

AGREEMENT FOR SERVICES

#721-PHD0408

with

PROGRESS HOUSE, INC.

regarding

ALCOHOL/DRUG TREATMENT SERVICES

SUBSTANCE ABUSE AND CRIME PREVENTION ACT OF 2000

and

SUBSTANCE ABUSE TREATMENT AND TESTING ACCOUNTABILITY ACT

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") through its Public Health Department, and Progress House, a California Nonprofit Public Benefit Corporation qualified as a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, whose principal place of business is 2914 "A" Cold Springs Road , Placerville, CA, 95667 (hereinafter referred to as "Contractor");

WITNESSETH

WHEREAS, the El Dorado County Public Health Department is the Lead Agency that holds responsibility for El Dorado County's implementation and ongoing oversight of the Substance Abuse and Crime Prevention Act of 2000 (SACPA), which resulted from California voters' passage of Proposition 36 on November 7, 2000, and which operates as the Proposition 36 Program (the Program); and

WHEREAS, the State Department of Alcohol and Drug Programs, through the Substance Abuse Treatment and Testing Accountability Act (SATTA), provides federal Substance Abuse Prevention and Treatment (SAPT) block grant funds for drug testing clients who participate in the Program; and

WHEREAS, County has determined that it is necessary to obtain a contractor to provide assessment, substance abuse treatment services, and drug testing for clients who qualify to participate in the Program; and

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

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

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

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

ARTICLE I

Scope of Services: Contractor agrees to adhere to all the requirements for public or private subcontractors in the *Department of Alcohol and Drug Programs Text of Permanent Regulations Effective January 17, 2002 and Emergency Amendments Effective July 1, 2002*, attached hereto as **Exhibit A** and made by reference a part hereof.

A. Contractor agrees to provide the following for Program participants:

1. **Assessments:** Initial assessments of clients referred to the Program shall be developed with the use of ASI assessment instruments, or collection of a similar data set, and the ASAM PPC-2 Patient Placement Criteria. The County may elect to perform initial assessments itself, or may refer clients to the Contractor for assessment.

Contractor completed assessments shall be forwarded to the County Referral Team within seven (7) days of the date on the assessment referral form, which is the date the client was referred to the provider for assessment. The County Referral Team shall determine the appropriate level and type of placement for each client, and refer clients to an appropriate provider for treatment.

2. **Treatment Plans:** An initial treatment plan shall be developed for each Program participant assigned to the Contractor within thirty (30) days of the date on the treatment referral form. The original of the completed treatment plan shall be forwarded to the El Dorado County Probation Department, and a copy to the Public Health Proposition 36 Coordinator, within thirty (30) days of the date on the treatment referral form. The treatment plan shall recommend an appropriate set of core services to be provided to the participant, and the appropriate service level, as detailed in Exhibit B. The Contractor must obtain County approval of the initial treatment plan before services may commence.

An updated treatment plan shall be completed by the Contractor, and submitted to the County Referral Team, seven (7) days before the client's successful completion of treatment. This updated treatment plan shall recommend an appropriate set of core services to be provided to the participant, and the appropriate service level, for the client's aftercare phase of treatment. The Contractor must obtain County approval of the updated treatment plan before aftercare services may commence.

3. **Core Services:** The treatment services that Contractor must make available to Program participants are described in Exhibit B, Definition of Services, Core Services.
4. **Service Levels:** The levels of service available to Program participants are detailed in Exhibit B, Definition of Services. Service levels the Contractor shall provide are:

Level I. Low intensity outpatient substance abuse education and treatment.

Level II. High intensity outpatient substance abuse education and treatment.

Level III. Residential substance abuse education and treatment.

Aftercare. Aftercare consists of 12-step meetings as recommended by the treatment provider and may include additional group and/or individual sessions upon request from the treatment provider and subsequent approval by the County Referral Team. All aftercare services must receive prior approval from the County Referral Team and shall not exceed six (6) months in duration.

5. Ancillary Services: These are supplementary services, available from existing community resources, that promote successful rehabilitation of Program participants. Contractor shall determine the need for ancillary services, document this need in the treatment plan, and request and receive approval from the County Referral Team before providing or arranging for participants to receive ancillary services. Ancillary services consist of literacy training, vocational training, family counseling, perinatal services, transitional housing, detoxification and other miscellaneous items that support participants' successful completion of treatment. Exhibit B, describes ancillary services in greater detail. Contractor must have the capability to provide or arrange for any ancillary service referenced in Exhibit B.
6. Substance Abuse Testing: Laboratory testing to determine whether a client is using, or has used, alcohol and/or other drugs. Testing methods may include, but are not limited to, urine, blood, saliva, breath alcohol testing and hair strand tests.

B. General Program requirements:

1. Contractor shall accept County-referred participants, without prejudice, in accordance with the requirements set forth in Exhibit B. Participant access to the assessed service level shall be granted within five (5) working days of Contractor's receipt of referral, for those service levels specified in Article I. A. 4 above. Participant shall be scheduled to attend the first group or educational treatment session for outpatient services within ten (10) business days of initial intake.

Exceptions will be made only in cases when a capacity limitation has been clearly documented by Contractor as existing prior to the referral. In these cases referrals will be redirected to any contracted provider with an available treatment slot at the assessed service level, or to an available treatment slot at a lower service level until such time as a treatment slot is available at the assessed service level.

Clients who are assessed as needing Level III services (residential), and who are placed on a waiting list for a residential treatment slot, must be placed in Level II (outpatient) treatment within 72 hours of the treatment referral date.

Inability of the Contractor to accept County-referred participants at any assessed and contracted service level, at a rate in excess of 40 percent per quarter, may result in contract review, renegotiation and/or cancellation.

2. The County Referral Team (Probation Officers and the Public Health Proposition 36 Coordination Panel) shall review and approve or modify all treatment plans, which are to identify any Contractor recommended ancillary services. All modifications to treatment plans by the Contractor shall be subject to preauthorization by the County Referral Team. Contractor failure to obtain preauthorization of treatment plan modifications shall result in denial of payment for services.
3. Drug treatment services may not exceed twelve (12) months, however, additional aftercare services as a condition of probation may be required for up to six (6) months.
4. Contractor shall have established linkages to ancillary service resources and shall manage funds for ancillary services under its own contract by maximizing already-funded community resources and by establishing formal business relationships with ancillary service providers.
5. Computer software and internet access for data transmission is a contract requirement.
6. The services furnished by the Contractor shall address unique cultural needs of program participants and shall be physically accessible to Program participants.
7. Contractor shall set fees, determine participant's ability to pay, determine participant's eligibility for any other funding for services; e.g., Drug Medi-Cal, CalWORKs, Veteran's Assistance, Social Security, etc., collect fees from participants, and bill the County only for those costs not recovered. Such fees shall be reported in the County's Annual Financial Status Report.
8. Contractor shall provide County a copy of the Contractor's Sliding Fee Scale and a copy of Contractor's Client Financial Assessment Form to include certification of "inability to pay".
9. Contractor shall establish written procedures informing clients of their rights, including the right to file a complaint alleging discrimination, violation of civil rights, or any type of inappropriate or offensive treatment by Contractor staff. Contractor shall provide a copy of its complaint procedures to all clients upon their admission to treatment. These procedures shall describe the specific steps clients are to follow when filing complaints and the action that Contractor will take to resolve client complaints.
10. Contractor shall conduct drug testing of Program participants as specified in Exhibit B. The cost of drug testing is eligible for reimbursement under the Substance Abuse Treatment and Testing Accountability (SATTA) Program, which became effective on October 11, 2001.
11. Contractor shall operate in compliance with the County's Proposition 36 policies and procedures at all times.

C. Reporting Requirements:

1. Contractor is required to report participant progress to the County Referral Team and the El Dorado County Probation Department. A participant progress report must be submitted within twenty-one (21) days of an initial intake. Participant progress reports may be required as frequently as weekly, and shall be submitted at least quarterly.

2. Contractor is required to report to the County Referral Team when participants successfully complete drug treatment.
3. Treatment plans must be delivered to the County Referral Team within thirty (30) days of a participant's initial referral to Contractor.
4. Treatment plan modifications must be reported by the Contractor to the County Referral Team within five (5) work days of the date the Contractor determines that treatment plan modification is appropriate.
5. Noncompliant Program clients must be reported to the El Dorado County Probation Department (who will in turn report to the Courts) within ten (10) days of the date Contractor learns of the noncompliance. Noncompliance includes but is not limited to the following:
 - Serious violation of Program rules.
 - Repeated violation of Program rules, inhibiting functioning in Program.
 - Continued refusal to participate in Program.
 - A new, sustained drug offense.
 - Failure to comply with any conditions of the treatment plan.
6. Contractor must provide data regarding client counts and characteristics and capacity/waiting list per § 9535 (b) (2) (attached hereto as Exhibit A) by January 15th and July 15th respectively, for County's semi-annual report to the State. A form for this purpose will be furnished to the Contractor.
7. Contractor may be asked to supply additional data, as needed, for County to comply with State statistical reporting requirements.

D. Contractor shall also:

1. Assure the highest level of client participation through formalized program structure as evidenced by clinical documentation of (1) client attendance, (2) motivation to succeed in treatment, and (3) goal accomplishments.
2. Provide Drug Medi-Cal reimbursable services whenever possible to serve client needs and to maximize funding available.
3. Operate continuously throughout the term of this Agreement, with at least the minimum number and type of staff needed to provide required services and to meet federal, State, and County requirements.

ARTICLE II

Term: This Agreement is effective July 1, 2008 and shall continue through June 30, 2009, unless earlier terminated pursuant to Article XII herein. Furthermore, Contractor shall be obligated to perform such duties as would normally extend beyond this term including, but not limited to, obligations with respect to confidentiality, indemnification, audits, reporting and accounting.

ARTICLE III

Compensation for Services:

The total maximum obligation amounts provided by this Agreement are set forth below.

SACPA Proposition 36 Treatment Services Obligation:

FY 08/09 Funds	\$37,557.00
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SATTA Drug Testing Funds Obligation:

FFY 07/08 Funds (Must be expended by June 30, 2009)	\$3,812.00
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FFY 08/09 Funds (available October 1, 2008 through June 30, 2009)	<u>\$10,014.00</u>
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Total Provisional Amount of this Agreement:	\$51,383.00
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Total Not to Exceed Amount of this Agreement:	\$85,000.00
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Substance Abuse Testing will be reimbursed at the following fixed rates. The fixed rates payable under this Agreement are as follows:

Urinalysis substance abuse testing	\$30.00
Ethyl glucuronide testing, aka EtG testing	\$40.00
Hair Strand Testing	\$95.00

Any other substance abuse testing method deemed appropriate by the County Referral Team may be reimbursed if prior authorization is obtained from the El Dorado County Alcohol and Drug Programs Division's Proposition 36 Coordinator according to the approved rate specified on the authorization form. ✓

The Total Provisional Amount of this Agreement is the maximum amount to which Contractor is entitled by County without a written formal request by Contractor to County to increase that amount, which must be approved and authorized in writing by the Administrator, up to but not to exceed the Total Not to Exceed Amount of this Agreement. The Total Not to Exceed Amount of this Agreement is the maximum amount the Administrator is authorized by County to make available to Contractor for services provided under this Agreement. The Administrator may increase or decrease the Total Provisional Amount of this Agreement, and may revise the component amounts of the Total Provisional Amount of this Agreement, as detailed in the grant and/or fund obligations above, up to but not to exceed the Total Not to Exceed Amount of this Agreement, by written notice to Contractor. County shall not be obligated to pay Contractor for any amount above the established Total Provisional Amount of this Agreement as shown herein above or as approved and authorized by the Administrator. ✓

State regulatory information on allowable costs and activities is contained in Section 9530 of Exhibit A, attached. ✓

County shall reimburse Contractor within forty-five (45) days of receipt of original invoices that identify the date of service, period being billed, services performed, client who received services, ✓

compensation due for each service, and total compensation due for all services. All services identified in the original invoice must be authorized by a supporting County Authorization form signed by El Dorado County Alcohol and Drug Programs Division's Proposition 36 Coordinator. The aggregate of amounts invoiced in any funding category may not exceed the total maximum obligation in that funding category.

Invoices shall be submitted to County at the Public Health Department, A/D Programs Division, 415 Placerville Drive, Suite R, Placerville, CA 95667.

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 charts documenting services rendered, client treatment plans, cost allocation schedules, invoices, bank statements, cancelled checks, receipts, and receiving records. County may require Contractor to submit back-up 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.

The maximum payment rates for services included in Article I, Scope of Services, is detailed in Exhibit C, Standardized Rate Structure, included herein and made by reference a part hereof. Services that are not included in the Standard Rate Structure are listed above in Article III, Compensation of Services, or as specified on the County Authorization form by El Dorado County Alcohol and Drug Programs Division's Proposition 36 Coordinator.

Contractor shall plan for even expenditure of funds provided by this Agreement throughout the term of the Agreement. That is, one twelfth of the Total Provisional Amount of this Agreement shall be budgeted for service delivery each month. To the maximum extent possible, Contractor shall deliver services each month that are commensurate with one twelfth of the total dollar amount available to pay for those services. To ensure that services are available continuously throughout the term of this Agreement, County reserves the right to defer payment of any amount included on a monthly invoice that exceeds one twelfth of the Total Provisional Amount of this Agreement. Further, in the event Contractor expends the entire Total Provisional Amount of this Agreement before the end of the term of the Agreement, and the County has not previously deferred payment, the County offers no assurance that any additional amounts will be made available.

ARTICLE IV

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto. County shall retain the right to amend this Agreement at any time to reallocate funds to support treatment activities under other agreements, or to reduce funds in response to State SACPA and/or SATTA funding reductions that are imposed upon the County.

ARTICLE V

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

ARTICLE VI

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

ARTICLE VII

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

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

ARTICLE VIII

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

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

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the

County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

In the event the State or federal government reduces, delays, or eliminates funding needed to carry out activities under this Agreement, in the sole discretion of the County this Agreement may be modified or cancelled in its entirety. Notice of intent to modify or cancel the Agreement pursuant to this paragraph shall be in writing and shall be delivered to Contractor as stated in Article XIII. Such notice shall be sent to Contractor not later than three work days from the County's receipt of notification of the funding reduction, delay, or termination. Contract modification or cancellation pursuant to this paragraph shall become effective on the date the reduction, delay, or elimination of funds is imposed upon the County, or on a later date determined by the County and at the sole discretion of the County.

ARTICLE IX

Cost Report:

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 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 County 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, not to exceed County's Total Maximum Obligations as set forth in Article III of this Agreement. Contractor shall not claim expenditures to County which 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 nonreimbursable expenditure or service, shall be repaid by Contractor to County in cash 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 indicates the actual and reimbursable costs of services provided pursuant to this Agreement, less applicable revenues, are lower than the aggregate of monthly provisional 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.

The following attestation shall be attached to the Cost Report:

" I, _____ (Agency Director or Board of Director Chairman) _____, hereby declare under penalty of perjury under the laws of the State of California that I have executed the accompanying Cost Report and supporting documentation prepared by _____ for the cost report period beginning _____ and ending _____ and that, to the best of my knowledge, cost reimbursed through this Agreement are reasonable and allowable and directly or indirectly related to the services provided and that this Cost Report is a true, correct, and complete statement from the books and records of _____ in accordance with applicable instructions, except as noted. Executed this _____ day of _____, 20____ at _____, California."

ARTICLE X

Inspections and Audits:

- A. ADMINISTRATOR, any authorized representative of County, any authorized representative of the State of California, the Secretary of the United States Department of Health and Human Services, the Comptroller General of the United States, or any of their authorized representatives, shall have access to any books, documents, and records, including but not limited to, medical and client records, of Contractor which such persons deem pertinent to this Agreement, for the purpose of conducting an audit, evaluation, or examination, or making transcripts during the periods of retention set forth in the Records retention Article of this Agreement. Such persons may at all reasonable times, inspect or otherwise evaluate the services provided pursuant to this Agreement, and the premises in which they are provided or administered.
- B. Contractor shall actively participate and cooperate with any persons specified in Article X, subparagraph A, above in any evaluation or monitoring of services provided pursuant to this Agreement, and shall provide the above-mentioned persons adequate office space to conduct such evaluation or monitoring.
- C. Contractor shall obtain an annual financial statement audit in accordance with Government Auditing Standards (GAS). If Contractor's total federal expenditures, excluding Federal Medi-Cal/Medicaid, are \$300,000 or more, Contractor must obtain an audit in accordance with OMB Circular A-133.
- D. Contractor shall maintain client records, books, documents, records and other evidence, accounting procedures and practices sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses, all of which will be deemed to constitute "records" for purposes of this section. Such records shall clearly reflect the cost and scope of the Services provided to each client.
- E. Contractor's facility, office (or such parts thereof as may be engaged in the performance of this Agreement) and its records shall be subject at all reasonable times to inspection and audit reproduction by County.

- F. Within fourteen (14) days after final audit is approved by Agency's Board of Directors, Contractor shall forward to Administrator a copy of any audit report. Such audit shall include, but not be limited to, management, financial, programmatic or any other type of audit of Contractor's operations, whether or not the cost of such operation or audit is reimbursed in whole or in part through this Agreement.
- G. Following any audit report, in the event of non-compliance with applicable laws and regulations governing funds provided through this Agreement or serious deficiencies in Contractor's internal control structure, County may terminate this Agreement as provided for in the Termination paragraph or direct Contractor to immediately implement appropriate corrective action. A plan of corrective action shall be submitted to Administrator in writing within fifteen (15) days after receiving notice from County.
- H. Contractor will have two (2) months to implement a corrective action plan and to submit to County a written report of corrective action taken. Failure to implement said corrective action plan shall be cause for termination of this Agreement.
- I. All Contractor's funding records related to this Agreement shall be subject to audit by County at any time during the term of this Agreement, and for a period that extends through any required records retention period, should it be requested by County's Auditor/Controller. In the event that Contractor has more than one funding contract with County, Contractor shall maintain an individual schedule of expenses for each County contract, such that can be reconciled to an audit of any individual contract. If Contractor receives in excess of \$500,000 in total funding from County in any one fiscal year, Contractor must have an independent/individual audit of each County contract.

ARTICLE XI

Records Retention:

- A. Financial and client records shall be retained by Contractor for five (5) years from the date of submission of the Cost Report that pertains to this Agreement.
- B. Records which relate to litigation or settlement of claims arising out of the performance of this Agreement, or cost and expenses of this Agreement as to which exception has been taken by County or State or federal governments, shall be retained by Contractor until disposition of such appeals, litigation, claims or exceptions is completed.

ARTICLE XII

Default, Termination, and Cancellation:

- A. Default: Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date in 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 the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part seven (7) calendar days upon written notice by County for any reason. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

ARTICLE XIII

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, Certified, Return Receipt Requested.

Notices to County shall be in duplicate and addressed as follows:

EL DORADO COUNTY PUBLIC HEALTH DEPARTMENT
931 SPRING STREET
PLACERVILLE, CA 95667
ATTN: GAYLE ERBE-HAMLIN, DIRECTOR

or to such other location as the County directs.

Notices to Contractor shall be addressed as follows:

PROGRESS HOUSE
2914 "A" COLD SPRINGS ROAD
PLACERVILLE, CA 95667
ATTN: TOM AVEY, EXECUTIVE DIRECTOR

or to such other location as the Contractor directs.

ARTICLE XIV

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

ARTICLE XV

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

- A. Full Worker's Compensation and Employers' Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$1,000,000 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. Professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000 per occurrence.
- E. Contractor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the Risk Management Division and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

- H. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except worker's compensation and professional liability insurance policies.
- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with the Risk Management Division, as essential for protection of the County.

ARTICLE XVI

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

ARTICLE XVII

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

ARTICLE XVIII

Confidentiality: Contractor shall conform to and monitor compliance with all State and federal statutes and regulations regarding confidentiality, including the confidentiality of information requirements of Part 2, Title 42, Code of Federal Regulations; Welfare and Institutions Code, Section 14100.2; Section 11977, Division 10.5 of the Health and Safety Code; and Title 22, California Code of Regulations, Section 51009.

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

Prior to providing any services pursuant to this Agreement, all employees, subcontractors, and volunteer staff or interns of Contractor shall agree, in writing, with Contractor to maintain the confidentiality of any and all information and records which may be obtained in the course of providing such services.

ARTICLE XIX

HIPAA: Under this Agreement, Contractor will provide services to County, and in conjunction with the provision of such services, certain Protected Health Information ("PHI") may be made available to Contractor for the purposes of carrying out its obligations. Contractor agrees to comply with all the terms and conditions of Exhibit D, HIPAA Business Associate Agreement, attached hereto and made by reference a part hereof, regarding the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the regulations promulgated thereunder.

ARTICLE XX

Nondiscrimination In Employment

- A. Contractor certifies compliance with California Government Code, Section 12990 and California Code of Regulations, Title II, Division 4, Chapter 5, in matters related to the development, implementation and maintenance of a nondiscrimination program. The Contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age (over 40), sex or sexual orientation. Contractor shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

Contractor will ensure that qualified applicants have equal opportunity for employment, and that qualified employees have equal opportunity during employment. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, career development opportunities, and selection for training, including apprenticeship.

- B. Contractor shall only employ individuals as substance abuse counselors who meet all applicable State requirements pertaining to certification and/or licensure, and who are qualified and competent to perform the tasks assigned to them. Contractor shall regularly evaluate the performance of all its treatment staff and implement immediate corrective action if any performance problems are identified. The County may request in writing that the Contractor investigate incidents of suspected poor performance by Contractor treatment staff, and the Contractor shall do so within the timeframes and under the terms contained in the County's written request.
- C. Contractor agrees to post, in conspicuous places, notices available to all employees and applicants for employment setting forth the provisions of the Equal Opportunity Act [42 USC 2000(e)] in conformance with Federal Executive Order No. 11246. Contractor agrees to comply with the provisions of the Rehabilitation Act of 1973 (29 USC 794).
- D. Contractor shall give written Notice of its obligations under this clause to labor organizations with which it has a collective bargaining or other agreement.
- E. In the event of non-compliance with Subparagraph A or B of this Article or as otherwise provided by State and Federal law, this Agreement may be canceled, terminated or suspended in whole or in part and Contractor may be declared ineligible for further contracts involving State or federal funds.

ARTICLE XXI

Nondiscrimination In Services, Benefits and Facilities

- A. Contractor certifies under the laws of the State of California that the Contractor shall not unlawfully discriminate in the provision of services because of race, color, creed, national origin, sex, age, or physical or mental disability. Contractor shall make its program accessible to persons with disabilities. Contractor shall operate in accordance with State and federal law and in accordance with Title VI of the Civil Rights Act of 1964 [42 USC 2000(d)]; Age Discrimination Act of 1975 (42 USC 6101); Rehabilitation Act of 1973 (29 USC 794); Education Amendments of 1972 (20 USC 1681); Americans with Disabilities Act of 1990 (42 USC 12132); Title 45, Code of Federal Regulations, Part 84; provisions of the Fair Employment and Housing Act (Government Code Section 129000 et seq.); and regulations promulgated thereunder (Title 2, CCR, Section 7285.0 et seq.); Title 2, Division 2, Article 9.5 of the California Government Code, commencing with Section 11135; and Title 9, Division 4, Chapter 6 of the California Code of Regulations, commencing with Section 10800.
- B. For the purpose of this Agreement, discrimination on the basis of race, color, creed, national origin, sex, age, or physical or mental disability includes, but is not limited to, the following: denying a participant any service or access to service, or providing a benefit to a participant

which is different, or is provided in a different manner or at a different time from that provided to other participants under this contract; subjecting a participant to segregation or separate treatment in any matter related to the receipt of any service; restricting a participant in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and/or treating a participant differently from others in determining whether the participant satisfied any admission, enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or benefit.

C. Complaint Process – Contractor shall furnish all clients with written notice of their right to file complaints alleging discrimination in the delivery of services. This notice shall inform clients that:

1. Complaints may be filed with the County Administrator or the U.S. Department of Health and Human Services, Office of Civil Rights.
2. In those cases where the client's complaint is filed initially with the Office of Civil Rights (Office), the Office may proceed to investigate the complaint, or the Office may request that the County Administrator conduct the investigation.
3. Within the time limits procedurally imposed, the complainant shall be notified in writing as to the findings regarding the alleged discrimination and, if not satisfied with the decision, may file an appeal with the Office.

D. Accessibility – If the Contractor employs more than fifteen (15) staff members, it must:

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

E. Retaliation - Neither Contractor, nor its employees or agents shall intimidate, coerce or take adverse action against any person for the purpose of interfering with rights secured by federal or State laws, or because such person has filed a complaint, certified, assisted or otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to enforce rights secured by federal or State law.

ARTICLE XXII

Debarment and Suspension Certification

By signing this agreement, Contractor hereby certifies under penalty of perjury under the laws of the State of California that Contractor will comply with regulations implementing Executive Order 12549 Debarment and Suspension, 29 C.F.R. Part 98. Section 98.510. This section provides that Contractor, to the best of its knowledge and belief, and its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- B. Have not within a three-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State or local) transaction or contract under a public transaction, violation of federal or State antitrust statutes, or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (federal, State or local) with commission of any of the offenses enumerated in paragraph 2 of this certification; and
- D. Have not within a three year period preceding this agreement had one or more public transactions (federal, State or local) terminated for cause of default.
- E. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.

ARTICLE XXIII

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

ARTICLE XXIV

Taxpayer Identification/ Form W-9: All individuals/sole proprietors, corporations, partnerships, associations, organizations or public entities providing services to the County shall provide a fully executed Department of the Treasury Internal Revenue Service Form W-9, "Request for Taxpayer Identification Number and Certification".

ARTICLE XXV

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California. Contractor waives any removal rights it might have under Code of Civil Procedure Section 394.

ARTICLE XXVI

Administrator: The County Officer or employee with responsibility for administering this Agreement is Gayle Erbe-Hamlin, Director of Public Health, or successor.

ARTICLE XXVII

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

ARTICLE XXVIII

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

ARTICLE XXIX

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

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

DEPARTMENT HEAD CONCURRENCE

By: _____
Gayle Erbe-Hamlin, Director
Public Health Department

Date: _____

CONTRACTOR

By: _____
Tom Avey, Executive Director
Progress House
A California 501(c)(3) corporation

Date: _____

COUNTY OF EL DORADO

By: _____
Rusty Dupray, Chairman
El Dorado County Board of Supervisors

Date: _____

ATTEST:
Cindy Keck, Clerk

By: _____ Date: _____
Deputy Clerk