

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 7/23/02
Department Name: Social Services
Department No.: 044
Agenda Date: 8/20/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Charlene A. Chase, Director
Social Services Department

STAFF CONTACT: Adelaide Mostachetti
x4490

SUBJECT: CONTRACT WITH ADDUS HEALTHCARE, INC. FOR THE PROVISION OF
IN-HOME SUPPORTIVE SERVICES

Recommendation(s):

That the Board of Supervisors:

1. Approve and authorize the Chair to execute a contract with Addus HealthCare, Inc., not a local vendor, for the purpose of purchasing In-Home Supportive Services for the period of 10/01/02 through 6/30/04 at a cost not to exceed \$4,889,070.00; and
2. Authorize the Director of the Department of Social Services, at her discretion, to exercise the County's renewal option provided for in the contract, for a period not to exceed one year and a cost not to exceed \$3,072,553.00. Including the renewal period, if exercised, the total term of the contract would be for a maximum of two years and nine months with a total contract cost not to exceed \$7,961,623.00.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No.5. Maintain and Enhance the Quality of Life for all Residents.

Executive Summary and Discussion:

The In-Home Supportive Services (IHSS) Program is a State-mandated program which provides assistance to those eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. Such services may include, but not be limited to, housekeeping, meal preparation, hygiene, and dressing activities. State regulations permit contracting with an agency to provide IHSS through a competitive bid process.

On 4/12/02 the Department of Social Services released a Request for Proposals (RFP) for a contract to provide IHSS services. On 5/29/02 the Department of Social Services received one proposal packet in response to the RFP. After careful consideration, the Bid Evaluation Committee determined that Addus HealthCare, Inc. was a responsive and responsible bidder. For the contract period of 10/1/02 through 6/30/04, a maximum of 331,625 hours will be provided. At \$14.74 per hour, the maximum dollar amount is \$4,889,070.00. The contract and all exhibits are attached for the Board's review.

Social Services requests that your Board grant authorization for the Director of the Department of Social Services to exercise the renewal option contained within the contract for a period not to exceed one year. The amount for the extension period would be between \$2,793,230.00 and \$3,072,553.00. The highest figure is based on a ten percent increase in the annual contract cost. Should contract costs exceed this ceiling, Social Services would bring the matter before your Board before the renewal option could be exercised. The total contract amount for the initial contract period and the extension will not exceed \$7,961,623.00.

Mandates and Service Levels:

IHSS is mandated by CDSS MPP Sections 23-614 and 23-615; Federal Social Security Act, Title XIX and Title XX; California State Welfare and Institutions Code Sections 10553, 10554, 12300 et seq., and 14132 et seq.; CDSS MPP Division 10,19,21,22,23,30 and 46 et seq.; California Department of Health Regulations Sections 50000 et seq.; and OMB Circulars A-87 et seq., A-110 et seq., A-128 Public Law 98-502, and A-133 as applicable. This contract will not change the level of service.

Fiscal and Facilities Impacts:

The estimated contract costs for fiscal year 2002/2003 is included in the Adopted 2002/03 Budget. Funding comes from a mixture of general fund, state general fund and federal health funds. Approximately 90% of the contract costs are for services and clients that are eligible for Federal participation. The County general fund is responsible for 17% of these costs. The remaining cost of services, 10%, are funded by only State and County funds. The County general fund is responsible for 35% of these costs. The estimated County match for the contract period of 10/01/02 through 6/30/03 is \$393,844.00. Associated revenues and appropriations for the contract costs were included in the In Home Supportive Services cost center under the Social Programs Division on page D-204 of the budget. The estimated County match for fiscal year 2003/04 is \$525,483 and will be included in the Departments 2003/04 requested budget.

Attachments:

Agreement for Services of Independent Contractor

Special Instructions:

After execution by the Chair, please return one (1) original agreement for the contractor, the Department copy of the agreement, and one (1) copy of the minute order to the Department of Social Services, Attention: Hilary Yost.

Concurrence:

Auditor-Controller
County Counsel
Risk Management

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

July 2002

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 **ADDUS HEALTHCARE, INC.** having its principal place of business at **2401 S. PLUM GROVE RD., PALATINE, IL 60067** (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

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

1. **DESIGNATED REPRESENTATIVE.** **ADELAIDE MOSTACHETTI** at phone number **805-681-4490** is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. **MICHAEL BURKE** at phone number **847-303-8330** 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 first class mail, postage prepaid, or otherwise delivered as follows:

To COUNTY: **CONTRACTS COORDINATOR, 2125 S. CENTERPOINTE PKWY., SANTA MARIA, CA 93455**

To CONTRACTOR: **NATIONAL CONTRACTS MANAGER, 2401 S PLUM GROVE ROAD, PALATINE, IL 60067**

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

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 **OCTOBER 1, 2002** and end performance upon completion, but no later than **JUNE 30, 2004** unless otherwise directed by COUNTY or unless earlier terminated. **The service hours will be 142,125 for the period of 10/1/02 through 6/30/03 and 189,500 for the period of 7/1/03 through 6/30/04. The COUNTY, at the end of the original contract term, has the option to negotiate a renewal, without re-bidding, for a period not to exceed one year.**

5. **COMPENSATION OF CONTRACTOR.** 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 1 DESIGNATED REPRESENTATIVE.** 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. Payment for services is dependent upon the availability of COUNTY, State, and Federal funds.

6. **INDEPENDENT CONTRACTOR.** CONTRACTOR shall perform all of its services under this Agreement as an independent contractor and not as an employee of COUNTY. 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.

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. **TAXES.** 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.

9. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no interest and shall not acquire any interest, direct or indirect, 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.

10. **RESPONSIBILITIES OF COUNTY.** COUNTY shall provide all information reasonably necessary by CONTRACTOR in performing the services provided herein.

11. **OWNERSHIP OF DOCUMENTS.** 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, and any material necessary for the practical use of the data and/or documents 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 materials under this section except after prior written approval of COUNTY.

No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of COUNTY. COUNTY shall have the unrestricted authority to publish, disclose, distribute, and other use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

12. **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 such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. 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.

13. **INDEMNIFICATION AND INSURANCE.** CONTRACTOR shall agree to defend, indemnify and save harmless the COUNTY and to procure and maintain insurance in accordance with the provisions of EXHIBIT C attached hereto and incorporated herein by reference.

14. **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.

15. **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.

16. **ASSIGNMENT.** CONTRACTOR shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

17. **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 or because of the failure of CONTRACTOR to fulfill the obligations herein. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services effected (unless the notice directs otherwise), and deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process.

1. For Convenience. COUNTY may terminate this Agreement upon **ninety (90)** days written notice. Following notice of such termination, CONTRACTOR shall promptly cease work and notify COUNTY as to the status of its performance.

Notwithstanding any other payment provision of this Agreement, COUNTY shall pay CONTRACTOR for service 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 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 effect any right or remedy which COUNTY may have in law or equity.

2. 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 this Agreement by written notice, which shall be effective upon receipt by CONTRACTOR.

B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this agreement if such failure is not remedied by COUNTY within **ninety (90)** days of written notice to COUNTY of such late payment.

18. **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.

19. **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.

20. **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.

21. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. **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.

23. **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.

24. **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.

25. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at his 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 be 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.

26. **CALIFORNIA LAW.** 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.

27. **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.

28. **AUTHORITY.** All 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.

29. **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.

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Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **ADDUS HEALTHCARE, INC.**

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

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

CONTRACTOR

By: _____
Deputy

By: _____
SocSec or TaxID Number: 42-1014070

APPROVED AS TO FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

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

By: _____
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:
RISK MANAGER

By: _____
Risk Manager

EXHIBIT A

STATEMENT OF WORK

Addus HealthCare, Inc. will provide services pursuant to the County of Santa Barbara Department of Social Services In-Home Supportive Services (IHSS) Request for Proposal (RFP), CONTRACTOR response to the RFP dated May 29, 2002, and CONTRACTOR supplemental information to the RFP dated June 27, 2002. The applicable components of the proposal, response, and supplemental information have been incorporated into Exhibit A. In the event of conflict between the provisions contained in the proposal, response, and supplemental information and the provisions contained in Exhibit A, the provisions of Exhibit A shall prevail.

1. INTRODUCTION

1.1 Experience Addus HealthCare began providing in-home supportive services under contract with local/ state governments in 1977. These early contracts were aimed at providing services to the City of Chicago. These initial contracts are still in place today and served through the Chicago branch. In the subsequent years, building on its experience and a developing reputation for providing services that meet the needs of consumers and governmental agencies, Addus expanded its services to the surrounding communities and eventually throughout the state of Illinois. This commitment to growth and the ability to meet local needs for in-home supportive services has led to Addus establishing over 100 offices in twenty-three states.

In the late 1980's Addus HealthCare was awarded its first contract in California. Over the intervening years Addus has provided more in-home supportive services to more consumers than any other agency in California. In the last five years Addus has provided over 5 million hours of service to over 10,000 frail elderly and/ or disabled consumers in California. These services are provided through a network of branches that are established in each service area with the primary goal of meeting the community needs for in-home supportive services provided under contract. Currently, Addus provides in-home supportive services to nine California counties.

In the mid-1990s Addus HealthCare entered the home health and durable medical equipment market in California. Although separate and distinct divisions within the Company with no corporate overlap, these new services have periodically provided support to the services provided under the in-home supportive services contracts. Most notably, these divisions periodically provide consultative and educational/ training services that allow the in-home supportive service branches to meet some of the more complex needs that consumers have.

Since April 2000 Addus HealthCare has been the exclusive provider of in-home supportive services under contract to Santa Barbara County. The local branch office is under the direction of and staffed by residents of the community. Most of the office staff has been in place since opening the branch. The home care aides that provide direct services are local residents, virtually all with several years of experience in providing in-home supportive services. In addition to providing a competitive wage and benefit package, all local staff are eligible for bonuses and awards for superior service to consumers. During the current term of service in Santa Barbara County the number of service issues have been few and in every case have been resolved to the satisfaction of the consumer and/or the consumer's social worker. From the outset of establishing the in-home supportive services advisory committee Addus has been an active participant and attendee at almost every meeting, including providing presentations and information requested by the committee. In the upcoming period Addus plans to expand participation in community activities that advance/ improve the well being of the consumers entrusted to us.

1.2 Background The IHSS Program is administered by the County and provides assistance to those eligible aged, blind and disabled individuals who are unable to remain safely in their own homes without this assistance. In seeking proposals from qualified IHSS providers, the County wishes to maximize options and ensure alternatives to out-of-home care for eligible aged, blind and disabled individuals.

AB 1682 (Statutes of 1999) required that each county establish an “employer of record” for the purposes of collective bargaining, to represent IHSS providers. Santa Barbara County is in the process of establishing a Public Authority to act as employer of record for independent providers, while the contractor will act as the employer of record for the providers providing services through the contractor. Addus will be accountable for all duties necessary to fully satisfy the state mandates of this and any other applicable state and or federal law.

2. SCOPE OF SERVICES

2.1 Domestic services are limited to the following:

- Sweeping, vacuuming, washing and waxing the floor surfaces;
- Washing kitchen counters and sinks;
- Cleaning the bathroom;
- Storing food and supplies;
- Taking out garbage;
- Dusting and picking up;
- Cleaning oven and stove;
- Cleaning and defrosting refrigerator;
- Bringing in fuel for heating or cooking purposes from a fuel bin in the yard;
- Changing bed linen; and
- Miscellaneous domestic services, i.e. changing light bulbs.
- Heavy cleaning that involves thorough cleaning of the home to remove hazardous debris or dirt.

The County shall have the authority to authorize this service only at the time IHSS is initially granted, to enable the provider to perform continuous maintenance or, if a lapse in eligibility occurs, eligibility is reestablished, and IHSS services have not been provided within the previous twelve (12) months. The County shall have the authority to authorize this service should the recipient's living conditions result in a substantial threat to his/her health or safety. Such service may also be authorized when a recipient is at risk of eviction for failure to prepare his/her home or abode for fumigation as required by statute or ordinance.

2.2 Related services are limited to:

- Preparation of meals includes such tasks as washing vegetables, trimming meat, cooking, setting the table, serving the meal, cutting the food into bite-sized pieces;
- Meal cleanup including washing and drying dishes, pots, utensils, and culinary appliances and putting them away;
- Planning of meals;
- Routine mending, laundry, ironing, folding and storing clothes on shelves or in drawers;
- Reasonable food shopping and other shopping/errands limited to the nearest available stores or other facilities consistent with the recipient's economy and needs. The County shall not authorize additional time for the recipient to accompany the provider.

2.3 Non-medical personal services are limited to:

- Bowel and bladder care such as assistance with enemas, emptying of catheter or ostomy bags, assistance with bed pans, application of diapers, changing rubber sheets, assistance with getting on and off commode or toilet;
- Respiration limited to non-medical services such as assistance with self-administration of oxygen, and cleaning of intermittent positive pressure breathing (IPPB) machines.

- Consumption of food consisting of feeding or related assistance to recipients who cannot feed themselves or who require assistance with special devices in order to feed themselves;
- Routine bed baths;
- Bathing, oral hygiene, grooming;
- Dressing;
- Rubbing of skin to promote circulation, turning in bed and other types of repositioning, assistance on and off seats and wheelchairs, assistance into or out of vehicles, and range of motion exercises which shall be limited to the following:
 - General supervision of exercises which have been taught to the provider by a licensed therapist or other health care professional to restore mobility restricted because of injury, disuse or disease.
 - Maintenance therapy when the specialized knowledge and judgment of a qualified therapist is not required and the exercises are consistent with the patient's capacity and tolerance.
 - Such exercises shall include the carrying out of maintenance programs; i.e. the performance of the repetitive exercises required to maintain functions, improve gait, maintain strength, or endurance; passive exercises to maintain range of motion in paralyzed extremities; and assistive walking.
- Moving into and out of bed.
- Care of and assistance with prosthetic devices and assistance with self-administration of medications. This assistance consists of reminding the recipient to take prescribed and/or over-the-counter medications when they are to be taken and setting up medi-sets.
- Routine menstrual care, limited to application of sanitary napkins and external cleaning.
- Ambulation, consisting of assisting the recipient with walking or moving the recipient from place to place.

2.4 Transportation services when the recipient's presence is required at the destination and assistance is necessary to accomplish the travel are limited to:

- Transportation to and from appointments with physicians, dentists, and other health practitioners;
- Transportation necessary for fitting health related appliances/devices and special clothing;
- Transportation under the conditions listed above shall be authorized only after Social Service staff have determined that Medi-Cal will not provide transportation in the specific case;
- Transportation to the site where alternative resources provide in-home supportive services to the recipient in lieu of IHSS.

2.5 Yard hazard abatement, which is light work in the yard, may be authorized for:

- Removal of high grass or weeds and rubbish when this constitutes a fire hazard;
- Removal of ice, snow or other hazardous substances from entrances and essential walkways when access to the home is hazardous.

2.6 Protective supervision, consisting of observing recipient's behavior in order to safeguard the recipient against injury, hazard, or accident.

- This service is available for monitoring the behavior of non-self-directing, confused, mentally impaired, or mentally ill persons with the following exceptions:
 - Protective supervision does not include friendly visiting or other social activities;
 - Supervision is not available when the need is caused by a medical condition and the form of the supervision required is medical;
 - Supervision is not available in anticipation of a medical emergency;
 - Supervision is not available to prevent or control antisocial or aggressive recipient behavior.
- Protective supervision is available under the following conditions:

- Social Services staff have determined that a 24-hour need exists for protective supervision and that the recipient can remain at home safely if protective supervision is provided; and
- Social Services staff have determined that the entire 24-hour need for protective supervision can be met through any of the following, or combination of the following:
 - ✓ IHSS;
 - ✓ Alternate resources;
 - ✓ A reassurance phone service when feasible and appropriate.
- Feasibility and appropriateness will be determined exclusively by the social service staff.
- The proposed method of meeting protective supervision needs **MUST** be approved by the County. Discretion of the Contractor is not allowed.

2.7 Teaching and demonstration services are provided by IHSS providers to enable recipients to perform for themselves, services which they currently receive from IHSS.

- Teaching and demonstration services are limited to instruction in those tasks listed in CDSS MPP 30-757.11, .13, .14, and .16.
- This service shall only be provided when the provider has the ability to do so effectively and safely.

2.8 Paramedical services are provided under the following conditions:

- The services shall have the following characteristics:
 - Are activities which persons would normally perform for themselves but for their functional limitations; and
 - The activities which, due to the recipient's physical or mental condition, are necessary to maintain the recipient's health.
- The services shall be provided when ordered by a licensed health care professional who is lawfully authorized to do so. The licensed health care professional shall be selected by the recipient;
- The services shall be provided under the direction of the licensed health care professional;
- The licensed health care professional shall indicate to Social Services staff the time necessary to perform the ordered services.

3. Program Management

3.1 Organizational Structure - The organizational relationship and reporting structure for the company as it relates to the Santa Barbara location is as follows:

3.1.3 Local Administration: Addus HealthCare has put in place an established organizational structure that provides equal, fully adequate and accessible service to meet the unique and diverse needs of each client referred for services throughout the County.

The two local offices are conveniently located to provide support for workers and clients served throughout the county. The offices are located to provide easy access to clients, workers, county staff and the public. In order to be responsive to clients' and workers' needs to communicate with Addus' staff, the offices are staffed from 8:00 AM to 5:00 PM, Monday through Friday.

The offices are under the direction of a local, full-time Branch Manager. The Branch Manager manages the day-to-day operations and coordinates all service delivery in the County. The Branch Manager receives direct support from the company's Area Manager, who oversees the effective operation of the Company's branches in California. The Area Manager also serves as an additional resource to county staff in resolving matters related to branch operations and service delivery.

3.1.4 Local Operational Support: Although the local branch exercises a great deal of autonomy in the delivery of client services, it is supported by the Support Center, located in

Palatine, Illinois. From the Support Center the local branch will receive operational support from Accounting, Information Technology, Human Resources, and Executive Management.

The Support Center provides extensive payroll and billing support to the local branch. All systems are designed to integrate with County and CMIPS reporting requirements, while maintaining compliance with IHSS contract requirements and state and federal laws, rules, and regulations.

3.1.5 Administrative Support/Management: The Branch Manager is responsible for the outcome of service provision and the success of the branch in meeting the terms of the contract. This involves overseeing all aspects of branch operations and compliance, including the day-to-day service delivery. The Branch Manager serves as the primary liaison between the branch, county staff, and the Support Center.

The Area Manager monitors the accomplishments of the branch, audits branch operations, confirms that the branch is accomplishing its objectives, and evaluates the performance of the Branch Manager.

3.2 Span of Supervisory Control Supervisors are assigned to a geographic sector of the County and are responsible for ensuring the effective delivery of services in the type and amount specified by the County to the clients that reside in the respective sectors. Under certain circumstances, a supervisor with special skills, training, and/or experience will provide service.

The supervisor is responsible for successfully matching each client with a provider who can most effectively deliver services to the client's satisfaction. Each supervisor ensures ongoing quality and client satisfaction through home visits and ongoing telephone contact with clients. In conjunction with quality monitoring, in-home visits allow for observation of the actual work performed in the home and the provision of on-the-job training. This process facilitates the need to identify changes in the client's status and/ or need for services.

The branch will maintain a supervisory ratio of one supervisory employee for every 3,000 hours of IHSS delivered each month.

3.3 Staff Training Addus will continually develop and educate staff. Staff will be equipped with the latest in-home supportive services techniques, will be knowledgeable about policies and procedures in California, as well as in Santa Barbara County, and will be well connected with community organizations. An Addus representative will attend County meetings and trainings, as necessary, and provide training to all Addus staff.

Within one month of employment each home care aide will be provided with initial orientation consisting of classroom instruction and on-the-job orientation, as well as a two-hour bloodborne pathogens training. All home care aides are required to attend six hours of training annually, in addition to the initial orientation and bloodborne pathogen training. The branch will provide no less than one three-hour training module every six months. The effectiveness of the training will be evaluated through written examination, observation of the home care aide, and/or comments from clients. Local needs will be taken into account when training modules are developed.

3.4 Language Compatibility Addus will match consumers with home care aides of similar ethnic/ language backgrounds. In cases where an exact match cannot be immediately made Addus will provide the support, up to procuring translation services, to facilitate effective communication between the consumer and home care aide. Although Addus does not currently have an English-proficiency requirement for employment, home care aides that are not proficient in English are not assigned to an English-only speaking consumer, except in rare circumstances and on a temporary basis. In these rare circumstances a bi-lingual supervisor

confirms that a sufficient level of job-related communication is present to assure that the consumer receives the authorized services.

3.5 Performance Monitoring The Branch Manager will conduct random telephone quality assurance surveys twice each year. Confidential Quality Assurance surveys will be mailed to randomly selected consumers including a return addressed stamped envelope. In addition, Addus will cooperate with any performance monitoring DSS performs related to service delivery and administration of this contract.

3.6 Recipient Grievances/Complaints Although few service concerns require the initiation of a formal grievance, the process outlined in the Consumer Grievance Procedure will serve as a guide to resolve service concerns. In this less formal process the primary person responsible for resolving service concerns is the scheduling coordinator. In the event that resolving an issue requires the intervention of someone that is at a higher level in the organization, the service coordinator will initiate the process of alerting these individuals of a need for their intervention and/ or assistance. In those instances that a service concern cannot be resolved within the context of the branch hierarchy, the branch manager will request the assistance of the consumer's social worker or other appropriate representative of the Department of Social Services.

3.7 Response Timeframes Addus will conduct face-to-face initial visits within five days of referral, and face-to-face in-home visits will be scheduled with the consumer and the scheduling coordinator, once every three months. During the initial visit Addus shall provide and document provision of Consumers rights, Consumer grievance procedures and a toll free telephone number to call for service and to speak directly to the Branch Manager.

The local office will be open 8:00 AM to 5:00 PM, Monday through Friday, except certain County holidays.

Services will be made available twenty-four (24) hours per day, seven (7) days per week.

The procedure for meeting emergency requests for services is described below:

3.7.1 Emergency Referrals: Emergency needs for IHSS are defined as services that must be initiated within 24 hours of referral to the Contractor. By their nature, these needs require an immediate response and a delay of more than 24 hours in starting services may place the consumer at risk.

When the local branch receives a referral marked as an emergency referral by the IHSS social worker, the referral is acted on immediately. The referral is forwarded to the Branch Manager who immediately contacts the consumer to arrange a time, within 24 hours that a home care aide can be sent to the consumer's home to provide services. During the telephone call the Branch Manager attempts to ascertain as much information that is relevant to the consumer's needs for service as possible. Once the consumer's needs and schedule have been determined, the Branch Manager will collaborate with a Staffing Supervisor to locate a home care aide who has not been scheduled to provide services elsewhere at the time the consumer needs service. The Staffing Supervisor will either select a home care aide who is providing service in the consumer's neighborhood at the time the consumer requires service or will select a home care aide that does not have a regular schedule. The Staffing Supervisor will confirm the homemaker match with the Branch Manager. Following confirmation with the Branch Manager, the Staffing Supervisor will notify the consumer and the consumer's IHSS social worker.

On the day that service is scheduled to begin the Staffing Supervisor calls the consumer at the time that the home care aide is scheduled to arrive. The purpose of the telephone call is to verify that the home care aide arrived as scheduled. If the home care aide has not arrived, the Staffing Supervisor will go to the consumer's home to provide the authorized service. After the home care aide arrives as scheduled and completes the work

assignment, the Staffing Supervisor will contact the consumer to evaluate the consumer's satisfaction and to schedule an initial in-home visit by the Staffing Supervisor. At the initial in-home visit the consumer and Staffing Supervisor will arrange a regular service schedule acceptable to the consumer, using the protocol described above under "Non-Emergency Referral".

Although not technically an "emergency request for services" as applied to the in-home supportive services program, when a home care aide does not arrive as scheduled the consumer can feel as if they are facing an emergency. In these cases Addus has adopted a procedure for providing a substitute home care aide.

3.7.2 Providing Substitute Home care aides: When a consumer's regular home care aide is unavailable for any reason, the local branch shall provide or arrange for a substitute home care aide. To identify available home care aides the local branch will use the Consumer Service Scheduling System (CSSS) as a first step to locate a substitute home care aide. The CSSS is an automated, PC-based program that coordinates the worker schedules throughout Santa Barbara County. One feature of the CSSS is the ability to locate other qualified home care aides who are providing services in geographical proximity to a consumer needing a substitute. The CSSS provides the Staffing Supervisor with a roster of home care aides in close proximity to the unanticipated need. The Staffing Supervisor then reviews the roster to identify those home care aides who possess the special skills and/ or training required by the consumer. In the event that a match cannot be made following this first step, a second step will be implemented. The second step in the process is to identify home care aides who are not assigned to provide services during the period needed by the consumer. This roster is provided by the CSSS. The Staffing Supervisor reviews the roster to identify home care aides that will meet the consumer's needs. If no home care aide is identified in step two, the next step is to dispatch a Staff Aide to provide services. Staff Aides are employed all areas of service delivery and can readily provide a broad range of services. Lastly, if a Staff Aide is unavailable, the Staffing Supervisor will provide the service. Regardless of what method is used to identify a substitute, the consumer will be notified by telephone the name of the home care aide, when to expect the home care aide to arrive, and to remind the consumer to contact the Staffing Supervisor if the substitute home care aide does not arrive on schedule.

4. GENERAL CONTRACTOR REQUIREMENTS

4.1 Forms The Contractor may develop internal forms, not mandated by the County or by program requirements. However, any forms that will be distributed to clients must be reviewed and approved by the County prior to implementation.

4.2 Employee Compensation - Hiring of Contract Providers and Wages and Benefits The Contractor shall offer continued employment to providers currently employed by the incumbent Contractor as of 9/30/02 to maintain continuity of services in carrying out the program. Existing providers who accept the offer of employment are to be paid, at a minimum, at their current wage and benefit rate or the minimum required by law, whichever is greater. New providers shall be paid at rates consistent with the details set forth in the successful bid.

Vacation, sick leave, holidays, health insurance and dental benefits are considered employee benefits. Entry level wages for providers shall be no less than \$7.50 per hour. (Travel mileage reimbursement is not a benefit.)

4.3 Hiring CalWORKs Applicants and Recipients The Contractor, to the fullest extent possible, must give employment preference to all prospective providers who are recipients of public assistance, California Work Opportunity and Responsibility to Kids (CalWORKs) participants or other low-income

persons who would qualify for public assistance in the absence of such employment. This may include an informal written agreement with the local CalWORKs Program to refer appropriate, employment-ready CalWORKs participants to Contractor for job placement.

4.4 Reporting Requirements The Contractor shall maintain records, collect data, and provide reports mandated by Federal and State governments, and as may be requested by County. These reports will act as monitoring tools for County oversight of the selected Contractor's performance. Data elements may include, but are not limited to, the following:

- A monthly project activity that details statistics including but not limited to: the number of clients served and the total service hours billed.
- An accounting report that tracks project related expenditures. This provides for a transparent usage of funds.
- Caseload information, supervision and provider staff information, employee evaluation information, training information.

4.5 Hours of Operation The Contractor shall provide service hours that are responsive to the needs of the target population in the region, as determined by County staff. This shall include provisions for the development of an emergency response service component and work outside traditional hours.

4.6 Recipient Grievance System The Contractor will provide a detailed description of the system by which recipients of service shall have the opportunity to express and have considered, their views, grievances and complaints regarding contractor's delivery of services. Contractor shall provide a form for the recipients to express their grievance and complaint. This form must be approved by the County. All grievances and their results shall be sent to the County in a required monthly report, in a format approved by the County.

4.7 Welfare Fraud Investigation Referrals If welfare fraud is suspected, the Contractor will refer the matter to the DSS Case Manager for investigation.

4.8 Child/Elder/Parent Adult Abuse Investigation Referrals In the event that elder/dependent adult abuse or child abuse is known or suspected by any employee of the Contractor, the employee shall immediately report the Abuse to the Department of Social Services, APS/CWS, as mandated by law.

4.9 Performance Measures/Monitoring The Contractor, in conjunction with DSS, will establish performance measures related to contract activity. These performance measures will be assessed based on the results of the statistical data as provided by the monthly program activity reports that are detailed earlier.

4.10 Coordination Service delivery requires DSS staff and the contractor to collaborate. The contractor will be required to coordinate with County staff, as directed by DSS, to provide client contracted services. The Contractor will meet with the County to coordinate procedures and solve problems.

4.11 Provider Orientation/Skill Development Training Plan The Contractor will provide an initial mandatory orientation, pursuant to CDSS MPP Divisions 19 and 21, to each new and existing service provider within one (1) month of hiring or initiation of contract. This will include training in specific tasks to be performed.

The contractor will provide a complete skill development package. Skill development is training that has a direct relationship to job competencies required of a home care worker that will enable them to provide safe, efficient and appropriate personal care services.

The Contractor shall assess the skill level of each employee in relation to the personal care services they will be required to perform and shall provide training that relates to job competencies.

The Contractor shall maintain records of all employees' skill assessments and the specific training provided to meet minimum standards of competency. These assessments shall be made available to the County upon request. The names of staff trained and the type of training shall be forwarded to the County each month as an attachment to the service/activity report.

Include Contractor's guidelines for preventing the transmission of Blood-Borne Pathogens in accordance with General Industry Safety Orders, Section 5193, Title 8 of the California Code of Regulations. (This section is promulgated by Department of Industrial Relations, Division of Occupational Safety and Health (CalOSHA).)

4.12 Compliance Audit Contractor will be subject to an audit that covers all fiscal and programmatic terms and conditions of the contract, and which includes, but is not limited to:

- Any adjustment that is made to the authorized hours of services being provided by the Contract; i.e., comparing authorized hours to hours actually served;
- The Contractor has served all requested hours seven days a week including nights, weekends and holidays, in addition to serving requests of an emergent nature;
- The Contractor has provided a 24-hour, 800 number telephone service to the provider/recipient for the IHSS Program needs;
- All County required contract reports are sent in a timely manner;
- All provider information and reports are maintained by the Contractor according to contract specifications;
- The Contractor has complied with the minimum and maximum wage and benefit requirements as specified in the contract;
- The recipient and provider have received written notification of their grievance/appeal rights regarding Contractor's delivery of service as specified in the contract;
- The Contractor has maintained a personnel file for each provider which includes, but is not limited to: provider name, address, telephone number, health insurance, application with crime statement (have you ever been convicted of a felony), I-9 form, copy of driver's license for providers who drive, and any other pertinent employee information; as well as documentation of provider training including the documentation of provider orientation, skill development training, and training on wages, benefits, and the completion/submission of timesheets (emphasizing frauding issues);
- The Contractor has supportive documentation of payments made to providers; i.e., proof of who signed and dated the timesheets, and that the recipient approved the hours worked;
- The Contractor has complied with the specified supervisor ratio and supervisor/recipient visitation schedule;
- The Contractor has submitted a current copy of the insurance policy to show actual cost for insurance premiums, and a copy of the insurance premium to show actual cost for workers compensation including the ex-mod rate;
- The Contractor is in full compliance with the WIC, the CDSS MPP, Title XIX and Title XX provisions as applicable to the IHSS Program; and
- The Contractor is in compliance with the Equal Employment Opportunity rules and regulations as applicable to the IHSS Program.

4.13 Financial Audit Contractor will be subject to an audit to determine compliance with all financial provisions in this contract which includes, but is not limited to, all the financial records, accounts and documents, the provider wages and benefits, as well as the budget line items and the budget narrative pertaining to this contract.

4.14 Monitoring Contractor will be subject to any monitoring activity necessary to assure compliance with regulations and contractual requirements.

4.15 Evaluation Contractor will cooperate with County reviews and evaluations to:

- Determine the efficiency and effectiveness of social services delivery systems management, optimal utilization of resources and elimination of deficiencies in management information systems, and administrative procedures and structure.
- Determine if desired results or benefits are being achieved, and the objectives established by the regulations are being met.

5. FISCAL PROVISIONS

5.1 Rate The hourly rate for each service hour for the period 10/1/02 through 6/30/04 shall be \$ 14.74.

The rate is supported by the Required Contract Budget, Attachment B-1, which is attached and incorporated herein by this reference.

CONTRACTOR agrees that the hourly rate to be charged to the COUNTY for contracted services and the total cost of furnishing these services for the term of this contract includes all allowable CONTRACTOR costs, both indirect and direct, relative to this contract.

5.2 Costs Costs must conform with Federal costs regulations: OMB Circular A-87. A Guide for State and Local Government Agencies; 48 CFR, Chapter 1, Part 31, Subpart 31.2 (for profit agencies); and OMB Circular A-133 (for non-profit agencies). All equipment purchased by the CONTRACTOR must be depreciated in accordance with 45 CFR 95.705.

5.3 Funding Implications Payment for all services provided in accordance with provisions under this contract shall be contingent upon the availability of Federal, State and COUNTY funds for the purpose of providing IHSS. The COUNTY shall not be required to purchase any definite amount of services nor does the COUNTY guarantee to CONTRACTOR any minimum amount of funds or hours.

If the Legislature allocates additional funds for provider wages and benefits during the contract year, the contract may be amended to increase the maximum amount payable and to change affected clauses to allow for increases in wages and benefits consistent with the funding authorized by the Legislature.

CONTRACTOR agrees maximum payments for Non-Severely Impaired (NSI) and Severely Impaired (SI) recipients are the amounts authorized by the State. The COUNTY will notify the CONTRACTOR of any changes in these amounts.

5.4 Billings CONTRACTOR'S billing cycle shall be consistent with a monthly reporting system which is compatible with the Case Management Information and Payrolling System (CMIPS). CONTRACTOR shall submit billings to the COUNTY, in a format specified by the COUNTY, within ten (10) days following the end of the month in which services were delivered. Such billings shall include, at a minimum, an itemized listing of recipient names and case numbers, authorized hours and actual service hours rendered. The COUNTY will review the billings and issue payment within thirty (30) working days following receipt of the approved billings.

No billing or any part thereof shall be paid by the COUNTY unless the CONTRACTOR submits a certified sworn statement under the penalty of perjury that all employees' wages have been paid on a current basis; that all timesheets supporting said billing have been verified as properly signed, dated and totaled; and each timesheet will be kept in the CONTRACTOR'S possession for audit purposes.

CONTRACTOR must deduct all share of cost liabilities owed by recipients when submitting monthly billings for services to the COUNTY.

5.5 Share of Cost CONTRACTOR agrees that no charges will be made to any recipient of services under this contract unless it has been determined by the COUNTY that recipient has a share-of-cost liability.

In those cases where the recipient owes a share-of-cost, the CONTRACTOR shall be responsible for collecting that share-of-cost from the recipient and must deduct all share-of-cost amounts owed by recipients from the billings submitted to the COUNTY

The CONTRACTOR agrees to refund any over-collection when a recipient does not realize all the authorized hours covered by the share-of-cost.

CONTRACTOR agrees to report delinquent share-of-cost accounts on a monthly basis.

5.6 Payments If the conditions set forth in this Contract are met, the COUNTY shall pay, on or before the thirtieth (30th) working day of each month following the filing of the billing, the sum of money claimed by the approved billings (less the share of cost liability and any credit due the COUNTY for adjustments of prior billings). If the conditions are not met in a timely manner, the COUNTY shall pay when the necessary processing is completed.

The COUNTY shall not pay for unauthorized services rendered by the CONTRACTOR nor for the claimed services which COUNTY monitoring shows have not been provided as authorized.

The COUNTY retains the right to withhold payment on disputed claims.

Final payment under this contract may be held until the termination audit is completed.

5.7 Liquidated Damages The COUNTY intends that the CONTRACTOR comply fully with all contractual requirements to ensure the safety of all IHSS recipients. CONTRACTOR and COUNTY agree that it would be impracticable and extremely difficult to fix the actual damages in the event CONTRACTOR does not fully comply in the area listed in this section and that the amount set forth in each area listed in this section shall be presumed to be the amount of damages sustained by COUNTY for CONTRACTOR'S non-compliance with contract requirements listed below, the COUNTY and CONTRACTOR agree on the following liquidated damages:

- a. For each calendar day scheduled homemaker service is not provided to a recipient: \$200 per day per recipient
- b. With respect to new non-emergency referrals for service, for each calendar day beyond the 5th day after CONTRACTOR is notified of new recipient, and service is not provided: \$250 per day per recipient
- c. With respect to 24-hour emergency referrals or for requests for immediate service, for each calendar day beyond the due date of delivery: \$400 per day per recipient
- d. For each calendar day beyond the due date in which required supervisor or provider training is not completed within timeframes set forth in the contract: \$250 per day per instance
- e. For each instance in which CONTRACTOR fails to comply fully with all required record maintenance: \$175 per instance

- f. For each instance in which first line supervisors are responsible on the average for more than 3000 service hours during one month:..... instance \$175 per
- g. For each month when delivered services are less than 90% of the monthly hours authorized per recipient: per recipient \$500 per mo.
- h. For each calendar day beyond the due date in which the CONTRACTOR fails to submit the required monthly reports and specified billings or other requested records in a timely manner:..... \$150 per day
- i. For each instance where a recipient in need of paramedical service is receiving services from a provider who has not been properly trained to perform the authorized services: instance \$500 per
- j. For each instance CONTRACTOR fails to pay provider the contracted dollar amount in the pay scale: instance \$150 per per provider per
- k. For each instance CONTRACTOR fails to cooperate fully during the transition process of one Contractor to another Contractor or any other mode of service: instance \$200 per
- l. For each instance in which supervisors fail to perform the required visitation/monitoring standard of their scheduled hours: instance \$250 per
- m. For each instance where a recipient is not provided services as scheduled: per recipient \$250 per day

The COUNTY Contract Liaison shall advise the CONTRACTOR in writing of his/her intent to assess liquidated damages not less than ten (10) calendar days prior to actual withholding of such amounts from any payment. Notice to the CONTRACTOR shall contain specific instances or causes for assessing the amount, including the dates thereof. Amounts assessed shall be withheld from the next payment of claim submitted under the contract or from the final claim for payment submitted under the contract. Should the CONTRACTOR disagree with the COUNTY'S action, the CONTRACTOR may appeal specific assessed liquidated damages for non-compliance items identified by the COUNTY. Any appeal regarding a dispute on liquidated damages will be resolved by a County-appointed arbitrator **in accordance with the arbitration procedures set forth in the following section.** The decision of the arbitrator shall be in writing and final.

5.8 Arbitration Procedures The County Fair Hearings Unit Supervisor within the Santa Barbara County Department of Social Services shall serve as the arbitrator. The arbitrator shall exercise such control over the hearing as is necessary, including, but not limited to, setting the day, time and place of the hearing, prescribing the order of proof at the hearing and determining whether the matter shall proceed or be adjourned subject to continuation.

The arbitrator will attempt to set the hearing on a date mutually agreed to by the parties. If the parties are unable to agree on a hearing date, however, it will be set by the arbitrator. The parties shall receive at least ten (10) days advance written notice of the time, date and place of the hearing.

At the hearing, any relevant evidence may be presented by either party, and the formal rules of evidence applicable to judicial proceedings shall not govern. Evidence may be admitted or excluded in the sole discretion of the arbitrator.

If either party does not have all the evidence they want to present at the time of the hearing, they will have until the close of business, 5:00 p.m., that same day to provide the arbitrator with the evidence.

The arbitrator's written decision shall be final and binding on both parties. Each party shall bear their own costs associated with the arbitration.

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EXHIBIT B

PAYMENT ARRANGEMENTS Periodic Compensation Upon Completion – Paid Monthly

- A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$ **4,889,070.00**.
- B. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by COUNTY. Payment for services and/or reimbursement of costs shall be in accordance with the hourly rate (based upon the proposed costs, expenses, overhead charges and hourly rates for personnel), as defined in **Attachment B1** (CONTRACT BUDGET). Invoices submitted for payment that are based upon **Attachment B1** must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in **EXHIBIT A**.
- C. **Monthly, upon completion of the work** detailed in **EXHIBIT A** and/or delivery to COUNTY of item(s) specified therein, CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed. This invoice or claim must cite the assigned Board Contract Number. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and/or the item(s) delivered and if found to be satisfactory and within the cost basis of **Attachment B1** shall initiate payment processing. COUNTY shall pay invoices or claims for satisfactory work within 30 days of presentation.
- D. COUNTY's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS for contracts REQUIRING professional liability insurance

INDEMNIFICATION

Indemnification pertaining to other than Professional Services:

CONTRACTOR shall defend, indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the COUNTY.

CONTRACTOR shall notify the COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement.

Indemnification pertaining to Professional Services:

CONTRACTOR shall indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of the negligent performance or attempted performance of the provisions hereof; including any willful or negligent act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him to the fullest extent allowable by law.

CONTRACTOR shall notify the COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement.

Without limiting the CONTRACTOR's indemnification of the COUNTY, CONTRACTOR shall procure the following required insurance coverages at its sole cost and expense. All insurance coverage is to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the COUNTY. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by the COUNTY, CONTRACTOR shall provide a certified copy of any insurance policy to the COUNTY within ten (10) working days.

1. **Workers' Compensation Insurance:** Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the COUNTY. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the State of California. This provision does not apply if CONTRACTOR has no employees as defined in

Labor Code Section 3350 et seq. during the entire period of this Agreement and CONTRACTOR submits a written statement to the COUNTY stating that fact.

2. General and Automobile Liability Insurance: The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the CONTRACTOR in the indemnity and hold harmless provisions of the Indemnification Section of this Agreement between COUNTY and CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR's activities hereunder. CONTRACTORS shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. COUNTY, its officers, agents, and employees shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over \$10,000 requires approval by the COUNTY.

Said policy or policies shall include a severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and non-contributory to the full limits stated in the declarations, and if the COUNTY has other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only."

If the policy providing liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this agreement. Said policy or policies shall provide that the COUNTY shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

3. Professional Liability Insurance. Professional liability insurance shall include coverage for the activities of CONTRACTOR's professional staff with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$2,000,000 in the aggregate. Said policy or policies shall provide that COUNTY shall be given thirty (30) days written notice prior to cancellation, expiration of the policy, or reduction in coverage. If the policy providing professional liability coverage is a on 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three (3) years (ten years [10] for Construction Defect Claims) following completion of the performance or attempted performance of the provisions of this agreement.

CONTRACTOR shall submit to the office of the designated COUNTY representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming effective. COUNTY shall maintain current certificate(s) of insurance at all times in the office of the designated County representative as a condition precedent to any payment under this Agreement. Approval of insurance by COUNTY or acceptance of the certificate of insurance by COUNTY shall not relieve or decrease the extent to which the CONTRACTOR may be held responsible for payment of damages resulting from CONTRACTOR'S services of operation pursuant to the contract, nor shall it be deemed a waiver of COUNTY'S rights to insurance coverage hereunder.

In the event the CONTRACTOR is not able to comply with the COUNTY'S insurance requirements, COUNTY may, at their sole discretion and at the CONTRACTOR'S expense, provide compliant coverage.

The above insurance requirements are subject to periodic review by the COUNTY. The COUNTY's Risk Manager is authorized to change the above insurance requirements, with the concurrence of County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the COUNTY or inflation. This option may be exercised during any amendment of this Agreement that results in an increase in the nature of COUNTY's risk and such change of provisions will be in effect for the term of the amended Agreement. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

EXHIBIT D

YEAR 2000 DATE CHANGE COMPLIANCE WARRANTY FOR GOODS AND SERVICES

CONTRACTOR warrants that any Products furnished by CONTRACTOR pursuant to this agreement shall support a four-digit year format and be able to accurately process date and time data from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000, as well as leap year calculations. For purposes of this warranty, "PRODUCT" shall include, without limitation, any piece of component of equipment, hardware, firmware, middleware, custom or commercial software, or internal components of subroutines therein together with updates, upgrades and enhancements on same and all services, wherever such compliance is appropriate. This warranty shall survive termination or expiration of this Agreement.

In the event of any decrease in Product functionality or accuracy related to time and/or date data related codes and/or internal subroutines that impede the Product from operating correctly using dates beyond December 31, 1999, CONTRACTOR shall restore or repair the Product to the same level of functionality as existed prior to the date malfunction, so as to minimize interruption to COUNTY's ongoing business processes, time being of the essence. In the event that such warranty compliance requires the acquisition of additional Products, the expense for any such associated or additional acquisitions that may be required, including without limitations, data conversion tools, shall be borne exclusively by CONTRACTOR.

In the event that restoration, repair and/or replacement is inadequate to prevent or remedy loss, CONTRACTOR shall defend, indemnify and save harmless COUNTY, its agents, officers, and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of the failure of this warranty or occasioned by the performance or attempted performance of the Product(s), including, but not limited to, any act or omission to act on the part of CONTRACTOR or its agents, officers, employees or independent contractors.

Nothing in this warranty shall be construed to limit any rights or remedies the COUNTY may otherwise have under this Agreement with respect to defects other than Year 2000 performance. CONTRACTOR shall obtain the same assurances from all other suppliers whose products CONTRACTOR relies upon for operation of CONTRACTOR's Product(s) and shall furnish them to COUNTY upon request.

Contract Summary Form: _____ Contract Number : _____ - - - -

Complete data below, print, obtain signature of authorized departmental representative, and submit this form (and attachments) to the Clerk of the Board (>\$100,000). If less than (<\$100,000) submit a Purchasing Requisition to the Purchasing Division of General Services. See "online purchasing manual" under General Services, Purchasing, Policies and Procedures. Form not applicable to revenue contracts.

- D1. Fiscal Year : FY
- D2. Budget Unit Number (plus -Ship/-Bill codes in paren's) :
- D3. Requisition Number..... :
- D4. Department Name..... :
- D5. Contact Person..... :
- D6. Phone..... :

- K1. Contract Type (check one): Personal Service Capital Project/Construction
- K2. Brief Summary of Contract Description/Purpose..... :
- K3. Original Contract Amount..... : \$
- K4. Contract Begin Date..... :
- K5. Original Contract End Date..... :
- K6. Amendment History (leave blank if no prior amendments):

<u>Seq#EffectiveDate</u>	<u>ThisAmndtAmtCumAmndtToDateNewTotalAmtNewEndDate</u>	<u>Purpose (2-4 words)</u>
\$	\$	\$

K7. Department Project Number..... :

- B1. Is this a Board Contract? (Yes/No)..... : yes
- B2. Number of Workers Displaced (if any)..... :
- B3. Number of Competitive Bids (if any)..... : 1
- B4. Lowest Bid Amount (if bid)..... : \$14.74/hr.
- B5. If Board waived bids, show Agenda Date..... :
- B6. ... and Agenda Item Number..... : #
- B7. Boilerplate Contract Text Unaffected? (Yes / or cite ¶¶) : 4., 5., Exhibit B

- F1. Encumbrance Transaction Code..... : 1701
- F2. Current Year Encumbrance Amount..... : \$
- F3. Fund Number..... : 0055
- F4. Department Number..... : 044
- F5. Division Number (if applicable)..... : 3051
- F6. Account Number..... : 7662
- F7. Cost Center number (if applicable)..... : 5325
- F8. Payment Terms..... : Net 30

- V1. Vendor Numbers (A=uditor; P=urchasing)..... :
- V2. Payee/Contractor Name..... : Addus HealthCare, Inc.
- V3. Mailing Address..... : 2401 S. Plum Grove Rd.
- V4. City State (two-letter) Zip (include +4 if known)..... : Palatine, IL 60067
- V5. Telephone Number..... : 847-303-8330
- V6. Contractor's Federal Tax ID Number (EIN or SSN)..... : 42-1014070
- V7. Contact Person..... : Michael Burke
- V8. Workers Comp Insurance Expiration Date..... :
- V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl) :
- V10. Professional License Number..... : #
- V11. Verified by (name of County staff)..... : Maria Ratliff
- V12. Company Type (Check one): Individual Sole Proprietorship Partnership Corporation

I certify: information complete and accurate; designated funds available; required concurrences evidenced on signature page.

Date : Authorized Signature..... :