WHEREAS**, the parties hereto have mutually agreed to amend **Article II – Scope of Services, Article III - Term , Article IV – Compensation for Services, Article V – Maximum Obligation, Article XI – Sub-recipient Terms and Conditions, Article XIV – Confidentiality, Article XXXVIII – Default, Termination, and Cancellation, Article XXXIX – Notice to Parties, and Article XL – Change of Address;** and

**WHEREAS**, Office of Management and Budget (OMB) Circular A-133 is now known as OMB "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" or "Super Circular;" and

**WHEREAS**, the parties hereto have mutually agreed to add **Article LVI – Confidentiality and Information Security Provisions** and; renumber **Article LVI - Entire Agreement** to accommodate the insertion of the aforementioned Article.

**NOW THEREFORE**, the parties do hereby agree that Agreement for Services #086-S1511 shall be amended a first time as follows:

Articles II, III, IV, V, XI, XIV, XXXVIII, XXXIX, and XL are amended in their entirety to read as follows:

## ARTICLE II

### Scope of Services:

- A. Court Appearances: Upon subpoena by County, Contractor shall attend Court sessions. County shall only pay Contractor for Court Appearances when County subpoenas Contractor. Contractor shall be paid for their Court Appearances using the Regular DMC Outpatient Drug Free Individual face-to-face visit unit of service session rate for time actually spent at the subpoenaed Court session. Travel time shall not be included in the reimbursement for these services.
- B. Court Meetings: As arranged by and upon notification from the Court, or as the Court directs County, Contractor shall attend client-related Court Meetings. Contractor shall be paid for their attendance at Court Meetings using the Regular DMC Outpatient Drug Free Individual face-to-face visit unit of service session rate as their hourly rate for time actually spent at the Court Meeting. Contractor is required to sign in with the HHS A Alcohol and Drug Programs designated staff at said meeting. Failure to sign in with the HHS A Alcohol and Drug Programs designated staff may delay payment. If the Court's Meeting is cancelled by the Court less than 24 hours in advance of its scheduled calendar time and is not rescheduled for the same month, Contractor may invoice for the scheduled length of that month's cancelled Court Meeting, not to exceed two (2) hours. Travel expenses incurred by Contractor as a result of the provision of these services including, but not limited to travel time, meals, lodging, mileage, etc., are not included in this Agreement and shall not be paid by County.
- C. AB 109 Treatment Services: AB 109 Treatment Services shall be provided only to those clients identified by HHS A as eligible for AB 109 Treatment Services in accordance with the definition of "AB 109 Offender" outlined under the Article titled, "Definitions." Additionally, services shall be provided if Client is referred to Contractor by County via a Treatment Authorization Form, and the services are funded by AB 109 Realignment. Contractor shall only provide services defined under this category if funding has been indicated for those services in the Article titled, "Compensation for Services."
  1. County shall be responsible for:
    - a. Assignment of an HHS A Program Coordinator from the HHS A Alcohol and Drug Program (ADP) to be the AB 109 Program Coordinator.
    - b. Ensuring adherence to AB 109 Program Coordinator responsibilities, including but not limited to comprehensive case management, referrals, treatment matching, Court appearances, client tracking and documentation, and monitoring of program outcomes.
    - c. Facilitation of the Multidisciplinary Team comprised of the AB 109 Program Coordinator, Probation Department staff, and Contractor
      - i. Assessment of each client identified as eligible under California Assembly Bill 109.
      - ii. Completion and submission of HHS A Treatment Authorization Form.
  2. Contractor shall be responsible for:
    - a. Attendance at all Multidisciplinary Team meetings, Collaborative Case Management meetings, and Court sessions.

- b. Drug testing:
  - i. Clients admitted to residential 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.
  - ii. Clients admitted to outpatient treatment may be tested for drug usage, the cost of which shall be billed as a separate item in accordance with the "County Standardized Rate Structure" in the Article titled, "Compensation for Services."
- c. Progress Reports
  - i. Contractor shall report client progress to the County Probation Department and HHSAB 109 Coordinator in the form of a Progress Report and copy the signed Treatment Plan within twenty-one (21) days of initial intake. Contractor shall provide further client progress updates utilizing the Progress Report format upon request, but not less than quarterly. In addition, Contractor shall report client progress at the Multidisciplinary Team meetings.
  - ii. Contractor shall report to the Multidisciplinary Team when a client successfully completes the drug treatment program within ten (10) days of completion of the program.
  - iii. Contractor shall notify the County Probation Department within ten (10) days of the date Contractor learns of client non-compliance with the program.
- d. Case Management: Contractor shall assign a staff member to coordinate case management functions with the HHSAB Program Coordinator.
- e. AB 109 Program Contact Person: Contractor shall designate an AB 109 Program contact person from among its staff, and this person shall serve as the primary point of contact for the County in exchanging information related to the AB 109 Program.
- f. Provision of Services in accordance with HHSAB Treatment Authorization that may include but are not limited to:
  - i. Residential Services – provision of residential treatment beds if so indicated on the HHSAB Treatment Authorization to eligible offenders.
  - ii. Outpatient Services
    - 1. Level I – Low Intensity: One (1) group session per week, random drug testing, and one (1) individual counseling session per month.
    - 2. Level II – Medium Intensity: Two (2) group sessions per week, random drug testing, and one (1) individual session per month.
    - 3. Level III – High Intensity: Three (3) group sessions per week, random drug testing, and up to two (2) individual counseling sessions per month.
    - 4. Recovery Support Sessions: Recovery support refers to an individual counseling session for participants designed to address threats or perceived threats to a participant's recovery. These services shall be provided on an "as needed" basis and must be recommended by the Multidisciplinary Team and pre-authorized in writing by the AB 109 Coordinator.

5. Transitional Living Services: Cooperative living arrangements with a requirement to be free from alcohol and other drugs; sometimes referred to as a sober living environment, a sober living home, transitional housing, or alcohol and drug-free housing.
- D. Drug Court Treatment Services: Drug Court Treatment Services shall be provided only to those clients referred to Contractor by County via a Treatment Authorization form, and are funded by Realignment 2011 funds. Contractor shall provide services defined under this category only if funding has been indicated for those services under the Article titled, "Compensation for Services."
1. County shall be responsible for:
    - a. Assessment of each client identified as eligible under the Drug Court Program.
    - b. Assignment of an ADP HHSA Program Coordinator to be the Drug Court Program Coordinator.
    - c. Completion and submission of HHSA Treatment Authorization Form.
    - d. Ensuring adherence to Drug Court Program Coordinator responsibilities, including but not limited to: Assessment, case management, referrals, client tracking, data entry to CalOMS Treatment Database, and Court appearances.
    - g. Participation on a Drug Court Team comprised of representatives from the District Attorney's Office, Public Defender's Office, Probation Department, Alcohol and Drug Program, and Contractor.
  2. Contractor shall be responsible for:
    - a. Attendance at meetings: Contractor shall ensure assigned counselors attend and participate in Drug Court Program meetings. This includes but is not limited to collaborative meetings and pre-Court session meetings. Contractor shall attend and participate in Drug Court Program court sessions upon request from HHSA. County shall furnish Contractor with the schedule of Drug Court sessions and provide reasonable advanced notice of pre-Court collaborative conference times and locations.
    - b. Basic Services: Contractor agrees to provide intake; residential substance abuse treatment; outpatient substance abuse treatment; transitional living; parenting groups and parenting education groups; drug testing; and ancillary services for participants in the Drug Court Program. The County reserves the right to make the final decision on whether or not a participant shall be referred for the Drug Court Program and the appropriate treatment services to be provided. Program participants shall be referred for the Drug Court Program and the appropriate treatment services to be provided. Program participants shall be referred to Contractor and require a Treatment Authorization Form submitted via fax by the Drug Court Program Coordinator to the Contractor prior to any services being provided.
      - i. Contractor shall notify HHSA Drug Court Coordinator prior to terminating any Drug Court client from treatment.
    - c. Case Management: Contractor shall assign a staff member to coordinate case management functions with the Drug Court Program Coordinator.
    - d. Drug Court Program Contact Person: Contractor shall designate a Drug Court Program contact person from among its staff, and this person shall serve as the primary point of contact for the County in exchanging information related to the

Drug Court Program.

- e. Drug Court Program Reports: Contractor shall prepare progress reports in HHSA-approved format. Contractor shall submit progress reports to HHSA's Drug Court Program Coordinator or designee as requested, and shall submit progress reports to the Court at least one day prior to each scheduled Drug Court session. In addition, Contractor shall prepare any reports requested by the collaborating agencies in the Drug Court Program.

Contractor shall respond in writing within five (5) business days to HHSA's request for any program or fiscal information, including but not limited to educational materials, forms, client records, and invoices.

- f. Residential Services: With prior County approval, Contractor may provide or subcontract for residential services for participants who have been referred into the Drug Court Program. Contractor shall comply with the Article titled, "Assignment and Delegation" relative to obtaining prior written approval by HHSA for subcontracting.
- g. Treatment Plans: Contractor shall develop treatment plans based upon the results of each client's substance abuse assessment. Said assessment shall be performed by County prior to referral and documentation provided to Contractor. Client treatment plans are updated with client every ninety (90) days in accordance with Drug Medi-Cal standards.

E. Alcohol and Other Drug Counseling Treatment Services: Clients may be referred to Contractor by County via a Treatment Authorization Form, or may be self-referred, and are funded by either Drug Medi-Cal or Federal Block Grant funds. Contractor shall provide services defined under this category only if funding has been indicated for those services under the Article titled, "Compensation for Services."

1. County shall be responsible for:

- a. Annual site audit.
- b. Monitoring of invoices and services to ensure adherence to funding allocations.
- c. Monitoring of program to ensure adherence to terms and conditions of this Agreement.

2. Contractor shall be responsible for:

- a. Assessments: Initial assessments of clients shall be developed using appropriate assessment and screening tools, as defined in the paragraph below titled, "Support Tasks and Activities."
- b. 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.
- c. 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.

- i. **Basic Services:** Contractor agrees to provide ancillary services; drug testing; intake, outpatient substance abuse treatment; parenting groups and parenting education groups; residential substance abuse treatment; and transitional living services as indicated on HHSA Treatment Authorization for participants in the Drug Court Program. HHSA reserves the right to make the final decision on whether or not a participant shall be referred for the Drug Court Program and the appropriate treatment services to be provided. Program participants shall be referred to Contractor and require HHSA Treatment Authorization Form submitted via fax by the Drug Court Program Coordinator to be the Contractor prior to any services being provided.
- ii. Clients admitted to residential 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. Clients admitted to outpatient treatment may be tested for drug usage, the cost of which shall be billed as a separate item in accordance with the "County Standardized Rate Structure" in the Article titled, "Compensation for Services."
- iii. Intensive Outpatient shall be defined as nine (9) or more hours of service per week for adults, six (6) or more hours of service per week for adolescents, to treat multidimensional instability.
- d. **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, and admission procedures.
- e. **Support Tasks and Activities:**
  - i. **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 Severity Index (S.A.S.S.I.).
  - ii. **Client Admission to Treatment:** Contractor may receive requests for service directly from clients (self-referral) or by Pre-Authorization Form submitted by HHSA Alcohol and Drug Program (ADP) staff member assigned to function as Program Coordinator. When a request for service is made by an eligible client, Contractor shall ensure that services are initiated with reasonable promptness. Waiting lists of more than thirty (30) days for services subsidized under this Agreement shall be reported in writing to the Contract Administrator no later than the 15<sup>th</sup> day of each month. Contractor shall coordinate with HHSA to ensure placement of County-referred clients in a timely manner.

Contractor agrees to admit on a priority basis, pregnant 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. 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 Veterans Administration Medical Center  
10535 Hospital Way  
Mather, CA 95655  
(916) 366-5366

- iv. 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.

### **ARTICLE III**

**Term:** This Agreement shall cover the period of September 30, 2014 through June 30, 2017, unless terminated earlier pursuant to the provisions contained here in this Agreement under the Articles titled, "Fiscal Considerations," or "Default, Termination, and Cancellation."

### **ARTICLE IV**

#### **Compensation for Services:**

- A. Rates: Contractor shall use the below "County Standardized Rate Structure," which uses the most current California Drug Medi-Cal (DMC) Alcohol and Drug Services Program "Regular DMC" and "Perinatal DMC" rates (collectively DMC rates) as its benchmark, when billing the County for the three categories of treatment services defined under the Article titled "Scope of Services" and as set forth in the below listed chart.

Notwithstanding the foregoing, Federal Block Grants Management Guidelines require Contractor to ensure that Federal Block Grant funds are the "payment of last resort" for Alcohol and Other Drug Treatment Services subsidized under this Agreement. For that reason, Contractor shall comply with the following guidelines with regard to charges for services, including the establishment of a sliding scale fee schedule, attached hereto as Exhibit B and C and incorporated by reference herein, the sole purpose of which is for use in billing clients for Alcohol and Other Drug Counseling Treatment Services.

In addition, Contractor must demonstrate that it cannot collect at the “County Standardized Rate” from an insurance carrier or other benefit program, including but not limited to (1) the Social Security Act, including Title 19 CCR and Title 22 CCR programs, (2) any State compensation program, and (3) any other public assistance program for medical expenses, any grant program, or any other benefit program. Thereafter, Contractor may bill County for Alcohol and Other Drug Counseling Treatment Services using the County Standardized Rate Structure under Paragraph A herein for any amount equal to the difference between the “County Standardized Rate” and the amount received by Contractor from a separate funding source.

Contractor shall be responsible to manage SAPT Discretionary funding to ensure services are provided to eligible clients throughout the entire term of this Agreement. Contractor shall not exceed the amount of funding listed in the Article titled, “Compensation for Services” and under the Section with the heading, “Funding for Service Categories.”

All rates as noted in the County Standardized Rate table herein are inclusive of preparation and documentation time.

SERVICE	COUNTY STANDARDIZED RATE STRUCTURE
<p><b>Client Progress Reports.</b> No later than (30) days after the end of each second service month, Contractor shall provide the Program Coordinator, at no charge to the County, with a brief written progress report outlining the primary issues being addressed with each Client, their progress, and ongoing treatment goals.</p>	<p>No Charge</p>
<p><b>Court Appearances.</b> Upon subpoena by County, Contractor shall attend court sessions. County shall only pay Contractor for court appearances when County subpoenas Contractor. Contractor shall be paid for court appearances at the DMC rate for Regular DMC individual counseling session for time actually spent at the subpoenaed court session. Contractor shall provide documentation of attendance at Court appearances as backup to invoices. Travel time shall not be included in the reimbursement for these services.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Outpatient Drug Free Individual Counseling Unit of Service (UOS) Rate</p>
<p><b>Court Meetings.</b> Upon notification from Court or as Court directs County, and at a rate equivalent to the individual counseling session for the time Contractor appeared in person at Court Meeting and pro-rated for time actually spent at the pertinent court</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Outpatient Drug Free Individual Counseling UOS Rate.</p>

SERVICE	COUNTY STANDARDIZED RATE STRUCTURE
<p>session. If Court's meeting is cancelled by the Court less than 24 hours in advance of scheduled calendar time and is not rescheduled for the same month, Contractor may invoice for the scheduled length of cancelled Court meeting, not to exceed two (2) hours. Contractor shall provide documentation of attendance at Court meetings as backup to invoices. Travel expenses including but not limited to travel time, meals, lodging, and mileage shall not be paid by County.</p>	
<p><b>Court Documents Preparation.</b> Upon written request by County at a rate equivalent to the individual counseling session rate and up to a maximum limit of two (2)-session rates charged per report.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Outpatient Drug Free Individual Counseling UOS Rate</p>
<p><b>Family Therapy Session.</b> 90 minutes per session upon written request by County and wherein one (1) or more therapists or counselors treat no more than twelve (12) family members at the same time. Multiple Units of Service shall be allowed upon prior approval of the Program Coordinator.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Outpatient Drug Free Group Counseling UOS Rate per client</p>
<p><b>Group Counseling Session.</b> 90 minutes per session and per group therapy participant upon written request by County and wherein one (1) or more therapists or counselors treat no less than two (2) and no more than twelve (12) group therapy participants at the same time. Multiple Units of Service shall be allowed upon prior approval of the Program Coordinator.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Outpatient Drug Free Group Counseling UOS Rate</p>
<p><b>Individual Counseling Session.</b> 50-60 minutes per session and per individual upon written request by County. Individual Counseling shall be limited to intake, crisis intervention, collateral treatment services, and discharge planning.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Outpatient Drug Free Individual Counseling UOS Rate</p>
<p><b>Intensive Outpatient Treatment.</b> Nine (9) or more hours of service per week for adults and six (6) or more hours of service per week for adolescents to treat multidimensional instability.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC Intensive Outpatient Treatment UOS Rate</p>

SERVICE	COUNTY STANDARDIZED RATE STRUCTURE
<p><b>Multidisciplinary Team Meeting.</b> Upon written request by County and for time actually spent in the meeting. Contractor shall include support documentation in the form of time study attached to any invoice for Multidisciplinary Team Meeting Participation. The definition of multidisciplinary team meetings as it applies to this Agreement excludes any community-based teams in which County considers Contractor or Contractor's staff or assigns to be regular standing members.</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Regular DMC for Outpatient Drug Free Individual Counseling UOS Rate</p>

RESIDENTIAL SERVICES	RATES
<p><b>Perinatal/Parenting Women's Residential Services</b> (Defined as Perinatal, Postpartum, and Parenting Persons with child(ren) age 0-17)</p>	<p>Current Drug Medi-Cal Reimbursement Rate for Perinatal DMC Perinatal Residential rate per day.</p>
<p><b>Residential.</b></p> <p>Men's Residential Services Parenting Women's Residential Services</p>	<p>\$80.00 per bed day \$80.00 per bed day</p>
<p><b>Transitional Living.</b> Cooperative living arrangements with a requirement to be free from alcohol and other drugs; sometimes referred to as a sober living environment, a sober living home, transitional housing, or alcohol and drug free housing.</p>	<p>\$19.73 per bed day</p>

SUBSTANCE ABUSE TESTS	RATES
<p><b>All tests shall be sent to the lab for confirmation at no additional cost.</b> Test results shall be received from the lab within approximately five (5) days.</p>	
<p><b>Urinalysis (UA).</b> Scheduling and monitoring of random urinalysis collection shall be done on-site. 8 Panel Urine Test includes testing for the presence of alcohol, amphetamines, barbiturates, benzodiazepines, cocaine, opiates, marijuana, and creatinine levels.</p>	<p>\$35.00 per test</p>

SUBSTANCE ABUSE TESTS	RATES
<b>ETG 80 Hour Urine Test.</b> Detects for the presence of alcohol for up to 80 hours after it is consumed.	\$45.00 per test
<b>ETG/UA.</b> Combination package of ETG 80 Hour Urine Test and Instant 5 Panel Urine Test.	\$75.00 per test
<b>Instant UA.</b> Scheduling and monitoring of random urinalysis collection shall be done on-site.	\$35.00 per test
<b>UA/Instant UA Combo.</b> Scheduling and monitoring of random urinalysis collection shall be done on-site.	\$45.00 per test
<b>ETG/Instant UA Combo.</b> Scheduling and monitoring or random urinalysis collection that shall be done on-site.	\$55.00 per test
<b>Instant Oral Saliva Test (Mouth Swab).</b> On-site test checks for the presence of amphetamine, methamphetamine, marijuana, cocaine, opiates, and phencyclidine (PCP).	\$35.00 per test or free if done in conjunction with ETG 80 Hour Urine Test.
<b>Breathalyzer Test.</b>	\$35.00 per test
<b>Special Additional Tests (per add-on).</b>	\$15.00 per test

For the purposes of this Agreement:

- DMC rates are for reimbursement reference purposes only and any descriptive information contained within the DMC rate schedule shall not apply to this Agreement unless otherwise specifically addressed. California-approved DMC rates are located on the California Department of Health Care Services (DHCS) website at the following website address: <http://www.dhcs.ca.gov/>.<sup>1</sup>
  - DMC rates shall be subject to an annual adjustment in order to match the most current State-approved DMC rate schedule. Any adjustments to the DMC rate schedule by the State shall become effective the first day of the month that follows California's announcement that its governor has signed the Budget Bill for that particular Fiscal Year, thereby enacting the State's Budget Act.<sup>2</sup>
- B. Funding Types: Contractor shall maintain familiarity with Federal and State laws, rules, and regulations in accordance with services provided under this Agreement so that it can correctly charge services described in the Scope of Services to funding types that allow payment for those services:

<sup>1</sup> The California Dept. of Health Care Services (<http://www.dhcs.ca.gov>) lists the current Drug Medi-Cal rates. Click on "Forms, Laws, & Publications" and type "Proposed Drug Medi-Cal Rates" in the "Search" bar.

<sup>2</sup> The most current information on the status of the enactment of the California budget act may usually be found at the following website: <http://www.ebudget.ca.gov>

1. AB 109 Treatment Services: Funding for services provided herein is provided by the 2011 El Dorado Public Safety Realignment Implementation Plan, and is subject to all laws and regulations promulgated under California Assembly Bill (AB) 109, AB 116, AB 117, ABXI 16 and ABXI 17, Statutes of 2011. Contractor shall only use AB 109 funds, and shall not use any other funding sources, to provide services to AB 109 eligible clients. Services may only be provided if County refers client to Contractor via a Treatment Authorization form.
2. Drug Court Treatment Services: These services are funded with Local Realignment Revenue and shall only be provided if County refers client to Contractor via a Treatment Authorization form.
3. Alcohol and Other Drug Counseling and Treatment Services (AOD Counseling Services): These services are provided to clients who may be referred to Contractor by County, or may be a self-referral. There are two funding components to AOD Counseling Services: 1) Drug Medi-Cal and 2) Federal Block Grant Funds.
  - a. 2012 Realignment Drug Medi-Cal (DMC): Drug Medi-Cal is a treatment program as defined in Title 22, California Code of Regulations (CCR). Contractor shall bill County in accordance with Title 22 CCR service definitions and utilizing the “County Standardized Rate Structure” in Paragraph A of the Article titled “Compensation for Services.” Effective July 1, 2011 Local Realignment Revenues are used to fund DMC services to Drug Medi-Cal clients, including Minor Consent Services.
    - i. Federal Financial Participation (FFP) or Federal match on DMC: This funding is the Federal share of the Drug Medi-Cal (Medicaid) Program. The match, which varies by year, is usually at or near fifty percent (50%).
  - b. Services under the Alcohol and Other Drug Counseling and Treatment Services category that are **not** funded by Drug Medi-Cal shall be funded by the Federal Block Grant – Substance Abuse Prevention and Treatment (SAPT): These are Federal funds which are to be used for specific services as follows:
    - 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 Perinatal Set Aside: These funds are for substance abuse services designated for pregnant/postpartum women.
    - iii. SAPT Federal Block Grant Adolescent and Youth Treatment Programs: These funds are for substance abuse services to youth age 12 through 17 years (inclusive), as described in ADP’s Youth Treatment Guidelines (2002).

Client Fees: Contractor may charge a fee to clients for whom services are provided pursuant to this Agreement, assessing ability to pay based on individual expenses in relation to income, assets, estates, and responsible relatives. 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 inability to pay. Determination of fees shall be established in accordance with a fee scale developed by Contractor, approved by the Contract Administrator, and attached hereto as Exhibit A.

Client Financial Assessment: Contractor shall certify all clients whose alcohol and drug treatment services are subsidized under this Agreement 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, which is developed by Contractor and approved by Contract Administrator. This completed document shall be maintained by the Contractor in the client’s file.

C. Funding for Service Categories: All funding service categories for treatment services defined under the Article titled, “Scope of Services” billed to County shall be submitted on separate invoices. Each invoice will clearly identify the Funding Category for the service provided. Failure to identify the Funding for Service Category on a separate invoice shall result in a delay in processing payment.

Unspent funding may be carried forward from fiscal year to fiscal year for the term of this Agreement unless otherwise re-allocated by County in accordance with the Article titled “Changes to Agreement.”

<b>Funding Type</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>Total</b>
AB 109 Treatment Services	\$165,000	\$165,000	\$165,000	\$495,000
Behavioral Health Realignment	\$0	\$40,000	\$40,000	\$80,000
Federal Block Grant (“FBG”) – Substance Abuse Prevention and Treatment (“SAPT”) Discretionary	\$62,000	\$60,000	\$60,000	\$182,000
FBG – SAPT Perinatal Set Aside	\$0	\$48,000	\$48,000	\$96,000
FBG – SAPT Adolescent and Youth Treatment	\$0	\$0	\$0	\$0
Drug Medi-Cal including Federal Financial Participation (“FFP”)	\$508,000	\$510,000	\$510,000	\$1,528,000
Drug Court Programs	\$40,000	\$40,000	\$40,000	\$120,000
<b>Total</b>	<b>\$775,000</b>	<b>\$863,000</b>	<b>\$863,000</b>	<b>\$2,501,000</b>

D. Invoices: Contractor shall submit an original invoice referencing this Agreement #086-S1511 that shall contain all of the following data:

1. All services provided shall be billed at no more than the units of measure defined in the “County Standardized Rate Structure” under the Article titled “Compensation for Services” Paragraph A above.
2. All invoices to County shall be supported at Contractor’s facility by source documentation that substantiates the accuracy, appropriateness, and necessity of services billed. Such documentation may include, but is not limited to: Ledgers, books, vouchers, journals, time sheets, payrolls, signed attendance rosters, appointment schedules, client data cards, client payment records, client charges documenting services rendered, client treatment plans, cost allocation schedules, invoices, bank statements, cancelled checks, receipts, and receiving records. County may require Contractor to submit backup documentation that supports monthly invoices along with any or all

invoices. Failure of Contractor to supply requested documentation in support of any invoice may result in denial of payment by County. County shall determine the format and content of monthly invoices and backup documentation, and may modify the format and/or content at any time by giving thirty (30) days advance notice to Contractor.

3. All Contractor costs must be allowable pursuant to applicable Federal and State laws, regulations, policies and procedures, as set forth herein.

County shall not pay for any invoices that have not been approved in writing by the Contract Administrator or designee, incomplete services, “no show” cancellations, telephone calls or for the preparation of progress reports. Contractor shall ensure that only billing information is included on the invoice. Information related to Client(s) diagnosis, prognosis or treatment is not permitted on the invoice. Invoices with “white-out” types of corrections shall not be accepted.

Contractor is strongly advised to submit monthly invoices along with written authorizations, as applicable, to perform invoiced services, to HHSa no later than fifteen (15) days following the end of a “service month.” For billing purposes, a “service month” shall be defined as a calendar month during which Contractor provides Client services in accordance with the Article titled “Scope of Services.” Failure to submit invoices by the 15<sup>th</sup> of the month following the end of a service month, failure to attach signed written authorization(s) as applicable to perform the invoiced service(s) or failure to submit all reports required hereunder shall result in a significant delay in reimbursement. Receipt by HHSa of invoices and associated paperwork submitted by Contractor for payment shall not be deemed evidence of allowable costs under this Agreement. Upon request by County, Contractor may be required to submit additional or new information, which may delay reimbursement.

Invoice / remittance to be sent as follows:

Invoices	Remittance
County of El Dorado Health and Human Services Agency 3057 Briw Road, Suite B Placerville, CA 95667 Attn: Fiscal Unit	Progress House, Inc. 2844 Coloma Street Placerville, CA 95667 Attn: Accounts Receivable

**Supplemental Invoices:** For the purpose of this Agreement, supplemental invoices shall be defined as invoices submitted for additional services rendered during a month for which a prior invoice has already been submitted to County. Supplemental invoices should include the standard invoice format with description of services rendered and a detailed explanation why the invoice was not submitted in the approved timeframe.

- a. For the period **July 1<sup>st</sup> through April 30<sup>th</sup>** of this Agreement: Supplemental invoices for additional services as defined in the Article titled “Scope of Services” received after May 10<sup>th</sup>, shall be neither accepted nor paid by the County.
- b. For the period **May 1<sup>st</sup> through June 30<sup>th</sup>** of this Agreement: Any supplemental invoices for additional services as defined in the Article titled “Scope of Services” received after July 10<sup>th</sup> shall be neither accepted nor paid by the County.

E. Payment: County shall pay Contractor monthly in arrears. Monthly payments are standardized payments only, and subject to final settlement in accordance with the Article titled “Cost Report” in this Agreement for Services.

1. 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:
2. Drug Medi-Cal services shall be billed to County by unit of service at an amount not exceeding the rates specified in the Article titled "Compensation for Services," Paragraph A, "County Standardized Rate Structure." The total payments shall not exceed HHSAs Total Maximum Obligation, by funding type, as set forth herein.
  - a. All Contractor costs must be allowable pursuant to applicable State and Federal laws, regulations, policies and procedures, as set forth herein.
  - b. Costs shall be reconciled annually in the cost report, as detailed in the Article titled "Cost Report" of this Agreement. The cost report settlement is the process that determines whether standardized rates were an accurate representation of actual costs.
  - c. Settlement based on Cost Report findings shall pertain to Drug Medi-Cal only.
3. 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 the Article titled "Continuous Operation" of this Agreement.

#### ARTICLE V

**Maximum Obligation:** The maximum contractual obligation under this Agreement shall not exceed \$2,445,000.00 for all of the stated services during the term of the Agreement.

#### ARTICLE XI

**Sub-recipient Terms and Conditions:** Contractor agrees to comply with all applicable provisions of the State of California Standard Agreement between County and the California Department of Health Care Services for "Net Negotiated Agreement" and "Substance Use Disorder Agreement" available at [www.edc.gov.us](http://www.edc.gov.us), Health and Human Services Agency Contractor Resources, "Negotiated Net Amount"<sup>3</sup> Agreement and "Substance Use Disorder"<sup>4</sup> Agreement. Noncompliance with the aforementioned terms and conditions may result in termination of this Agreement by giving written notice as detailed in the Article titled, "Default, Termination, and Cancellation."

By signing this Agreement, Contractor acknowledges that, as a sub recipient of Federal and State funding, Contractor is obligated to adhere to all terms and conditions defined in the Agreements between County and California Department of Health Care Services, including the "Negotiated Net Amount Agreement" and "Substance Use Disorder Agreement" in effect at the time services are provided, available at [www.edc.gov.us](http://www.edc.gov.us), Health and Human Services Agency Contractor Resources, including but not limited to:

- A. 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

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<sup>3</sup><http://www.edc.gov.us/HHSAForContractors/>

<sup>4</sup><http://www.edc.gov.us/HHSAForContractors/>

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.

- B. Annual Audit: Pursuant to the Single Audit Act and the Office of Management and Budget (OMB) Circular A-133, any entity that receives a total of \$500,000 or more per year in federal funds for the purposes of carrying out federal programs must complete an annual audit. The funding threshold is aggregate funds from all sources. Contractor shall mail a certified copy of said completed annual audit to County HHSa at the address listed in Agreement's "Notice to Parties" article within thirty (30) days of Contractor's receipt of same. All adverse audit findings must be documented and included with completed annual audit. Certified evidence of correction(s) of adverse audit findings shall be provided to County at the HHSa address listed in agreement's "Notice to Parties" article. A complete and current copy of OMB A-133 is available at <http://www.whitehouse.gov/omb/rewrite/circulars/a133/a133.html>
- C. 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).
- D. Compliance with All Federal, State and Local Laws and Regulations: 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:
1. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 UC Sections 6101 - 6107), which prohibits discrimination based on age.
  2. Age Discrimination in Employment Act (29 CFR Part 1625).
  3. Americans with Disabilities Act (ADA) of 1990 (42USC12101 et. seq.)
  4. California Code of Regulations, Title 22.
  5. California Code of Regulations, Title 9, Division 4.
  6. California Government Code Sections 11135-11139.5, and all regulations, requirements, and directives pertinent to its operations.
  7. California Health and Safety Code, Divisions 10.5 and 10.6, and Section 11758.12(d).
  8. California Labor Code Section 6404.5
  9. California State Department of Alcohol and Drug Programs Certification Standards (July 1999).
  10. California State Department of Alcohol and Drug Programs Perinatal Services Network Guidelines (2014).
  11. Clean Air Act and amendments, the Clean Water Act and amendments, and the Federal Water Pollution Control Act.
  12. Code of Federal Regulations (CFR), Title 21, Title 41, Title 42 and Title 45.

13. Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination based on alcohol abuse or alcoholism.
14. Contract Work Hours and Safety Standards Act.
15. Copeland "Anti-Kickback" Act.
16. Davis-Bacon Act.
17. Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination based on drug abuse.
18. Drug-Free Work Place Act of 1990 (Government Code Section 8350 et seq.).
19. Drug-Free Work Place Act of 1990 (Government Code Section 8355 et seq.)
20. 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.
21. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
22. 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.)
23. OMB Circular A-133.
24. Public Law 103-227, also known as the Pro-Children Act of 2001.
25. Public Law 106-310, which addresses nondiscrimination and institutional safeguards for religious providers, and which is implemented through Title 42, CFR, Part 54.
26. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), which prohibits discrimination based on handicap.
27. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
28. Title 31.
29. Title 9, Division 4, Chapter 6 of the CCR, commencing with Section 10800.
30. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.
31. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.
32. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
33. Title VI of the Civil Rights Act of 1964, as amended, prohibiting discrimination based on race, color, or national origin in federally funded programs.
34. 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.
35. Trafficking Victims Protection Act of 2000.
36. 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.
37. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for County to withhold payments under this Agreement or terminate all, or any type of funding provided hereunder.

38. This Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Federal or State governments.

- E. Licenses: Contractor, its officers, agents, employees, and subcontractors shall maintain all necessary licenses, permits, approvals, certificates, waivers, and exemptions throughout the term of this Agreement, 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 Contract 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.
- F. Mandated Reporter: California law requires that certain persons are mandated to report suspected child abuse, suspected dependent adult abuse, and suspected domestic violence. Contractor acknowledges and agrees to comply with the following State-required mandated reporter regulations as they apply to the services being rendered by Contractor:
1. California Penal Code § 11160-11163, which covers suspected domestic violence.
  2. California Penal Code Article 2.5 (commencing with § 11164) of Chapter 2 of Title 1 of Part 4, also known as the Child Abuse and Neglect Reporting Act.
  3. Welfare and Institutions Code § 15630, which covers suspected dependent adult abuse.

Failure to comply with these reporting requirements may lead to a fine of up to \$1,000 and/or up to six months in jail. A person who makes a report in accordance with these mandates shall not incur civil or criminal liability as a result of any report required or authorized by the above regulations.

- G. 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 § 11999. By signing this Agreement, Contractor agrees that it shall enforce these requirements.

#### **ARTICLE XIV**

**Confidentiality**: By signing this Agreement, Contractor acknowledges that, as a sub-recipient of Federal and State funding, Contractor is obligated to adhere to all terms and conditions defined in the Agreements between the County and California Department of Health Care Services.

Further, 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 shall provide HHSA 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:

- A. Civil Code §§ 1798.80 through 1798.82 - Customer Records (breach of security).
- B. Civil Code § 1798.85 - Confidentiality of Social Security Numbers.
- C. Civil Code §§ 56 through 56.37 - Confidentiality of Medical Information Act.

- D. HSC §§ 11812 and 11845.5.
- E. HSC §§123110 through 123149.5 - Patient Access to Health Records.
- F. Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules.
- G. Title 22, California Code of Regulations (hereinafter referred to as Title 22), Section 51009, which is specific to Medi-Cal.
- H. Title 42, CFR Part 2.
- I. Title 45, CFR Parts 160, 162, and 164 - the Health Insurance.

HIPAA Compliance: All data, together with any knowledge otherwise acquired by Contractor during the performance of services provided pursuant to this Agreement, shall be treated by Contractor and Contractor's staff as confidential information. Contractor shall not allow access to, disclose, or use, directly or indirectly, at any time any such confidential information. If Contractor receives any individually identifiable health information (Protected Health Information or PHI and Electronic Protected Health Information or EPHI), Contractor shall maintain the security and confidentiality of such PHI or EPHI as required by applicable laws and regulations, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations promulgated thereunder.

### **ARTICLE XXXVIII**

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

- A. **Default:** Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default with 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.
- B. **Bankruptcy:** This Agreement, at the option of County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. **Ceasing Performance:** County may terminate this Agreement in the event the other party ceases to operate as a business or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. **Termination or Cancellation without Cause:** County may terminate this Agreement in whole or in part upon seven (7) calendar days upon written notice by County without cause to the other party for any reason. If such prior termination is effected, County shall 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 XXXIX**

**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. Notice to County shall be in duplicate and addressed as follows:

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

Or to such other location as County directs with a copy to

COUNTY OF EL DORADO  
CHIEF ADMINISTRATIVE OFFICE  
PROCUREMENT AND CONTRACTS DIVISION  
360 FAIR LANE  
PLACERVILLE, CA 95667  
ATTN: PURCHASING AGENT

Notices to Contractor shall be addressed as follows:

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

Or to such other location as Contractor directs.

#### **ARTICLE XL**

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

In the event of a change in address for any County office or location referred to or impacted by this Agreement, County shall notify Contractor in writing pursuant to the provisions contained herein this Agreement under the Article titled "Notice to Parties." Said Notice shall become a part of this Agreement and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

**Article LVI – Confidentiality and Information Security Provisions is hereby added as follows:**

**ARTICLE LVI**

**Confidentiality and Information Security Provisions:** Contractor shall comply with applicable laws and regulations, including but not limited to CFR 45, parts 160-164, regarding the confidentiality and security of Personally Identifiable Information (PII).

Personally identifiable information means any information that identifies, relates to, describes, or is capable of being associated with, a particular individual, including but not limited to, his or her name, signature, social security number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, or any other financial information.

**A. Permitted Uses and Disclosures of PII by Contractor**

1. Permitted Uses and Disclosures: Contractor shall develop and maintain an information privacy and security program that includes the implementation of administrative, technical, and physical safeguards appropriate to the size and complexity of Contractor's operations and the nature and scope of its activities. The information privacy and security programs must reasonably and appropriately protect the confidentiality, integrity, and availability of the PII that it creates, receives, maintains, or transmits; and prevent the use or disclosure of PII other than as provided for in this Agreement. Except as otherwise provided in this Agreement, Contractor may use or disclose PII to perform functions, activities or services identified in this Agreement provided that such use or disclosure would not violate Federal or State laws or regulations.
2. Specific Uses and Disclosures provisions: Except as otherwise indicated in the agreement, Contractor shall:
  - a) Use and disclose PII for the proper management and administration of Contractor or to carry out the legal responsibilities of Contractor, provided that such use and disclosures are permitted by law; and
  - b) Take all reasonable steps to destroy, or arrange for the destruction of a customer's records within its custody or control containing personal information, which is no longer to be retained by Contractor by (1) shredding, (2) erasing, or (3) otherwise modifying the personal information in those records to make it unreadable or indecipherable through any means.

**B. Responsibilities of Contractor**

1. Contractor agrees to safeguards:

- a) To prevent use or disclosure of PII other than as provided for by this Agreement. Contractor shall provide County with information concerning such safeguards as County may reasonably request from time to time; and
  - b) Contractor shall restrict logical and physical access to confidential, personal (e.g., PII) or sensitive data to authorized users only; and
  - c) Contractor shall implement a system to identify appropriate authenticated and authorized persons. If passwords are used in user authentication (e.g., username/password combination), Contractor shall implement strong password controls on all compatible computing systems that are consistent with the National Institute of Standards and Technology (NIST) Special Publication 800-86 and SANS Institute Password Protection Policy.
2. Contractor shall implement the following security controls on each server, workstation, or portable (e.g. laptop computer) computing device that processes or stores confidential, personal, or sensitive data:
    - a) Network based firewall and/or personal firewall; and
    - b) Continuously updated anti-virus software; and
    - c) Patch-management process including installation of all operating system/software vendor security patches.
  3. Mitigation of Harmful Effects: To mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PII by Contractor or its subcontractors in violation of the requirements of this Agreement.
  4. Agents and Subcontractors of Contractor: To ensure that any agent, including a subcontractor to which Contractor provides PII received from County, or created or received by Contractor, for the purposes of this Agreement shall comply with the same restrictions and conditions that apply through this Agreement to Contractor with respect to such information.
  5. Notification of Electronic Breach or Improper Disclosure: During the term of this Agreement, Contractor shall notify County immediately upon discovery of any breach of PII and/or data, where the information and/or data are reasonably believed to have been acquired by an unauthorized person. Immediate notification shall be made to County Privacy Officer, within twenty-four (24) hours of discovery, at (530) 621-5852. Contractor shall take prompt corrective action to cure any deficiencies and any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations. Contractor shall investigate such breach and provide a written report of the investigation to the County Privacy Officer, postmarked within ten (10) working days of the discovery of the breach.

**Former Article LVI is hereby renumbered as Article LVII and shall read as follows:**

**ARTICLE LVII**

**Entire Agreement:** This Agreement for Services #086-S1511 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.

Except as herein amended, all other parts and sections of that Agreement #086-S1511 shall remain unchanged and in full force and effect.

**Requesting Contract Administrator Concurrence:**

By: Shirley White  
Shirley White  
Program Manager I  
Health and Human Services Agency

Dated: 5/5/15

**Requesting Department Head Concurrence:**

By: Don Ashton  
Don Ashton, M.P.A.  
Director  
Health and Human Services Agency

Dated: 5/5/2015

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IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to that Agreement for Services #086-S1511 on the dates indicated below.

-- COUNTY OF EL DORADO --

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

By: \_\_\_\_\_

Brian Veerkamp, Chair  
Board of Supervisors  
"County"

ATTEST:

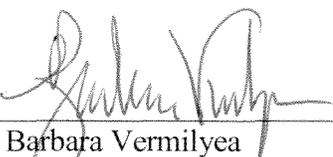
James S. Mitrison,  
Clerk of the Board of Supervisors

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

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

-- CONTRACTOR --

PROGRESS HOUSE, INC.  
A CALIFORNIA CORPORATION

By:  \_\_\_\_\_  
Barbara Vermilyea  
Executive Director  
"Contractor"

Dated: 5/11/15 \_\_\_\_\_