

AGREEMENT

FOR SERVICES OF INDEPENDENT CONTRACTOR

BC 15050

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter County) and with **Coast Valley Substance Abuse Treatment Center** an address at 1125 East Clark Avenue, Suite A2, Santa Maria, CA (hereafter Contractor) wherein Contractor agrees to provide and County agrees to accept the services specified herein.

WHEREAS, Contractor represents that it is specially trained, skilled, experienced, and competent to perform the special services required by County and County desires to continue to retain the services of Contractor pursuant to the terms, covenants, and conditions herein set forth;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. DESIGNATED REPRESENTATIVE

Medical Director at phone number 805-681-5220 is the representative of County and will administer this Agreement for and on behalf of County. Matthew Hamlin at phone number 805-739-1512 is the authorized representative for Contractor. Changes in designated representatives shall be made only after advance written notice to the other party.

2. NOTICES

Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To County: Director
Santa Barbara County
Alcohol, Drug, and Mental Health Services
300 N. San Antonio Road
Santa Barbara, CA 93110
FAX: 805-681-5262

To Contractor: Matthew Hamlin, Executive Director
Coast Valley Substance Abuse Treatment Center
1125 East Clark Ave. Suite A2
Santa Maria, CA 93455
FAX: 805-739-2855

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

AGREEMENT

3. SCOPE OF SERVICES

Contractor agrees to provide services to County in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. TERM

Contractor shall commence performance on 07/01/2014 and end performance upon completion, but no later than 6/30/2015 unless otherwise directed by County or unless earlier terminated.

5. COMPENSATION OF CONTRACTOR

In full consideration for Contractor's services, Contractor shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT B attached hereto and incorporated herein by reference. Billing shall be made by invoice, which shall include the contract number assigned by County and which is delivered to the address given in Section 2 NOTICES above following completion of the increments identified on EXHIBIT B. Unless otherwise specified on EXHIBIT B, payment shall be net thirty (30) days from presentation of invoice.

6. INDEPENDENT CONTRACTOR

It is mutually understood and agreed that Contractor (including any and all of its officers, agents, and employees), shall perform all of its services under this Agreement as an independent Contractor as to County and not as an officer, agent, servant, employee, joint venturer, partner, or associate of County. Furthermore, County shall have no right to control, supervise, or direct the manner or method by which Contractor shall perform its work and function. However, County shall retain the right to administer this Agreement so as to verify that Contractor is performing its obligations in accordance with the terms and conditions hereof. Contractor understands and acknowledges that it shall not be entitled to any of the benefits of a County employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Contractor shall be solely responsible and save County harmless from all matters relating to payment of Contractor's employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, Contractor may be providing services to others unrelated to the County or to this Agreement.

7. STANDARD OF PERFORMANCE

Contractor represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, Contractor shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which Contractor is engaged. All products of whatsoever nature, which Contractor delivers to County pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in Contractor's profession. Contractor shall correct or revise any errors or omissions, at County's request without additional compensation. Permits and/or licenses shall be obtained and maintained by Contractor without additional compensation.

8. DEBARMENT AND SUSPENSION

Contractor certifies to County that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state, or county

AGREEMENT

government contracts. Contractor certifies that it shall not contract with a subcontractor that is so debarred or suspended.

9. TAXES

Contractor shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. County shall not be responsible for paying any taxes on Contractor's behalf, and should County be required to do so by state, federal, or local taxing agencies, Contractor agrees to promptly reimburse County for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

10. CONFLICT OF INTEREST

Contractor covenants that Contractor presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Contractor further covenants that in the performance of this Agreement, no person having any such interest shall be employed by Contractor. County retains the right to waive a conflict of interest disclosed by Contractor if County determines it to be immaterial, and such waiver is only effective if provided by County to Contractor in writing.

11. OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY

County shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. Contractor shall not release any of such items to other parties except after prior written approval of County. Contractor shall be the legal owner and Custodian of Records for all County client files generated pursuant to this Agreement, and shall comply with all Federal and State confidentiality laws, including Welfare and Institutions Code (WIC) §5328; 42 United States Code (U.S.C.) §290dd-2; and 45 CFR, Parts 160 – 164 setting forth the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Contractor shall inform all of its officers, employees, and agents of the confidentiality provision of said laws. Contractor further agrees to provide County with copies of all County client file documents resulting from this Agreement without requiring any further written release of information. Within HIPAA guidelines, County shall have the unrestricted authority to publish, disclose, distribute, and/or otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

Unless otherwise specified in Exhibit A, Contractor hereby assigns to County all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by Contractor pursuant to this Agreement (collectively referred to as "Copyrightable Works and Inventions"). County shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions.

AGREEMENT

Contractor agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. Contractor warrants that any Copyrightable Works and Inventions and other items provided under this Agreement will not infringe upon any intellectual property or proprietary rights of any third party. Contractor at its own expense shall defend, indemnify, and hold harmless County against any claim that any Copyrightable Works or Inventions or other items provided by Contractor hereunder infringe upon intellectual or other proprietary rights of a third party, and Contractor shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by County in connection with any such claims. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of this Agreement.

12. NO PUBLICITY OR ENDORSEMENT

Contractor shall not use County's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. Contractor shall not use County's name or logo in any manner that would give the appearance that the County is endorsing Contractor, except to acknowledge funding from County as specified in Section 13, Communication. Contractor shall not in any way contract on behalf of or in the name of County. Contractor shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the County or its projects, without obtaining the prior written approval of County.

13. COMMUNICATION.

Contractor shall acknowledge in any public announcement regarding the program that is the subject of this Agreement that Santa Barbara County Alcohol, Drug, and Mental Health Department provides all or some of the funding for the program.

14. COUNTY PROPERTY AND INFORMATION

All of County's property, documents, and information provided for Contractor's use in connection with the services shall remain County's property, and Contractor shall return any such items whenever requested by County and whenever required according to the Termination section of this Agreement. Contractor may use such items only in connection with providing the services. Contractor shall not disseminate any County property, documents, or information without County's prior written consent.

15. RECORDS, AUDIT, AND REVIEW

Contractor shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of Contractor's profession and shall maintain all records until such time that the State Department of Health Care Services completes all actions associated with the final audit, including appeals, for the fiscal year(s) covered by this Agreement, or not less than four (4) years following the termination of this Agreement, whichever is later. All accounting records shall be kept in accordance with generally accepted accounting principles. County shall have the right to audit and review all such documents and records at any time during Contractor's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), Contractor shall be subject to the examination and audit of the California State Auditor, at the request of the County or as part of any audit of the County, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). Contractor shall participate in any audits and reviews, whether by County or the State, at no charge to County.

AGREEMENT

If federal, state or County audit exceptions are made relating to this Agreement, Contractor shall reimburse all costs incurred by federal, state, and/or County governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from County, Contractor shall reimburse the amount of the audit exceptions and any other related costs directly to County as specified by County in the notification. The provisions of the Records, Audit, and Review Section shall survive any expiration or termination of this agreement.

16. INDEMNIFICATION AND INSURANCE

Contractor agrees to the indemnification and insurance provisions as set forth in EXHIBIT C attached hereto and incorporated herein by reference.

17. NONDISCRIMINATION

County hereby notifies Contractor that County's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and Contractor agrees to comply with said ordinance.

18. NONEXCLUSIVE AGREEMENT

Contractor understands that this is not an exclusive Agreement and that County shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by Contractor as the County desires.

19. NON-ASSIGNMENT

Contractor shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of County and any attempt to so assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

20. TERMINATION

- A. **By County.** County may, by written notice to Contractor, terminate this Agreement in whole or in part at any time, whether for County's convenience, for nonappropriation of funds, or because of the failure of Contractor to fulfill the obligations herein.
 1. **For Convenience.** County may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, Contractor shall, as directed by County, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on County from such winding down and cessation of services.
 2. **For Nonappropriation of Funds.**
 - A. The parties acknowledge and agree that this Agreement is dependent upon the availability of County, State, and/or federal funding. If funding to make

AGREEMENT

payments in accordance with the provisions of this Agreement is not forthcoming from the County, State and/or federal governments for the Agreement, or is not allocated or allotted to County by the County, State and/or federal governments for this Agreement for periodic payment in the current or any future fiscal period, then the obligations of County to make payments after the effective date of such non-allocation or non-funding, as provided in the notice, will cease and terminate.

- B. As permitted by applicable State and Federal laws regarding funding sources, if funding to make payments in accordance with the provisions of this Agreement is delayed or is reduced from the County, State, and/or federal governments for the Agreement, or is not allocated or allotted in full to County by the County, State, and/or federal governments for this Agreement for periodic payment in the current or any future fiscal period, then the obligations of County to make payments will be delayed or be reduced accordingly or County shall have the right to terminate the Agreement. If such funding is reduced, County in its sole discretion shall determine which aspects of the Agreement shall proceed and which Services shall be performed. In these situations, County will pay Contractor for Services and Deliverables and certain of its costs. Any obligation to pay by County will not extend beyond the end of County's then-current funding period.
 - C. Contractor expressly agrees that no penalty or damages shall be applied to, or shall accrue to, County in the event that the necessary funding to pay under the terms of this Agreement is not available, not allocated, not allotted, delayed or reduced.
3. **For Cause.** Should Contractor default in the performance of this Agreement or materially breach any of its provisions, County may, at County's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, Contractor shall immediately discontinue all services affected (unless the notice directs otherwise) and notify County as to the status of its performance. The date of termination shall be the date the notice is received by Contractor, unless the notice directs otherwise.
- B. **By Contractor.** Should County fail to pay Contractor all or any part of the payment set forth in EXHIBIT B ADP, Contractor may, at Contractor's option terminate this Agreement if such failure is not remedied by County within thirty (30) days of written notice to County of such late payment.
 - C. Upon termination, Contractor shall deliver to County all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by Contractor in performing this Agreement, whether completed or in process, except such items as County may, by written permission, permit Contractor to retain. Notwithstanding any other payment provision of this Agreement, County shall pay Contractor for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall Contractor be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. Contractor shall furnish to County such financial

AGREEMENT

information as in the judgment of County is necessary to determine the reasonable value of the services rendered by Contractor. In the event of a dispute as to the reasonable value of the services rendered by Contractor, the decision of County shall be final. The foregoing is cumulative and shall not affect any right or remedy which County may have in law or equity.

21. SECTION HEADINGS

The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

22. SEVERABILITY

If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

23. REMEDIES NOT EXCLUSIVE

No remedy herein conferred upon or reserved to County is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

24. TIME IS OF THE ESSENCE

Time is of the essence in this Agreement and each covenant and term is a condition herein.

25. NO WAIVER OF DEFAULT

No delay or omission of County to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to County shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of County.

26. ENTIRE AGREEMENT AND AMENDMENT

In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel. Requests by Contractor for changes to the terms and conditions of this agreement after April 1 of the Fiscal Year for which the change would be applicable shall not be considered. All requests for changes shall be in writing. Changes shall be made by an amendment pursuant to this Section. Any amendments or modifications that do not materially change the terms of this Agreement (such as changes to the Designated Representative or Contractor's address for purposes of Notice) may be approved by

AGREEMENT

the director of Alcohol, Drug & Mental Health Services. The Board of Supervisors of the County of Santa Barbara must approve all other amendments and modifications.

27. SUCCESSORS AND ASSIGNS

All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

28. COMPLIANCE WITH LAW

Contractor shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of Contractor in any action or proceeding against Contractor, whether County is a party thereto or not, that Contractor has violated any such ordinance or statute, shall be conclusive of that fact as between Contractor and County.

29. CALIFORNIA LAW AND JURISDICTION

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

30. EXECUTION OF COUNTERPARTS

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

31. AUTHORITY

All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, Contractor hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which Contractor is obligated, which breach would have a material effect hereon.

32. SURVIVAL

All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

33. PRECEDENCE

In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

AGREEMENT

34. COMPLIANCE WITH HIPAA

Contractor is expected to adhere to Health Insurance Portability and Accountability Act (HIPAA) regulations and to develop and maintain comprehensive patient confidentiality policies and procedures, provide annual training of all staff regarding those policies and procedures, and demonstrate reasonable effort to secure written and/or electronic data. The parties should anticipate that this Agreement will be modified as necessary for full compliance with HIPAA.

35. COURT APPEARANCES.

Upon request, Contractor shall cooperate with County in making available necessary witnesses for court hearings and trials, including Contractor's staff that have provided treatment to a client referred by County who is the subject of a court proceeding. County shall issue subpoenas for the required witnesses upon request of Contractor.

36. PRIOR AGREEMENTS.

Upon execution, this Agreement supersedes all prior agreements between County and Contractor related to the scope of work contained in this Agreement.

AGREEMENT

THIS AGREEMENT INCLUDES:

1. Exhibit A – Statement of Work
 - i. EXHIBIT A – Alcohol & Drug Program (ADP) - Statement of Work
 - ii. EXHIBIT A-1 ADP, Statement of Work – Outpatient Treatment
 - iii. EXHIBIT A-2 ADP, Statement of Work – Recovery Oriented System of Care
 - iv. EXHIBIT A-3 ADP, Statement of Work – Veterans Entering Treatment Services
 - v. EXHIBIT A-4 ADP, Statement of Work – Veterans Housing
 - vi. ATTACHMENT E ADP - Program Goals, Outcomes and Measures
2. EXHIBIT B – Financial Provisions
 - i. EXHIBIT B ADP – Financial Provisions
 - ii. EXHIBIT B-1 ADP – Schedule of Rates and Contract Maximum
 - iii. EXHIBIT B-2 – Contractor Budget
 - iv. EXHIBIT B-3 ADP - Sliding Fee Scale
3. EXHIBIT C – Standard Indemnification and Insurance Provisions

AGREEMENT

Agreement for Services of Independent Contractor between the County of Santa Barbara and Coast Valley Substance Abuse Treatment Center.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by County.

COUNTY OF SANTA BARBARA

By: _____
STEVE LAVAGNINO, CHAIR
BOARD OF SUPERVISORS

Date: _____

CONTRACTOR: COAST VALLEY SUBSTANCE
ABUSE TREATMENT CENTER

By: _____

Date: _____

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By _____
Deputy

Date: _____

APPROVED AS TO INSURANCE FORM:
RAY AROMATORIO
RISK MANAGER

By: _____

Date: _____

ATTEST:
MONA MIYASATO, COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By: _____
Deputy Clerk

Date: _____

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

By _____
Deputy County Counsel

Date: _____

RECOMMENDED FOR APPROVAL:
ALCOHOL, DRUG, AND MENTAL HEALTH SERVICES
TAKASHI WADA, MD, MPH
INTERIM DIRECTOR

By _____
Director

Date: _____

**EXHIBIT A
STATEMENT OF WORK - ADP**

THIS EXHIBIT A INCLUDES THE FOLLOWING ATTACHMENTS:

1. Exhibit A – Statement of Work
 - i. EXHIBIT A – Alcohol & Drug Program (ADP) - Statement of Work
 - ii. EXHIBIT A-1 ADP, Statement of Work – Outpatient Treatment
 - iii. EXHIBIT A-2 ADP, Statement of Work – Recovery Oriented System of Care
 - iv. EXHIBIT A-3 ADP, Statement of Work – Veterans Entering Treatment Services
 - v. EXHIBIT A-4 ADP, Statement of Work – Veterans Housing
 - vi. ATTACHMENT E ADP - Program Goals, Outcomes and Measures

EXHIBIT A
STATEMENT OF WORK - ADP

The following terms shall apply to all Alcohol and Drug programs operated under this Agreement, included as Exhibits A-1 through A-4, as though separately set forth in the scope of work specific to each Program.

1. **PERFORMANCE.** Contractor shall adhere to all County requirements, all relevant provisions of the California Code of Regulations Title 9, Division 1. Contractor shall abide by all applicable State Program Certification standards and regulations, and by the alcohol and drug treatment standards, policies, and procedures set forth by Santa Barbara County in the Provider Reference Manual where applicable.

2. **STAFF.**
 - A. Contractor shall provide training to each Program staff member, within 30 days of the date of hire regarding applicable programs, including the County Management Information System (MIS), Drug Medi-Cal, Substance Abuse Crime Prevention Act (SACPA), and Drug Court/ Substance Abuse Treatment Court (SATC).
 - B. Staff hired to work directly with clients shall have competence and experience in working with clients with substance use disorders and co-occurring disorders, as required by State regulation.
 - C. Contractor shall notify County of any staffing changes as part of the monthly Staffing Report. Contractor shall notify the designated County Liaison and County Alcohol and Drug Program (ADP) Staff within one business day when staff separates from employment or is terminated from working on this Agreement.
 - D. At any time prior to or during the term of this Agreement, the County may require that Contractor staff performing work under this Agreement undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Agreement. County shall use its discretion in determining the method of background clearance to be used. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.
 - E. County may request that Contractor's staff be immediately removed from working on the County Agreement for good cause during the term of the Agreement.
 - F. County may immediately deny or terminate County facility access, including all rights to County property, computer access, and access to County software, to Contractor's staff that does not pass such investigation(s) to the satisfaction of the County or whose conduct is incompatible with County facility access.
 - G. Disqualification, if any, of Contractor staff, pursuant to this Section, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement.

EXHIBIT A
STATEMENT OF WORK - ADP

3. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES.

- A. Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Drug Medi-Cal provider if Title 22 California Code of Regulations (CCR) Drug Medi-Cal services are provided hereunder), as required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(ies) and services under this Agreement. Contractor shall further ensure that all of its officers, employees, and agents, who perform services hereunder, shall obtain and maintain in effect during the term of this Agreement all licenses, permits, registrations, accreditations, and certificates which are applicable to their performance hereunder. A copy of such documentation shall be provided to the Alcohol, Drug, and Mental Health Services (ADMHS) Alcohol and Drug Program, upon request.
- B. In the event the license/certification status of any Contractor staff member cannot be confirmed, the staff member shall be prohibited from providing services under this Agreement.
- C. If Contractor is a participant in the Drug Medi-Cal program, Contractor shall keep fully informed of and in compliance with all current guidelines disseminated by the Department of Health Care Services (DHCS), Department of Public Health (DPH) and Department of Social Services (DSS), as applicable including, but not limited to, procedures for maintaining Drug Medi-Cal certification of all its facilities.
- D. Contractor shall follow the pre-registration requirements for new alcohol and other drug (AOD) counselors in California. California law requires registration and certification of individuals providing AOD counseling services, as specified in Title 9 CCR, Division 4, Chapter 8, Sections 13000 et seq. (This new requirement does NOT apply to counselors already registered with or certified by State approved and nationally-accredited agency).

4. REPORTS.

- A. **Treatment Programs.** In accepting funds for treatment services, Contractor agrees to submit the following by the 10th of the month following the date of service:
 - 1. Monthly Treatment Services Report on forms supplied by County.
 - 2. Electronic Drug & Alcohol Treatment Access Report (DATAR) for each treatment site, per 45 CFR Section 96.126.
- B. **Staffing.** Contractor shall submit monthly Staffing Reports to County. These reports shall be on a form acceptable to, or provided by, County and shall report actual staff hours worked by position and shall include the employees' names, licensure status, bilingual and bicultural capabilities, budgeted monthly salary, actual salary, and hire and/or termination date. The reports shall be received by County no later than 25 calendar days following the end of the month being reported.
- C. **Programmatic.** Contractor shall submit quarterly programmatic reports to County, which shall be received by County no later than 25 calendar days following the end of the

EXHIBIT A
STATEMENT OF WORK - ADP

quarter being reported. Contractor shall state whether it is or is not progressing satisfactorily in achieving all the terms of this Agreement and if not, shall specify what steps will be taken to achieve satisfactory progress. Contractor shall include a narrative description of Contractor's progress in implementing the provisions of this Agreement, details of outreach activities and their results, any pertinent facts or interim findings, staff changes, status of Licenses and/or Certifications, changes in population served and reasons for any such changes. Programmatic reports shall include:

1. The number of active cases and the number of clients admitted/ discharged.
2. The Measures described in Attachment E, Program Goals, Outcomes and Measures, as applicable.
3. For Perinatal programs, report shall include the number of women and children served, number of pregnant women served, and the number of births.

D. **Additional Reports.** Contractor shall maintain records and make statistical reports as required by County and State Department of Health Care Services (DHCS), Department of Public Health (DPH) or Department of Social Services (DSS), as applicable, on forms provided by or acceptable to, the requesting agency. Upon County's request, Contractor shall make additional reports as required by County concerning Contractor's activities as they affect the services hereunder. County will be specific as to the nature of information requested and allow 30 days for Contractor to respond.

5. BILLING DOCUMENTATION.

- A. Contractor shall use County's MIS system to enter claims for all Drug Medi-Cal (DMC) services and all Intensive Outpatient Treatment, Rehabilitative/Ambulatory Outpatient or ODF – Group, and Rehabilitative/Ambulatory ODF – Individual services, as specified in Exhibit B ADP. Contractor shall document progress note in the client's file. All progress notes shall adhere to Drug Medi-Cal guidelines. These notes will serve as documentation for billable Drug Medi-Cal units of service. Claims shall be submitted to the County MIS Unit within 72 hours of service delivery.
- B. County shall host annual training sessions regarding documentation requirements under Drug Medi-Cal and other related State, Federal and local regulations. Contractor shall ensure that each staff member providing clinical services attends annually.

6. **DRUG MEDI-CAL VERIFICATION.** Contractor shall be responsible for verifying client's Drug Medi-Cal eligibility status and will take steps to reactivate or establish eligibility where none exists.

7. STANDARDS.

- A. Contractor shall make its service protocols and outcome measures data available to County and to Drug Medi-Cal site certification reviewers.
- B. Contractor shall develop and maintain a written disaster plan for the Program site and shall provide annual disaster training to staff.

EXHIBIT A
STATEMENT OF WORK - ADP

8. **CONFIDENTIALITY.** Contractor agrees to maintain the confidentiality of patient records pursuant to: Title 42 United State Code (USC) Section 290 dd-2; Title 42 Code of Federal Regulations (CFR), Part 2; 45 CFR Section 96.132€, 45 CFR Parts 160, 162, and 164; Title 22 California Code of Regulations (CCR) Section 51009; Welfare & Institutions Code (W&IC) Section 14100.2; Health and Safety Code (HSC) Sections 11812 and 11845.5; Civil Code Sections 56 – 56.37, 1798.80 – 1798.82, and 1798.85; and Section 11 of this Agreement. Patient records must comply with all appropriate State and Federal requirements. Contractor shall ensure that no list of persons receiving services under this Agreement is published, disclosed, or used for any purpose except for the direct administration of this program or other uses authorized by law that are not in conflict with requirements for confidentiality contained in the preceding codes.

9. **CLIENT AND FAMILY MEMBER EMPOWERMENT.**

A. Contractor agrees to support active involvement of clients and their families in treatment, recovery, and policy development.

B. Contractor shall maintain a grievance policy and procedure to address client/ family satisfaction complaints.

10. **CULTURAL COMPETENCE.**

A. Contractor shall report on its capacity to provide culturally competent services to culturally diverse clients and their families upon request from County, including:

1. The number of Bilingual and Bicultural staff (as part of the monthly staffing report), and the number of culturally diverse clients receiving Program services;

2. Efforts aimed at providing culturally competent services such as training provided to staff, changes or adaptations to service protocol, community education/outreach, etc.

B. At all times, the Contractor's Program(s) shall be staffed with personnel who can communicate in the client preferred language, or Contractor shall provide interpretation services;

C. Contractor shall provide staff with regular training on cultural competence, sensitivity and the cultures within the community.

11. **NOTIFICATION REQUIREMENTS.**

A. Contractor shall immediately notify County Designated Representative in the event of any suspected or actual misappropriation of funds under Contractor's control; known serious complaints against licensed/certified staff; restrictions in practice or license/certification as stipulated by a State agency; staff privileges restricted at a hospital; legal suits initiated specific to the Contractor's practice; initiation of criminal investigation of the Contractor; or other action instituted which affects Contractor's license/certification or practice (for example, sexual harassment accusations).

B. Contractor shall immediately notify the County Designated Representative in the event a client with a case file (episode) open to the County presents any of the following client

EXHIBIT A
STATEMENT OF WORK - ADP

indices: suicidal risk factors, homicidal risk factors, assaultive risk factors, side effects requiring medical attention or observation, behavioral symptoms presenting possible health problems, or any behavioral symptom that may compromise the appropriateness of the placement.

C. Contractor shall immediately notify the County Designated Representative, regardless of whether the client has a case file (episode) open with the County, should any of the following events occur: death, fire setting, police involvement, media contact, any behavior leading to potential liability, any client behavioral symptom that may compromise the appropriateness of the placement.

D. "Immediately" means as soon as possible but in no event more than twenty-four (24) hours after the triggering event. Contractor shall train all personnel in the use of the ADMHS Compliance Hotline.

12. **MONITORING.** Contractor agrees to cooperate with the County's Monitoring process which ensures medical necessity (for Drug Medi-Cal services) appropriateness and quality of care. This review may include clinical record peer review, client survey, and other program monitoring practices. Contractor will cooperate with these programs, and will furnish necessary assessment and treatment plan information, subject to Federal or State confidentiality laws, and provisions of this agreement.

13. **PERIODIC REVIEW.** County shall assign staff as contract monitors to coordinate periodic review meetings with Contractor's staff regarding quality of clinical services, fiscal and overall performance activity. ADMHS staff shall conduct periodic on-site reviews of Contractor's client charting.

14. **ADDITIONAL PROGRAM REQUIREMENTS.**

A. Contractor shall provide services in coordination and collaboration with ADMHS, including Mental Health Services, Probation, other County departments, and other community based organizations, as applicable.

B. Contractor shall provide a safe, clean and sober environment for recovery.

C. Contractor shall require clients to attend Twelve Step or other self-help support groups and activities.

D. Contractor shall provide *Seeking Safety* or other trauma-informed services where indicated.

E. Contractor shall stay informed on, and implement, Matrix or other current best practice curriculum in providing treatment services.

F. Contractor shall utilize motivational interviewing techniques, as defined by Treatment Improvement Protocol ([TIP 35: Enhancing Motivation for Change in Substance Use Disorder Treatment](#)) (SAMHSA) in providing counseling services.

EXHIBIT A
STATEMENT OF WORK - ADP

- G. Contractor shall require each client to be screened for Tuberculosis prior to admission using the Alcohol and Drug Program (ADP) TB Screening Questions and Follow-Up Protocol.
 - H. Contractor shall refer pregnant clients to Perinatal specialized services, as clinically indicated.
 - I. Contractor shall adhere to all applicable State, Federal, and County requirements, with technical assistance from ADMHS.
 - J. Grant-funded services, such as those funded by Substance Abuse and Mental Health Services Administration (SAMHSA) shall adhere to the terms and conditions of the Notice of Grant Award, the original grant proposal, and any subsequent grant reapplications, if applicable.
 - K. Contractor shall attend ADMHS ADP Provider meetings regularly to receive information and support in addressing treatment concerns.
15. **DEFINITIONS.** The following terms as used throughout this Agreement shall have the meanings as set forth below.
- A. **CalWORKs:** CalWORKs is a program that provides cash aid and services to eligible needy California families, with the goal of transitioning them into the workforce. Through the CalWORKs program, funds are provided for alcohol and drug treatment for CalWORKs clients in order to help them obtain and retain employment. Services are provided through the County's network of providers. Treatment needs are identified in the client's Welfare-to-Work Plan.
 - B. **Drug Medi-Cal (DMC):** DMC benefits are optional Medi-Cal benefits as described in the California State Plan for Medicaid. DMC services provide medically necessary alcohol and other drug treatment to California's Medi-Cal eligible population. The services include Outpatient Drug-Free Treatment, Narcotic Treatment Program, Intensive Outpatient Treatment and Naltrexone Treatment are available to pregnant and postpartum women who are full-scope Medi-Cal beneficiaries
 - C. **Minor Consent DMC:** Minor Consent is a State funded program which excludes parental income and resources from consideration as a condition of Medi-Cal eligibility for certain, limited services to youth under the age of 21 who are living with their parent(s) or guardian(s), as specified in Family Code Section 6929. State law and regulations prohibit Contractor from contacting the parent(s)/guardian(s) of the youth who is applying for Minor Consent services. If the minor is twelve (12) years of age or older, he/she is eligible for substance abuse services, primarily outpatient drug free counseling services, under Minor Consent DMC. To obtain Minor Consent DMC, the client must apply for benefits through the Department of Social Services.
 - D. **Substance Abuse Crime Prevention Act (SACPA):** The Substance Abuse Crime Prevention Act of 2000 (SACPA), also known as Prop 36, provides substance abuse treatment in lieu of incarceration to non-violent criminal drug offenders. Contractor will provide SACPA Treatment Services to Court-ordered adults. Services include individual

EXHIBIT A
STATEMENT OF WORK - ADP

and group counseling, community referrals for ancillary services, and drug testing according to SACPA Standards and Practices.

- E. **Substance Abuse Treatment Court (SATC):** SATC facilitates recovery of individuals within the criminal justice system by offering alternatives to traditional criminal processing for individuals with charges related to substance abuse. SATC provides a comprehensive and judicially monitored program of drug treatment and rehabilitation services. Services include individual and group counseling, community referrals for ancillary services, and drug testing according to SATC Standards and Practices.

- F. **Substance Abuse Mental Health Services Administration (SAMHSA):** SAMHSA is a division of the U.S. Department of Health and Human Services. SAMHSA aims to build resilience and facilitate recovery for people with or at risk for mental or substance use disorders. SAMHSA provides funding to support substance abuse treatment.

- G. **SAMHSA Veterans Entering Treatment Services (VETS):** The VETS program, funded by a grant from the Federal Substance Abuse and Mental Health Services Administration (SAMHSA), will expand and enhance the existing Veterans Treatment Court (VTC) in North Santa Barbara County. The VTC was established in Santa Barbara County in November 2011 to provide treatment services to veterans involved in the justice system. The SAMHSA VETS grant program seeks to increase veterans' access to treatment by expanding and enhancing services to address Post Traumatic Stress Disorder (PTSD), Traumatic Brain Injury (TBI), substance abuse and addiction. The VETS program will augment the current service delivery model by utilizing evidence-based practices in treatment and service delivery; increasing availability of outpatient treatment, detoxification services, transitional housing services, medically assisted treatment; and providing peer-support services such as veteran mentors and peer-led support groups. Veterans will receive 12 to 18 months of treatment and will include assessments, individualized treatment plans, peer mentoring, and alcohol and drug testing.

**EXHIBIT A 1
STATEMENT OF WORK - ADP
OUTPATIENT TREATMENT**

1. **PROGRAM SUMMARY.** The Coast Valley Substance Abuse Treatment Center (hereafter “the Program”) provides outpatient alcohol and other drug (AOD) treatment to adults and adolescent clients to assist clients to obtain and maintain sobriety. Treatment services will include best practice individual and group counseling, and drug testing. The Program shall be certified to provide Outpatient AOD Services. The Program will be located at 1125 East Clark Ave, Suite A2, Santa Maria and 133 North F Street, Lompoc, California.
2. **PROGRAM GOALS.**
 - A. Introduce participants to an ongoing process of recovery designed to achieve total abstinence from abuse of AOD;
 - B. Promote self-sufficiency and empower substance abusers to become productive and responsible members of the community;
 - C. Reduce recidivism and increase community safety;
 - D. For SACPA and/or SATC clients, reduce costs associated with criminal case processing and re-arrest.
3. **SERVICES.** Contractor shall provide:
 - A. **Outpatient Drug Free (ODF)** is treatment/recovery or rehabilitation services provided where the client does not reside in a treatment facility. Clients receive drug abuse or alcoholism treatment services with or without medication, including counseling and/or supportive services. ODF is also known as nonresidential services [Federal Definition].
 1. **ODF – Group** [Service Code 33] Group counseling means face-to-face contacts in which one or more counselors treat four (4) or more clients, up to a total of ten (10) clients, at the same time, focusing on the needs of the individuals served, in a 90 minute session.
 2. **For DMC clients, and all ODF-Group services and Intensive Outpatient Treatment (IOT) services:** Contractor shall ensure that each client receives a minimum of two group counseling sessions (minimum 90 minutes per group session) per thirty (30) day period depending on the client’s needs and treatment plan or be subject to discharge, as specified in 22 CCR Section 51341.1(d). Group counseling sessions shall focus on short-term personal, family, job/school, and other problems and their relationship to substance abuse or a return to substance abuse. Services shall be provided by appointment. At least one of the clients in the group session must be DMC eligible to claim DMC reimbursement for the group session.
 3. **ODF – Individual** [Service Code 34] Individual counseling is face-to-face contact between a client and a therapist or counselor in a 50 minute session. Individual counseling is limited to intake, evaluation, assessment and diagnosis, treatment and discharge planning, collateral services, and crisis intervention, subject to the limitations described in 22 CCR Section 51341.1.

**EXHIBIT A 1
STATEMENT OF WORK - ADP
OUTPATIENT TREATMENT**

- B. Contractor shall refer clients to ancillary services and provide referral to vocational, literacy, education, and family counseling where applicable and appropriate.
- C. Contractor shall provide drug testing as described in the Alcohol, Drug and Mental Health Services (ADMHS) Drug Testing Policy and Procedures, and SACPA/SATC requirements, as applicable.

D. SACPA and/or SATC:

- 1. Contractor shall provide SACPA or SATC Treatment Services to Court-ordered adults, per SACPA/SATC guidelines.
- 2. Contractor shall participate in a quarterly graduation activity in collaboration with the Court and other treatment contractors, sharing in the cost of the celebratory activities.
- 3. Contractor shall attend Court Staffing meetings in the region served by Contractor.
- 4. Contractor shall abide by the Therapeutic Justice Policy Council Treatment Court Guidelines & Procedures as set forth by the Policy Council.
- 5. Contractor shall attend SACPA/SATC Core Team and Policy Council meetings and work with County to develop recommendations, guidelines, and procedures for adult treatment services.

E. ODF Youth and Family Treatment:

- 1. Contractor shall provide family engagement activities and services which initiate and encourage family participation in treatment, such as groups to provide an introduction and orientation to the treatment program.
- 2. Contractor shall provide family education activities and services which educate families about relevant topics such as substance abuse, treatment, recovery, and relapse prevention.
- 3. Contractor shall provide parenting education activities and services that foster effective parenting, with an emphasis on positive parenting, communication between parents and their children, setting clear and appropriate behavioral expectations and logical consequences, awareness of social issues that confront children and how parents can help, and other topics which increase parent effectiveness and family functioning.
- 4. Contractor shall provide celebratory activities, recognizing clients for their achievements in the recovery process through special activities in the facility or outings to events in the community. **A maximum of two (2) sessions per calendar month may be billed at the ODF - Individual rate for such activities.**
- 5. Contractor shall carry out specific and scheduled outreach activities designed to increase local community awareness of treatment services.

**EXHIBIT A 1
STATEMENT OF WORK - ADP
OUTPATIENT TREATMENT**

4. **CLIENTS.** Contractor shall provide services as described in Section 3 to 85 clients in Lompoc, including juveniles, and 105 clients in Santa Maria, including juveniles, referred by sources described in Section 5. Contractor shall admit clients with co-occurring disorders where appropriate.

5. **REFERRALS.**
 - A. Contractor shall receive referrals from Parole, Probation, Courts, CalWORKs staff, other County agencies, other outpatient contractors, and self-referrals.
 1. Contractor shall receive referrals via phone, written referral, or walk in.
 2. Referrals (other than self-referrals) shall be accompanied by written documentation.
 - B. If services are mandated by the Court, client will contact Contractor within twenty-four (24) hours of referral (except weekends or holidays). Contractor shall contact the referral source within 72 hours with a verification of enrollment.

6. **ADMISSION PROCESS.**
 - A. Contractor shall interview client to determine client's appropriateness for the Program.
 - B. Admission criteria will be determined by the referral source and/or client's eligibility for payor source.
 - C. Contractor shall admit clients referred by sources described in Section 5. unless the client meets one or more conditions specified in Section 7, or if space is not available in the Program.
 - D. **Admission Packet.** At Contractor's intake meeting with client, Contractor shall complete an admission packet with the following information:
 1. Consent to Treatment Form, Program rules and guidelines, signed by client;
 2. Release of information form, signed by client;
 3. Financial assessment and contract for fees;
 4. Personal/ demographic information of client, as described in State of California Standards for Drug Treatment Programs, including:
 - a. Social, economic and family background;
 - b. Education;
 - c. Vocational achievements;
 - d. Criminal history, legal status;
 - e. Medical history;
 - f. Drug history;

**EXHIBIT A 1
STATEMENT OF WORK - ADP
OUTPATIENT TREATMENT**

- g. Previous treatment;
 - 5. Emergency contact information for client.
 - 6. Contractor shall notify referral source if client is not accepted into the Program, based on Section 7, within one business day of receiving the initial referral.
 - 7. Contractor shall complete and send a Verification of Enrollment form to the referral source upon acceptance of client into the Program, no later than 72 hours after admission.
 - 8. Should space not be available in the Program, Contractor shall place client on a waiting list, and refer client to interim services.
7. **EXCLUSION CRITERIA.** On a case-by-case basis, the following may be cause for client exclusion from the Program:
- A. Client threat of or actual violence toward staff or other clients;
 - B. Rude or disruptive behavior that cannot be redirected.
8. **DOCUMENTATION REQUIREMENTS.**
- A. Contractor shall enter all California Outcomes Measurement System (CalOMS) treatment data and all other client data required by County into the County's MIS system no later than seven (7) days after client entry into the Program. Contractor shall complete an annual update of the CalOMS treatment data on the anniversary of client's admission to the Program (for clients in the same treatment service for one year or more), and when the client is discharged from the treatment service. The client must be discharged from treatment if there has been no client contact within 30 days. The date of discharge shall be the last face to face contact.
 - B. No later than 30 days after client entry into the Program, Contractor shall complete:
 - 1. Addiction Severity Index (ASI). Contractor shall administer and score ASI. Results of the ASI shall be utilized for treatment and discharge planning. For SATC and SACPA funded clients, Contractor shall report the results of the ASI and recommendations to the court;
 - 2. Treatment Plan. The Treatment Plan must include a statement of the problems to be addressed, the goals to be achieved for each problem, the action steps to be taken, and the target dates that these goals are to be achieved. The Plan shall describe the services to be provided (type and frequency of counseling), the diagnosis (DSM IV) and the assignment of a primary counselor. The Plan shall be consistent with the results of the client's ASI. The Treatment Plan is considered complete and effective on the date of the counselor's signature. Contractor shall periodically review and update the Treatment Plan every ninety (90) days.
 - C. Contractor shall complete all assessments and follow-up as required by SAMHSA.
 - D. Contractor shall maintain documentation and collect data as required by SAMHSA.

**EXHIBIT A 1
STATEMENT OF WORK - ADP
OUTPATIENT TREATMENT**

9. DISCHARGES.

- A. Contractor shall develop a Discharge Plan for clients prior to discharge, in coordination with the referral source and client, as detailed in the California Standards for Drug Treatment Programs. The Discharge Plan shall include:
 - 1. Recommendations for post-discharge;
 - 2. Linkages to other services, if appropriate;
 - 3. Reason for discharge;
 - 4. Clinical discharge summary.
- B. Contractor shall give client one copy of the Discharge Plan, and place one copy in the client's file.
- C. Contractor shall document discharge information in CalOMS via the County MIS system no later than 30 days following discharge.
- D. Any client that does not receive service within a 30 day period shall be discharged, as the date of last services, per CalOMS guidelines. The date of discharge shall be the date of last face-to-face contact.

EXHIBIT A-2
STATEMENT OF WORK- ADP
RECOVERY ORIENTED SYSTEM OF CARE (ROSC)

1. **PROGRAM SUMMARY.** Recovery-Oriented Systems of Care (ROSC) (hereafter “the Program”) support person-centered and self-directed approaches to care that build on the personal responsibility, strengths, and resilience of individuals, families, and communities to achieve sustained health, wellness, and recovery from alcohol and drug problems. The establishment of peer supported self-help groups is fundamental to a ROSC. These ROSC groups are usually alternatives or additions to the current menu of 12-Step meetings that have been established throughout the community. Contractor will establish one or more of the following groups: SMART Recovery®, Double Trouble and/or Psycho-educational drug abuse intervention groups. The Program will be located at 1125 E. Clark Avenue, Suite A2 Santa Maria and 133 North F Street, Lompoc, California.

2. **PROGRAM GOALS.**
 - A. Introduce participants to an ongoing process of recovery designed to achieve total abstinence from abuse of AOD;

 - B. Promote self-sufficiency and empower substance abusers to become productive and responsible members of the community;

 - C. Reduce recidivism and increase community safety.

3. **DEFINITIONS.**
 - A. **Self-Management and Recovery Training (SMART) Recovery®:** SMART is a self-help program for AOD abuse issues that was established to provide an alternative to Alcoholics Anonymous, Narcotics Anonymous and other faith-based 12-Step programs. SMART is a Cognitive Behavioral Therapy (CBT) model that is offered in a small group format, supported through peer-driven meetings where participants have the opportunity to learn and refine these skills from those who have mastered them in their own recovery. SMART focuses on recognizing and changing distorted thought patterns in order to change emotions and behaviors. SMART provides an important alternative for non-believers and those alienated from 12-Step programs to participate meaningfully in recovery groups. Its focus on CBT also aligns with the Matrix treatment strategy.

 - B. **Double Trouble in Recovery (DTR):** DTR is designed to meet the needs of clients with co-occurring disorders. Traditional 12-Step groups are single-focus groups based on the "one-disease - one-recovery" model. This specialization is largely what bonds members together. However, traditional 12-Step models may not provide adequate assistance to individuals with co-occurring disorders. DTR fills a gap by customizing the 12-Steps for clients with co-occurring disorders to address their individual needs, including medication management issues.

 - C. **Psycho-educational drug abuse intervention groups:** Psycho-educational drug abuse intervention groups are didactic or lecture and discussion groups covering established Matrix Model Early Recovery and Relapse Prevention topics. Topics will focus on the process of recovery, including post acute withdrawal syndrome (PAWS), relapse prevention planning and skills building.

**EXHIBIT A-2
STATEMENT OF WORK- ADP
RECOVERY ORIENTED SYSTEM OF CARE (ROSC)**

4. SERVICES.

- A. Contractor will hold two (2) of any combination of the groups listed in Section 3 per week.
 - i. Contractor will offer two (2) groups during evening and/or weekend hours.
 - ii. Each group will be 60 to 90 minutes in length.
 - iii. SMART Recovery groups shall have a maximum of twelve (12) participants. Other groups may be as large as the location allows.
- B. Contractor will select group models from those listed in Section 3 that are best suited for their clients' needs.
- C. Contractor will follow the curriculum and guidelines established by SMART¹ and DTR as applicable.
- D. Contractor will provide contractor staff to facilitate groups until clients/peers can facilitate groups on their own and both staff and client/peers will follow the curriculum and guidelines established by the organizations listed in Section 3, as applicable, and the requirements of Exhibit A ADP.

5. ADDITIONAL PROGRAM REQUIREMENTS.

- A. Contractor will maintain an attendance roster of all clients affiliated with any Alcohol, Drug, and Mental Health Services system of care.
- B. Contractor shall enter client data, including admission, discharge, and California Outcomes Measurement System (CalOMS) data, into the County MIS system for the following clients: SACPA clients who successfully complete the SACPA program and are not admitted to another formal program. It is anticipated that clients who do not successfully complete the SACPA program while participating in a ROSC group will be enrolled in an Outpatient Drug Free treatment program, therefore the Contractor shall not be required to enter the client into the MIS System under the ROSC program.

EXHIBIT A-3
STATEMENT OF WORK- ADP
VETERANS ENTERING TREATMENT SERVICES (VETS)

1. **PROGRAM, SUMMARY:** Veterans Entering Treatment Services (VETS) (hereafter "the Program"), funded by a grant from the Federal Substance Abuse and Mental Health Services Administration (SAMHSA), provides individualized mental health and substance abuse treatment including best practice individual and group counseling, and drug testing. The Program provides assessment, referral and treatment services to clients in Santa Maria, and will provide varying levels of service, depending on client's needs. Coast Valley Substance Abuse Treatment Centers shall serve clients who require the most intensive co-occurring treatment services, Mental Health Systems – Santa Maria Center for Change will serve clients who require less intensive services, and Good Samaritan Shelter will serve clients who require the least intensive treatment. The Program shall be certified by the State of California to provide Outpatient Alcohol and/or Other Drug Services. The Program shall be located at 1125 E. Clark Ave., Suite A2, Santa Maria.

2. **PROGRAM GOALS.**
 - A. Assist clients to establish a clean and sober lifestyle;
 - B. To help justice-involved veterans reduce psychiatric symptoms including depression, PTSD and other trauma-related symptoms;
 - C. Expand capacity in the Santa Maria Veterans Treatment Court and enhance treatment for justice involved veterans.

3. **PROGRAM COLLABORATION.** Contractor shall receive and screen referrals from the Santa Maria VETS Court Team. The VETS Court Team shall refer clients to appropriate providers based upon client's individual treatment needs. Program services may be provided by other treatment providers in addition to Contractor.

4. **SERVICES.** Contractor will comply with Program requirements, including the grant proposal and the Notice of Grant Award, incorporated herein by reference, and shall provide services as described in the VETS treatment guidelines, accepted by the Therapeutic Justice Policy Council, as applicable. Contractor's services include:
 - A. Screening. Contractor will screen all clients with the Addiction Severity Index (ASI) and a Mental Status Exam. Results of the screening shall be used to determine referrals to appropriate treatment providers.
 - B. Referral. Contractor shall assign staff to screen and refer clients to appropriate treatment programs. Clients with co-occurring disorders beyond Contractor's scope of practice will be referred to providers who can accommodate the client's needs including the Veterans Administration (VA). Determination of the appropriate treatment program will be made by the VETS team which shall be comprised of a representative from the District Attorney's office, Court, Probation Department, client's attorney, ADMHS, and the Veterans Justice Outreach Specialist from the VA.

EXHIBIT A-3
STATEMENT OF WORK- ADP
VETERANS ENTERING TREATMENT SERVICES (VETS)

- C. Assessment. Assessment is designed to evaluate the current status of a client's mental, emotional or behavioral health, including substance use issues. Assessment includes, but is not limited to, one or more of the following: mental status determination; analysis of the client's clinical history; analysis of relevant cultural issues and history; diagnosis; and use of testing procedures. Contractor shall conduct assessments for each client deemed appropriate for Contractor's treatment program. Contractor's assessment of clients will include the SAMHSA Government Performance Reporting Assessment (GPRA), the Addiction Severity Index (ASI), a Mental Status Exam, and other assessments as required by the approved SAMHSA Grant Application.
- D. Outpatient Drug Free (ODF) is treatment/recovery or rehabilitation services provided where the client does not reside in a treatment facility. Clients receive drug abuse or alcoholism treatment services with or without medication, including counseling and/or supportive services. ODF is also known as nonresidential services [Federal Definition].
1. ODF - Group [Service Code 33] Group counseling means face-to-face contacts in which one or more counselors treat four (4) or more clients, up to a total of ten (10) clients, at the same time, focusing on the needs of the individuals served, in a 90 minute session.
 2. ODF - Individual [Service Code 34] Individual counseling is face-to-face contact between a client and a therapist or counselor in a 50 minute session. Individual counseling is limited to intake, evaluation, assessment and diagnosis, treatment and discharge planning, collateral services, and crisis intervention, subject to the limitations described in Title 22 CCR Section 51341.1.
- E. Contractor shall use the Matrix Model, Community Reinforcement Approach (CRA), and Seeking Safety for all clients in accordance with SAMHSA grant requirements and specifications.
- F. Contractor shall provide referrals to vocational, literacy, education, and family counseling as applicable.
- G. Contractor shall refer VETS participants to the Veteran Mentor Program as applicable or as requested.
- H. Contractor shall provide random drug testing as described in the ADMHS Drug Testing Policy and Procedures, incorporated herein by reference, and VETS treatment guidelines.
- I. Contractor shall attend the VETS Project Oversight Committee once per month.
- J. Contractor shall attend VETS meetings in Santa Maria Superior Court.

EXHIBIT A-3
STATEMENT OF WORK- ADP
VETERANS ENTERING TREATMENT SERVICES (VETS)

- K. Contractor shall attend Substance Abuse Crime Prevention Act/ Substance Abuse Treatment Court (SACPA/SATC) Core Committee and Policy Council meetings and work with County ADP to develop recommendations, guidelines, and procedures for adult treatment services.
5. **STAFFING.** Contractor shall make available one (1.0) full time equivalent (FTE) staff who shall meet the requirements of AOD Counselor(s) as described in California Code of Regulations, Title 9, Division 4, Chapter 8, to provide services as described in Section 4.
6. **CLIENTS/PROGRAM CAPACITY.** Contractor shall provide services to 45 VETS clients per year, identified as having co-occurring substance abuse and mental health issues and referred by the VETS Court Team.
7. **LENGTH OF TREATMENT.** Clients shall receive Program services for a minimum of 12 months.
8. **REFERRALS.**
- A. Contractor shall receive identified and eligible referrals from the VETS Court Team. Referrals shall be accompanied by written documentation.
- B. Contractor shall contact the referral source within 72 hours with a verification of enrollment.
9. **ADMISSION PROCESS.**
- A. Contractor shall admit only those clients referred by sources described in Section 8 and whose substance use issues and treatment needs are within the scope of the Contractor's practice, as follows:
1. Determination of client's eligibility for enrollment in the Program shall be made by the VETS Court Team based on admission criteria established by the VETS Guidelines.
 2. Contractor shall interview and screen client to confirm client's appropriateness for the Program.
- B. **Admission Packet.** At Contractor's intake meeting with client, Contractor shall complete an admission packet with the following information:
1. Consent to Treatment form, Program rules and guidelines, signed by client;
 2. Release of information form, signed by client;
 3. Financial assessment and contract for fees.

**EXHIBIT A-3
STATEMENT OF WORK- ADP
VETERANS ENTERING TREATMENT SERVICES (VETS)**

4. Personal/ demographic information of client, as described in State of California Standards for Drug Treatment Programs, including:
 - a. Social, economic and family background;
 - b. Education;
 - c. Vocational achievements;
 - d. Criminal history, legal status;
 - e. Medical history;
 - f. Drug history;
 - g. Previous treatment.
5. Emergency contact information for client.
- C. Contractor shall notify referral source if client is not accepted into the Program, based on Section 10, within one business day of receiving the initial referral.
- D. Contractor shall complete and send a Verification of Enrollment form to the referral source upon acceptance of client into Program, no later than 72 hours after admission.
- E. Should space not be available in the Program, Contractor shall place client on a waiting list, and refer client to interim services.
10. **EXCLUSION CRITERIA.** In addition to exclusionary criteria specified in the VETS Guidelines, the following may be cause for client exclusion from the program on a case-by-case basis:
 - A. Client threat of or actual violence toward staff or other clients;
 - B. Rude or disruptive behavior that cannot be redirected.
11. **DOCUMENTATION REQUIREMENTS.**
 - A. Contractor shall enter all California Outcomes Measurement System (CalOMS) treatment data and all other client data required by County into the County's MIS system no later than seven (7) days after client entry into Program. Contractor shall complete an annual update of the CalOMS treatment data on the anniversary of client's admission to the Program (for clients in the same treatment service for one year or more}, and when the client is discharged from the treatment service.
 - B. No later than seven (7) days after client entry into Program, Contractor shall complete the GPRA;

**EXHIBIT A-3
STATEMENT OF WORK- ADP
VETERANS ENTERING TREATMENT SERVICES (VETS)**

C. No later than 30 days after client entry into Program, Contractor shall complete:

1. Addiction Severity Index (ASI). Contractor shall administer and score ASI. Results of the ASI shall be utilized for treatment and discharge planning. Contractor shall report the results of the ASI and recommendations to the VETS Court Team;
2. Mental Status Exam;
3. Treatment Plan. The Treatment Plan must include a statement of the problems to be addressed, the goals to be achieved for each problem, the action steps to be taken, and the target dates that these goals are to be achieved. The Treatment Plan shall describe the services to be provided (type and frequency of counseling), the diagnosis (DSM V), and the assignment of a primary counselor. The Treatment Plan shall be consistent with the results of the client's ASI. The Treatment Plan is considered complete and effective on the date of the counselor's signature. Contractor shall periodically review and update the Treatment Plan every ninety (90) days.

D. Follow up Assessments:

1. Per SAMHSA Grant requirements, Contractor shall administer a second ASI six (6) months after the initial ASI.
 2. Per SAMHSA Grant requirements, Contractor shall administer a follow up GPRA assessment with each client six (6) months after entry into the Program, at discharge and six (6) months after discharge.
12. **DISCHARGES.** Contractor shall develop a Discharge Plan for clients prior to discharge, in coordination with the referral source and client, as detailed in the California Standards for Drug Treatment Programs. The Discharge Plan shall include:
- A. Recommendations for post-discharge;
 - B. Linkages to other services, if appropriate;
 - C. Reason for discharge;
 - D. Clinical discharge summary.
 - E. Contractor shall give client one copy of the Discharge Plan, and place one copy in the client's file.

EXHIBIT A-4
STATEMENT OF WORK-ADP
VETERANS HOUSING

1. **PROGRAM SUMMARY.** Contractor provides Alcohol and Drug Free Housing (ADFH) services which help people in recovery maintain an alcohol and drug free lifestyle (hereafter “the Program”), funded by the VETS SAMHSA grant. The Program is time limited and provides a safe and sober living environment within a self-help model of support. ADFH services are not treatment services and Contractor shall not provide treatment services to any of its residents. The Program shall be registered with the California Association of Addiction Recovery Resources (CAARR). The Program will be located at 830 W. Church St. Santa Maria 93454.

2. **PROGRAM GOALS.**
 - A. Assist clients to establish a clean and sober lifestyle;
 - B. To help justice involved veterans reduce psychiatric symptoms including depression, Post-Traumatic Stress Disorder (PTSD) and other trauma-related symptoms;
 - C. Expand capacity in the Santa Maria Veterans Treatment Court and enhance treatment for justice involved veterans;
 - D. Assist clients in maintaining sobriety, offering support and housing resources in the community.

3. **SERVICES.**
 - A. ADFH services helps clients recovering from substance abuse maintain an alcohol- and drug-free lifestyle by providing a housing alternative. Program residents are free to organize and participate in self-help meetings or any other activity that helps them maintain sobriety on site. Contractor or its residents shall not provide any treatment, recovery or detoxification services; Contractor shall not provide treatment or recovery plans or maintain resident treatment files; and shall not provide a structured scheduled program of alcohol and drug education, group or individual counseling, or recovery support sessions.
 - B. **CAARR Registration.** CAARR has established a registration process for homes meeting the Sober Living Standards. It is not a certification or accreditation, but rather an acknowledgement that a home states that it meets the Sober Living Environment Standards, declares that it will continue to abide by the Standards, and is visited on an annual basis by peers who witness the environment and recognize that the program meets the minimum Standards. The name of the program will then be placed in the official Registry, and the program will receive a certificate. Contractor shall apply for CAARR registration within 30 days of contract execution.
 - C. Contractor shall adhere to ADMHS Standards for Sober Living Environments, Sober Living Guidelines, and California Association of Addiction Recovery Resources (CAARR) Standards for Sober Living Environments, incorporated herein by reference.

EXHIBIT A-4
STATEMENT OF WORK-ADP
VETERANS HOUSING

- D. Contractor shall only receive reimbursement for ADFH services provided to clients currently receiving treatment from alcohol and other drug (AOD) treatment programs funded by the VETS SAMHSA Grant.
- E. Contractor shall cooperate with ADMHS, Probation, and the VETS Court Team in providing housing for VETS SAMHSA Grant clients. Contractor shall notify ADMHS, Probation, and/or Court if any of the following occur:
1. Unusual incident occurs involving a client.
 2. Client leaves Contractor's program.
 3. Contractor suspects drug or alcohol use by the client.
4. **CLIENTS.** Contractor shall provide services as described in Section 3 to approximately 1 to 2 VETS clients per year, referred by sources specified in Section 6. Contractor shall admit clients with co-occurring disorders where appropriate.
5. **LENGTH OF STAY.** County will reimburse for a length of stay not to exceed 60 days per client. With extenuating circumstances preventing employment, ADMHS and/or Probation may approve a length of stay up to 90 days. Any length of stay over 90 days will be considered on an individual case by case basis, and must be pre-approved by ADMHS.
6. **REFERRALS.**
- A. Contractor shall receive referrals from the VETS Court Team for VETS SAMHSA Grant program participants.
1. Contractor shall receive referrals via phone, written referral, or walk in.
 2. Referrals shall be accompanied by written documentation.
- B. As mandated by the VETS Court Team, client will contact Contractor within one business day of referral. Contractor shall contact the VETS Court Team within 72 hours with a verification of enrollment.
7. **ADMISSION PROCESS.**
- A. Contractor shall interview client to determine client's appropriateness for the Program.
- B. Admission criteria will be determined by referral source, Contractor, and/or payor source.
- C. Contractor shall admit clients referred by sources described in Section 6.A unless the client meets one or more conditions specified in Section 8, or if space is not available in the Program.
- D. **Admission Packet.** At Contractor's intake meeting with client, Contractor shall complete an admission packet with the following information:
1. Program rules and guidelines, signed by client;

**EXHIBIT A-4
STATEMENT OF WORK-ADP
VETERANS HOUSING**

2. Release of information form, signed by client;
 3. Assessment and contract for fees;
 4. Emergency contact information for client.
- E. Contractor shall notify referring party if client is not accepted into the Program, based on Section 8, within one business day of receiving the initial referral.
- F. Contractor shall complete and send a Verification of Enrollment form to the referring party upon acceptance of client into Program, no later than 72 hours after admission.
- G. Should space not be available in the Program, Contractor shall place client on a waiting list, and refer client to interim services.
8. **EXCLUSION CRITERIA.** On a case-by-case basis, the following may be cause for client exclusion from the program:
- A. Client threat of or actual violence toward staff or other clients;
 - B. Rude or disruptive behavior that cannot be redirected.
9. **DISCHARGES.** Contractor shall inform referring agency, if applicable, of client status and discharge.

**ATTACHMENT E - ADP
PROGRAM GOALS, OUTCOMES AND MEASURES**

Treatment Services Outcome Measures		
Program Goal	Outcome	Measure
<ul style="list-style-type: none"> ❖ Reduce substance use and improve overall life functioning while in treatment and at the point of discharge including establishing a sober support system and a significant reduction in all substance abuse and accompanying mental health problems 	<ul style="list-style-type: none"> ✓ Clients receiving services for more than 30 days ✓ Clients that stay in treatment a minimum of 90 days ✓ Clients that successfully complete treatment 	<ul style="list-style-type: none"> ➤ Number of clients in treatment a minimum of 30 days, and have received at least one service in the past 30 days ➤ Number of clients remaining in treatment for a minimum of 90 days ➤ Number of clients that successfully complete treatment
<ul style="list-style-type: none"> ❖ Assist clients to develop the skills necessary to lead healthy and productive lives 	<ul style="list-style-type: none"> ✓ Decreased readmission rates ✓ Clients who reported unemployment or not seeking employment at admission will be employed or enrolled in a job training or school at discharge 	<ul style="list-style-type: none"> ➤ Number of readmissions ➤ Number of clients employed, seeking employment, enrolled in job training or school at discharge

EXHIBIT B - ADP

THIS EXHIBIT B INCLUDES THE FOLLOWING ATTACHMENTS:

1. EXHIBIT B ADP – Financial Provisions
 - i. EXHIBIT B ADP– Financial Provisions
 - ii. EXHIBIT B-1 ADP – Schedule of Rates and Contract Maximum
 - iii. EXHIBIT B-2 – Contractor Budget
 - iv. EXHIBIT B-3 ADP - Sliding Fee Scale

EXHIBIT B - ADP

(with attached Exhibit B-1, Schedule of Rates and Contract Maximum)

This Agreement provides for reimbursement for Alcohol and Drug Program services up to a Maximum Contract Amount, reflected in Section II below and Exhibit B-1 ADP. For all services provided under this Agreement, Contractor will comply with all requirements necessary for reimbursement in accordance with the regulations applicable to the funding sources identified in the Exhibit B-1 ADP, and other applicable Federal, State and local laws, rules, manuals, policies, guidelines and directives.

I. PAYMENT FOR SERVICES.

- A. Performance of Services. Contractor shall be compensated on a cost reimbursement basis, subject to the limitations described herein, for provision of the Units of Service (UOS) established in the Exhibit B-1 ADP based on satisfactory performance of the Alcohol and Drug Program services described in Exhibit A ADP.
- B. Drug Medi-Cal Services. The services provided by Contractor's Program described in Exhibit A ADP that are covered by the Drug Medi-Cal Program will be reimbursed by County as specified in Exhibit B-1 MH. Pursuant to Title 9 California Code of Regulations (CCR) 9533(a)(2), Contractor shall accept proof of eligibility for Drug Medi-Cal as payment in full for treatment services rendered, and shall not collect any other fees from Drug Medi-Cal clients, except where a share of cost, defined in Title 22 CCR section 50090, is authorized under Title 22 CCR sections 50651 et seq. Contractor shall not charge fees to beneficiaries for access to Drug Medi-Cal substance abuse services or for admission to a Drug Medi-Cal treatment slot.
- C. Non-Drug Medi-Cal Services. County recognizes that some of the services provided by Contractor's Program, described in Exhibit A ADP, may not be reimbursable by Drug Medi-Cal, or may be provided to individuals who are not Drug Medi-Cal eligible and such services may be reimbursed by other County, State, and Federal funds only to the extent specified in Exhibit B-1 ADP. Funds for these services are included within the Maximum Contract Amount.
- D. Limitations on Use of Funds Received Pursuant to this Agreement. Contractor shall use the funds provided by County exclusively for the purposes of performing the services described in Exhibit A ADP to this Agreement. Expenses shall comply with the requirements established in OMB A-87, A-122, and all other applicable regulations. Violation of this provision or use of County funds for purposes other than those described in Exhibit A ADP shall constitute a material breach of this Agreement.

II. MAXIMUM CONTRACT AMOUNT.

The Maximum Contract Amount of this Agreement shall not exceed **\$575,532** in Alcohol and Drug Program funding, and shall consist of County, State, and/or Federal funds as shown in Exhibit B-1 ADP. Notwithstanding any other provision of this Agreement, in no event shall County pay Contractor more than this Maximum Contract Amount for Contractor's performance hereunder without a properly executed amendment.

III. OPERATING BUDGET AND PROVISIONAL RATE.

- A. Operating Budget. Prior to the Effective Date of this Agreement, Contractor shall provide County with an Operating Budget on a format acceptable to, or provided by County, attached to this Agreement as Exhibit B-2.

EXHIBIT B - ADP

B. Provisional Rate. County agrees to reimburse Contractor at a Provisional Rate (the "Provisional Rate") during the term of this Agreement. The Provisional Rate shall be established as follows:

1. The provisional rate shall be the current Drug Medi-Cal Schedule of Maximum Allowances (SMA) rates as determined by the State budget process for the following services:
 - a. All Drug Medi-Cal Services;
 - b. Claims for all Drug Medi-Cal services and all Intensive Outpatient Treatment Rehabilitative/Ambulatory Outpatient or ODF - Group, and Rehabilitative/Ambulatory ODF - Individual services, are to be entered into the County's Management Information System (MIS) and corrected no later than 7 calendar days after the end of the month in which services are delivered, as specified in Exhibit A ADP, Section 5, Billing Documentation, although late claims may be submitted as needed in accordance with State and Federal regulations.
2. For all other services, the rate or billing increment shall be as reflected in Exhibit B-1 ADP.

At any time during the term of this Agreement, Director shall have the option to adjust the Provisional Rate to a rate based on allowable costs less all applicable revenues, and the volume of services provided in prior quarters, subject to the limitations described in this Section III.B.

IV. FEE COLLECTION. For non Drug Medi-Cal services or services to patients not eligible for Drug Medi-Cal, Contractor agrees to assess client fees toward the cost of treatment in accordance with Health and Safety Code Section 11841. Such fee collection shall be based on Contractor's determination of a client's ability to pay, per Exhibit B-3 ADP. In no case shall any client be refused services due to the inability to pay. Fees charged shall not exceed the actual cost for services provided. Such fees shall be:

- A. Deducted from the Contractor's Program cost of providing services as part of the Pre-audit Cost Report Settlement (Section VIII);
- B. Identified and reported to County on the Contractor's monthly financial statements, Contractor's budget, and annual year-end cost report.

All fees collected by Contractor must be separately identified for audit purposes and treated as placement fees. Contractor agrees to provide County with a copy of Contractor's Fee Collection policy. Fees shall be accounted for by Contractor and used to offset the cost of Contractor's services. All fees paid by or on behalf of patients/clients receiving services under this Agreement shall be utilized by Contractor only for the delivery of the services specified in this Agreement.

V. REALLOCATION OF PROGRAM FUNDING.

Contractor shall make written application to Director, or designee, in advance and no later than April 1 of each Fiscal Year, to reallocate funds as outlined in Exhibit B-1 ADP between Programs or funding sources, for the purpose of meeting specific Program needs or for providing continuity of care to its clients. Contractor's application shall include a narrative specifying the purpose of the request, the

EXHIBIT B - ADP

amount of said funds to be reallocated, and the sustaining impact of the reallocation as may be applicable to future years. The Director's, or designee's, decision of whether to allow the reallocation of funds shall be in writing to Contractor prior to implementation by Contractor.

VI. BILLING AND PAYMENT PROCEDURES AND LIMITATIONS.

A. Internal Procedures. Contractor shall maintain internal financial controls which adequately ensure proper recording, classification, and allocation of expenses, and billing and collection procedures. Contractor's procedures shall specifically provide for the identification of delinquent accounts and methods for pursuing such accounts.

B. Submission of Claims and Invoices:

1. Claims for all Drug Medi-Cal services and all Intensive Outpatient Treatment, Rehabilitative/Ambulatory Outpatient or ODF - Group, and Rehabilitative/Ambulatory ODF – Individual services, are to be entered into the County's Management Information System (MIS) and corrected no later than 7 calendar days after the end of the month in which services are delivered, as specified in Exhibit A, Section 5, Billing Documentation, although late claims may be submitted as needed in accordance with State and Federal regulations.

In addition to claims submitted in MIS, Contractor shall submit to County at adpfinance@co.santa-barbara.ca.us a signed Drug Medi-Cal Claim Submission Certification form, in accordance with 42 Code of Federal Regulations (CFR) 455.18, for each Drug Medi-Cal submission within two (2) business days of receipt of the MIS claim report.

2. Invoices for all Non-Drug Medi-Cal services described in Exhibit A shall be delivered electronically to adpfinance@co.santa-barbara.ca.us on a form acceptable to or provided by County, within 10 calendar days of the end of the month in which services are delivered and shall include: i) sufficient detail and supporting documentation to enable an audit of the charges, ii) the amount owed by County, and iii) the contract number and signature of Contractor's authorized representative.

Contractor agrees that it shall be solely liable and responsible for all data and information submitted to the County and submitted by the County to the State on behalf of Contractor.

The Director or designee shall review the monthly claim(s) and invoice to confirm accuracy of the data submitted. With the exception of the final month's payment under this Agreement, County shall make provisional payment for approved claims within 30 calendar days of the receipt of said claim(s) and invoice by County subject to the contractual limitations set forth below.

C. Payment Limitations.

1. Payment for Drug Medi-Cal services will be based on the UOS accepted into MIS and claimed to the State on a monthly basis.

2. Claims for all Drug Medi-Cal services and all Intensive Outpatient Treatment, Rehabilitative/Ambulatory Outpatient or ODF - Group, and Rehabilitative/Ambulatory ODF – Individual services, are to be entered into the County's Management Information System (MIS) and corrected no later than 7 calendar days after the end of the month in which services are delivered, as specified in Exhibit A ADP, Section 5,

EXHIBIT B - ADP

Billing Documentation, although late claims may be submitted as needed in accordance with State and Federal regulations.

3. The Program Contract Maximums specified in Exhibit B-1 and this Exhibit B are intended to cover services during the entire term of the agreement, unless otherwise specified in Exhibit A ADP (such as time-limited or services tied to the school year). Under no circumstances shall Contractor cease services prior to June 30 due to an accelerated draw down of funds earlier in the Fiscal Year. Failure to provide services during the entire term of the Agreement may be considered a breach of contract and subject to the Termination provisions specified in the Agreement Section 20.
- D. Monthly Financial Statements. Within 15 calendar days of the end of the month in which alcohol and other drug services are delivered, Contractor shall submit monthly financial statements reflecting the previous month's and cumulative year to date direct and indirect costs and other applicable revenues for Contractor's programs described in Exhibit A ADP. Financial Statements shall be submitted electronically to adpfinance@co.santa-barbara.ca.us.
- E. Withholding of Payment for Non-Submission of MIS and Other Information. If any required MIS data, invoice or report(s) is not submitted by Contractor to County within the time limits described in this Agreement or if any such information is incomplete, incorrect, or is not completed in accordance with the requirements of this Agreement, then payment shall be withheld until County is in receipt of complete and correct data and such data has been reviewed and approved by Director or designee. Director or designee shall review such submitted service data within 60 calendar days of receipt.
- F. Withholding of Payment for Unsatisfactory Clinical Work. Director or designee may deny payment for services when documentation of clinical work does not meet minimum State and County written standards.
- G. Claims Submission Restrictions:
1. Thirty-Day Billing Limit for Drug Medi-Cal Services: Unless otherwise determined by State or federal regulations, all original (or initial) claims for eligible individual persons under this Agreement must be received by County within 7 days from the end of the month in which services were provided to avoid possible payment reduction or denial for late billing. Late claims may be submitted up to one year after the month in which services were rendered with documentation of good cause. The existence of good cause shall be determined by the State as provided in Title 22 CCR Sections 51008 and 51008.5.
 2. Billing Limit for all other services: For all other services, claims must be received by County within 10 days from the end of the month in which services were provided to avoid possible denial of reimbursement for late billing.
 3. No Payment for Services Provided Following Expiration/ Termination of Agreement. Contractor shall have no claim against County for payment of any funds or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment, it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from

EXHIBIT B - ADP

Contractor. This provision shall survive the expiration or other termination of this Agreement.

- H. Claims Certification and Program Integrity. Contractor shall certify that all UOS entered by Contractor into the County's MIS System or otherwise reported to County for any payor sources covered by this Agreement are true and accurate to the best of Contractor's knowledge.

VII. COST REPORT

- A. Submission of Cost Report. Within four weeks after the release of the cost report template by the Department of Health Care Services (DHCS), or no sooner than the end of the fiscal year. Contractor shall provide County with an accurate and complete Annual Cost Report with a statement of expenses and revenue for the applicable prior fiscal year. The Annual Cost Report shall be prepared by Contractor in accordance with all applicable 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. All revenues received by Contractor shall be reported in its annual Cost Report, and shall be used to offset gross cost. Contractor shall maintain source documentation to support the claimed costs, revenues and allocations which shall be available at any time to Director or Designee upon reasonable notice.
- B. Cost Report to be Used for Initial Settlement. The Cost Report shall be the financial and statistical report submitted by Contractor to County, and shall serve as the basis for initial settlement to Contractor. Contractor shall document that costs are reasonable and allowable and directly or indirectly related to the services to be provided hereunder.
- C. Penalties. In addition, failure of Contractor to submit accurate and complete Annual Cost Report(s) by 45 days after the due date set in Section VII.A above or the expiration or termination date of this Agreement shall result in:
1. A Late Penalty of ONE HUNDRED DOLLARS (\$100) for each day that the accurate and complete Annual Cost Report(s) is (are) not submitted. The Late Penalty shall be assessed separately on each outstanding Annual Cost Report. The Late Penalty shall commence on the forty-sixth (46th) day after the deadline or the expiration or termination date of this Agreement. County shall deduct the Late Penalty assessed against Contractor from the final month's payment due under the Agreement.
 2. In the event that Contractor does not submit accurate and complete Annual Cost Report(s) by the one-hundred and fifth (105th) day after the due date set in Section VII.A or the expiration or termination date of this Agreement, then all amounts paid by County to Contractor in the Fiscal Year for which the Annual Cost Report(s) is (are) outstanding shall be repaid by Contractor to County. Further, County shall terminate any current contracts entered into with Contractor for programs covered by the outstanding Annual Cost Reports.
- D. Audited Financial Reports: Each year of the Agreement, the Contractor shall submit to County a copy of their audited annual financial statement, including management comments. This report shall be submitted within thirty (30) days after the report is received by Contractor.

EXHIBIT B - ADP

- E. Single Audit Report: If Contractor is required to perform a single audit and/or program specific audit, per the requirements of OMB circular A-133, Contractor shall submit a copy of such single audit to County within thirty (30) days of receipt.

VIII. PRE-AUDIT COST REPORT SETTLEMENTS.

- A. Pre-audit Cost Report Settlements. Based on the Annual Cost Report(s) submitted pursuant to this Exhibit B ADP Section VII (Cost Reports) and State approved UOS, at the end of each Fiscal Year or portion thereof that this Agreement is in effect, the State and/or County will perform pre-audit cost report settlement(s). Such settlement will be subject to the terms and conditions of this Agreement and any other applicable State and/or federal statutes, regulations, policies and procedures, or requirements pertaining to cost reporting and settlements for applicable federal and/or State programs. Settlement shall be adjusted to the lower of:
 1. Contractor's published charge(s) to the general public, as approved by the Contractor's governing board; unless the Contractor is a Nominal Charge Provider. This federal published charges rule is applicable only for the outpatient, rehabilitative, case management and 24-hour services.
 2. The Contractor's actual costs.
 3. The last approved State Schedule of Maximum Allowances (SMA).
 4. The Maximum Contract Amount of this Agreement.
- B. Issuance of Findings. County's issuance of its pre-audit cost report settlement findings shall take place no later than one-hundred-twenty (120) calendar days after the receipt by County from the State of the State's Final Cost Report Settlement package for a particular fiscal year.
- C. Payment. In the event that Contractor adjustments based on any of the above methods indicate an amount due the County, Contractor shall pay County by direct payment within thirty (30) days or from deductions from future payments, if any, at the sole discretion of the Director.

IX. AUDITS, AUDIT APPEALS AND POST-AUDIT MEDI-CAL FINAL SETTLEMENT:

- A. Audit by Responsible Auditing Party. At any time during the term of this Agreement or after the expiration or termination of this Agreement, in accordance with State and federal law, authorized representatives from the County, State or Federal governments (Responsible Auditing Party) may conduct an audit or site review of Contractor regarding the alcohol and drug services/activities provided under this Agreement.
- B. Settlement. Settlement of the audit findings will be conducted according to the Responsible Auditing Party's procedures in place. In the case of a State Medi-Cal audit, the State and County will perform a post-audit Medi-Cal settlement that is based on State audit findings. Such settlement will take place when the State initiates its settlement action which customarily is after the issuance of the audit report by the State and before the State's audit appeal process. However, if the Responsible Auditing Party stays its collection of any amounts due or payable because of the audit findings, County will also stay its settlement of the same amounts due or payable until the Responsible Auditing Party initiates its settlement action with County.

EXHIBIT B - ADP

- C. Invoice for Amounts Due. County shall issue an invoice to Contractor for any amount due to the County after the Responsible Auditing Party issues an audit report. The amount on the County invoice is due by Contractor to County thirty (30) calendar days from the date of the invoice.
- D. Appeal. Contractor may appeal any such audit findings in accordance with the audit appeal process established by the Responsible Auditing Party performing the audit.

EXHIBIT B1 - ADP

ALCOHOL, DRUG AND MENTAL HEALTH SERVICES SCHEDULE OF RATES AND CONTRACT MAXIMUM

CONTRACTOR NAME:

Coast Valley

FISCAL
YEAR:

14-15

	Unit	PROGRAM					
		Outpatient Treatment - Lompoc	Outpatient Treatment - Santa Maria	Outpatient Treatment - ROSC	VETS Housing	Outpatient Treatment - VETS (10/1/13 - 6/30/14)	Total
DESCRIPTION/MODE/SERVICE FUNCTION:		NUMBER OF UNITS PROJECTED (based on history):					
33-ODF Group	session	7250	7225				14,475
34-ODF Individual	session	1545	1463				3,008
18-Recovery Oriented System of Care (ROSC)	cost reimbursed	236		\$ 14,700			\$ 14,936
SAMHSA VETS Grant Services	cost reimbursed	106			\$ 12,420	\$ 61,705	\$ 74,231
COST PER UNIT/PROVISIONAL RATE:							
33-ODF Group				\$26.23			
34-ODF Individual				\$67.38			
18-Recovery Oriented System of Care (ROSC)				as budgeted			
SAMHSA VETS Grant Services				as budgeted			
GROSS COST:		\$ 558,594	\$ 529,094	\$ 14,700	\$ 12,420	\$ 61,705	\$ 1,176,513
LESS REVENUES COLLECTED BY CONTRACTOR: (as depicted in Contractor's Budget Packet)							
CLIENT FEES		\$ 25,000	\$ 15,000				\$ 40,000
CLIENT INSURANCE							\$ -
CONTRIBUTIONS/GRANTS (includes unsecured)		\$ 6,000	\$ 13,200				\$ 19,200
FOUNDATIONS/TRUSTS							\$ -
SPECIAL EVENTS							\$ -
OTHER (LIST): OTHER GOVERNMENT		\$ 289,651	\$ 252,130				\$ 541,781
OTHER (LIST): INVESTMENT INCOME							\$ -
TOTAL CONTRACTOR REVENUES		\$ 320,651	\$ 280,330	\$ -	\$ -	\$ -	\$ 600,981
MAXIMUM (NET) CONTRACT AMOUNT:		\$ 237,943	\$ 248,764	\$ 14,700	\$ 12,420	\$ 61,705	\$ 575,532
SOURCES OF FUNDING FOR MAXIMUM CONTRACT AMOUNT**							
Drug Medi-Cal		\$ 135,283	\$ 135,284				\$ 270,567
Realignment/SAPT - Discretionary		\$ 83,869	\$ 113,480	\$ 14,700			\$ 212,049
Realignment/SAPT Perinatal							\$ -
Realignment/SAPT - Adolescent Treatment		\$ 18,791					\$ 18,791
SAMHSA Federal Grant - VETS					\$ 12,420	\$ 61,705	\$ 74,125
Other County Funds							\$ -
TOTAL (SOURCES OF FUNDING)		\$ 237,943	\$ 248,764	\$ 14,700	\$ 12,420	\$ 61,705	\$ 575,532

CONTRACTOR SIGNATURE: _____

STAFF ANALYST SIGNATURE: _____

FISCAL SERVICES SIGNATURE: _____

**Funding sources are estimated at the time of contract execution and may be reallocated at ADMHS' discretion based on available funding sources.

EXHIBIT B-2

Santa Barbara County Alcohol, Drug and Mental Health Services Contract Budget Packet Entity Budget By Program

AGENCY NAME: **Coast Valley**

COUNTY FISCAL YEAR: **14/15**

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LINE#	COLUMN#	1	2	3	4	5	6	7	8	9	10
	I. REVENUE SOURCES:		TOTAL AGENCY/ ORGANIZATION BUDGET	COUNTY ADMHS PROGRAMS TOTALS	Coast Valley SM (Fac/Prog)	Coast Valley LM	ROSC	VETS	VETS Housing	Enter PROGRAM NAME (Fac/Prog)	Enter PROGRAM NAME (Fac/Prog)
1	Contributions		\$ 19,200	\$ 19,200	\$ 13,200	\$ 6,000					
2	Foundations/Trusts			\$ -							
3	Special Events			\$ -							
4	Legacies/Bequests			\$ -							
5	Associated Organizations			\$ -							
6	Membership Dues			\$ -							
7	Sales of Materials			\$ -							
8	Sober Living Home		\$ 85,000	\$ 85,000	\$ 60,000	\$ 25,000					
9	Covered CA		\$ 10,000	\$ 10,000	\$ 5,000	\$ 5,000					
10	ADMHS Funding		\$ 575,532	\$ 575,532	\$ 248,764	\$ 237,943	\$ 14,700	\$ 61,705	\$ 12,420		
11	Other Government Funding			\$ -							
12	SAMHSA VETS			\$ -							
13	MEDICAL		\$ 270,567	\$ 270,567	\$ 135,284	\$ 135,283					
14	Probation/AB109		\$ 106,214	\$ 106,214	\$ 21,846	\$ 84,368					
15	CWS		\$ 30,000	\$ 30,000		\$ 30,000					
16	Federal Probation		\$ 20,000	\$ 20,000	\$ 10,000	\$ 10,000					
17	Private Grant		\$ 20,000	\$ 20,000	\$ 20,000						
18	Total Other Revenue (Sum of lines 1 through 17)		\$ 1,136,513	\$ 1,136,513	\$ 514,094	\$ 533,594	\$ 14,700	\$ 61,705	\$ 12,420	\$ -	\$ -
I.B Client and Third Party Revenues:											
19	Medicare			-							
20	Client Fees		\$ 40,000	40,000	\$ 15,000	\$ 25,000					
21	Insurance			-							
22	SSI			-							
23	Other (specify)			-							
24	Total Client and Third Party Revenues (Sum of lines 19 through 23)		40,000	40,000	15,000	25,000	-	-	-	-	-
25	GROSS PROGRAM REVENUE BUDGET (Sum of lines 18 + 24)		1,176,513	1,176,513	529,094	558,594	14,700	61,705	12,420	-	-

EXHIBIT B-2

	III. DIRECT COSTS	TOTAL AGENCY/ ORGANIZATION BUDGET	COUNTY ADMHS PROGRAMS TOTALS	Coast Valley SM (Fac/Prog)	Coast Valley LM	ROSC	VETS	VETS Housing
	III.A. Salaries and Benefits Object Level							
26	Salaries (Complete Staffing Schedule)	815,232	\$815,232	\$370,996	\$415,116	\$0	\$29,120	\$0
27	Employee Benefits	32,931	\$32,931	\$13,728	\$13,728		\$5,475	
28	Consultants	7,200	\$7,200				\$7,200	
29	Payroll Taxes	74,000	\$74,000	\$36,000	\$38,000			
30	Salaries and Benefits Subtotal	\$929,363	\$929,363	\$420,724	\$466,844	\$0	\$41,795	\$0
	III.B Services and Supplies Object Level							
31	Professional Fees		\$0					
32	Supplies	110,000	\$110,000	\$45,000	\$45,000		\$20,000	
33	Telephone	1,380	\$1,380		\$1,380			
34	Postage & Shipping		\$0					
35	Occupancy (Facility Lease/Rent/Costs)	124,620	\$124,710	\$57,795	\$39,795	\$14,700		\$12,420
36	Rental/Maintenance Equipment	2,700	\$2,700	\$1,350	\$1,350			
37	Printing/Publications		\$0					
38	Transportation		\$0					
39	Conferences, Meetings, Etc		\$0					
40	Insurance	8,450	\$8,450	\$4,225	\$4,225			
41	Other (specify)		\$0					
42	Other (specify)		\$0					
43	Other (specify)		\$0					
44	Other (specify)		\$0					
45	Services and Supplies Subtotal	\$247,150	\$247,240	\$108,370	\$91,750	\$14,700	\$20,000	\$12,420
46	III.C. Client Expense Object Level Total		\$0					
47	SUBTOTAL DIRECT COSTS	\$1,176,513	\$1,176,603	\$529,094	\$558,594	\$14,700	\$61,795	\$12,420
	IV. INDIRECT COSTS							
48	Administrative Indirect Costs (Reimbursement limited to 15%)		\$0					
49	GROSS DIRECT AND INDIRECT COSTS (Sum of lines 47+48)	\$1,176,513	\$1,176,603	\$529,094	\$558,594	\$14,700	\$61,795	\$12,420

EXHIBIT B-3 ADP

COUNTY OF SANTA BARBARA ALCOHOL & DRUG PROGRAM FEE SCHEDULE FY 2014-15

ANNUAL GROSS FAMILY INCOME

NUMBER OF DEPENDENTS

FEE PER VISIT	1	2	3	4	5	6	7	8
5	11,670	15,730	19,790	23,850	27,910	31,970	36,030	40,090
10	15,730	19,790	23,850	27,910	31,970	36,030	40,090	44,150
15	19,790	23,850	27,910	31,970	36,030	40,090	44,150	48,210
20	23,850	27,910	31,970	36,030	40,090	44,150	48,210	52,270
25	27,910	31,970	36,030	40,090	44,150	48,210	52,270	56,330
30	31,970	36,030	40,090	44,150	48,210	52,270	56,330	60,390
35	36,030	40,090	44,150	48,210	52,270	56,330	60,390	64,450
40	40,090	44,150	48,210	52,270	56,330	60,390	64,450	68,510
45	44,150	48,210	52,270	56,330	60,390	64,450	68,510	72,570
50	48,210	52,270	56,330	60,390	64,450	68,510	72,570	76,630
55	52,270	56,330	60,390	64,450	68,510	72,570	76,630	80,690
60	56,330	60,390	64,450	68,510	72,570	76,630	80,690	84,750
65	60,390	64,450	68,510	72,570	76,630	80,690	84,750	88,810
70	64,450	68,510	72,570	76,630	80,690	84,750	88,810	92,870
75	68,510	72,570	76,630	80,690	84,750	88,810	92,870	96,930
80	72,570	76,630	80,690	84,750	88,810	92,870	96,930	100,990
85	76,630	80,690	84,750	88,810	92,870	96,930	100,990	105,050
90	80,690	84,750	88,810	92,870	96,930	100,990	105,050	109,110

MONTHLY GROSS FAMILY INCOME

NUMBER OF DEPENDENTS

FEE PER VISIT	1	2	3	4	5	6	7	8
5	973	1,311	1,649	1,988	2,326	2,664	3,003	3,341
10	1,311	1,649	1,988	2,326	2,664	3,003	3,341	3,679
15	1,649	1,988	2,326	2,664	3,003	3,341	3,679	4,018
20	1,988	2,326	2,664	3,003	3,341	3,679	4,018	4,356
25	2,326	2,664	3,003	3,341	3,679	4,018	4,356	4,694
30	2,664	3,003	3,341	3,679	4,018	4,356	4,694	5,033
35	3,003	3,341	3,679	4,018	4,356	4,694	5,033	5,371
40	3,341	3,679	4,018	4,356	4,694	5,033	5,371	5,709
45	3,679	4,018	4,356	4,694	5,033	5,371	5,709	6,048
50	4,018	4,356	4,694	5,033	5,371	5,709	6,048	6,386
55	4,356	4,694	5,033	5,371	5,709	6,048	6,386	6,724
60	4,694	5,033	5,371	5,709	6,048	6,386	6,724	7,063
65	5,033	5,371	5,709	6,048	6,386	6,724	7,063	7,401
70	5,371	5,709	6,048	6,386	6,724	7,063	7,401	7,739
75	5,709	6,048	6,386	6,724	7,063	7,401	7,739	8,078
80	6,048	6,386	6,724	7,063	7,401	7,739	8,078	8,416
85	6,386	6,724	7,063	7,401	7,739	8,078	8,416	8,754
90	6,724	7,063	7,401	7,739	8,078	8,416	8,754	9,093

EXHIBIT C

Indemnification and Insurance Requirements (For Professional Contracts)

INDEMNIFICATION

Contractor agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless County and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by County on account of any claim except where such indemnification is prohibited by law. Contractor's indemnification obligation applies to County's active as well as passive negligence but does not apply to County's sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

Contractor shall notify County immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

Contractor shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Professional Liability** (Errors and Omissions) Insurance appropriate to the Contractor's profession, with limit of no less than \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.

If the Contractor maintains higher limits than the minimums shown above, the County requires and shall be entitled to coverage for the higher limits maintained by the

EXHIBIT C

Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – County, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).
2. **Primary Coverage** – For any claims related to this Agreement, the Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees, agents or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the County.
4. **Waiver of Subrogation Rights** – Contractor hereby grants to County a waiver of any right to subrogation which any insurer of said Contractor may acquire against the County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the County. The County may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – Contractor shall furnish the County with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the County before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The Contractor shall furnish evidence of renewal of coverage throughout the term of the Agreement. The County reserves

EXHIBIT C

the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, County has the right but not the obligation or duty to terminate the Agreement. Maintenance of required insurance coverage is a material element of the Agreement and failure to maintain or renew such coverage or to provide evidence of renewal may be treated by County as a material breach of contract.
9. **Subcontractors** – Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors.
10. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.
11. **Special Risks or Circumstances** – County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of County.