

ORIGINAL

AGREEMENT FOR SERVICES #915-S0811 AMENDMENT I

THIS AMENDMENT I to that Agreement for Services #915-S0811, 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 The Delora Corporation, a California Corporation dba Foster Family Services, duly qualified to conduct business in the State of California, whose principal place of business is 2514 Cameo Road, Suite B, Cameron Park, CA 95682; (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, Contractor has been engaged by County to provide "as requested" protection in the form of emergency shelter care and/or foster care placement for children (hereinafter referred to as "Client") referred by El Dorado County Department of Human Services, whom in takes or accepts into its charge to ensure their safety and well-being pursuant to the provisions of the California Welfare and Institutions Code (WIC) Sections 305 and 16500 et seq., in accordance with Agreement for Services #915-S0811, dated May 30, 2008, incorporated herein and made by reference a part hereof; and

WHEREAS, the parties hereto have mutually agreed to amend **ARTICLE III – Compensation for Services**, **ARTICLE V – Confidentiality** and **ARTICLE XVIII – Notice to Parties**; and

WHEREAS, the parties hereto have mutually agreed to add **ARTICLE XXXI – HIPAA Compliance**.

NOW, THEREFORE, the parties do hereby agree that Agreement for Services #915-S0811 shall be amended a first time as follows:

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ARTICLE III

Compensation for Services: For each Client placed with Contractor, County shall pay Contractor with AFDC-FC funds at the current applicable monthly Group Home rate established by the California Department of Social Services (CDSS) Foster Care Funding and Rates Bureau (FCFRB). If Contractor is vendored by a Regional Center, County shall pay at their current applicable rate as established and authorized by the California Department of Developmental Services (CDDS).

County and Contractor agree that payments referenced in this Agreement shall be based upon the current applicable monthly rates as established by California's Department of Social Services Foster Care Funding and Rates Bureau or, when appropriate, as established by the California Department of Developmental Services for Regional Center vendored facilities and transmitted to CDSS. County shall compensate Contractor for the services authorized by County for each Client, as set forth in this Agreement and at Contractor's current California approved Licensing Rate Classification Level ("RCL"), which varies based on the licensing classification of Contractor and the age of the Client at the time services are rendered. These rates are published by CDSS and transmitted to County and Contractor via a CDSS All County Letter (ACL) whenever there is a change in the rates. For services provided hereunder, County shall calculate payment for services rendered and issue payments at a rate based on the length, classification and level of services authorized and provided. County agrees to pay Contractor monthly in arrears for services authorized by County and rendered by Contractor. For Foster Care Placement services, County shall transmit said payment in the form of a check within fifteen (15) days following the end of the month in which services were provided. For Emergency Shelter Care services, County shall transmit said payment in the form of a check within thirty (30) days following the end of the month or following the last date said services were provided. County shall transmit payment in the form of a check for any unique, specialized purchases which require prior written authorization from County within forty-five (45) days of receipt of a detailed invoice accompanied by a copy of the purchase receipt and the written authorization from County.

The categories of rates that are established by CDSS or CDDS and that may, based on Contractor's agency classification and/or RCL, be applicable for reimbursement under this Agreement are:

Foster Family Homes (FFH): Foster Family Homes, as defined in California's Department of Social Services Community Care Licensing (CCL) regulations, provide 24-hour care and supervision in a licensee's family residence for no more than six (6) children. Care is provided to children who are mentally disabled, developmentally disabled or physically handicapped, children who have been removed from their home because of neglect or abuse and children who require special health care needs and supervision because of such disabilities.

Kinship Guardianship Assistance Payments Program (Kin-GAP): The Kinship Guardianship Assistance Payment Program was established by California Senate Bill 1901 (Chapter 1055, Statutes of 1998) to provide services to children exiting the juvenile court dependency system on or after January 1, 2000 to live with a relative legal guardian. WIC Section 11364 et seq. establishes that Kin-GAP Program rates are to be paid on behalf of eligible children at an amount equal to one hundred percent (100%) of the basic rate paid to a licensed or approved FFH.

Foster Family Agency (FFA) Treatment and Nontreatment Program Rates: There are two types of FFA programs: "treatment foster care or therapeutic foster care," and "nontreatment foster care." The California Department of Social Services (CDSS) has statutory responsibility for developing, implementing, and maintaining a rate setting system for FFAs receiving AFDC-FC funds. The FFA treatment rates are established by using the basic rate for the FFH plus a set increment for the special needs of the child, a maximum amount for social work activities and a percentage for administration, recruitment and training. The FFA nontreatment rates are established by using only the basic rate of the FFH and a specialized care rate when appropriate.

Intensive Treatment Foster Care Programs: WIC Section 18358 et seq. sets the requirements for implementing the Intensive Treatment Foster Care Program (ITFC). Rates for Foster Family Agency programs participating under this Section shall be exempt from the current AFDC-FC Foster Family Agency rate-setting system. Rates for Foster Family Agency programs participating under this Section shall be set according to the appropriate service and rate level based on the level of services provided to the eligible child and the certified foster family. For an eligible child placed from a Group Home program, the service and rate level shall not exceed the rate paid for Group Home placement. For an eligible child assessed by the County interagency review team as at imminent risk of Group Home placement or psychiatric hospitalization, the appropriate service and rate level for the child shall be determined by the interagency review team at time of placement.

Special Care Increments: WIC Section 11461(e)(1) defines "specialized care increment" as an AFDC-FC approved amount paid with State participation on behalf of an AFDC-FC Client requiring specialized care to licensed or approved family home with a capacity of six (6) or less or in an approved home of a relative or non-related legal guardian in addition to the basic rate.

Adoption Assistance Program: WIC Sections 16115, 16118, 16119 and 16120 et seq. establishes the criteria necessary for determining a child's Adoption Assistance Program eligibility status and for the provision of financial aid. It directs County to directly reimburse eligible individuals for reasonable nonrecurring expenses as defined by CDSS that are incurred as a result of the adoption of a Client eligible for the Adoption Assistance Program and instructs County to seek reimbursement for said costs from State.

Clothing Allowance: WIC Sections 11460 and 11461 et seq. and the California 2001-02 Budget Act defines annual and initial clothing allowances as the amount paid by each County with State participation in addition to the AFDC-FC basic rate for the provision of clothing for an AFDC-FC child. This includes disposable diapers for infants and for children who use disposable diapers as undergarments. The State supplemental clothing allowance does not supplant the regular County clothing allowance.

Group Home (GH): Group Home, as defined in CCL regulations, refers to a residential facility of any capacity that provides 24-hour non-medical care and supervision to children in a structured environment with the services provided at least in part by staff employed by the licensee. It does not include health facilities and clinics, county-operated juvenile halls, homeless shelters, or residential schools whose only function is education. Although a Group Home may be licensed to care for fewer than six (6) children, the vast majority of Group Homes are licensed for six or more children.

Annual and Initial Clothing Allowance: WIC Section 11461 et seq. defines Annual and Initial Clothing Allowances as the amount paid by each County with State participation in addition to the AFDC-FC basic rate for the provision of clothing for an AFDC-FC child, including, but not limited to, an initial supply of clothing and school or other uniforms.

Infant Supplement: California Senate Bill 510 (Chapter 1066, Statutes of 1988) implements the Omnibus Budget Reconciliation Act (OBRA) of 1987 which amended sections of the Social Security Act which requires the aid payment for a minor parent who receives AFDC-FC to also include an amount for the care of the minor parent's child living with the parent in placement. CDSS Operations Manual, Division 11, Section 11-415.1 addresses the administrative standards for eligibility and assistance programs regulations for AFDC-FC program rates and states, "The infant supplement paid shall be a uniform amount to cover the cost of care and supervision of a child in addition to the rate that would otherwise be paid for the minor parent's placement." Authorities cited are Sections 10553 and 10554, California Welfare and Institutions Code. Reference: Sections 11465 and 11468, California Welfare and Institutions Code. Children who are in receipt of Kin-GAP benefits are also entitled to receive the infant supplement.

Contractor and its substitute care providers shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. All substitute care providers shall be appropriately licensed and certified as required by the State. Assumption or takeover of any of Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with County's express prior written approval.

Contractor and its substitute care providers shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor subsequent to termination of this Agreement. Contractor shall not charge any Client or their family or guardian, or receive any fee or payment from any Client or their family or guardian, for services rendered pursuant to this Agreement. Contractor shall not charge or receive fees or payments from any Client or their family or guardian for children referred to Contractor pursuant to this Agreement who are not actually placed. Should Contractor receive any such payment, Contractor shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the termination of this Agreement. Notwithstanding the foregoing, if County does not remove Client from Contractor's Group Home facility following termination of this Agreement, County shall continue to pay based upon the Group Home's RCL rate. If County does not remove Client from Contractor's Certified Family Home following termination of this Agreement, County shall continue to pay for Client's residence based upon the current applicable monthly home rate(s) established by the California Department of Social Services, Foster Care Funding and Rates Bureau.

Contractor shall maintain a Foster Care Funding and Rates Bureau (FCFRB) home rate(s) or, for a Contractor vendored by a Regional Center, authorization for payment of the Regional Center

rate with AFDC-FC funds throughout the term of the Agreement.

Expenditures made by Contractor in the provision of services under this Agreement shall be in compliance and in conformity with the United States Office of Management and Budget (OMB) Circular, A-122. Contractor is responsible for obtaining the most recent version of this Circular which is available online via the Internet at <http://www.whitehouse.gov/omb/circulars/index.html>

Charges for placements lasting less than a full month shall be prorated. Payment shall commence the day Client is placed with Contractor and terminate the day before Client is removed. When Contractor agrees to hold a bed open for Client, Contractor shall document County's agreement to pay for the open bed in Client's record and shall request a written faxed confirmation from County. County shall not pay for an open bed for a period in excess of seven (7) days.

Should Contractor, after having Client admitted to a psychiatric facility, unilaterally decide not to take Client back, all payments made to Contractor to keep the space available for that Client shall be returned immediately to County by Contractor, unless otherwise agreed to by County and Contractor in writing.

Emergency Shelter Care Rates: The term "emergency shelter care" refers to placements made with little or no advance notice pending court-ordered placement of Client. Emergency shelter care rates shall be pro-rated based on the current applicable monthly home rate(s) established by the California Department of Social Services, Foster Care Funding and Rates Bureau.

Reimbursement for Unique, Specialized Purchases: Purchases necessary to meet unique, specialized requirements that are specific to an individual Client and are critical to their safety and/or well-being shall be reviewed and authorized on a case-by-case basis by the County. All such unique, specialized purchases must be specifically pre-approved in writing by El Dorado County's Department of Human Services Director, Assistant Director, Chief Financial Officer or Child Protective Services Program Manager. Under no circumstances shall County reimburse Contractor, or their duly licensed certified substitute care provider, for any provisions, supplies or other items that have not been pre-approved in writing. Contractor shall submit, within thirty (30 days) following the month in which purchase was made, a detailed invoice accompanied by a copy of the purchase receipt(s) and the written authorization from County.

Any correspondence or inquiries relative to payments under this Agreement shall be in writing and shall be addressed to:

<p><i>West Slope and All Other Non-East Slope Contractors</i></p> <p>El Dorado County Department of Human Services Attn: Accounting Unit 3057 Briw Road Placerville, CA 95667</p>

The maximum compensation payable under this Agreement shall not exceed \$1,400,000 during any fiscal year, which shall be defined as the period commencing July 1 of each calendar year and

ending June 30 of the following calendar year.

ARTICLE V

Confidentiality and Information Security Provisions: Contractor shall comply with applicable laws and regulations, including but not limited to The Code of Federal Regulations, Title CFR 45, parts 160-164, regarding the confidentiality and security of personal identifiable information (PII).

Personal identifiable information (PII) 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 undecipherable 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 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 two business days 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 County Privacy Officer, postmarked within thirty (30) working days of the discovery of the breach.

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
HUMAN SERVICES DEPARTMENT
3057 BRIW ROAD
PLACERVILLE, CA 95667
ATTN: DEANN OSBORN, STAFF SERVICES ANALYST

or to such other location as the County directs with a copy to:

COUNTY OF EL DORADO
CHIEF ADMINISTRATIVE OFFICE
PROCUREMENT AND CONTRACTS DIVISION
330 FAIR LANE
PLACERVILLE, CA 95667
ATTN: GAYLE ERBE-HAMLIN, PURCHASING AGENT

Notices to Contractor shall be addressed as follows:

FOSTER FAMILY SERVICE
2514 CAMEO ROAD, SUITE B
CAMERON PARK, CA 95682
ATTN: JOHN JOHNSON, EXECUTIVE DIRECTOR

or to such other location as the Contractor directs with a copy to:

COUNTY OF EL DORADO
CHIEF ADMINISTRATIVE OFFICE
PROCUREMENT AND CONTRACTS DIVISION
330 FAIR LANE
PLACERVILLE, CA 95667
ATTN: GAYLE ERBE-HAMLIN, PURCHASING AGENT

ARTICLE XXXI

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 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"), Contractor shall maintain the security and confidentiality of such PHI as required by applicable laws and regulations, including the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations promulgated thereunder.

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Except as herein amended, all other parts and sections of that Agreement #915-S0811 shall remain unchanged and in full force and effect.

Requesting Contract Administrator Concurrence:

By: DeAnn Osborn Dated: April 14, 2009
DeAnn Osborn
Staff Services Analyst
Department of Human Services

Department Head Concurrence:

By: Jan Walker-Conroy Dated: 4/14/09
Jan Walker-Conroy, Acting Director
Department of Human Services

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IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to that Agreement for Services #915-S0811 on the dates indicated below.

-- COUNTY OF EL DORADO --


Dated: _____

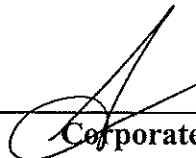
By: _____
Gayle Erbe-Hamlin, Purchasing Agent
Chief Administrative Office
"County"

-- CONTRACTOR --

Dated: 4.22.09

**THE DELORA CORPORATION
A CALIFORNIA CORPORATION dba
FOSTER FAMILY SERVICE**

By: _____

John Johnson
Executive Director
"Contractor"

By: _____

Corporate Secretary

Dated: 4-22/09