

**COUNTY OF SANTA BARBARA**

PURCHASING AGENT
105 EAST ANAPAMU ST. RM. 304
SANTA BARBARA, CA 93101

ORDER**CN21146**

Page No.
1 of 1

PO Date
JUL/01/2017

REFER INQUIRIES TO BUYER:**GLORIA NESS**

Phone: 805-568-2691

Fax: 805-568-2705

SHIP-TO: BEHAVIORAL WELLNESS - DIRECTED**SUPPLIER:** Attn: FRANCIS P LAGATTUTA II**LAGS SPINE & SPORTSCARE****MEDICAL CENTERS, INC.**

801 E CHAPEL ST

SANTA MARIA, CA 93454

BILL TO: BEHAVIORAL WELLNESS - FISCAL

429 N. SAN ANTONIO RD.

SANTA BARBARA, CA 93110

Phone: 805/681-5168

Phone: 805/332-4568 X103

Fax: 805/332-3487

TERMS	F.O.B.	SUPPLIER CODE	DELIVERY DATE	REQUESTED BY	REQ. NO.
NET 30	DESTINATION-PREPAY & ADD	24506	JUN/30/2016	QUANA LOPEZ	CN20190

LN	QUANTITY	G/L ACCOUNT DESCRIPTION	PRICE/UNIT	EXTENSION
1	1 LOT	0049+043+7461+6241	37,500.00 /LOT	37,500.00

LAGS SPINE & SPORTSCARE MEDICAL CENTERS, INC/SERVICE CONTRACT

SPECIAL NOTICE TO SUPPLIER: THIS CONTRACT REPLACES YOUR PREVIOUS YEAR CONTRACT #CN20190 WHICH EXPIRES ON JUNE 30TH, 2017. YOU MUST SIGN & RETURN THIS REPLACEMENT CONTRACT, AND YOU MUST REFERENCE THE NEW NUMBER ON ALL INVOICES & CORRESPONDENCE RELATED TO THE DESCRIBED WORK EFFECTIVE JULY 1, 2017.

GENERAL: provide intensive outpatient alcohol and other drug treatment for our ADP program as described in the attached: Standard Terms and Conditions, Additional Terms and Conditions, Exhibit A-1,E,B,B-1,B-2,B-3 and Exhibit X.

CONTRACT PERIOD: Start date, as directed. Termination date, as directed and NO LATER THAN June 30, 2018

LIMITATIONS: Total expenditure for the period shall not exceed \$37,500.00. Any increase or decrease in this total amount may be authorized only upon written notice from the County Purchasing Manager.

STANDARD TERMS & CONDITIONS FOR INDEPENDENT CONTRACTORS (ver. 2016 06 22) applies.

Insurance documents already on file in Purchasing Division.

THIS CONTRACT IS NOT VALID FOR AMOUNTS IN EXCESS OF ONE HUNDRED THOUSAND DOLLARS (\$100,000)

NOTE TO CONTRACTOR: No payment will be due or payable unless this contract is properly executed and returned to the County Purchasing Office. Do not commence performance until you have executed this contract and returned it to the County of Santa Barbara Purchasing Division, 105 E. Anapamu St, RM 304, Santa Barbara, CA 93101

Accepted By: (X) _____

Print Name/Title: _____

Date: 6-29-17

Applicable License # (Medical/Contractor/Etc): _____

Tax 1: 0.00

Tax 2: 0.00

Total: 37,500.00

- (1) The order number and Bill to dept. name shown above must appear on all invoices, shipping papers, packages and correspondence.
- (2) Mail invoices to the "bill to" address.
- (3) All duty and/or taxes must be shown separately on invoice where applicable.
- (4) This order is subject to the terms and conditions stated, including non-discrimination in employment, hazardous chemicals and equipment safety standards, that are available for viewing at www.countyofsb.org

COUNTY OF SANTA BARBARA

This order is being tracked by:

Supplier

**STANDARD TERMS & CONDITIONS
FOR INDEPENDENT CONTRACTORS**

THESE TERMS & CONDITIONS apply to the Contract established between the County of Santa Barbara, a political subdivision of the State of California ("COUNTY") by its Purchasing Division ("Purchasing"), and the individual or entity identified on the Contract form to which this document is attached ("CONTRACTOR"), including CONTRACTOR's agents, employees or sub-contractors. **CONTRACTOR's signature on the Contract form means CONTRACTOR has read and accepted these terms and conditions.**

1. **SCOPE OF SERVICES / COMPENSATION.** CONTRACTOR agrees to provide services to COUNTY, and COUNTY agrees to pay CONTRACTOR, according to the attached Statement of Work. (The term "Statement of Work" refers to all attached language describing the services to be performed and the compensation to be paid, whether found in a Proposal, Estimate, Quote, correspondence, and/or any other attached document, and includes the narrative text appearing on the Contract form, plus any subsequent amendment.) All work is to be performed under the direction of the "Designee" (that is, the person designated by the department identified in the Ship-To box on the Contract form). Payment will be subject to satisfactory performance as determined by the Designee. CONTRACTOR will be entitled to reimbursement for only those expenses specifically identified in the Statement of Work.

2. **STATUS AS INDEPENDENT CONTRACTOR.** CONTRACTOR will perform all of CONTRACTOR's services under this Contract as an independent contractor and not as COUNTY's employee. CONTRACTOR understands and acknowledges that CONTRACTOR will 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 warrants that CONTRACTOR is authorized by law to perform all work contemplated in this Contract, and CONTRACTOR agrees to submit, upon request, verification of licensure or registration, or other applicable evidence of official sanction.

3. **BILLING & PAYMENT.** CONTRACTOR must submit CONTRACTOR invoice(s), which **must include the contract number** COUNTY assigns (see Contract form), to the Bill-To address on the Contract form, following completion of the increments identified in the Statement of Work. Unless otherwise specified in the Contract, COUNTY will pay CONTRACTOR within thirty (30) days from presentation of invoice.

4. **TAXES.** COUNTY will 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 taxes paid plus interest and penalty assessed, if any. These taxes include, but are not limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance. Notwithstanding the foregoing, if CONTRACTOR is using a non-California address or a California P.O. Box address for conducting its business with COUNTY, CONTRACTOR will be subject to required nonresident withholding for services that CONTRACTOR provides in California for COUNTY, unless CONTRACTOR is a government entity or unless CONTRACTOR provides COUNTY with a California withholding form that shows CONTRACTOR is exempt from withholding.

5. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no employment or interest and will not acquire any employment or interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. CONTRACTOR further covenants that in the performance of this Contract, CONTRACTOR will employ no person having any such interest. CONTRACTOR must promptly disclose to COUNTY, in writing, any potential conflict of interest.

6. **OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY.** COUNTY will be the owner of the following items incidental to this Contract, upon production and whether or not completed: all data collected, all documents of any type whatsoever (paper or electronic), and any material necessary for the practical use of the data and/or documents from the time of collection and/or production, whether or not performance under this Contract is completed or terminated prior to completion. CONTRACTOR will not release any materials under this paragraph except after COUNTY's prior written approval.

- A. No materials, inventions or data produced in whole or in part under this Contract will be subject to copyright or other intellectual property rights in the United States or in any other country except as determined at COUNTY's sole discretion.
- B. COUNTY will 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 reports, data, documents or other materials prepared under this Contract. CONTRACTOR agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights provided hereunder. CONTRACTOR warrants that any items provided under this Contract 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 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.
- C. These Ownership of Documents and Intellectual Property and Copyright and Intellectual Property provisions (Section 6, including subdivisions A-C) shall survive any termination of this Contract.

7. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR must keep such business records pursuant to this Contract as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession, and will maintain those records for at least four (4) years following the termination of this Contract. All accounting records must be kept in accordance with generally accepted accounting practices. COUNTY will 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 Contract 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 Contract (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 CONTRACT, CONTRACTOR shall reimburse all costs incurred by federal, state, and/or COUNTY governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from COUNTY, CONTRACTOR shall reimburse the amount of audit exceptions and any other related costs directly to COUNTY as specified by COUNTY in the notification.

8. **INSURANCE AND INDEMNIFICATION.** CONTRACTOR agrees to the indemnification and insurance provisions as set forth in Exhibit X attached hereto and incorporated herein by reference.

9. **NONDISCRIMINATION.** The County's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Contract and is incorporated into the Contract by this reference with the same force and effect as if the ordinance were specifically set out herein, and CONTRACTOR agrees to comply with that ordinance.

10. **NONEXCLUSIVE AGREEMENT.** CONTRACTOR understands that this is not an exclusive Contract and that COUNTY has the right to negotiate with and enter into contracts with others providing the same or similar services as those CONTRACTOR provides.

11. **NON-ASSIGNMENT.** CONTRACTOR will not assign any of CONTRACTOR's rights nor transfer any of CONTRACTOR's obligations under this Contract without COUNTY's prior written consent, and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

12. **TERMINATION.**

- A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Contract 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 Contract 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.** Notwithstanding any other provision of this Contract, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or COUNTY governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Contract, then COUNTY will notify CONTRACTOR of such occurrence and COUNTY may terminate or suspend this Contract in whole or in part, with or without a prior notice period. Subsequent to termination of this Contract under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.
3. **For Cause.** Should CONTRACTOR default in the performance of this Contract or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate or suspend this Contract 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 Contract 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 Contract, 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 Contract, 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 Contract 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.
13. **NOTICE.** From CONTRACTOR: CONTRACTOR must send or deliver any required notice to both the Designee and to Purchasing at the addresses appearing on the Contract form. From COUNTY: Either Designee or Purchasing must send or deliver any required notice to CONTRACTOR at the address last known to the sender. Effective Date: Notices mailed by US Postal Service first-class, receipt of which is unacknowledged, are effective three days from date of mailing. Other notices are effective upon delivery by hand, proof of delivery by common carrier, or acknowledgement of receipt, whichever is earlier.
14. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Contract, including its attachments, 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 Contract may be altered, amended or modified only by an instrument in writing (executed by Purchasing) and by no other means. Each party waives their future right to claim, contest or assert that this Contract was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.
15. **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.
16. **CALIFORNIA LAW.** This Contract is governed by the laws of the State of California. Any litigation regarding this Contract or its contents must 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.
17. **PRECEDENCE.** In the event of conflict between the provisions contained in these numbered paragraphs and the provisions contained in the Statement of Work, the provisions of this document shall prevail unless 1) otherwise specified on the Contract form to which this document is attached, or 2) waived by amendment hereon with dated initials of Purchasing staff.
18. **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.
19. **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 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 COUNTY or its projects, without obtaining the prior written approval of COUNTY.
20. **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 Contract shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
21. **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.
22. **SURVIVAL.** All provisions of this Contract which by their nature are intended to survive the termination or expiration of this Contract shall survive such termination or expiration.

**ADDITIONAL TERMS AND CONDITIONS
FOR SERVICES OF INDEPENDENT CONTRACTOR**

1. RECORDS.

Contractor shall keep and maintain all business records pursuant to this Agreement 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.

2. COMPLIANCE WITH HIPAA.

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

3. CONFLICT OF INTEREST.

As required by 42 CFR sections 455.101 and 455.104, Contractor will complete a Conflict of Interest form provided by County.

4. 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.

Exhibit A
Statement of Work

The following terms shall apply to all programs operated under this contract, included as [Exhibits A through A-1].

1. **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 Behavioral Wellness and State Department of Healthcare Services (DHCS) for Substance Use Disorder Services, Agreement Number 14-90100, available at <http://countyofsb.org/behavioral-wellness>.

2. 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:

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:

- i. Ensure all direct treatment staff become familiar with overdose prevention principles and techniques, including through trainings and materials provided by Behavioral Wellness;
- ii. Make available and distribute prevention overdose materials, as provided by Behavioral Wellness, 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 [4.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

Exhibit A
Statement of Work

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.
- 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.

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

- A. Contractor shall obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates (including, but not limited to, certification as a Drug Medi-Cal provider if Title 22 California Code of Regulations (CCR) Drug Medi-Cal services are provided hereunder), as required by all Federal, State, and local laws, ordinances, rules, regulations, manuals, guidelines, and directives, which are applicable to Contractor's facility(s) 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 Department of Behavioral Wellness 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).

Exhibit A
Statement of Work

4. 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 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 Behavioral Wellness. 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.

5. BILLING DOCUMENTATION.

- A. Contractor shall use County's MIS system to enter claims for all Drug Medi-Cal (DMC) services and all Intensive Outpatient Treatment, Rehabilitative/Ambulatory Outpatient or

Exhibit A
Statement of Work

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 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.
- 6. **DRUG MEDI-CAL VERIFICATION.** Contractor shall be responsible for verifying client's Drug Medi-Cal eligibility status and will take steps to reactivate or establish eligibility where none exists.
- 7. **CONFIDENTIALITY.** Contractor agrees to maintain the confidentiality of patient records pursuant to: Title 42 United States 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.
- 8. **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.
- 9. **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.

Exhibit A
Statement of Work

10. NOTIFICATION REQUIREMENTS

- A. Contractor shall immediately notify Behavioral Wellness Quality Care Management (QCM) at 805-681-5113 in the event of:
 - 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 Behavioral Wellness Policy and Procedure #28, Unusual Occurrence Incident Report.
- B. Contractor shall immediately contact the Behavioral Wellness 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 Behavioral Wellness and Contractor staff, Contractor shall immediately notify the client's Behavioral Wellness Case Manager or other Behavioral Wellness 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 Behavioral Wellness Compliance Hotline (Phone number: 805-884-6855).

- 11. 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. Behavioral Wellness staff shall conduct periodic on-site reviews of Contractor's client charting.

- 12. QUARTERLY MEETINGS.** Behavioral Wellness shall conduct quarterly meetings, as indicated, with Contractor to collaboratively discuss Programmatic, Fiscal, and Contract matters.

Exhibit A
Statement of Work

13. ADDITIONAL PROGRAM REQUIREMENTS

- A. Contractor shall provide services in coordination and collaboration with Behavioral Wellness, 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 Behavioral Wellness.
- 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 Behavioral Wellness, if applicable.
- I. Contractor shall attend Behavioral Wellness ADP Provider meetings as needed to receive information and support in addressing treatment concerns.

14. DEFINITIONS. The following terms as used throughout this Agreement shall have the meanings as set forth below.

- A. **CalWORKs:** CalWORKs is a program that provides cash aid and services to eligible needy California families, with the goal of transitioning them into the workforce. Through the CalWORKs program, funds are provided for alcohol and drug treatment for CalWORKs clients in order to help them obtain and retain employment. Services are provided through the County's network of providers. Treatment needs are identified in the client's Welfare-to-Work Plan.
- B. **Drug Medi-Cal (DMC):** DMC benefits are optional Medi-Cal benefits as described in the California State Plan for Medicaid. DMC services provide medically necessary alcohol and other drug treatment to California's Medi-Cal eligible population. The services include Outpatient Drug-Free Treatment, Narcotic Treatment Program, Intensive Outpatient Treatment and Naltrexone Treatment are available to pregnant and postpartum women who are full-scope Medi-Cal beneficiaries

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- C. **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 for whom substance use disorder services are determined to be medically necessary and consistent with Title 22 Section 51303 and 51341.1. Services include individual and group counseling, community referrals for ancillary services, and drug testing according to SATC Standards and Practices.
- D. **Substance Abuse Mental Health Services Administration (SAMHSA):** SAMHSA is a division of the U.S. Department of Health and Human Services. SAMHSA aims to build resilience and facilitate recovery for people with or at risk for mental or substance use disorders. SAMHSA provides funding to support substance abuse treatment.
- E. **SAMHSA Veterans Entering Treatment Services (VETS):** The VETS program, funded by a grant from the Federal Substance Abuse and Mental Health Services Administration (SAMHSA), will expand and enhance the existing Veterans Treatment Court (VTC) in North Santa Barbara County. The VTC was established in Santa Barbara County in November 2011 to provide treatment services to veterans involved in the justice system. The SAMHSA VETS grant program seeks to increase veterans' access to treatment by expanding and enhancing services to address Post Traumatic Stress Disorder (PTSD), Traumatic Brain Injury (TBI), substance abuse and addiction. The VETS program will augment the current service delivery model by utilizing evidence-based practices in treatment and service delivery; increasing availability of outpatient treatment, detoxification services, transitional housing services, medically assisted treatment; and providing peer-support services such as veteran mentors and peer-led support groups. Veterans will receive 12 to 18 months of treatment and will include assessments, individualized treatment plans, peer mentoring, and alcohol and drug testing.

15. STATE CONTRACT COMPLIANCE. [WHEN APPLICABLE]

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.

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.

B. 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

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employment activities are funded in whole or in part with federal funds.

C. 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.

D. 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.

E. 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).

F. Restriction on Distribution of Sterile Needles

No funds made available through this Agreement shall be used to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless the State chooses to implement a demonstration syringe services program for injecting drug users with Substance Abuse Prevention and Treatment Block Grant funds.

G. 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.

i. 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

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Transaction Standard's implementation specification. (45 CFR Part 162.915 (d))

ii. 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.

iii. 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.

iv. Deficiencies

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.

v. 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.

vi. 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.

H. Nondiscrimination and Institutional Safeguards for Religious Providers

In order to comply with the provisions of Title 42, USC, Section 300x-65 and Title 42 CFR Part 54, Contractor is required to submit to the County ADP Program Manager, the "Survey on Ensuring Equal Opportunity for Applicants" form, available from ADP Program Director, to identify if the organization is a religious provider. Contractor shall not use funds provided through this contract for inherently religious activities, such as worship, religious instruction, or proselytization. If Contractor conducts such activities, it must offer them separately, in time or location, from the programs or services for which it receives funds from the Department. Contractor may not

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discriminate against a client or prospective client on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice. Contractors identifying as religious organizations shall establish a referral process to a reasonably accessible alternative program for clients who may object to the religious nature of the Contractor's program. Referrals that were made due to the religious nature of the Contractor's program shall be submitted within three (3) days to the County.

I. Counselor Certification

Any counselor or registrant 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.

J. 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.

K. Intravenous Drug Use (IVDU) Treatment

Contractor shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo alcohol and other drug (AOD) treatment (42 USC 300x-23(96.126(e)).

L. Tuberculosis Treatment

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

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

M. Trafficking Victims Protection Act of 2000 (TVPA)

Contractor shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. Section 7104(g), as amended by Section 1702). The County has the authority to terminate the agreement without penalty within thirty (30) days or to take any other remedial action authorized under 22 U.S.C. Section 7104b(c), if the Contractor: (a) Engages in severe forms of trafficking in persons during the period of time that the contract is in effect; (b) Procures a commercial sex act during the period of time that the contract is in effect; or (c) Uses forced labor in the performance of the contract or subcontracts under the contract, in accordance with TVPA of 2000 and in accordance with Behavioral Wellness Policy and Procedure found at: <http://www.countyofsb.org/behavioral-wellness/policies>. Contractor must inform County immediately of any information Contractor receives from any source alleging a violation of a prohibition in this paragraph. For full text of the award term, go to: <http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title22-section7104d&num=0&edition=prelim>

N. Tribal Communities and Organizations

Exhibit A Statement of Work

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.

O. 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.

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

Q. Perinatal Services Network Guidelines 2015

Pursuant to 45 CFR 96.124(c)(1)-(3) the County shall expend the specified percentage of SAPT Block Grant funds, as calculated by said regulations, on perinatal services, pregnant women, and women with dependent children each state fiscal year (SFY). The County shall expend these funds either by establishing new programs or expanding the capacity of existing programs. The County shall calculate the appropriate amount by using Generally Accepted Accounting Principles and the composition of the base shall be applied consistently from year to year. (See the County share of SAPT Block Grant Women Services Expenditure Requirement.)

Contractor shall comply with the perinatal program requirements as outlined in the Perinatal Services Network Guidelines 2014, promulgated under 45 CFR 96.137. The "Perinatal Services Network Guidelines 2014" are incorporated by reference. The contractor shall comply with the "Perinatal Services Network Guidelines 2014" (<http://www.dhcs.ca.gov/individuals/Documents/PSNG2014Final21214.pdf>) until new Perinatal Services Network Guidelines are established and adopted. The incorporation of any new Perinatal Services Network Guidelines into this contract shall not require a formal amendment.

All SAPT BG-funded programs providing treatment services designed for pregnant women and women with dependent children will treat the family as a unit and therefore

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will admit both women and their children into treatment services, if appropriate.

The Contractor must directly provide, or provide a referral for, the following services:

- i. Primary medical care for women, including referral for prenatal care and, while the women are receiving such services, child care;
 - ii. Primary pediatric care, including immunization, for their children;
 - iii. Gender specific substance abuse treatment and other therapeutic interventions for women which may address issues of relationships, sexual and physical abuse and parenting, and child care while the women are receiving these services;
 - iv. Therapeutic interventions for children in custody of women in treatment which may, among other things, address their developmental needs, their issues of sexual and physical abuse, and neglect; and
- R. Sufficient case management and transportation to ensure that women and their children have access to services. 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:

- i. 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.
- ii. 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.
- iii. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
- iv. Age Discrimination in Employment Act (29 CFR Part 1625).
- v. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment.

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Statement of Work

- vi. Title 11 of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities.
- vii. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
- viii. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of individuals with disabilities.
- ix. 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.
- x. Executive Order 13166 (67 FR 41455) to improve access to federal services for those with limited English proficiency.
- xi. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse.
- xii. 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:

- i. 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.).
 - ii. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.
 - iii. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 10800.
 - iv. 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.
 - v. 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 that affect the provisions, terms, or funding of this Contract in any manner.

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

- i. Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8;
- ii. Drug Medi-Cal Certification Standards for Substance Abuse Clinics;
- iii. Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1;
- iv. Standards for Drug Treatment Programs (October 21, 1981);
- v. Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et. seq; and
- vi. Title 22, CCR, sections 51000 et. seq.
- vii. In the event of conflicts, the provisions of Title 22 shall prevail.

EXHIBIT A-1
Statement of Work – ADP
OUTPATIENT TREATMENT

1. **PROGRAM SUMMARY:** LAGS Spine and Sportscare Medical Centers, Inc. hereafter “Contractor”) provides outpatient alcohol and other drug (AOD) treatment (hereafter “the Program”) to assist adult clients with co-occurring substance abuse and mental health 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 Services. The Program will be located at 801 E. Chappell Street, Santa Maria, California.
2. **PROGRAM GOALS.**
 - A. Introduce clients to an ongoing process of recovery designed to achieve total abstinence from alcohol and non-prescribed drugs of abuse;
 - B. Promote 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. **SERVICES.** Contractor shall provide:
 - A. Intensive Outpatient Treatment (IOT) non-perinatal [Service Code 30] - IOT services include outpatient counseling and rehabilitation services provided at least three (3) hours per day (180 minutes), three (3) days per week to clients with substance use diagnosis who also have severe co-occurring mental health disorders. All IOT clients will be assessed using the Addiction Severity Index (ASI), and shall receive services including:
 - i. An assessment of each individual's physical condition, through a physical examination by a physician, registered nurse practitioner or physician's assistant, shall be made within thirty (30) days of admission and documented in the individual's record according to procedures prescribed by state law, to include:
 - a. Formulation of, approval of, or involvement in each DMC individual's plan of care within thirty (30) calendar days from the date of initial service; and
 - b. Evidence of physician's direction must be documented by the physician's signed and dated approval of treatment plan or signed and dated notation indicating concurrence with the plan of treatment in the individual's clinical record. This must occur:
 1. Within fifteen (15) days of the date the plan was developed;
 2. Whenever there is a significant change in the treatment plan (i.e., change in mode or modality) of service, problem identification, or focus of treatment); and
 3. At least once within every ninety (90) days (prior to the start of a new ninety [90] day period) whichever comes first.
 - ii. Extensive group and individual counseling and other appropriate activities and services, to include:
 - a. Nine (9) hours per week of scheduled, formalized services shall be available for each program clients. A minimum of 7 hours per week shall be provided in group or individual counseling and the remaining balance of services can

EXHIBIT A-1
Statement of Work – ADP
OUTPATIENT TREATMENT

include additional formalized services, for example: a work program, treatment techniques, urine surveillance, creative recreational activities, and ancillary services; and

- b. All Drug Medi-Cal services provided to the individual must occur within the regularly scheduled array of activities. As such, only one (1) unit of service may be claimed per day in accordance with California Code of Regulations, Title 22. Exceptions may include emergency and crisis visits and must be documented as such in the individual's record.
 - iv. Services and the service duration will be delivered based on medical necessity (22 CCR Section 51303) and determination of the appropriate level of care will be based on American Society of Addiction Medicine's (ASAM) Criteria founds at:
<http://www.asam.org/publications/the-asam-criteria>;
 - v. All evaluations will be facilitated by Contractor staff experienced in using Motivational Interviewing (MI);
 - vi. Contractor's licensed Counselor shall lead each client through a biopsychosocial interview and an assessment based upon criteria from the Addiction Severity Index (ASI) and ASAM to aid in the development of a treatment plan;
 - vii. If a client is determined to be eligible for services, Contractor shall process admittance and engage client in treatment beginning the following day from that determination, in all cases within 14 business days of intake;
 - viii. All treatment curriculum utilized by Contractor shall be evidence-based (as defined by SAMHSA's National Registry of Evidence-based Programs and Practices (NREPP)), successfully replicated with similar populations, open access to incorporate new clients at any time, and with materials also available in Spanish; and
 - ix. All group counseling sessions will be facilitated by Contractor's licensed Counselor.
4. **CLIENTS.** Contractor shall provide services as described in Section 3 (Services) to a minimum of 15 clients per year, referred by sources described in Section 5 (Referrals), as follows:
- B. IOT – A minimum of fifteen (15) clients, referred by sources described in Section 5.B (Referrals) who meet the following American Society of Addiction Medicine (ASAM) Criteria:
 - i. IOT Treatment services are limited to clients whose treatment needs cannot be met in less intensive outpatient treatment services as evidenced by the following indicators:
 - a. History of one or more unsuccessful treatment episodes in Outpatient Drug Free (ODF) treatment;
 - b. A diagnosable co-occurring disorder, included in the treatment plan, that requires a more intensive level of service than ODF; and
 - c. Severe substance use disorder as defined by the DSM-5.

EXHIBIT A-1
Statement of Work – ADP
OUTPATIENT TREATMENT

5. REFERRALS.

A.. IOT:

- i. Contractor shall receive client referrals to include from (but not limited to): County Outpatient Drug Free (ODF) service providers, detox centers, Courts, Parole, Probation, schools, CalWORKs staff, other County agencies, other outpatient service providers, and self-referrals and;
 - a. Contractor shall receive client referrals via phone, written referral, or walk in; and
 - b. Referrals (other than self-referrals) shall be accompanied by written documentation.
- ii. Contractor shall contact the referral source – within 5 business days of being informed of referral for treatment – to confirm 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.

6. ADMISSION PROCESS.

- A. Contractor shall interview client to determine client's appropriateness for the Program.
- B. Admission criteria will be determined by the referral source and/or client's eligibility for payor source.
- C. Contractor shall admit clients referred by sources described in Section 5 (Referrals) unless the client meets one or more conditions specified in Section 7 (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:
 - a. Social, economic and family background;
 - b. Education;
 - c. Vocational achievements;
 - d. Criminal history, legal status;
 - e. Medical history;
 - f. Drug history;
 - g. Previous treatment; and
 - v. Emergency contact information for client.
- E. Contractor shall notify referral source if client is not accepted into the Program, based on Section 7 (Exclusion Criteria), within one business day of receiving the initial referral.

EXHIBIT A-1
Statement of Work – ADP
OUTPATIENT TREATMENT

- F. Should space not be available in the Program, Contractor shall place client on a waiting list, and refer client to interim services.
7. **EXCLUSION CRITERIA:** On a case-by-case basis, the following may be cause for client exclusion from the program:
- A. Client threat of or actual violence toward staff or other clients;
 - B. Rude or disruptive behavior that cannot be redirected; or
 - C. Client does not meet medical necessity criteria, consistent with Title 22 CCR Section 51303 and 51341.1.
8. **DOCUMENTATION REQUIREMENTS.**
- A. Contractor shall enter all California Outcomes Measurement System (CalOMS) treatment data and all other client data required by County into the County's MIS system no later than seven (7) days after client entry into 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:
 - 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 Title 22 CCR Section 51341.1(h)(2). Contractor shall periodically review and update the Treatment Plan every ninety (90) days, or more frequently as determined medically necessary.
9. **DISCHARGES.**
- A. Contractor shall develop a Discharge Plan for clients prior to discharge, in coordination with the referral source and client, as detailed in the 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 in accordance with 22 CCR Section 51341.1(h)(6) that shall include, but not be limited to, 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.

EXHIBIT A-1
Statement of Work – ADP
OUTPATIENT TREATMENT

- 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.
10. **STAFFING.** All staff will be bilingual and capable of providing treatment services and assessments in Spanish and English.
- A. IOT: Contractor shall meet the following additional minimum staffing requirements for IOT services:
 - i. Mental Health Practitioner – one (1) FTE, Master's Level Mental Health professional as described in Title 9 CCR Sections 1810.223 and 1810.254, is responsible for conducting assessments and provide substance abuse and psychotherapeutic counseling; and
 - ii. Co-occurring capable Counselor - one (1) FTE, responsible for providing substance abuse counseling, case management and lead treatment groups. Counselors can either be certified by the Department of Health Care Services standards in accordance with California Code of Regulations, Title 9, Division 4 Chapter 8 or be a mental health practitioner as defined above.

EXHIBIT E
PROGRAM GOALS, OUTCOMES, AND MEASURES

Adult Treatment

Program Goals	Outcomes	Measures
To increase successful SUD treatment and recovery.	1. Adults - <u>initiate</u> treatment	% TBD in Tx =>15 days
	2. Adults - <u>engage</u> in treatment	80% in Tx =>30 days
	3. Adults - <u>retained</u> in treatment	50% in Tx =>90 days
	4. Adults - <u>successfully complete</u> treatment	55% CalOMS status 1, 2 or 3* -dropouts excluded.

*CalOMS status 1, 2 or 3 = successfully completed treatment 1) with or 2) without a referral or 3) left before completion with satisfactory progress

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.

1. 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) 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(s) 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.

2. MAXIMUM CONTRACT AMOUNT.

The Maximum Contract Amount of this Agreement shall not exceed **\$37,500, inclusive of \$37,500** 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.

3. 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,

EXHIBIT B
FINANCIAL PROVISIONS – ADP

attached to this Agreement as Exhibit B-2.

- 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:
- i. 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 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.
 - ii. 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.

4. **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.

5. REALLOCATION OF PROGRAM FUNDING.

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

EXHIBIT B
FINANCIAL PROVISIONS – ADP

6. 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.

- i. Claims for all Drug Medi-Cal services and all Intensive Outpatient Treatment, 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.

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.

- ii. 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.

- i. Payment for Drug Medi-Cal services will be based on the UOS accepted into MIS and claimed to the State on a monthly basis.
- ii. Claims for all Drug Medi-Cal services and all Intensive Outpatient Treatment, 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.
- iii. 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

EXHIBIT B
FINANCIAL PROVISIONS – ADP

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.
- i. 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.
 - ii. 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.
 - iii. 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.
- 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.

EXHIBIT B
FINANCIAL PROVISIONS – ADP

- 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.

7. 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.
- 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.

EXHIBIT B
FINANCIAL PROVISIONS – ADP

8. PRE-AUDIT COST REPORT SETTLEMENTS.

- A. Pre-audit Cost Report Settlements. Based on the Annual Cost Report(s) submitted pursuant to this Exhibit B-ADP Section VII (Cost Reports) and State approved UOS, at the end of each Fiscal Year or portion thereof that this Agreement is in effect, the State and/or County will perform pre-audit cost report settlement(s). Such settlement will be subject to the terms and conditions of this Agreement and any other applicable State and/or federal statutes, regulations, policies and procedures, or requirements pertaining to cost reporting and settlements for applicable federal and/or State programs. Settlement shall be adjusted to the lower of:
- i. 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.
 - ii. The Contractor's actual costs.
- 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 or designee.

9. 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.
- 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 Behavioral Wellness will also stay its settlement of the same amounts due or payable until the Responsible Auditing Party initiates its settlement action with County Behavioral Wellness. If an audit adjustment is appealed then the County may, at its own discretion, notify Contractor but stay collection of amounts due until resolution of the State administrative appeals process.
- 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
Schedule of Rates and Contract Maximum**

**Exhibit B-1
Schedule of Rates and Contract Maximum**

CONTRACTOR NAME: LAGS Spine & Sportscore Medical Centers, Inc.

FISCAL YEAR: 2017-18

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 Billable Services	Day Services	10	Intensive Outpatient Treatment (IOT) Non-Perinatal - (Group -180 minutes)	Session	30	30	\$59.13

	PROGRAM Intensive Outpatient Treatment (IOT) LAGS Recovery Centers Santa Maria		TOTAL
GROSS COST:	\$	238,480.00	\$ 238,480
LESS REVENUES COLLECTED BY CONTRACTOR:			
PATIENT FEES	\$	30,000	\$ 30,000
CONTRIBUTIONS	\$	-	\$ -
OTHER (LIST):	\$	170,980	\$ 170,980
TOTAL CONTRACTOR REVENUES	\$	200,980	\$ 200,980
MAXIMUM CONTRACT AMOUNT PAYABLE:	\$	37,500	\$ 37,500

SOURCES OF BEHAVIORAL WELLNESS FUNDING FOR MAXIMUM CONTRACT AMOUNT**			
Drug Medi-Cal	\$	37,500	\$ 37,500
Realignment/SAPT - Discretionary			\$ -
Realignment/SAPT - Perinatal			\$ -
Realignment/SAPT - Adolescent Treatment			\$ -
Other County Funds			\$ -
TOTAL (SOURCES OF BEHAVIORAL WELLNESS FUNDING)	\$	37,500	\$ 37,500

CONTRACTOR SIGNATURE: _____

STAFF ANALYST SIGNATURE: _____

FISCAL SERVICES SIGNATURE: _____

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

EXHIBIT B-2 Contractor Budget

AGENCY NAME: Lags Spine & Sportscare Medical Centers Inc

COUNTY FISCAL YEAR: 2017-18

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Line #	COLUMN #	1	2	3	4
		I. REVENUE SOURCES:	TOTAL AGENCY/ ORGANIZATION BUDGET	COUNTY BEHAVIORAL WELLNESS PROGRAMS TOTALS	IOT
1		Contributions		\$ -	
2		Foundations/Trusts		\$ -	
3		Miscellaneous Revenue		\$ -	
4		Behavioral Wellness Funding	\$ 37,500	\$ 37,500	\$ 37,500
5		Other Government Funding		\$ -	
6		Other (specify)		\$ 170,980	\$ 170,980
7		Other (specify)		\$ -	
8		Other (specify)		\$ -	
9		Other (specify)		\$ -	
10		Total Other Revenue	\$ 37,500	\$ 208,480	\$ 208,480
		I.B. Client and Third Party Revenues:			
11		Client Fees	\$ 17,813,360	30,000	\$ 30,000
12		SSI		-	
13		Other -Medical Records	\$ 3,150	-	
14		Total Client and Third Party Revenues (Sum of lines 19 through 23)	17,816,510	30,000	30,000
15		GROSS PROGRAM REVENUE BUDGET	17,854,010	238,480	238,480

	III. DIRECT COSTS	TOTAL AGENCY/ ORGANIZATION BUDGET	COUNTY BEHAVIORAL WELLNESS PROGRAMS TOTALS	IOT
	III.A. Salaries and Benefits Object Level			
16	Salaries (Complete Staffing Schedule)	3,409,875	\$ 158,000	\$ 158,000
17	Employee Benefits	511,350	\$ 23,700	\$ 23,700
18	Consultants	1,050,000	\$ -	
19	Payroll Taxes	255,675	\$ 11,850	\$ 11,850
20	Salaries and Benefits Subtotal	\$ 5,226,900	\$ 193,550	\$ 193,550
	III.B Services and Supplies Object Level			
21	Professional Fees	61,800	\$ -	
22	Supplies	1,352,400	\$ 3,000	\$ 3,000
23	Telephone	94,760	\$ 900	\$ 900
24	Utilities	146,775	\$ -	
25	Facility Costs (Rent/Lease/Mortgage)	1,004,250	\$ 12,000	\$ 12,000
26	Repairs and Maintenance	193,200	\$ 2,550	\$ 2,550
27	Printing/Publications	33,600	\$ 450	\$ 450
28	Transportation and Travel	230,475	\$ 750	\$ 750
29	Depreciation	6,300	\$ -	
30	Insurance	63,000	\$ 3,800	\$ 3,600
31	Board and Care (not Medi-Cal reimbursable)		\$ -	
32	Management Fees	8,690,850	\$ -	
33	Billing & Collections Services	724,500	\$ -	
34	Various Miscellaneous	25,200	\$ -	
35	Services and Supplies Subtotal	\$ 12,027,110	\$ 23,250	\$ 23,250
36	III.C. Client Expense Object Level Total (Not Medi-Cal Reimbursable)		\$ -	
37	SUBTOTAL DIRECT COSTS	\$ 17,854,010	\$ 216,800	\$ 216,800
	IV. INDIRECT COSTS			
38	Administrative Indirect Costs (Reimbursement limited to 15%)		\$ 21,680	\$ 21,680
39	GROSS DIRECT AND INDIRECT COSTS (Sum of lines 47+48)	\$ 17,854,010	\$ 238,480	\$ 238,480

Exhibit B-3 ADP

COUNTY OF SANTA BARBARA ALCOHOL & DRUG PROGRAM SLIDING FEE SCHEDULE * FY 2017-2018

ANNUAL GROSS FAMILY INCOME NUMBER OF DEPENDENTS

FEE PER VISIT	1	2	3	4	5	6	7	8
5	12,060	16,240	20,420	24,600	28,780	32,960	37,140	41,320
10	16,240	20,420	24,600	28,780	32,960	37,140	41,320	45,500
15	20,420	24,600	28,780	32,960	37,140	41,320	45,500	49,680
20	24,600	28,780	32,960	37,140	41,320	45,500	49,680	53,860
25	28,780	32,960	37,140	41,320	45,500	49,680	53,860	58,040
30	32,960	37,140	41,320	45,500	49,680	53,860	58,040	62,220
35	37,140	41,320	45,500	49,680	53,860	58,040	62,220	66,400
40	41,320	45,500	49,680	53,860	58,040	62,220	66,400	70,580
45	45,500	49,680	53,860	58,040	62,220	66,400	70,580	74,760
50	49,680	53,860	58,040	62,220	66,400	70,580	74,760	78,940
55	53,860	58,040	62,220	66,400	70,580	74,760	78,940	83,120
60	58,040	62,220	66,400	70,580	74,760	78,940	83,120	87,300
65	62,220	66,400	70,580	74,760	78,940	83,120	87,300	91,480
70	66,400	70,580	74,760	78,940	83,120	87,300	91,480	95,660
75	70,580	74,760	78,940	83,120	87,300	91,480	95,660	99,840
80	74,760	78,940	83,120	87,300	91,480	95,660	99,840	104,020
85	78,940	83,120	87,300	91,480	95,660	99,840	104,020	108,200
90	83,120	87,300	91,480	95,660	99,840	104,020	108,200	112,380

MONTHLY GROSS FAMILY INCOME NUMBER OF DEPENDENTS

FEE PER VISIT	1	2	3	4	5	6	7	8
5	1,005	1,353	1,702	2,050	2,398	2,747	3,095	3,443
10	1,353	1,702	2,050	2,398	2,747	3,095	3,443	3,792
15	1,702	2,050	2,398	2,747	3,095	3,443	3,792	4,140
20	2,050	2,398	2,747	3,095	3,443	3,792	4,140	4,488
25	2,398	2,747	3,095	3,443	3,792	4,140	4,488	4,837
30	2,747	3,095	3,443	3,792	4,140	4,488	4,837	5,185
35	3,095	3,443	3,792	4,140	4,488	4,837	5,185	5,533
40	3,443	3,792	4,140	4,488	4,837	5,185	5,533	5,882
45	3,792	4,140	4,488	4,837	5,185	5,533	5,882	6,230
50	4,140	4,488	4,837	5,185	5,533	5,882	6,230	6,578
55	4,488	4,837	5,185	5,533	5,882	6,230	6,578	6,927
60	4,837	5,185	5,533	5,882	6,230	6,578	6,927	7,275
65	5,185	5,533	5,882	6,230	6,578	6,927	7,275	7,623
70	5,533	5,882	6,230	6,578	6,927	7,275	7,623	7,972
75	5,882	6,230	6,578	6,927	7,275	7,623	7,972	8,320
80	6,230	6,578	6,927	7,275	7,623	7,972	8,320	8,668
85	6,578	6,927	7,275	7,623	7,972	8,320	8,668	9,017
90	6,578	6,927	7,275	7,623	7,972	8,320	8,668	9,017

* For multi-year contracts, annual fee schedule will be provided to contractor as it becomes available.

EXHIBIT X

Indemnification and Insurance Requirements (For Professional Contracts)

1. 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.

2. 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.

3. 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, its agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage should be at least as broad as:

- i. **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.
- ii. **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.
- iii. **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.
- iv. **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 CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

EXHIBIT X

Indemnification and Insurance Requirements (For Professional Contracts)

B. Other Insurance Provisions

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

- i. **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).
- ii. **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.
- iii. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
- iv. **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.
- v. **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.
- vi. **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".
- vii. **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 the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
- viii. **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

EXHIBIT X

Indemnification and Insurance Requirements (For Professional Contracts)

or to provide evidence of renewal may be treated by COUNTY as a material breach of contract.

- ix. **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.
- x. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - a) The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - b) Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of contract work.
 - c) 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.
- xi. **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.