

AGREEMENT FOR SERVICES 825-S0811
AMENDMENT II

This Amendment II to that Agreement for Services #825-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 Progress House, Inc., whose principle place of business is 2844 Coloma Street, Placerville, CA 95667 (hereinafter referred to as "Contractor"), and whose Agent for Service of Process is Judy Marie Strauss, 2844 Coloma Street, Placerville, CA 95667.

RECITALS

WHEREAS, Contractor has been engaged by County to provide alcohol and other drug treatment services, in accordance with Agreement for Services 825-S0811, dated July 1, 2008, and Amendment I to Agreement 825-S0811 dated March 10, 2009, incorporated herein and made by reference a part hereof; and

WHEREAS, the Health Services Department been reorganized and is now known as Health Services, a Department of the Health and Human Services Agency; and

WHEREAS, Contractor performed alcohol and other drug treatment services during the term July 1, 2008 through June 30, 2009, in accordance with the terms and conditions of that Agreement 825-S0811 and Amendment I to that Agreement; and

WHEREAS, Contractor represented to County that such services conformed to the terms and conditions of that Agreement, and County accepted such services; and

WHEREAS, upon receipt of the fiscal year (FY) 2008-09 Cost Report findings from the State of California, the County was notified there are monies owed Contractor; and

WHEREAS, the parties hereto have mutually agreed to amend Agreement 825-S0811 to allow payment of duly owed monies per the FY 2008-09 Cost Report findings, thereby amending **Section 3 – Fiscal Provisions**;

NOW THEREFORE, the parties do hereby agree that Agreement for Services #825-S0811 shall be amended a second time as follows:

- 1) All references in the original agreement to the "County Health Services Department" or "HSD" shall be deemed to refer to Health Services, a Department of the Health and Human Services Agency.

- 2) Section 3, Article 3.9 Cost Report shall be amended in its entirety to read as follows:

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3.9.1 Contractor shall submit a Cost Report to County on or before September 15th in the year in which this Agreement is terminated. Contractor shall prepare the Cost Report in accordance with all Federal, State, and County requirements and in accordance with 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.

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.

Final Settlement shall be based upon the actual and reimbursable costs for services hereunder, less applicable revenues. 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 within forty-five (45) days of submission of the Cost Report or County may elect to reduce any amount owed Contractor by an amount not to exceed the reimbursement due County.

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 standardized rate payments to Contractor, Contractor shall remit the difference to County. Such reimbursement shall be made, in cash, with the submission of the Cost Report. If such reimbursement is not made by Contractor within forty-five (45) days after submission of the Cost Report, County may, in addition to any other remedies, reduce any amount owed Contractor by an amount not to exceed the reimbursement due County.

When the State reconciliation of Drug/Medi-Cal costs occurs, if the State settlement shows that the aggregate of monthly payments to Contractor for covered Drug/Medi-Cal services provided under this agreement exceeds the lower of Contractor's allowable cost, the usual and customary charge, or the maximum allowance, in accordance with 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.

When the State reconciliation of Drug/Medi-Cal costs occurs, if the State settlement shows that the aggregate of monthly payments to Contractor for covered Drug/Medi-Cal services provided under this agreement is lower than Contractor's allowable cost, the usual and customary charge, or the maximum allowance, in accordance with Title 22, Section 51516.1, County shall remit to Contractor the amount underpaid. This amount shall be processed to Contractor within sixty (60) days of completion of an appeal in accordance with the Audit Appeal Process described in the FY 08/09 Combined NNA/Drug/Medi-Cal State/County Contract.

Except as herein amended, all other parts and sections of that Agreement 825-S0811 and any Amendments thereto, shall remain unchanged and in full force and effect.

REQUESTING CONTRACT ADMINISTRATOR CONCURRENCE:

By:  Dated: 8/29/12
Shirley White, Alcohol and Drug Programs Manager
Health and Human Services Agency

REQUESTING DEPARTMENT HEAD CONCURRENCE:

By:  Dated: 9-4-2012
Daniel Nielson, M.P.A., Director
Health and Human Services Agency

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IN WITNESS WHEREOF, the parties hereto have executed this second Amendment to that Agreement for Services 825-S0811 on the dates indicated below.

- - COUNTY OF EL DORADO - -

Dated: _____

By: _____
John R. Knight, Chair
Board of Supervisors
"County"



ATTEST:
Terri Daly, Acting Clerk
of the Board of Supervisors

By: _____
Deputy Clerk

Dated: _____

-- CONTRACTOR --

PROGRESS HOUSE, INC.
a California Corporation

By: _____
Judy M. Strauss, Executive Director
"Contractor"

Dated: 9-18-12

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