

AGREEMENT

FOR SERVICES OF INDEPENDENT CONTRACTOR

BC_____

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 Phoenix of Santa Barbara with an address at 107 E. Micheltorena St., Santa Barbara, 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

Director at phone number 805-681-5220 is the representative of County and will administer this Agreement for and on behalf of County. John Turner at phone number 805-965-3434 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: John Turner, Executive Director
Phoenix of Santa Barbara
107 E. Micheltorena St.
Santa Barbara, CA 93101
FAX: 805-965-3797

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.

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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 7/1/2015 and end performance upon completion, but no later than 6/30/2016 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.

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

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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. Contractor must promptly disclose to the County, in writing, any potential conflict of interest. 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. As required by 42 CFR sections 455.101 and 455.104, Contractor will complete a Conflict of Interest form provided by County.

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. Contractor agrees to take such actions and execute and deliver such documents as may be

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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. 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. 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.

14. 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.

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

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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.

15. INDEMNIFICATION AND INSURANCE

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

16. 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.

17. 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.

18. 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.

19. 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 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

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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, 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 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.

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20. 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.

21. 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.

22. 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.

23. TIME IS OF THE ESSENCE

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

24. 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.

25. 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 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.

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26. 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.

27. 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.

28. 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.

29. 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.

30. 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.

31. 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.

32. 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.

33. 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

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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.

34. 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.

35. PRIOR AGREEMENTS.

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

36. MANDATORY DISCLOSURE.

Contractor must disclose, in a timely manner, in writing to the County all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. Failure to make required disclosures can result in any of the remedies described in 45 C.F.R. Section 75.371, including suspension or debarment. (See also 2 C.F.R. part 180 and 376, and 31 U.S.C. 3321.)

AGREEMENT

THIS AGREEMENT INCLUDES:

1. Exhibit A –
 - i. EXHIBIT A – Statement of Work – Alcohol and Drug Programs (ADP)
 - ii. EXHIBIT A – Statement of Work – Mental Health (MH)
 - iii. ATTACHMENT A – Santa Barbara County Mental Health Plan, Quality Management Standards
 - iv. ATTACHMENT D – Organizational Service Provider Site Certification
 - v. ATTACHMENT E – Program Goals, Outcomes, and Measures
2. Exhibit B –
 - i. EXHIBIT B – Financial Provisions – ADP
 - ii. EXHIBIT B – Financial Provisions – MH
 - iii. EXHIBIT B-1 – Schedule of Rates and Contract Maximum – ADP
 - iv. EXHIBIT B-1 – Schedule of Rates and Contract Maximum – MH
 - v. EXHIBIT B-2 – Contractor Budget
 - vi. EXHIBIT B-3 – ADP Sliding Fee Scale
3. EXHIBIT C – Standard Indemnification and Insurance Provisions

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Agreement for Services of Independent Contractor between the County of Santa Barbara and Phoenix of Santa Barbara.

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

COUNTY OF SANTA BARBARA

By: _____
JANET WOLF, CHAIR
BOARD OF SUPERVISORS

Date: _____

CONTRACTOR
PHOENIX OF SANTA BARBARA

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
ALICE GLEGHORN, PH.D
DIRECTOR

By _____
Director

Date: _____

EXHIBIT A

THIS EXHIBIT A INCLUDES:

1. EXHIBIT A– Alcohol and Drug Programs (ADP) – Statement of Work
2. EXHIBIT A– Mental Health (MH) – Statement of Work
3. ATTACHMENT A – Santa Barbara County Mental Health Plan, Quality Management Standards
4. ATTACHMENT D – Organizational Service Provider Site Certification
5. ATTACHMENT E – Program Goals, Outcomes, and Measures

**EXHIBIT A ADP
ALCOHOL DRUG PROGRAM
STATEMENT OF WORK**

1. **PROGRAM SUMMARY:** Contractor's Program provides outpatient alcohol and other drug (AOD) treatment (hereafter "the Program") to assist adult clients with specialty mental health service needs and substance abuse issues 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 Alcohol and/or Other Drug (AOD) Services. The Program will be located at 110 La Paz, Santa Barbara, California.
2. **PROGRAM GOALS.**
 - A. Introduce clients to an ongoing process of recovery designed to achieve total abstinence from abuse of AOD, or significant and consistent harm reduction;
 - B. Promote client self-sufficiency and empower substance abusers to become productive and responsible members of the community;
 - C. Reduce recidivism and increase community safety; and
 - D. For SATC clients, reduce costs associated with criminal case processing and re-arrest.
3. **DEFINITIONS.**
 - A. **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, Naltrexone Treatment, and Intensive Outpatient Treatment.
 - B. **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.
4. **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 enhanced drug abuse or alcoholism treatment services with or without medication, including counseling and supportive mental health and psychiatric services. This is also known as nonresidential services [Federal Definition].
 - i. **ODF – Group** [Service Code 33] Group counseling means face-to-face contacts in which one or more counselors treat two (2) or more clients, up to a total of twelve (12) clients, at the same time, focusing on the needs of the individuals served, in a 30, 60, or 90 minute session.
 - ii. 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 Title 22 California Code of Regulations (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.

**EXHIBIT A ADP
ALCOHOL DRUG PROGRAM**

STATEMENT OF WORK

Services shall be provided as scheduled. At least one of the clients in the group session must be DMC eligible to claim DMC reimbursement for the group session.

- iii. **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.
- 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 ADMHS Drug Testing Policy and Procedures, and SATC requirements, available at <http://cosb.countyofsb.org/admhs/>, as applicable.
- D. **For SATC:**
 - i. Contractor shall provide or SATC Treatment Services to Court-referred adults, for whom substance use disorder services are determined to be medically necessary consistent with Title 22 CCR Sections 51303 and 51341.1, per SATC guidelines.
 - ii. Contractor shall participate in a quarterly graduation in collaboration with the Court and other treatment providers.
 - iii. Contractor shall attend Court Staffing meetings in Santa Barbara.
 - iv. Contractor shall attend SATC Core Team and Policy Council meetings and work with County to develop recommendations, guidelines, and procedures for adult treatment services.
- 5. **CLIENTS.** Contractor shall provide services as described in Section 4 to a minimum of 80 clients per year, aged 18 and over, referred by sources described in Section 6.A (Referrals). Contractor shall admit clients with co-occurring disorders where appropriate.
- 6. **REFERRALS.**
 - A. Contractor shall receive client referrals from Parole, Probation, schools, Courts, CalWORKs staff, other County agencies, other outpatient providers, and self-referrals.
 - i. Contractor shall receive client referrals via phone, written referral, or walk in.
 - ii. Referrals (other than self-referrals) shall be accompanied by written documentation.
 - B. Contractor shall contact the referral source -within 7 days of being informed by the client of his or her being referred for treatment – that the client has been scheduled for an intake appointment, pending Contractor's determination that substance use disorder services are medically necessary, consistent with Title 22 CCR Sections 51303 and 51341.1.
- 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, by standards established by the program for suitability for treatment, and by eligibility for an appropriate funding stream.

**EXHIBIT A ADP
ALCOHOL DRUG PROGRAM**

STATEMENT OF WORK

- C. Contractor shall admit clients referred by sources described in Section 6.A (Referrals) unless the client meets one or more conditions specified in Section 8 (Exclusion Criteria), 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:
 - i. Consent to Treatment form, Program rules and guidelines, signed by client;
 - ii. Release of Information form, signed by client;
 - iii. Financial assessment and contract for fees;
 - iv. Personal and demographic information of client, as described in State of California Alcohol and/or Other Drug Program Certification Standards, including:
 - 1. Social, economic and family background;
 - 2. Education;
 - 3. Vocational achievements;
 - 4. Criminal history, legal status;
 - 5. Medical history;
 - 6. Drug history; and
 - 7. Previous treatment; and
 - v. Emergency contact information for client.
 - E. Contractor shall notify referral source if client is not accepted into the Program, based on Section 8 (Exclusion Criteria), within one business day of receiving the initial referral.
 - F. 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; or
 - C. Client does not meet medical necessity criteria, consistent with Title 22 CCR Sections 51303 and 51341.1.
 - D. Client requires a higher level of care.
9. **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 thirty (30) days after each client's entry into Program, Contractor shall complete the following:

**EXHIBIT A ADP
ALCOHOL DRUG PROGRAM**

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- i. Addiction Severity Index (ASI). Contractor shall administer and score ASI. Results of the ASI shall be utilized for treatment and discharge planning. For SATC clients, Contractor shall report the results of the ASI and recommendations to the court; and
- ii. 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, DSM 5, or ICD 10 as determined by State and Federal regulations) and the assignment of a primary counselor. The Plan shall be consistent with the results of the client's ASI. Treatment planning must conform to DMC Regulations as defined in Title 22 CCR Section 51341.1(h)(2). Contractor shall review and update the Treatment Plan every ninety (90) days or more frequently as determined medically necessary.

10. 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 State of California Alcohol and/or Other Drug Program Certification Standards. The Discharge Plan shall include:
 - i. Recommendations for post-discharge, including a comprehensive discharge plan that shall include, but not be limited to, all of the following: a description of each of the beneficiary's relapse triggers, a plan to assist the beneficiary to avoid relapse when confronted with each trigger, and a support plan;
 - ii. Linkages to other services, where appropriate;
 - iii. Reason for discharge; and
 - iv. 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 thirty (30) days following discharge.
- D. Any client that does not receive any service within a 30 day period shall be discharged, as of the date of last services, per CalOMS guidelines. The date of discharge shall be the last face to face contact.

- 11. PERFORMANCE.** Contractor shall adhere to all County requirements, all relevant provisions of the California Code of Regulations Title 9, Division 4 and all relevant provisions of applicable law that are now in force or which may hereafter be in force. Contractor shall abide by all applicable State Program Certification standards and regulations, and by the contract between the County Department of Alcohol, Drug, and Mental Health Services (ADMHS) and State Department of Healthcare Services (DHCS) for Substance Use Disorder Services, Agreement Number 14-90100, available at <http://cosb.countyofsb.org/admhs/>.

12. STAFF.

- A. **TRAINING.** Contractor shall provide training, including through attendance at County-sponsored training sessions as available, to each Program staff member, within thirty (30) days of the date of hire regarding the following:

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- i. For Treatment Programs:
 - a. County Management Information System (MIS) system, including the California Outcomes Measurement System (CalOMS) Treatment,
 - b. Drug Medi-Cal; and
 - c. All applicable evidence-based treatment models and programs as agreed between provider and County in writing.
- B. Contractor shall ensure that each staff member providing clinical services attends the County's training sessions regarding documentation requirements, including but not limited to CalOMS and CalOMS Pv, under Drug Medi-Cal and other related State, Federal and local regulations.
- C. Staff hired to work directly with clients shall have competence and experience in working with clients with substance use disorders and co-occurring disorders.
- D. Overdose Prevention Training. Contractor shall:
 - 1. Ensure all direct treatment staff become familiar with overdose prevention principles and techniques, including through trainings and materials provided by ADMHS;
 - 2. Make available and distribute prevention overdose materials, as provided by ADMHS, to all staff and clients
- E. Contractor shall notify County of any staffing changes as part of the quarterly Staffing Report, in accordance with Section 14.B. (Reports). Contractor shall notify admhscontractsstaff@co.santa-barbara.ca.us within one business day for unexpected termination when staff separates from employment or is terminated from working under this Agreement, or within one week of the expected last day of employment or for staff planning a formal leave of absence.
- F. At any time prior to or during the term of this Agreement, the County may require that Contractor staff performing work under this Contract 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.
- G. 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.
- H. 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 whose background or conduct is incompatible with County facility access.

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- I. 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.

13. 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 license/certification status of a 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 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 agencies, or to interns registered with the California Board of Psychology or the California Board of Behavioral Sciences, in accordance with Title 9 CCR, Section 13015).

14. REPORTS.

- A. **TREATMENT PROGRAMS.** In accepting funds for treatment services, Contractor agrees to submit the following:
 - i. Electronic Drug & Alcohol Treatment Access Report (DATAR) for each treatment site, per 45 Code of Federal Regulations (CFR) Section 96.126.
 - ii. Complete Cal OMS County Admission Forms and Cal OMS County Discharge Forms in the County MIS system for each client within 30 days from admission/discharge.
- B. **STAFFING.** Contractor shall submit quarterly Staffing Reports to County. These reports shall be on a form acceptable to, or provided by, County and shall report actual staff

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hours worked by position and shall include the employees' names, licensure status, bilingual and bicultural capabilities, budgeted monthly salary, actual salary, hire date, and, if applicable, termination date. The reports shall be received by County no later than 25 calendar days following the end of the quarter 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 quarter being reported. Programmatic reports shall include the following:

- i. 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;
- ii. 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;
- iii. The number of active cases and the number of clients admitted or discharged;
- iv. The Measures described in Attachment E, Program Goals, Outcomes and Measures, as applicable, or as otherwise agreed by Contractor and ADMHS. Amendments to Attachment E do not require a formal amendment to this Agreement, but shall be agreed to in writing by the Designated Representatives or Designees. In addition, Contractor may include in its report any other data that demonstrate the effectiveness of Contractor's programs; and
- v. 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 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.

15. 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. 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. If Contractor and County have an agreement on file to upload services through a designated batch upload process, this upload process shall be completed within 10 calendar days of the end of the month in which the service was provided. If Contractor enters services directly into the ADP Electronic Health

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Record, claims shall be submitted to the County MIS Unit within 72 hours of service delivery.

- B. In the event that the MIS system is offline, County will notify providers within 24 hours for reporting purposes.

16. **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.

17. **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(e), 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 the Compliance with HIPAA section 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.

18. 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.

19. 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:
- i. The number of Bilingual and Bicultural staff (as part of the quarterly staffing report), and the number of culturally diverse clients receiving Program services;
 - ii. 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.

20. NOTIFICATION REQUIREMENTS

- A. Contractor shall immediately notify ADMHS Quality Care Management (QCM) at 805-681-5113 in the event of:

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- i. Known serious complaints against licensed/certified staff;
 - ii. Restrictions in practice or license/certification as stipulated by a State agency;
 - iii. Staff privileges restricted at a hospital;
 - iv. Other action instituted which affects staff license/certification or practice (for example, sexual harassment accusations); or
 - v. Any event triggering Incident Reporting, as defined in ADMHS Policy and Procedure #28, Unusual Occurrence Incident Report.
- B. Contractor shall immediately contact the ADMHS Compliance Hotline (805-884-6855) should any of the following occur:
- i. Suspected or actual misappropriation of funds under Contractor's control;
 - ii. Legal suits initiated specific to the Contractor's practice;
 - iii. Initiation of criminal investigation of the Contractor; or
 - iv. HIPAA breach.
- C. For clients receiving direct services from both ADMHS and Contractor staff, Contractor shall immediately notify the client's ADMHS Case Manager or other ADMHS staff involved in the client's care, or the applicable Regional Manager should any of the following occur: 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.
- D. Contractor may contact admhscontractsstaff@co.santa-barbara.ca.us for any contractual concerns or issues.
- E. "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 (Phone number: 805-884-6855).
21. **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, as required by the State ADP Contract 14-90100, pages 31 and 32 of Exhibit A, Attachment I. 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.
- 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.
22. **QUARTERLY MEETINGS.** ADMHS shall conduct quarterly meetings, as indicated, with Contractor to collaboratively discuss Programmatic, Fiscal, and Contract matters.

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23. 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. Specific Curricula:
 - i. Contractor shall stay informed on, and implement Matrix (available online), or other current evidence-based practice curriculum that is approved by the County, in providing treatment services.
 - ii. Contractor shall provide *Seeking Safety* (training provided by County) or other trauma-informed services where indicated.
 - iii. 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 (available online).
- D. Contractor shall require clients to attend Twelve Step or other self-help support groups and activities unless not clinically indicated.
- E. Contractor shall require each client to be screened for Tuberculosis (TB) prior to admission using the Alcohol and Drug Program (ADP) TB Screening Questions and Follow-Up Protocol.
- F. Contractor shall refer pregnant clients to Perinatal specialized services, as clinically indicated.
- G. Contractor shall adhere to all applicable State, Federal, and County requirements, with technical assistance from ADMHS.
- H. 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, as provided by ADMHS, if applicable.
- I. Contractor shall attend ADMHS ADP Provider meetings as needed to receive information and support in addressing treatment concerns.

24. STATE CONTRACT COMPLIANCE.

- A. Additional Contract Restrictions

This Contract is subject to any additional restrictions, limitations, or conditions enacted by the Congress, or any statute enacted by the Congress, which may affect the provisions, terms, or funding of this Contract in any manner.

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- B. Nullification of Drug Medi-Cal (DMC) Treatment Program substance use disorder services (if applicable)

The parties agree that if the Contractor fails to comply with the provisions of Welfare and Institutions Code (W&I) Section 14124.24, all areas related to the DMC Treatment Program substance use disorder services shall be null and void and severed from the remainder of this Contract.

In the event the Drug Medi-Cal Treatment Program Services component of this Contract becomes null and void, an updated Exhibit B-1 will take effect reflecting the removal of federal Medicaid funds and DMC State General Funds from this Contract. All other requirements and conditions of this Contract will remain in effect until amended or terminated.

- C. Hatch Act

Contractor agrees to comply with the provisions of the Hatch Act (Title 5 USC, Sections 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

- D. No Unlawful Use or Unlawful Use Messages Regarding Drugs

Contractor agrees that information produced through these funds, and which pertains to drug and alcohol- related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug or alcohol- related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (HSC Section 11999-11999.3). By signing this Contract, Contractor agrees that it will enforce these requirements.

- E. Noncompliance with Reporting Requirements

Contractor acknowledges that the State may withhold payments until County has submitted any required data and reports to the State, on behalf of Contractor, and County may withhold payment to Contractor until such reports are submitted in accordance with Exhibit B of the State Contract 14-90100.

- F. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances

None of the funds made available through this Agreement may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

- G. Restriction on Distribution of Sterile Needles

No funds made available through this Agreement shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug unless the State chooses to implement a demonstration syringe

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services program for injecting drug users with Substance Abuse Prevention and Treatment Block Grant funds.

H. Health Insurance Portability and Accountability Act (HIPAA) of 1996

If any of the work performed under this Contract is subject to the HIPAA, then Contractor shall perform the work in compliance with all applicable provisions of HIPAA. The State and County shall cooperate to assure mutual agreement as to those transactions between them, to which this Provision applies.

1. Trading Partner Requirements

- a. No Changes. County hereby agrees that for the personal health information (Information), it will not change any definition, data condition or use of a data element or segment as proscribed in the federal HHS Transaction Standard Regulation. (45 CFR Part 162.915 (a))
- b. No Additions. County hereby agrees that for the Information, it will not add any data elements or segments to the maximum data set as proscribed in the HHS Transaction Standard Regulation. (45 CFR Part 162.915 (b))
- c. No Unauthorized Uses. County hereby agrees that for the Information, it will not use any code or data elements that either are marked "not used" in the HHS Transaction's Implementation specification or are not in the HHS Transaction Standard's implementation specifications. (45 CFR Part 162.915 (c))
- d. No Changes to Meaning or Intent. County hereby agrees that for the Information, it will not change the meaning or intent of any of the HHS Transaction Standard's implementation specification. (45 CFR Part 162.915 (d))

2. Concurrence for Test Modifications to HHS Transaction Standards

County agrees and understands that there exists the possibility that the State or others may request an extension from the uses of a standard in the HHS Transaction Standards. If this occurs, County agrees that it will participate in such test modifications.

3. Adequate Testing

County is responsible to adequately test all business rules appropriate to their types and specialties. If the County is acting as a clearinghouse for enrolled providers, County has obligations to adequately test all business rules appropriate to each and every provider type and specialty for which they provide clearinghouse services.

4. Deficiencies

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County agrees to cure transactions errors or deficiencies identified by the State, and transactions errors or deficiencies identified by an enrolled provider if the County is acting as a clearinghouse for that provider. When County is a clearinghouse, County agrees to properly communicate deficiencies and other pertinent information regarding electronic transactions to enrolled providers for which they provide clearinghouse services.

5. Code Set Retention

Both Parties understand and agree to keep open code sets being processed or used in this Agreement for at least the current billing period or any appeal period, whichever is longer.

6. Data Transmission Log

Both Parties shall establish and maintain a Data Transmission Log, which shall record any and all Data Transmission taking place between the Parties during the term of this Contract. Each Party will take necessary and reasonable steps to ensure that such Data Transmission Logs constitute a current, accurate, complete, and unaltered record of any and all Data Transmissions between the Parties, and shall be retained by each Party for no less than twenty-four (24) months following the date of the Data Transmission. The Data Transmission Log may be maintained on computer media or other suitable means provided that, if it is necessary to do so, the information contained in the Data Transmission Log may be retrieved in a timely manner and presented in readable form.

I. Nondiscrimination and Institutional Safeguards for Religious Providers

Contractor shall establish such processes and procedures as necessary to comply with the provisions of Title 42, USC, Section 300x-65 and Title 42, CFR, Part 54.

J. Counselor Certification

Any counselor providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS licensed or certified program is required to be certified as defined in Title 9, CCR, Division 4, Chapter 8.

K. Cultural and Linguistic Proficiency

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this contract shall adopt the federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards.

L. Intravenous Drug Use (IVDU) Treatment

Contractor shall ensure that individuals in need of IVDU treatment shall be

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encouraged to undergo alcohol and other drug (AOD) treatment (42 USC 300x-23(b) of PHS Act).

M. Tuberculosis Treatment

Contractor shall ensure the following related to Tuberculosis (TB):

1. Routinely make available TB services to each individual receiving treatment for alcohol and other drug use and/or abuse;
2. Reduce barriers to patients' accepting TB treatment; and,
3. Develop strategies to improve follow-up monitoring, particularly after patients leave treatment, by disseminating information through educational bulletins and technical assistance.

N. Trafficking Victims Protection Act of 2000

Contractor and its Subcontractors that provide services covered by this Contract shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C. 7104). For full text of the award term, go to: <http://www.samhsa.gov/grants/trafficking.aspx>

O. Tribal Communities and Organizations

County shall regularly assess (e.g. review population information available through Census, compare to information obtained in CalOMS Treatment to determine whether population is being reached, survey Tribal representatives for insight in potential barriers) the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the County geographic area and shall engage in regular and meaningful consultation and collaboration with elected officials of the tribe, Rancheria, or their designee for the purpose of identifying issues/barriers to service delivery and improvement of the quality, effectiveness and accessibility of services available to AI/NA communities within the County.

P. Participation of County Alcohol and Drug Program Administrators Association of California . Pursuant to HSC Section 11801(g), the AOD administrator shall participate and represent the county in meetings of the County Alcohol and Drug Program Administrators Association of California for the purposes of representing the counties in their relationship with the state with respect to policies, standards, and administration for alcohol and other drug abuse services. Pursuant to HSC Section 11811.5(c), the county alcohol and drug program administrator shall attend any special meetings called by the Director of DHCS.

Q. Youth Treatment Guidelines. Contractor will follow the California Youth Treatment Guidelines available at http://www.dhcs.ca.gov/individuals/Documents/Youth_Treatment_Guidelines.pdf and incorporated by this reference, in developing and implementing youth treatment

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programs funded under this Exhibit, until such time new Youth Treatment Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.

- R. Restrictions on Grantee Lobbying – Appropriations Act Section 503. No part of any appropriation contained in this Act shall be used, other than for formal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support defeat legislation pending before the Congress, except in presentation to the Congress itself or any State legislature, except in presentation to the Congress or any State legislative body itself.

No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent during for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

- S. Nondiscrimination in Employment and Services. By signing this Agreement, Contractor certifies that under the laws of the United States and the State of California, incorporated into this Contract by reference and made a part hereof as if set forth in full, Contractor will not unlawfully discriminate against any person.

- T. Federal Law Requirements:

1. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in federally funded programs.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
4. Age Discrimination in Employment Act (29 CFR Part 1625)
5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment
6. Title 11 of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities
7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access
8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC

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Section 794), prohibiting discrimination on the basis of handicap

9. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under federal contracts and construction contracts greater than \$10,000 funded by federal financial assistance
10. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency
11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse
12. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.

U. State Law Requirements:

1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.).
2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 10800.
4. No state or federal funds shall be used by the Contractor for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or to provide direct, immediate, or substantial support to any religious activity.
5. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Agreement or terminate all, or any type, of funding provided hereunder.

V. This Contract is subject to any additional restrictions, limitations, or conditions enacted by the federal or state governments after affect the provisions, terms, or funding of this Contract in any manner.

W. Contractor shall comply with the following regulations and guidelines:

1. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8;
2. Drug Medi-Cal Certification Standards for Substance Abuse Clinics;
3. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1;
4. Standards for Drug Treatment Programs (October 21, 1981);

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5. Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et. seq; and
6. Title 22, CCR, sections 51000 et. seq.

In the event of conflicts, the provisions of Title 22 shall control if they are more stringent.

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1. **PROGRAM SUMMARY.** Contractor operates intensive residential programs at Mountain House and Phoenix House (hereafter “the Program”) which provide twenty-four hour, seven days per week, structured mental health rehabilitation services, residential care and room and board to adults (aged 18 and over) with Serious Mental Illness (SMI) who are at high risk for acute inpatient or long-term residential care. Mountain House shall be licensed as an Adult Residential Facility by the California Department of Social Services Community Care Licensing Division (CCLD).
 - A. Mountain House is located at 37 Mountain Drive, Santa Barbara, California. Phoenix House shall be licensed as a Social Rehabilitation Facility by CCLD.
 - B. Phoenix House is located at 107 East Micheltorena, Santa Barbara, California.
2. **PROGRAM GOALS.**
 - A. Maintain the client’s residential placement at the lowest appropriate level, and/or enable client to successfully move to a lower level of care;
 - B. Connect clients to social services and community resources;
 - C. Develop clients’ independent living, psychological, and social skills necessary for recovery;
 - D. Assist clients to manage symptoms;
 - E. Successfully engage and stabilize clients transitioning from Institutes for Mental Diseases (IMDs), Acute Care Facilities or other residential settings; and
 - F. Provide 24/7 supports to manage crisis.
3. **SERVICES.** Contractor shall provide twenty-four (24) hour per day, seven (7) days per week psychiatric rehabilitation, residential care and room and board for 23 clients placed at the Program as described in Section 6 (Referrals).
 - A. Contractor shall provide the following mental health services, as needed and as determined by each client’s Client Service Plan and Action Plan (Section 7 Documentation Requirements), to Program clients:
 1. **Crisis Intervention.** Crisis intervention is a service lasting less than 24 hours, to or on behalf of a client for a condition that requires a more timely response than a regularly scheduled visit, as defined in Title 9 California Code of Regulations (CCR) Section 1810.209. Service activities include, but are not limited to: assessment, collateral and therapy. Crisis intervention is distinguished from crisis stabilization by being delivered by providers who do not meet the crisis stabilization contact, site and staffing requirements as defined in 9 CCR Sections 1840.338 and 1840.348. Contractor shall be available 24 hours per day, 7 days per week to provide crisis intervention services.
 - a. When clients have an emergent need while at the Program, Contractor shall work to manage the client’s needs to prevent crisis. If crisis assistance is needed, Contractor will work directly with Alcohol, Drug, and Mental Health Services (ADMHS) crisis service teams and/or mental health clinic staff to engage in a supported response to the client’s needs.

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- b. Contractor shall ensure that experienced Program staff with skill in crisis-intervention procedures shall be available to respond to requests by ADMHS, in the event that clients experiencing crisis present to ADMHS and specialty knowledge from the Program is required. . Response to ADMHS may be either by telephone or in person, or both. If a physical response is required, Contractor staff shall arrive no later than 30 minutes from the time of the call.
 2. **Therapy.** Therapy is a service activity that is a therapeutic intervention that focuses primarily on symptom reduction as a means to improve functional impairments, as defined in Title 9 CCR Section 1810.250. Therapy may be delivered to an individual and may include family therapy at which the client is present.
 3. **Rehabilitation.** Rehabilitation is defined as a service activity that includes but is not limited to, assistance in improving, maintaining or restoring a client's or a group of clients' functional skills, daily living skills, social and leisure skills, grooming and personal hygiene skills, meal preparation skills, support resources, and/or medication education, as defined in Title 9 CCR Section 1810.243.
 4. **Collateral.** Collateral services are delivered to a client's significant support person(s) for the purpose of meeting the needs of the client and achieving the goals of the client's Client Service Plan, as defined in Title 9 CCR Section 1810.206. A significant support person is a person who has or could have a significant role in the successful outcome of treatment, including but not limited to parents of a client, legal guardians or representatives of a client, a person living in the same household as the client, the client's spouse, and the relatives of the client, as defined in Title 9 CCR Section 1810.246.1. Collateral may include, but is not limited to, family counseling with the significant support person(s), consultation and training of the significant support person(s) to assist in better utilization of specialty mental health services by the client, and consultation and training of the significant support person(s) to assist in better understanding of mental illness. The client need not be present for this service activity. Consultation with other service providers is not considered a Collateral service.
 5. **Assessment.** Assessment is designed to evaluate the current status of a client's mental, emotional or behavioral health. 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, as defined in Title 9 CCR Section 1810.204.
 6. **Plan Development.** Plan development consists of developing client plans, approving client plans, and/or monitoring the client's progress, as defined in Title 9 CCR Section 1810.232.
- B. **Activities of Daily Living.** Contractor shall provide Activities of Daily Living (ADL) support, to assist clients with daily tasks including:
1. Developing and maintaining knowledge of medications, skills in self-administration of medication and compliance with medication treatment;
 2. Accessing and using laundry facilities (both in-home and coin-operated facilities);
 3. Maintaining clean and well-kept living quarters, this shall include household chores assigned by program staff to be completed weekly;
 4. Practicing good personal hygiene; including physical health, such as hygiene, prevention and management of medical condition(s);

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5. Scheduling and keeping appointments; and
 6. Learning and practicing psychosocial skills, such as effective interpersonal communication and conflict resolution.
- C. **Skill Building.** Contractor shall provide skill building in Social and Recreational Activities, including:
1. Providing structured direction so clients learn how to engage in group activities that can provide meaningful social connections with others;
 2. Providing structured direction so clients learn how to engage in community activities to prepare for more independent living;
 3. Assisting clients to:
 - a. Identify, access and independently participate in social and recreational activities in the community with the goal of encouraging and promoting positive interaction with others, physical exercise and participating in health-related activities;
 - b. Develop conversational skills; and
 - c. Access activities that are cost-appropriate to the client's budget;
 4. Instructing clients how to access necessary services for routine, urgent, or emergency needs. Contractor shall assist clients in learning how to access community services for on-going supports (i.e. alcohol and drug programs, outpatient mental health treatment services, routine medical services, etc.), ADMHS Treatment Team for psychological emergencies, and hospital emergency rooms for medical emergencies.
 5. Assisting clients in developing skills to use natural supports for transportation and community recreational resources (i.e. YMCA, Adult Education, etc.) which afford clients opportunities to practice the skills they are developing and/or learning;
 6. Providing family psychoeducational activities such as education to the family regarding mental illness, medications, and recognizing symptoms;
 7. Providing work-related support services to help clients who want to find and maintain employment in community-based job sites, and providing educational supports to help clients who wish to pursue the educational programs necessary for securing a desired vocation, including the following:
 - a. Contractor shall assist clients in finding employment that is part- or full- time, temporary or permanent, based on the unique interests and needs of each client. As often as possible, however, employment should be in real life, independent integrated settings with competitive wages.
 - b. Contract shall provide work-related services including but not be limited to:
 - i. Assessment of the effect of the client's mental illness on employment or educational learning, with identification of specific behaviors that interfere with the client's work or learning performance and development of interventions to reduce or eliminate those behaviors;
 - ii. Development of an ongoing supportive educational or employment rehabilitation plan to help each client establish the skills necessary to find and maintain a job or to remain in an educational setting;

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- iii. Individual supportive therapy to assist clients to identify and cope with symptoms of mental illness that may interfere with work performance or learning; and
 - iv. Work-related supportive services, such as assistance with grooming or personal hygiene, securing appropriate clothing, wake-up calls, transportation, etc.
 - D. **Support Services.** Contractor shall assist clients to access needed community resources, including, but not limited to:
 - 1. Medical and dental services (e.g. having and effectively using a personal physician and dentist);
 - 2. Financial entitlements;
 - 3. Social services; and
 - 4. Legal advocacy and representation.
 - E. **Vocational Skills.** Contractor shall assist clients in improving and enhancing their vocational skills, such as:
 - 1. Accessing and using public transportation;
 - 2. Accessing and using public libraries; and
 - 3. Accessing and using educational and vocational resources (i.e. community colleges, Vocational Rehabilitation, etc.)
 - F. **Budgeting.** Contractor shall assist clients with developing individual budgets based on income and expenses and assist clients with managing finances, including bill-paying and living on fixed incomes.
 - G. **Cooking and Meal Planning.** Contractor shall assist clients in developing skills related to cooking and meal planning, including:
 - 1. Learning and developing healthy eating habits;
 - 2. Learning to maintain a safe and sanitary kitchen; and
 - 3. Shopping for and preparing meals with the assistance of Program staff.
4. **CLIENTS/PROGRAM CAPACITY.**
- A. Contractor shall provide the services described in Section 3 to a caseload of 14 ADMHS clients at Mountain House and to a caseload of 9 ADMHS clients at Phoenix House, or as otherwise approved by ADMHS in writing,
 - B. **Admission Criteria.**
 - 1. Program clients shall be individuals with Serious Mental Illness (SMI) who have symptoms of mental illness that cause substantial disability and seriously impair their functioning in independent living community settings as indicated by client's assessment and previous treatment history.. Due to the severity of their symptoms and functional issues, individuals who receive these services are in the greatest need of rehabilitative services in order to live successfully in the community and achieve their personal recovery goals. Multiple barriers to

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successful functioning are common in this group and may include: co-occurring substance abuse or dependence, homelessness, unemployment, out-of-control illness management, frequent and persistent use of hospital emergency departments and inpatient psychiatric treatment, and problems with the legal system.

2. Priority of the population served shall include individuals with SMI who are transitioning from or at risk of placement at Institutions for Mental Disease (IMDs), Acute Inpatient facility settings or other residential living settings. In addition, priority shall be given to clients with long term psychiatric disabilities such as schizophrenia, other psychotic disorders and bipolar disorders.
- C. ADMHS will open Mental Health Services Act (MHSA)-funded clients to Full Service Partnership programs concurrently with placement in Contractor's program, as applicable.
- D. Contractor shall collaborate with ADMHS to review and update cases at least every ninety (90) days, including Client Service Plan development, effectiveness of interventions, and, as applicable, discharge planning.

5. LENGTH OF STAY/SERVICE INTENSITY.

- A. Duration of service at Mountain House will be coordinated with County and will be authorized for up to six (6) month intervals;
- B. Duration of service at Phoenix House will be coordinated with County and will be authorized for up to six (6) month intervals, up to a maximum of 18 months;
- C. Contractor shall work with County to develop and attain goals for assisting clients to move to lower levels of supportive housing or community support.

6. REFERRALS.

- A. Contractor shall admit clients seven (7) days per week.
- B. Only clients referred by County treatment teams will be reimbursed through this agreement.

C. ADMISSION PROCESS.

1. Contractor shall notify ADMHS that a program slot has been vacated as described in Section 8 (Discharge Plan).
2. ADMHS Regional Manager shall review open cases to determine those individuals appropriate for placement.
3. County Regional Manager or designee shall send the Referral Packet, described in Section 6.D, for the selected client to Contractor.
4. Contractor shall respond to referrals within five (5) days from the date of receipt of the referral.

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5. Contractor shall interview client referred by County. Referrals may also require CCLD approval if there is an exception needed for admission for residential treatment.
 6. In the event a referral is not accepted per Section 6.E (Exclusion Criteria), Contractor shall notify County of the reason for not accepting the referral.
- D. REFERRAL PACKET.** Contractor shall receive a referral packet for each client referred and treated. Hard copies of any Packet documents that are available in the ADMHS Medical Record system shall be shredded by Contractor upon opening the client to the program:
1. The Referral Packet shall contain each of the following (as available):
 - a. A copy of the County referral form;
 - b. A client face sheet listing all of the County programs that the client has been admitted to over time, and is currently admitted to, including hospitalizations;
 - c. A copy of the most recent comprehensive assessment and/or assessment update;
 - d. A copy of the most recent medication record and health questionnaire;
 - e. Client's Medi-Cal Eligibility Database Sheet (MEDS) file printout will be provided to Contractor in the initial Referral Packet. Thereafter, it will be Contractor's responsibility to verify continued Medi-Cal eligibility as described in Section 14 (Medi-Cal Verification); and
 - f. Other documents as reasonably requested by County.
 2. ADMHS will update the Client Service Plan (CSP) indicating the goals for client enrollment in the Program and which names Contractor as service provider, prior to client's admission to the program.
- E. EXCLUSION CRITERIA.**
1. Individuals with restricted health conditions as defined by CCLD, available at <http://www.cclld.ca.gov/res/pdf/10GLR02.pdf> and those who are not classified as "ambulatory" as defined by CCLD, available at <http://www.cclld.ca.gov/res/pdf/GeneralLicensing.pdf> will be excluded from Program participation in accordance with licensing requirements.
 2. On a case-by-case basis, the following may be cause for client exclusion from the Program, subject to approval by the ADMHS Regional Manager or other designee in collaboration with Contractor:
 - a. Individual's recent history (conviction or charges within the six (6) months) of violent crime or sexual predation; or
 - b. Individuals with Anti-Social Personality Disorder.
- 7. DOCUMENTATION REQUIREMENTS.**
- A. ADMHS Client Service Plan (CSP).** The ADMHS Treatment Team will develop the Client Service Plan.

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- B. **Action Plan.** The Contractor shall complete an Action Plan within 30 days of each client's enrollment into the Program and shall align the Action Plan with the overall goals of the client's Client Service Plan. Copies of clients' Action Plans shall be provided to ADMHS upon initial completion and following any updates or revisions, as applicable.
8. **DISCHARGE PLAN.** The ADMHS Treatment Team shall work closely with each client and the Contractor to establish a written discharge plan that is responsive to the client's needs and personal goals.
- A. The Contractor shall:
1. Collaborate with the ADMHS Treatment Team in developing and planning for client discharge and transition;
 2. Involve clients and their families , as much as possible, in the discharge and graduation process;
 3. Notify ADMHS immediately of any decision to discharge or evict a client;
 4. Document the discharge plan in the ADMHS MIS system; and
 5. Notify County of final discharge date immediately;
- B. Residential clients may be discharged by Contractor according to CCLD requirements, with notification to ADMHS as indicated above.
9. **PERFORMANCE.** Contractor shall adhere to all County requirements and all relevant provisions of law that are now in force or which may hereafter be in force, including all relevant provisions of the following:
- A. The County Mental Health Plan, Contract 12-89394 between the County Department of Alcohol and Drug, and Mental Health Services (ADMHS) and the State Department of Health Care Services (DHCS), available at <http://cosb.countyofsb.org/admhs/>;
 - B. The ADMHS Steering Committee Vision and Guiding Principles, available at <http://cosb.countyofsb.org/admhs/>;
 - C. California's Mental Health Services Act; and
 - D. California Code of Regulations Title 9, Division 1.
10. **STAFF.**
- A. Program Staff providing direct services to clients shall be trained and skilled at working with persons with serious mental illness (SMI), and shall adhere to professionally recognized evidence-based best practices for rehabilitation assessment, service planning, and service delivery. In addition, these staff shall receive Documentation Training in accordance with the ADMHS Mandatory Trainings Policy and Procedure.
 - B. Contractor shall ensure that staff identified on the Centers for Medicare & Medicaid Services (CMS) Exclusions List or other applicable list shall not provide services under this Agreement nor shall the cost of such staff be claimed to Medi-Cal.

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- C. All staff performing services under this Agreement with access to the ADMHS electronic medical record shall be reviewed and approved by ADMHS Quality Care Management (QCM) Division, in accordance with ADMHS Policy and Procedure #34, Staff Credentialing and Licensing.
- D. Contractor shall notify County of any staffing changes as part of the quarterly Staffing Report, in accordance with Section 12. Reports Staffing herein. Contractor shall notify admhscontractsstaff@co.santa-barbara.ca.us within one business day for unexpected termination when staff separates from employment or is terminated from working under this Agreement, or within one week of the expected last day of employment or for staff planning a formal leave of absence.
- E. 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.
- F. 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.
- G. 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.
- H. 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.

11. 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 Short-Doyle/Medi-Cal provider if Title XIX Short-Doyle/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 ADMHS QCM Division, 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.

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- C. If Contractor is a participant in the Short-Doyle/Medi-Cal program, Contractor shall keep fully informed of and in compliance with all current Short-Doyle/Medi-Cal Policy Letters, including, but not limited to, procedures for maintaining Medi-Cal certification of all its facilities.

12. REPORTS.

- A. **Staffing.** Contractor shall submit quarterly 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 Spanish capabilities, budgeted monthly salary, actual salary, hire date, and, if applicable, termination date. The reports shall be received by County no later than 25 calendar days following the end of the quarter being reported.
- B. **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 quarter being reported. Programmatic reports shall include the following:
1. 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;
 2. 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 Certifications, changes in population served and reasons for any such changes;
 3. The number of active cases and number of clients admitted/ discharged;
 4. The Measures described in Attachment E, Program Goals, Outcomes and Measures, as applicable, or as otherwise agreed by Contractor and ADMHS. Amendments to Attachment E do not require a formal amendment to this Agreement, but shall be agreed to in writing by the Designated Representatives or Designees. In addition, Contractor may include any other data that demonstrate the effectiveness of Contractor's programs; and
 5. Contractors receiving MHSA-funding shall track and report the following to County in Contractor's Quarterly Programmatic Report per MHSA requirements, if not entered into the County's Management Information System (MIS)
 - a. Client age;
 - b. Client zip code;
 - c. Number of types of services, groups, or other services provided;
 - d. Number of clients served in which language (English/Spanish/Other);
 - e. Number of groups offered in which language (English/Spanish/Other).

- 13. Additional Reports.** Contractor shall maintain records and make statistical reports as required by County and the State Department of Health Care Services or applicable agency,

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on forms provided by either 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 thirty (30) days for Contractor to respond.

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

15. **SITE STANDARDS.**

- A. Contractor agrees to comply with all Medi-Cal requirements, including, but not limited to those specified in Attachment A, and be approved to provide Medi-Cal services based on Medi-Cal site certification, per Attachment D, Organizational Service Provider Site Certification.
- B. For programs located at Contractor's offices, Contractor shall develop and maintain a written disaster plan for the Program site and shall provide annual disaster training to staff.

16. **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(e), 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 the Compliance with HIPAA section 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.

17. **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.

18. **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 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;

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- C. Contractor shall maintain Spanish bilingual capacity with the goal of filling 40% of direct service positions with bilingual staff in County's second threshold language, Spanish.
- D. Contractor shall provide staff with regular training on cultural competency, sensitivity and the cultures within the community, pursuant to Attachment A;
- E. Contractor shall provide services that consider the culture of mental illness, as well as the ethnic and cultural diversity of clients and families served; materials provided to the public must also be printed in Spanish (second threshold language).
- F. Services and programs offered in English must also be made available in Spanish, if clients identify Spanish as their preferred language, as specified in section B above.
- G. As applicable, a measurable and documented effort must be made to conduct outreach to and to serve the underserved and the non-served communities of Santa Barbara County.

19. NOTIFICATION REQUIREMENTS.

- A. Contractor shall immediately notify ADMHS QCM Division at 805-681-5113 in the event of:
 - 1. Known serious complaints against licensed/certified staff;
 - 2. Restrictions in practice or license/certification as stipulated by a State agency;
 - 3. Staff privileges restricted at a hospital; or
 - 4. Other action instituted which affects staff license/certification or practice (for example, sexual harassment accusations).
 - 5. Any event triggering Incident Reporting, as defined in ADMHS Policy and Procedure #28, Unusual Occurrences Incident Report.
- B. Contractor shall immediately contact the ADMHS Compliance Hotline (805-884-6855) should any of the following occur:
 - 1. Suspected or actual misappropriation of funds under Contractor's control
 - 2. Legal Suits initiated specific to the Contractor's practice;
 - 3. Initiation of criminal investigation of the Contractor
 - 4. HIPAA breach
- C. For clients receiving direct services from both ADMHS and Contractor staff, Contractor shall immediately notify the client's ADMHS Case Manager or other ADMHS staff involved in the client's care, or the applicable Regional Manager should any of the following occur: 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.

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- D. Contractor may contact admhscontractsstaff@co.santa-barbara.ca.us for any contractual concerns or issues.
- E. "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 (Phone number: 805-884-6855).

20. UTILIZATION REVIEW.

- A. Contractor agrees to abide by County Quality Management standards, provided in Attachment A, and to cooperate with the County's utilization review process which ensures medical necessity, appropriateness and quality of care. This review may include clinical record review; client survey; and other utilization review program monitoring practices. Contractor will cooperate with these programs, and will furnish necessary assessment and Client Service Plan information, subject to Federal or State confidentiality laws, and provisions of this agreement.
- B. Contractor shall identify a senior staff member who will be the designated ADMHS QCM Division contact and will participate in any provider QCM meetings, to review current and coming quality of care issues.

21. REVIEWS.

- A. County shall assign senior management staff as contract monitors to coordinate periodic review meetings with Contractor's staff regarding quality of clinical services, fiscal and overall performance activity. The Care Coordinators, Quality Improvement staff, and the Program Managers or their designees shall conduct periodic on-site and/or electronic reviews of Contractor's clinical documentation.
- B. The Contractor agrees to make all records pertaining to the services furnished under the terms of this contract available for inspection, examination or copying by the U.S. Department of Health and Humans Service, the Comptroller General of the United States, the DHCS, the County, and other authorized federal and state agencies, or their duly authorized representatives. Inspection shall occur at all reasonable times, at Contractors place of business, or at such other mutually agreeable location in California, in a form maintained in accordance with the general standards applicable to such book or record keeping, for a term of at least five years from the close of the state fiscal year in which the subcontract was in effect.

22. QUARTERLY MEETINGS. ADMHS shall conduct quarterly meetings, as indicated, with Contractor to collaboratively discuss Programmatic, Fiscal, and Contract matters.

23. ADDITIONAL PROVISIONS.

- A. Contractor agrees to hold harmless the State and beneficiaries in the event the County cannot or does not pay for services performed by the contractor.
- B. The Contractor will not discriminate against beneficiaries on the basis of health status or need for health care services, pursuant to 42 C.F.R. §438.6(d)(3).
- C. Contractor agrees to comply with all applicable federal and state law, particularly the statutes and regulations incorporated by reference below. Contractor agrees to comply with any changes to these statutes and regulations that may occur during the contract

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period and any new applicable statutes or regulations, but either the County or Contractor may request consultation and discussion of new or changed statutes or regulations, including whether contract amendments may be necessary.

- D. Pursuant to Welf. & Inst. Code § 14704, a regulation or order concerning Medi-Cal specialty mental health services adopted by the State Department of Mental Health pursuant to Division 5 (commencing with Section 5000), as in effect preceding the effective date of this section, shall remain in effect and shall be fully enforceable, unless and until the readoption, amendment, or repeal of the regulation or order by the State Department of Health Care Services (DHCS), or until it expires by its own terms.
- E. The following federal law applies to this contract:
1. Title 42 United States Code, to the extent that these requirements are applicable;
 2. 42 C.F.R. to the extent that these requirements are applicable;
 3. 42 C.F.R. § 438 – Managed Care, limited to those provisions that apply to Prepaid Inpatient Health Plans (PIHP);
 4. 45 C.F.R. §§ 160 and 164 to the extent that these requirements are applicable;
 5. Title VI of the Civil Rights Act of 1964;
 6. Title IX of the Education Amendments of 1972;
 7. Age Discrimination Act of 1975;
 8. Rehabilitation Act of 1973;
 9. Titles II and III of the Americans with Disabilities Act;
 10. Deficit Reduction Act of 2005;
 11. Balanced Budget Act of 1997;
 12. The Contractor shall comply with the provisions of the Copeland Anti- Kickback Act, which requires that all contracts and subcontracts in excess of \$2000 for construction or repair awarded by the Contractor and its subcontractors shall include a provision for compliance with the Copeland Anti-Kickback Act.
 13. The Contractor shall comply with the provisions of the Davis-Bacon Act, as amended, which provides that, when required by Federal Medicaid program legislation, all construction contracts awarded by the Contractor and its subcontractors of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act as supplemented by Department of Labor regulations.
 14. The Contractor shall comply with the provisions of the Contract Work Hours and Safety Standards Act, as applicable, which requires that all subcontracts awarded by the Contractor in excess of \$2,000 for construction and in excess of \$2,500 for other subcontracts that involve the employment of mechanics or

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laborers shall include a provision for compliance with the Contract Work Hours and Safety Standards Act.

F. The following State law applies to this contract:

1. Division 5, Welf. & Inst. Code, to the extent that these requirements are applicable to the services and functions set forth in this contract;
2. Welf. & Inst. Code §§ 5779-5782;
3. Welf. & Inst. Code §§ 14680-14685.1;
4. Welf. & Inst. Code §§ 14700-14726;
5. Chapter 7, Division 9, Welf. & Inst. Code, to the extent that these requirements are applicable to the services and functions set forth in this contract;
6. Cal. Code Regs., tit. 9, § 1810.100 et. seq. – Medi-Cal Specialty Mental Health Services;
7. Cal. Code Regs., tit. 22, §§ 50951 and 50953;
8. Cal. Code Regs., tit. 22, §§ 51014.1 and 51014.2.

ATTACHMENT A

SANTA BARBARA COUNTY MENTAL HEALTH PLAN, QUALITY MANAGEMENT STANDARDS (applicable to programs described in Exhibit A-MH)

The Santa Barbara County Alcohol, Drug and Mental Health Services Department is Santa Barbara County's Medi-Cal Mental Health Plan (MHP) and has established standards for Assessments, Plans of Care, and Progress Notes, as detailed in the ADMHS Clinical Documentation Manual, for all organizational, individual, and group providers furnishing Specialty Mental Health Services. This Attachment A and the ADMHS Clinical Documentation Manual available at <http://cosb.countyofsb.org/admhs/>, incorporated herein by reference, provides minimum standards for all services provided under this Agreement, unless a stricter standard is provided in the Exhibit A(s) to this Agreement.

1. Additional Requirements

- A. Contractor shall display Medi-Cal Member Services Brochures in English and Spanish in their offices. In addition, Contractors shall post grievance and appeal process notices in a visible location in their waiting rooms along with copies of English and Spanish grievance and appeal forms with MHP self-addressed envelopes to be used to send grievances or appeals to ADMHS Quality Care Management department.
- B. Contractor shall be knowledgeable of and adhere to MHP policies on Beneficiary Rights as outlined in the Medi-Cal Member Services Brochures.
- C. Contractor shall ensure that direct service staff attend two cultural competency trainings per fiscal year and shall retain evidence of attendance for the purpose of reporting to the ADMHS Cultural Competency Coordinator.
- D. Contractor staff performing services under this Agreement shall receive formal training on the Medi-Cal documentation process prior to providing any services under this Agreement. Contractor shall ensure that each staff member providing clinical services under this contract receives initial and annual training as specified in the ADMHS Mandatory Trainings Policy and Procedure #31.
- E. Contractor shall establish a process by which Spanish speaking staff who provide direct services in Spanish or interpretive services are tested for proficiency in speaking, reading, and writing Spanish language.
- F. Contractor shall provide timely access to care and service delivery in the following areas as required by the State MHP standards:
 1. Where applicable, 24 hours per day, 7 days per week access to "urgent" services (within 24 hours) and "emergency" services (same day);
 2. Access to routine appointments (1st appointment within 10 business days. When not feasible, Contractor shall give the client the option to re-contact the Access team and request another provider who may be able to serve the client within the 10 business day standard).

The MHP Quality Care Management team of Santa Barbara County shall monitor clinical documentation and timeliness of service delivery.

- G. Contractor shall not create, support or otherwise sanction any policies or procedures that discriminate against Medi-Cal beneficiaries. Contractor shall offer hours of operation that are no less than the hours of operation offered to commercial beneficiaries or, in the

ATTACHMENT A

alternative, Contractor shall offer hours of operation that are comparable to those hours offered to Medicaid fee-for-service clients, if the provider serves only Medicaid beneficiaries.

- H. Contractor shall be notified of possible corrective actions to be taken when the Contractor does not adhere to MHP established standards or respond to corrective actions. The process for ensuring compliance and implementing corrective actions is as follows, as described in ADMHS' Policy and Procedure #24:
1. If Contractor is identified as operating outside of the compliance standards, Contractor shall be notified of lack of compliance with Federal and State standards and shall be asked to rectify the areas in which they have been out of compliance. A copy of this notification shall be placed in the provider file. Contractors are expected to complete all corrections within 90 calendar days from the date of notice. This will be considered the Period of Review. The specific nature of the documentation to show evidence of compliance will be based on the infraction.
 2. Following the 90 day Period of Review, should Contractor be unable to fulfill contractual obligations regarding compliance, Contractor shall meet with the Quality Care Management Manager within 30 calendar days to identify barriers to compliance. If an agreement is reached, the Contractor shall have not more than 30 calendar days to provide proof of compliance. If an agreement is not forthcoming, the issue will be referred to the Executive Management Team which will review the issue and make a determination of appropriate action. Such action may include, but are not limited to: suspension of referrals to the individual or organizational provider, decision to de-certify or termination of Agreement, or other measures.

Reference: The County Mental Health Plan, Contract 12-89394, between the State of California, Department of Health Care Services and ADMHS, available at <http://cosb.countyofsb.org/admhs/>

ATTACHMENT D

ORGANIZATIONAL SERVICE PROVIDER SITE CERTIFICATION

(applicable to programs described in Exhibit A-MH)

COMPLIANCE REQUIREMENTS

1. In order to obtain site certification as a Medi-Cal provider, Contractor must be able to demonstrate compliance with the following requirements:
 - A. Contractor is currently, and for the duration of this Agreement shall remain, licensed in accordance with all local, State, and Federal licensure requirements as a provider of its kind.
 - B. The space owned, leased, or operated by the Contractor and used for services or staff meets all local fire codes. Contractor shall provide a copy of a current fire clearance to Quality Care Management.
 - C. The physical plant of the site owned, occupied, or leased by the Contractor and used for services or staff is clean, sanitary, and in good repair.
 - D. Contractor establishes and implements maintenance policies for the site owned, occupied, or leased by the Contractor and used for services or staff, to ensure the safety and well-being of clients and staff.
 - E. Contractor has a current administrative manual which includes: personnel policies and procedures, general operating procedures, service delivery policies, and procedures for reporting unusual occurrences relating to health and safety issues.
 - F. The Contractor maintains client records in a manner that meets the requirements of the County pursuant to the latest edition of the County Mental Health Plan, Contract 12-89394 between ADMHS and DHCS, and applicable state and federal standards.
 - G. Contractor has staffing adequate to allow the County to claim federal financial participation for the services the Contractor delivers to Medi-Cal beneficiaries.
 - H. Contractor has written procedures for referring individuals to a psychiatrist when necessary, or to a physician, if a psychiatrist is not available.
 - I. Contractor has, as a head of service, a licensed mental health professional or rehabilitation specialist, in accordance with Title 9 California Code of Regulations Sections 622-630.
 - J. For Contractors that provide or store medications, the Contractor stores and dispenses medications in compliance with all pertinent State and Federal standards, specifically:
 1. All drugs obtained by prescription are labeled in compliance with Federal and State laws. Prescription labels may be altered only by authorized personnel.
 2. Drugs intended for external use only or food stuffs are stored separately from drugs for internal use.
 3. All drugs are stored at proper temperatures. Room temperature drugs should be stored at 59 – 86 degrees Fahrenheit, and refrigerated drugs must be stored at 36 –

ATTACHMENT D

46 degrees Fahrenheit. Any room or refrigerator used to store drugs must be equipped with a thermometer.

4. Drugs are stored in a locked area with access limited only to those medical personnel authorized to prescribe, dispense, or administer medication.
 5. Drugs are not retained after the expiration date. IM (Intramuscular) multi-dose vials are to be dated and initialed when opened.
 6. A drug log is to be maintained to ensure the Contractor disposes of expired, contaminated, deteriorated, and abandoned drugs in a manner consistent with State and Federal laws.
 7. Contractor's Policies and Procedures manual addresses the issues of dispensing, administration and storage of all medications.
2. **CERTIFICATION** - On-site certification is required every three (3) years. Additional certification reviews may be necessary if:
- A. The Contractor makes major staffing changes.
 - B. The Contractor makes organizational and/or corporate structural changes (i.e., conversion from non-profit status).
 - C. The Contractor adds Day Treatment or Medication Support services requiring medications to be administered or dispensed from Contractor's site.
 - D. There are significant changes in the physical plant of the provider site (some physical plant changes could require new fire clearance).
 - E. There is a change of ownership or location.
 - F. There are complaints regarding the Contractor.
 - G. There are unusual events, accidents, or injuries requiring medical treatment for clients, staff or members of the community.
 - H. On-site certification is not required for hospital outpatient departments which are operating under the license of the hospital. Services provided by hospital outpatient departments may be provided either on the premises or offsite.

ATTACHMENT E
Program Goals, Outcomes, and Measures

Program Measures – Outpatient Drug Free Services (applicable to program described in Exhibit A – ADP)*		
Outcome Measures: 30+ Days	Outcome Measures: 90+ Days	Outcome Measures: Treatment Completion
To increase successful treatment and recovery, 86% of adults in substance abuse treatment will stay in treatment 30 days or more.	To increase successful treatment and recovery, 44% of adults in substance abuse treatment will stay in treatment 90 days or more.	17% of clients will successfully complete treatment.

Drug Overdose Prevention and Education (applicable to program described in Exhibit A – ADP)		
Program Goals	Outcomes	Metrics
Increased provider knowledge and capacity to prevent and respond to drug overdose.	Contract provider staff will receive training on overdose causes, preventions, signs and response option.	DOPE literature, as provided by ADMHS, will be present in all Contractor waiting and lobby areas. Number of staff from each contractor attending DOPE trainings provided by ADMHS.

ATTACHMENT E

Program Goals, Outcomes, and Measures

Adult Program Evaluation			
Residential Programs (applicable to program described in Exhibit A – MH)*			
Program Goal	Outcome	Phoenix House	Mountain House
❖ Prepare clients to transition from institutional care to community living and secure community living arrangements for client prior to graduation	Increased life skills needed to participate in purposeful activity, increase quality of life and successfully transition to community living:		
	✓ Increase the percent of clients employed, enrolled in school or training, or volunteering by 10%, from X% to X%.	36% to 40%	6% to 7%
	✓ Increase the average number of clients graduating to a lower level of care per quarter by X%, from X to X.	3 to 4 35%	2 to 3 50%
	✓ Reduce homelessness by maintaining the percent of clients with stable/permanent housing at X% or more.	N/A	59%
	✓ X% of clients with a substance abuse diagnosis in addition to their major psychiatric diagnosis will be clean and sober and will sustain this while in residential treatment at Phoenix House.	40%	N/A
❖ Reduce mental health and substance abuse symptoms resulting in reduced need for involuntary or higher level of care services	Maintain the percent of clients that become incarcerated per quarter at X% or less.	9%	6%
	Maintain the average number of psychiatric inpatient admissions per quarter at 2 or less.	2	2

*Should reported data indicate a significant variance between target measures and performance, ADMHS and Contractor shall meet to discuss the reasons for the variance, and adopt a plan of correction, if indicated.

EXHIBIT B FINANCIAL PROVISIONS

This Exhibit B includes:

1. EXHIBIT B – Financial Provisions – ADP
2. EXHIBIT B – Financial Provisions – MH
3. EXHIBIT B-1 – Schedule of Rates and Contract Maximum – ADP
4. EXHIBIT B-1 – Schedule of Rates and Contract Maximum – MH
5. EXHIBIT B-2 – Contractor Budget
6. EXHIBIT B-3 – ADP Sliding Fee Scale

EXHIBIT B FINANCIAL PROVISIONS - 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 the Exhibit A(s).
- B. Drug Medi-Cal Services. The services provided by Contractor's Program described in the Exhibit A(s) that are covered by the Drug Medi-Cal Program will be reimbursed by County as specified in Exhibit B-1-ADP. 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 the Exhibit A(s), 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 to this Agreement. Expenses shall comply with the requirements established in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (45 CFR Part 75), and all other applicable regulations. Violation of this provision or use of County funds for purposes other than those described in the Exhibit A(s) shall constitute a material breach of this Agreement.

II. MAXIMUM CONTRACT AMOUNT.

The Maximum Contract Amount of this Agreement shall not exceed **\$1193425, inclusive of \$225590** 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 FINANCIAL PROVISIONS - 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

EXHIBIT B FINANCIAL PROVISIONS - ADP

clients. Contractor's application shall include a narrative specifying the purpose of the request, the 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 the Exhibit A(s), 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 the Exhibit A(s) 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

EXHIBIT B FINANCIAL PROVISIONS - ADP

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.

3. The Program Contract Maximums specified in Exhibit B-1 and this Exhibit B-ADP are intended to cover services during the entire term of the agreement, unless otherwise specified in the Exhibit A(s) (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.
- 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 the Exhibit A-(s). 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

EXHIBIT B

FINANCIAL PROVISIONS - ADP

Agreement shall not constitute a waiver of County's right to recover such payment from 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.
- I. Overpayments: Any overpayments of contractual amounts must be returned via direct payment within 30 days to the County. County may withhold amounts from future payments due to Contractor under this Agreement or any subsequent agreement if Contractor fails to make direct payment within required timeframe.

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), 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.

EXHIBIT B
FINANCIAL PROVISIONS - ADP

- 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.
- E. Single Audit Report: If Contractor is required to perform a single audit and/or program specific audit, per the requirements of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards, 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 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).
- 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 ADP 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.

EXHIBIT B
FINANCIAL PROVISIONS - 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. However, if the Responsible Auditing Party stays its collection of any amounts due or payable because of the audit findings, County ADMHS will also stay its settlement of the same amounts due or payable until the Responsible Auditing Party initiates its settlement action with County ADMHS.
- 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 B FINANCIAL PROVISIONS - MH

(With attached Schedule of Rates [Exhibit B-1 - MH])
(applicable to program described in Exhibit A – MH)

This Agreement provides for reimbursement for services up to the Maximum Contract Amount, reflected in Section II below and Exhibit B-1-MH. For Medi-Cal and all other services provided under this Agreement, Contractor will comply with all applicable requirements necessary for reimbursement in accordance with Welfare and Institutions Code (WIC) §§14705-14711, and other applicable Federal, State and local laws, regulations, 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 in this Agreement and all exhibits hereto, for provision of the Units of Service (UOS) or other deliverables as established in Exhibit B-1-MH based on satisfactory performance of the services described in the Exhibit A(s).
- B. Medi-Cal Billable Services. The services provided by Contractor's Program described in the Exhibit A(s) that are covered by the Medi-Cal Program will be reimbursed by County from Federal Financial Participation (FFP) and State and local matching funds as specified in Exhibit B-1-MH and subject to Paragraph I.F (Funding Sources) of this Exhibit B MH.
- C. Non-Medi-Cal Billable Services. County recognizes that some of the services provided by Contractor's Program, described in the Exhibit A(s), may not be reimbursable by Medi-Cal, and such services may be reimbursed by other County, State, and Federal funds to the extent specified in Exhibit B-1-MH and pursuant to Paragraph I.F (Funding Sources) of this Exhibit B MH. Funds for these services are included within the Maximum Contract Amount, and are subject to the same requirements as funds for services provided pursuant to the Medi-Cal program.
- D. Medi-Cal Subsidy: County may provide a subsidy to Contractor, as specified in Exhibit B-1-MH for Non-Medi-Cal services provided in Medi-Cal programs. Subsidy shall not be used to reimburse disallowed costs including those in excess of budgeted amounts, improper costs, and any audit exceptions or adjustments. Reallocation of subsidy is at the discretion of the ADMHS Director. Contractor shall make written application to ADMHS Director, in advance and no later than April 1 of each Fiscal Year, to reallocate subsidy as outlined in Exhibit B-1-MH between programs. ADMHS Director reserves the right to approve a subsidy reallocation in the year end cost cost settlement.
- E. 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 to this Agreement. Expenses shall comply with the requirements established in OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and all other applicable regulations. Violation of this provision or use of County funds for purposes other than those described in the Exhibit A(s) shall constitute a material breach of this Agreement.
- F. Funding Sources. The ADMHS Director may reallocate between funding sources at his/her discretion during the term of the contract, including to utilize and maximize any additional

EXHIBIT B FINANCIAL PROVISIONS - MH

funding or FFP provided by local, State, or Federal law, regulation, policy, procedure, or program. The ADMHS Director also reserves the right to reallocate between funding sources in the year end cost settlement. Reallocation of funding sources does not alter the Maximum Contract Amount and does not require an amendment to the contract.

II. MAXIMUM CONTRACT AMOUNT.

The Maximum Contract Amount of this Agreement shall not exceed \$1193425, inclusive of **\$967835** in Mental Health funding, and shall consist of County, State, and/or Federal funds as shown in Exhibit B-1-MH and subject to the provisions in Section I. 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, based on costs net of revenues as described in this Exhibit B-MH, Section IV (Accounting for Revenues). The approved Operating Budget shall be attached to this Agreement as Exhibit B-2. County may disallow any expenses in excess of the adopted operating budget. Indirect costs are limited to 15% of direct costs and must be allocated in accordance with a cost allocation plan that adheres with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- B. Provisional Rate. County agrees to reimburse Contractor at a Provisional Rate (the "Provisional Rate") during the term of this Agreement. For recurring contracts, the Provisional Rate shall be established by using the historical data from prior fiscal periods. The County Maximum Allowable rate will be the Provisional Rate for all new contracts. Quarterly, or at any time during the term of this Agreement, ADMHS 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.
- C. Per Diem Rate for Board and Care Services. County agrees to reimburse Contractor at a Per Diem Rate during the term of this Agreement, as specified in Exhibit B-1-MH, for Board and Care services for clients without a third party payor, for services authorized by County in advance of service provision. "Per Diem Rate" means a maximum daily rate paid for Board and Care costs for a client for the day of admission and each day that services are provided excluding the day of discharge. The "Per Diem Rate" is not subject to the cost settlement provisions of this Exhibit B-MH.

Contractor shall be reimbursed for a MHSA bed day of service, at the Per Diem rate, when the client occupies a bed at 12:00 midnight provided that more than 24 hours has elapsed between admission and discharge. In addition, a MHSA bed day of service may also be reimbursed by County if the client is admitted and discharged during the same 24-hour period provided that such admission and discharge is not within 24 hours of a prior discharge from Contractor's facility, as approved by County.

IV. ACCOUNTING FOR REVENUES

- A. Accounting for Revenues. Contractor shall comply with all County, State, and Federal requirements and procedures, including, but not limited to, those described in California Welfare

EXHIBIT B FINANCIAL PROVISIONS - MH

and Institutions Code (WIC) Sections 5709, 5710 and 14710, relating to: (1) the determination and collection of patient/client fees for services hereunder based on Uniform Method for Determining Ability to Pay (UMDAP), (2) the eligibility of patients/clients for Medi-Cal, Medicare, private insurance, or other third party revenue, and (3) the collection, reporting and deduction of all patient/client and other revenue for patients/clients receiving services hereunder. Grants, and any other revenue, interest and return resulting from services/activities and/or funds paid by County to Contractor shall also be accounted for in the Operating Budget. Contributions designated in Exhibit B-1-MH shall be offset from invoices and the annual cost report.

- B. Internal Procedures. Contractor shall maintain internal financial controls which adequately ensure proper billing and collection procedures. Contractor shall pursue payment from all potential sources in sequential order, with Medi-Cal as payor of last resort. 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 service units specified in the Exhibit A(s) to this Agreement.

V. REALLOCATION OF PROGRAM FUNDING

Funding is limited by program to the amount specified in Exhibit B-1-MH. Contractor cannot move funding between programs without explicit approval by ADMHS Director. Contractor shall make written application to ADMHS Director, in advance and no later than April 1 of each Fiscal Year, to reallocate funds as outlined in Exhibit B-1-MH between programs, 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 amount of said funds to be reallocated, and the sustaining impact of the reallocation as may be applicable to future years. The ADMHS Director's decision of whether to allow the reallocation of funds shall be in writing to Contractor prior to implementation by Contractor. The ADMHS Director also reserves the right to reallocate between programs in the year end cost settlement and will notify Contractor of any reallocation during the cost settlement process.

VI. BILLING AND PAYMENT PROCEDURES AND LIMITATIONS

A. Submission of Claims and Invoices.

1. Submission of Claims and Invoices for Medi-Cal Services. Services are to be entered into the Clinician's Gateway System based on timeframes prescribed in the ADMHS Clinical Documentation Manual. Late service data and claims may only be submitted in accordance with State and federal regulations. ADMHS shall provide to Contractor a report that: i) summarizes the Medi-Cal UOS approved to be claimed for the month, multiplied by the provisional rate in effect at the time of service, ii) states the amount owed by County, and iii) includes the Agreement number. Contractor shall review the report and indicate concurrence that the report will be the basis for Contractor's provisional payment for the month. Contractor shall indicate concurrence within two (2) business days electronically to the County designated representative or to:

admhsfinancecbo@co.santa-barbara.ca.us

Santa Barbara County Alcohol, Drug, and Mental Health Services
ATTN: Accounts Payable
429 North San Antonio Road
Santa Barbara, CA 93110 –1316

Contractor agrees that it shall be solely liable and responsible for all data and information

EXHIBIT B FINANCIAL PROVISIONS - MH

submitted to the County and submitted by the County to the State on behalf of Contractor.

2. Submission of Claims and Invoices for Non Medi-Cal Services. Contractor shall submit a written invoice within 10 calendar days of the end of the month in which non-Medi-Cal services are delivered that: i) depicts the actual costs of providing the services less any applicable revenues, including the provisional Medi-Cal payment as described in VI.A.1 of this Exhibit B, as appropriate, ii) details the number of MHSA bed days provided for the month, iii) states the amount owed by County; iv) depicts any share of cost or other payments; and v) includes the Agreement number and signature of Contractor's authorized representative. Invoices shall be delivered to the designated representative or address described in Section VI.A.1 of this Exhibit B-MH. Actual cost is the actual amount paid or incurred, including direct labor and costs supported by financial statements, time records, invoices, and receipts. Contractor shall be reimbursed for services to clients without a third party payor, for services included on the Exhibit B-1 MH, and authorized by County in advance of service provision. Services provided to clients without a third party payor will be subject to the cost settlement process outlined in this Exhibit B-MH.
3. The Program Contract Maximums specified in Exhibit B-1-MH and this Exhibit B MH are intended to cover services during the entire term of the Agreement, unless otherwise specified in the Exhibit A(s) to this Agreement (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.

The ADMHS Director or designee shall review the monthly claim(s) and invoices to confirm accuracy of the data submitted. County shall make provisional payment for approved claims within thirty (30) calendar days of the receipt of said claim(s) and invoice by County subject to the contractual limitations set forth in this Agreement and all exhibits hereto.

- B. Monthly Financial Statements. Within 15 calendar days of the end of the month in which 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 the Exhibit A(s). If a program has both Medi-Cal billable costs and Non-Medi-Cal billable costs, Contractor shall separately identify Non-Medi-Cal billable costs on their financial statements.
- C. Withholding of Payment for Non-submission of Service Data and Other Information. If any required service data, invoice, financial statement or report 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 ADMHS Director or designee. ADMHS Director or designee shall review such submitted service data within sixty (60) calendar days of receipt.
- D. Withholding of Payment for Unsatisfactory Clinical Documentation. ADMHS Director or designee shall have the option to deny payment for services when documentation of clinical services does not meet minimum Federal, State and County written standards.

EXHIBIT B
FINANCIAL PROVISIONS - MH

E. Claims Submission Restrictions.

1. 12-Month Billing Limit. Unless otherwise determined by State or federal regulations (e.g. Medi-Medi cross-over), all original (or initial) claims for eligible individual persons under this Agreement must be received by County within 12 months from the month of service to avoid denial for late billing.
2. 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 Contractor. This provision shall survive the expiration or other termination of this Agreement.

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

G. Overpayments: Any overpayments of contractual amounts must be returned via direct payment within 30 days to the County. County may withhold amounts from future payments due to Contractor under this Agreement or any subsequent agreement if Contractor fails to make direct payment within required timeframe.

VII. COST REPORT

A. Submission of Cost Report. Within three weeks of the release of the cost report template by the Department of Health Care Services (DHCS) but no sooner than 30 days after the end of the fiscal year, Contractor shall provide County with an accurate and complete Annual Cost Report (original cost report) with a statement of expenses and revenue and other supporting schedules 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 ADMHS Director or Designee upon reasonable notice. A final (reconciled) cost report is also due approximately 1-2 years after submission of the original cost report. The specific deadline for the final cost report is determined by the State. Contractor shall submit a final (reconciled) cost report within three weeks of the County's formal request.

B. Cost Report to be Used for Settlement. The Cost Report shall be the financial and statistical report submitted by Contractor to County, and shall serve as the basis for settlement with Contractor as set forth in Section VIII (Pre-audit Cost Report Settlements) below. Contractor shall document that costs are reasonable and allowable and directly or indirectly related to the services to be provided hereunder.

C. Penalties. Failure of Contractor to submit accurate and complete Annual Cost Report(s) within 45 days after the due date set in Section VII.A above or the expiration or termination date of this

EXHIBIT B FINANCIAL PROVISIONS - MH

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. The late fee will be invoiced separately or deducted from future payments due to Contractor under this Agreement or a subsequent 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 may 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.
- E. Single Audit Report: If Contractor is required to perform a single audit and/or program specific audit, per the requirements of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards, 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 original and final/reconciled Annual Cost Report(s) submitted pursuant to this Exhibit B MH 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 County will perform pre-audit cost report settlement(s). Such settlements 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. In no event shall the settlement exceed the maximum amount of this agreement. Settlement for services 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 Fee 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 County Maximum Allowable rate.
- 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 Contractor's submission of the original and final/reconciled cost reports.

EXHIBIT B
FINANCIAL PROVISIONS - MH

- 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 or withholding of future payments due to Contractor under this Agreement or a subsequent agreement, if any, at the sole discretion of the ADMHS 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 including but not limited to WIC Sections 14170 et. seq., authorized representatives from the County, State or Federal governments (Responsible Auditing Party) may conduct an audit or site review of Contractor regarding the mental health 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.
- 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. 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.
- 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 B-1 ADP
FINANCIAL PROVISIONS
Schedule of Rates and Contract Maximum**

Contractor Name:		Phoenix of Santa Barbara, Inc.			Fiscal Year:		2015-16	
Drug Medi-Cal /Non Drug Medi-Cal	Service Type	Mode	Service Description	Unit of Service	DMC Service Function Code	AoD Cost Report Service Code	County Maximum Allowable Rate	
Drug Medi-Cal	Outpatient	15	ODF Individual Counseling	Session	80	34	\$67.38	
			ODF Group Counseling	Session	85	33	\$26.23	

	PROGRAM					TOTAL
	Outpatient Treatment					
GROSS COST:	\$ 256,352					\$256,352
LESS REVENUES COLLECTED BY CONTRACTOR:						
PATIENT FEES	\$ 12,000					\$ 12,000
CONTRIBUTIONS	\$ 18,762					\$ 18,762
TOTAL CONTRACTOR REVENUES	\$ 30,762	\$ -	\$ -	\$ -		\$30,762
MAXIMUM CONTRACT AMOUNT PAYABLE:	\$ 225,590	\$ -	\$ -	\$ -	\$ -	\$ 225,590
SOURCES OF ADMHS FUNDING FOR MAXIMUM CONTRACT AMOUNT*						
Drug Medi-Cal	\$ 146,200					\$ 146,200
Realignment/SAPT - Discretionary	\$ 79,390					\$ 79,390
Other County Funds						\$ -
TOTAL (SOURCES OF ADMHS FUNDING)	\$ 225,590	\$ -				\$ 225,590
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-1 MH FINANCIAL PROVISIONS Schedule of Rates and Contract Maximum

EXHIBIT B-1 MH ALCOHOL, DRUG AND MENTAL HEALTH SERVICES SCHEDULE OF RATES AND CONTRACT MAXIMUM

CONTRACTOR NAME: Phoenix

FISCAL YEAR: 2015-2016

Contracted Services	Service Type	Mode	Service Description*	Unit of Service	Service Function Code*	County Maximum Allowable Rate
Medi-Cal Billable Services	Outpatient Services	15	Targeted Case Management	Minutes	01	\$2.02
			Collateral	Minutes	10	\$2.61
			MHS - Plan Development	Minutes	31	\$2.61
			(1) MHS- Therapy (Individual)	Minutes	40	\$2.61
			MHS - Rehab (Individual, Group)	Minutes	41, 51	\$2.61
Non - Medi-Cal Billable Services	Support Services	60	Crisis Intervention	Minutes	70	\$3.88
			Life Support: Board and Care	Day	40	\$33.47

*Additional services may be provided as authorized by ADMHS in writing.

	PROGRAM					TOTAL
	Phoenix House	Mountain House				
GROSS COST:	\$ 643,925	\$ 717,576				\$1,361,501
LESS REVENUES COLLECTED BY CONTRACTOR:						
PATIENT FEES	\$ 248,492	\$ 145,174				\$ 393,666
CONTRIBUTIONS						\$ -
OTHER (LIST):						\$ -
TOTAL CONTRACTOR REVENUES	\$ 248,492	\$ 145,174	\$ -	\$ -		\$ 393,666
MAXIMUM CONTRACT AMOUNT PAYABLE:	\$ 395,433	\$ 572,402	\$ -	\$ -	\$ -	\$ 967,835

SOURCES OF FUNDING FOR MAXIMUM CONTRACT AMOUNT (2)						
MEDI-CAL CORE MENTAL HEALTH (3)	\$ 310,732	\$ 543,782				\$ 854,514
MEDI-CAL MHSA (3)						\$ -
NON-MEDI-CAL MHSA						\$ -
NON-MEDI-CAL COUNTY/LOCAL						\$ -
MHSA SUBSIDY (3) FOR INDIGENT SERVICES	\$ 40,886					\$ 40,886
MHSA SUBSIDY (3) FOR BOARD & CARE	\$ 27,461					\$ 27,461
COUNTY SUBSIDY (3)	\$ 16,354	\$ 28,620				\$ 44,974
OTHER FEDERAL FUNDS						\$ -
COUNTY FUNDS						\$ -
OTHER (LIST):						\$ -
TOTAL (SOURCES OF FUNDING)	\$ 395,433	\$ 572,402	\$ -	\$ -	\$ -	\$ 967,835

CONTRACTOR SIGNATURE: _____

STAFF ANALYST SIGNATURE: _____

FISCAL SERVICES SIGNATURE: _____

(1) MHS Assessment and MHS Therapy services may only be provided by licensed, registered or waived Mental Health clinicians, or graduate student interns under direct supervision of a licensed, registered or waived Mental Health clinician

(2) The Director may reallocate between funding sources at his/her discretion during the term of the contract, including to utilize and maximize any additional funding or FFP provided by local, State, or Federal law, regulation, policy, procedure, or program. The Director also reserves the right to reallocate between funding sources in the year end cost settlement. Reallocation of funding sources does not alter the Maximum Contract Amount and does not require an amendment to the contract.

(3) MHSA funding may be offset by additional Medi-Cal funding.

**EXHIBIT B-2
FINANCIAL PROVISIONS
Contractor Budget**

AGENCY NAME:		PHOENIX OF SANTA BARBARA					
COUNTY FISCAL YEAR:		2015-2016					
Gray Shaded cells contain formulas, do not overwrite							
LINE #	COLUMN #	1	2	3	4	5	6
	I. REVENUE SOURCES:		TOTAL AGENCY/ ORGANIZATION BUDGET	COUNTY ADMHS PROGRAMS TOTALS	Phoenix Hoyse	Mountain House	ADP
1	Contributions		\$ 127,632	\$ 18,762			\$ 18,762
2	Mental Health - County Subsidy		\$ 44,974	\$ 44,974	\$ 16,354	\$ 28,620	
3	Mental Health - MC		\$ 854,514	\$ 854,514	\$ 310,732	\$ 543,782	
4	Mental Health - MHSA		\$ 40,886	\$ 40,886	\$ 40,886		
5	Mental Health - B&C MHSA		\$ 27,461	\$ 27,461	\$ 27,461		
6	ADP - DMC		\$ 146,200	\$ 146,200			\$ 146,200
7	ADP – SAP - Discretionary		\$ 24,390	\$ 79,390			\$ 79,390
8	Program Service Fees		\$ 185,000	\$ -			
9	Interest		\$ 975	\$ -			
10	Total Other Revenue		\$ 1,452,032	\$ 1,212,187	\$ 395,433	\$ 572,402	\$ 244,352
I.B Client and Third Party Revenues:							
11	Residential - Board & Care		\$ 256,846	256,846	\$ 111,672	\$ 145,174	
12	Residential - Private Pay		\$ 136,820	136,820	\$ 136,820		
13	ADP - Private Pay		\$ 12,000	12,000			\$ 12,000
14	Total Client and Third Party Revenues (Sum of lines 19 through 23)		405,666	405,666	248,492	145,174	12,000
15	GROSS PROGRAM REVENUE BUDGET		1,857,698	1,617,853	643,925	717,576	256,352

EXHIBIT B-2
FINANCIAL PROVISIONS
Contractor Budget

	III. DIRECT COSTS	TOTAL AGENCY/ ORGANIZATION BUDGET	COUNTY ADMHS PROGRAMS TOTALS	Phoenix Hoyse	Mountain House	ADP	
	III.A. Salaries and Benefits Object Level						
16	Salaries (Complete Staffing Schedule)	1,053,445	\$ 921,440	\$ 364,344	\$ 372,084	\$ 185,012	
17	Employee Benefits	73,482	\$ 67,392	\$ 31,711	\$ 31,474	\$ 4,207	
18	Consultants	18,500	\$ 17,750	\$ 8,500	\$ 7,500	\$ 1,750	
19	Payroll Taxes	\$ 79,008	\$ 69,108	\$ 27,326	\$ 27,906	\$ 13,876	
20	Salaries and Benefits Subtotal	\$ 1,224,435	\$ 1,075,690	\$ 431,881	\$ 438,964	\$ 204,845	
	III.B Services and Supplies Object Level						
21	Professional Fees	10,578	\$ 8,574	\$ 3,757	\$ 1,476	\$ 3,341	
22	Supplies	20,000	\$ 16,295	\$ 2,463	\$ 2,304	\$ 11,528	
23	Telephone	16,173	\$ 13,720	\$ 5,886	\$ 6,571	\$ 1,263	
24	Utilities	34,040	\$ 29,727	\$ 12,608	\$ 15,273	\$ 1,847	
25	Mortgage Interest. Building Rent	53,430	\$ 30,090	\$ 3,290	\$ 26,800		
26	Repairs and Maintenance	42,042	\$ 40,042	\$ 15,576	\$ 22,606	\$ 1,860	
27	Printing/Publications, Postage	8,335	\$ 7,530	\$ 3,337	\$ 3,512	\$ 681	
28	Transportation and Travel(mileage reimbursement)	10,681	\$ 8,631	\$ 3,880	\$ 3,880	\$ 871	
29	Depreciation	78,435	\$ 71,500	\$ 13,645	\$ 54,188	\$ 3,667	
30	Insurance	54,987	\$ 49,151	\$ 25,502	\$ 20,698	\$ 2,951	
31	Capital Improvements Non-Payable by ADMHS	8,304	\$ 8,304	\$ 4,152	\$ 4,152		
32	Office Supplies	13,722	\$ 11,734	\$ 4,542	\$ 4,820	\$ 2,373	
33	Fees & Licenses, Education,Dues & Subs, Training	6,594	\$ 6,060	\$ 2,580	\$ 2,996	\$ 484	
34	Agency & Public Relation	9,936	\$ -				
35	Services and Supplies Subtotal	\$ 367,258	\$ 301,357	\$ 101,217	\$ 169,275	\$ 30,865	
36	III.C. Client Expense Object Level Total (Not Medi-Cal Reimbursable)	112,304	\$ 108,076	\$ 54,448	\$ 53,628		
37	SUBTOTAL DIRECT COSTS	\$ 1,703,997	\$ 1,485,123	\$ 587,546	\$ 661,868	\$ 235,710	
	IV. INDIRECT COSTS						
38	Administrative Indirect Costs (Reimbursement limited to 15%)	153,701	\$ 132,729	\$ 56,379	\$ 55,708	\$ 20,642	
39	GROSS DIRECT AND INDIRECT COSTS (Sum of lines 47+48)	\$ 1,857,698	\$ 1,617,852	\$ 643,925	\$ 717,576	\$ 256,352	

**EXHIBIT B-3 ADP
FINANCIAL PROVISIONS
ADP Sliding Fee Scale**
(applicable to services described in Exhibit A-ADP)

**COUNTY OF SANTA BARBARA
ALCOHOL & DRUG PROGRAM
FEE SCHEDULE
FY 2015-2016**

**ANNUAL GROSS FAMILY INCOME
NUMBER OF DEPENDENTS**

FEE PER VISIT	1	2	3	4	5	6	7	8
5	11,770	15,930	20,090	24,250	28,410	32,570	36,750	40,890
10	15,930	20,090	24,250	28,410	32,570	36,730	40,910	45,050
15	20,090	24,250	28,410	32,570	36,730	40,890	45,070	49,210
20	24,250	28,410	32,570	36,730	40,890	45,050	49,230	53,370
25	28,410	32,570	36,730	40,890	45,050	49,210	53,390	57,530
30	32,570	36,730	40,890	45,050	49,210	53,370	57,550	61,690
35	36,730	40,890	45,050	49,210	53,370	57,530	61,710	65,850
40	40,890	45,050	49,210	53,370	57,530	61,690	65,870	70,010
45	45,050	49,210	53,370	57,530	61,690	65,850	70,030	74,170
50	49,210	53,370	57,530	61,690	65,850	70,010	74,190	78,330
55	53,370	57,530	61,690	65,850	70,010	74,170	78,350	82,490
60	57,530	61,690	65,850	70,010	74,170	78,330	82,510	86,650
65	61,690	65,850	70,010	74,170	78,330	82,490	86,670	90,810
70	65,850	70,010	74,170	78,330	82,490	86,650	90,830	94,970
75	70,010	74,170	78,330	82,490	86,650	90,810	94,990	99,130
80	74,170	78,330	82,490	86,650	90,810	94,970	99,150	103,290
85	78,330	82,490	86,650	90,810	94,970	99,130	103,310	107,450
90	82,490	86,650	90,810	94,970	99,130	103,290	107,470	111,610

**MONTHLY GROSS FAMILY INCOME
NUMBER OF DEPENDENTS**

FEE PER VISIT	1	2	3	4	5	6	7	8
5	981	1,328	1,674	2,021	2,368	2,714	3,063	3,408
10	1,328	1,674	2,021	2,368	2,714	3,061	3,409	3,754
15	1,674	2,021	2,368	2,714	3,061	3,408	3,756	4,101
20	2,021	2,368	2,714	3,061	3,408	3,754	4,103	4,448
25	2,368	2,714	3,061	3,408	3,754	4,101	4,449	4,794
30	2,714	3,061	3,408	3,754	4,101	4,448	4,796	5,141
35	3,061	3,408	3,754	4,101	4,448	4,794	5,143	5,488
40	3,408	3,754	4,101	4,448	4,794	5,141	5,489	5,834
45	3,754	4,101	4,448	4,794	5,141	5,488	5,836	6,181
50	4,101	4,448	4,794	5,141	5,488	5,834	6,183	6,528
55	4,448	4,794	5,141	5,488	5,834	6,181	6,529	6,874
60	4,794	5,141	5,488	5,834	6,181	6,528	6,876	7,221
65	5,141	5,488	5,834	6,181	6,528	6,874	7,223	7,568
70	5,488	5,834	6,181	6,528	6,874	7,221	7,569	7,914
75	5,834	6,181	6,528	6,874	7,221	7,568	7,916	8,261
80	6,181	6,528	6,874	7,221	7,568	7,914	8,263	8,608
85	6,528	6,874	7,221	7,568	7,914	8,261	8,609	8,954
90	6,874	7,221	7,568	7,914	8,261	8,608	8,956	9,301

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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

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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

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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.