



# County of Santa Cruz

## HEALTH SERVICES AGENCY

POST OFFICE BOX 962, 1080 EMELINE AVENUE SANTA CRUZ, CA 95061-0962  
(631) 454-4066 FAX: (631) 454-4770 TDD: (631) 454-4123

AGENCY ADMINISTRATIVE DIVISION

AGENDA: August 22, 2000

August 8, 2000

Board of Supervisors  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

### **SUBJECT: Approval of Agreement with Triad Community Services**

Dear Board Members:

This letter is to request your Board's approval of and authorization for the Health Services Agency Administrator to sign a \$542,423 agreement (on file with the Clerk of the Board) with Triad Community Services for alcohol and drug treatment services. This agreement will renew the 1999-00 service agreement and augment services as provided for in the adopted 2000-01 County budget.

The agreement provides for methadone maintenance services for 263 patients per year; outpatient drug-free treatment services for 225 adolescents per year; and outpatient drug-free treatment services for 16 adult CalWORKs clients per year.

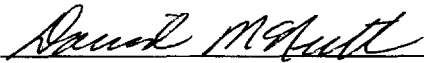
Consistent with existing County policy, this agreement requires your Board's separate approval because the proposed contract amount is more than 10% greater than the prior year amount. The agreement was inadvertently included in Section II of the Continuing Agreements List.

The contract augmentation is primarily the result of the approved 4% cost-of-living adjustment, expansion of CalWORKs-funded treatment services, and additional methadone maintenance treatment services funded through Drug Medical. The contract renewal and augmentation are included in the adopted 2000-01 County budget and will not result in any increase in net County cost.

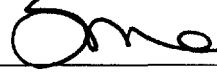
It is therefore RECOMMENDED that your Board:

1. Approve and authorize the Health Services Agency Administrator to sign an agreement (on file with the Clerk of the Board) for alcohol and drug services for \$542,423 with Triad Community Services.

Sincerely,

*for*   
Rama Khalsa, Ph.D., Administrator  
Health Services Agency

RECOMMENDED:

  
\_\_\_\_\_  
Susan A. Mauriello  
County Administrative Officer

cc: County Administrative Officer  
Auditor Controller  
County Counsel  
HSA Administration  
Alcohol and Drug Program Administrator

# COUNTY OF SANTA CRUZ

## REQUEST FOR APPROVAL OF AGREEMENT

0243

TO: Board of Supervisors  
County Administrative Officer  
County Counsel  
Auditor-Controller

FROM:

HEALTH SERVICES AGENCY

(Dept.)

David R. McQuinn (Signature) 8/7/00 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the County of Santa Cruz Health Services Agency (Agency)  
and Triad Community Services, 5271 Scotts Valley Drive, Ste. 200, Scotts Valley, CA 95066 (Name & Address)

2. The agreement will provide for continuation of methadone maintenance drug treatment services,  
and outpatient counseling.

3. The agreement is needed to provide the above services.

4. Period of the agreement is from July 1, 2000 to June 30, 2001

5. Anticipated cost is \$ 542,423 through June 30, 2001 (Fixed amount; Monthly rate; Not to exceed)

6. Remarks: \_\_\_\_\_

7. Appropriations are budgeted in 364042 (Index#) 3975 (Subobject)  
C00880

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered. Contract No. C000880 Date 8/8/00  
are not will be

GARY A. KNUTSON, Auditor - Controller

By Ronald J. Silva Deputy.

Proposed reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the Health Services Administrator to execute the same on behalf of the \_\_\_\_\_

HEALTH SERVICES (Agency).

Remarks:

ES (Analyst)

County Administrative Officer  
By Ed Schuy Date 8/10/00

Agreement approved as to form. Date \_\_\_\_\_

### Distribution:

Bd. of Supv. - White  
Auditor-Controller - Blue  
County Counsel - Green \*  
Co. Admin. Officer - Canary  
Auditor-Controller - Pink  
Originating Dept. - Goldenrod

• Tcs Orig. Dept. if rejected.

ADM - 29 (6/95)

State of California )  
County of Santa Cruz ) ss

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz.  
State of California, do hereby certify that the foregoing request for approval of agreement was approved by  
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered  
in the minutes of said Board on \_\_\_\_\_  
County Administrative Officer  
By \_\_\_\_\_ Deputy Clerk

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AGREEMENT between the COUNTY OF SANTA CRUZ

County Dept/Agency: HEALTH SERVICES AGENCY  
Alcohol and Drug Program

Contract # C00880-01

Hereinafter called COUNTY and:

TRIAD COMMUNITY SERVICES  
5271 Scotts Valley Drive, Suite 200  
Scotts Valley, CA 95066

Telephone: (831) 438-3521

Hereinafter called CONTRACTOR for: Community based Alcohol and Drug Treatment Services

WHEREAS COUNTY has need of Methadone and Outpatient treatment services treatment for FY 2000/01; and,

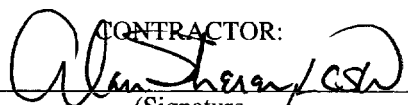
WHEREAS CONTRACTOR has skills and capacity to provide such services; and,

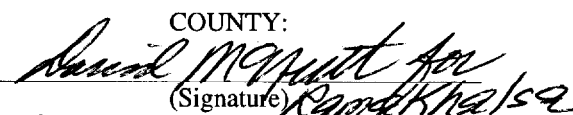
WHEREAS, pursuant to the provisions of California Government Code Section 26227, the Board of Supervisors of COUNTY is authorized to enter a contract for such services,

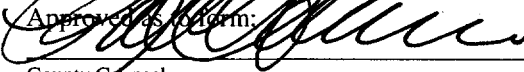
NOW, THEREFORE, the parties hereto do mutually agree as set forth in:

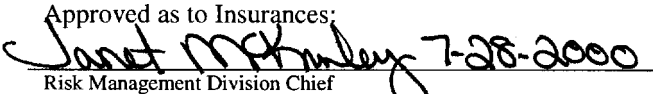
EXHIBIT	TITLE
A	Specific Contractor Information
B	HSA Standard Provisions
C	HSA Alcohol & Drug Program Provisions
D	Contractors Fiscal Provisions
E	Description of Services
F	Assurances
G	Appeal Processes

IN WITNESS THEREOF COUNTY and CONTRACTOR have executed this Agreement to be effective: July 1, 2000 through June 30, 2001.

CONTRACTOR:  
  
(Signature)  
Executive Director  
(Title)

COUNTY:  
  
(Signature)  
Administrator  
(Title)

Approved as to form:  
  
County Counsel

Approved as to Insurances:  
 7-28-2000  
Risk Management Division Chief

Index	# 364042
Subobject	# 3975
Contract	# C00880-01
Amount	\$542,423

(Reserved for Clerk of Board)

(DISTRIBUTION)  
County Administrative Officer  
County Counsel  
Auditor Controller  
Health Services Agency  
Contractor

**EXHIBIT A**  
**INDIVIDUAL CONTRACTOR INFORMATION**

- A. 1. **ADMINISTRATION:** County's Alcohol and Drug Program Administrator, hereinafter called County's Administrator, under the direction of the Health Services Agency Administrator shall represent County in all matters pertaining to services rendered pursuant to this Agreement and shall administer this Agreement on behalf of County. Contractor's Executive Director shall administer this Agreement on behalf of Contractor.
- A.2. **TERM:** The term of this Agreement shall commence on July 1, 2000 and continue through and including June 30, 2001 during which time Contractor shall perform the services provided herein.
- A.3. **COMPENSATION:** Total contract amount shall not exceed Five **Hundred** Forty-two Thousand, Four Hundred Twenty-three and **No/100 Dollars (\$542,423.00)** for services performed during the term of this Agreement. In no event shall County obligation of State Drug and Alcohol Allocation base and required County **funds** exceed this amount.

**FOR FEE-FOR-SERVICE CONTRACTS:** County agrees to pay Contractor a total sum not to exceed Ninety-nine Thousand, Five Hundred Forty-five and **No/100 Dollars (\$99,545.00)** for services performed during the term of this Agreement in accord with the negotiated rates set forth in Exhibit D. **CalWORKs** funds may only be used for activities related to **CalWORKs** clients.

**FOR DRUG MEDI-CAL CONTRACTS:** County agrees to pay Contractor a total sum not to exceed

- (a) \$221,439 in State Match, and
- (b) \$221,439 in Federal funds, for a total of \$442,878 for Drug Medical services performed during the term of this Agreement, based on fixed rates.

In no event shall County be required to pay for the cost of services which are covered by funding received by Contractor **from** other governmental contracts, grants or funding sources.

For Drug Medi-Cal units of service which are denied or disallowed by the State, the **County** shall pay Contractor at 25% of the unit of service rates shown in Exhibit D. Contractor shall implement a continuous quality improvement process at the Methadone Clinic which includes routine review of patient charts for possible sources of Medi-Cal denial or disallowances.

- A.4. **NOTICE:** Any notice or notices required or permitted to be given **pursuant** to this Agreement may be personally served on the other party by the party giving such notice, or may be served by mail to the County's Administrator at: County of Santa **Cruz**, HEALTH SERVICES AGENCY, Alcohol and Drug Program, 1400 Emeline Avenue, Santa **Cruz** CA 95060, or to Contractor at: Triad Community Services, 5271 **Scotts** Valley Drive, Suite 200, **Scotts** Valley, CA 95066.

- B.1. **INDEPENDENT CONTRACTOR.** It is agreed that CONTRACTOR shall perform as an independent contractor under this Agreement. CONTRACTOR is, for all purposes arising out of this **Agreement**, an independent contractor, and shall not be deemed an employee of **the COUNTY**. It is expressly understood and agreed that the CONTRACTOR and its employees shall in no event be entitled to any benefits to which COUNTY employees are entitled, including, but not limited to, overtime, any retirement benefits, worker's compensation benefits, **and** injury leave or leave benefits. The Board of Directors/Trustees of CONTRACTOR shall be vested with the responsibility for the administration of the program to be conducted under this Agreement.

By their signatures to this Contract, each party certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Contract is in fact an independent contractor.

- B.2. **CONTRACTORS EMPLOYEES AND EQUIPMENT.** CONTRACTOR agrees that it has secured or will secure at its own expense all persons, employees and equipment unless otherwise specified, that are required to perform the services required under this Agreement and that all such services will be performed by CONTRACTOR or under CONTRACTOR'S supervision, by persons authorized by law to perform such services. If any arrangement is made whereby employees of COUNTY are used by CONTRACTOR, they shall, while engaged in such work be considered for all purposes, as employees, servants, or agents of the CONTRACTOR and **not of** COUNTY, irrespective of party paying **them**.

- B.3. **RESPONSIBILITY FOR INVENTORY ITEMS.**

- a. Any equipment, materials, supplies, or property of any kind purchased from funds advanced or reimbursed under the terms of this Agreement having a useful life of three years or greater and a value in excess of One Thousand Five Hundred and No/1 00 Dollars (\$1,500) is defined as an inventory item. All such items not fully consumed in the work described herein shall be the property of the COUNTY at the termination of this Agreement unless the COUNTY, at its sole discretion, makes an alternate disposition. CONTRACTOR shall, at the request of COUNTY, submit an inventory of said items purchased under the terms of this Agreement, and for items received on a loan basis from COUNTY; such inventory will not be required more frequently than annually. CONTRACTOR shall provide a **final** inventory to COUNTY'S Administrator within ten (10) days of the termination of this Agreement. Final disposition of all inventory items shall be in accordance with written instructions provided by COUNTY.
- b. Inventory items in CONTRACTOR'S possession shall only be used in connection with the program funded under this Agreement, and shall not be loaned to the public at large. CONTRACTOR is strictly liable for repairing or replacing any inventory item which is lost and/or damaged while in its possession. CONTRACTOR is responsible for the proper maintenance of all inventory items. CONTRACTOR will return all inventory items to COUNTY in the same condition that it received them except for damage due to normal wear and tear.

- B.4. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY (which shall include, without limitation, its **officers**, agents, employees and volunteers) **from** and against:

- a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this contract, including but not limited to the use, misuse, or failure of any equipment, materials, tools, supplies or other property furnished to CONTRACTOR by COUNTY, excepting any liability arising out of sole negligence of the COUNTY. Such indemnification includes any damage to the person(s) or **property(ies)** of CONTRACTOR and third persons.

- b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S **officers**, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security and payroll tax withholding).
- B.5. **ASSIGNABILITY.** The CONTRACTOR shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or notation), without the prior written consent of the COUNTY thereto; provided, however, that claims for money due or to become due to CONTRACTOR from COUNTY under this Agreement may be assigned without such approval. Notice of any assignment or transfer shall be furnished promptly to COUNTY.
- B.6. **INTEREST OF CONTRACTOR.** CONTRACTOR covenants that it presently has no interest, including but not limited to, other projects or independent contractors, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR **further** covenants that in the performance of this Agreement no person having any such interest shall be employed or retained by CONTRACTOR under this Agreement.
- B.7. **"SUBCONTRACTS.** All subcontracts of CONTRACTOR for provision of services under this Agreement shall be notified of CONTRACTOR'S relationship to COUNTY. Any subcontract which is in excess of one thousand dollars (\$1,000) shall have prior written approval of COUNTY'S Administrator. CONTRACTOR shall provide, upon request of COUNTY, copies of all subcontracts relating to this Agreement entered into by CONTRACTOR. CONTRACTOR has legal responsibility for performance of all contract terms including those subcontracted.
- B.8. **POLITICAL ACTIVITIES PROHIBITED.** None of the funds, provided directly or indirectly, under this contract shall be used for any political activities or to further the election or defeat of any candidate for public office. No CONTRACTOR shall utilize or allow its name to be utilized in any endorsement of any candidate for elected office. Neither the contract nor any **funds** provided thereunder shall be utilized in support of any partisan political activities for or against the election of candidates for an elected **office**.
- B.9. **LOBBYING.** None of the **funds** provided **under** this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures, or the Board of Supervisors of the COUNTY to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R. Section **501(c)(3)-(ib)(3)**.
- B.10. **CONFORMANCE TO REGULATIONS.** CONTRACTOR shall perform this Agreement in conformance with all applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.
- B. 11. **CONFORMANCE TO LAW.** This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa **Cruz**.
- B.12. **ADMISSION POLICIES.** Admission procedures shall be in writing, be available to the public and include a provision that services, benefits and facilities shall be provided to patients/clients without regard to race, color, religion, age ( over **18**), physical or mental disability, medical condition (cancer related), pregnancy, marital status, national origin, ancestry, gender, sex, or sexual orientation and that no one will be refused services because of inability to pay for services.
  - a. **Nondiscrimination in Services, Benefits and Facilities.** There shall be no discrimination in the provision of services because of race, color, religion, age (over **18**), physical or mental disability, medical condition (cancer related), pregnancy, marital status, national origin, ancestry, gender, sex, or sexual orientation, in accordance with Title VI of the Civil Rights Act of **1964**, 42 U.S.C. Section **2000d**, Sections 503 and 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990 rules and regulations promulgated pursuant thereto, or as otherwise provided on the grounds of any of the aforementioned characteristics. Discrimination in the provision of services includes, but is not limited to, the following: denying a person any service or benefit; providing to a person any service or

benefit which is different, or is provided in a different manner or at a different time from that provided to other persons under this contract; subjecting a person to segregation or separate treatment in any matter related to his or her receipt of any service; restricting a person differently in any way in the enjoyment of an advantage or privilege enjoyed by others receiving any service or benefit; treating a person differently from others in determining whether he/she satisfied any admission, enrollment quota, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit; the assignment of times or places for the provision of services on the basis of any of the aforementioned characteristics of the person(s) to be served. CONTRACTOR will take **affirmative** action to ensure that intended beneficiaries are provided services without regard to race, color, religion, age ( over 18), ancestry, physical or mental disability, national origin, gender, or sex, sexual orientation, medical condition (cancer related), pregnancy, marital status, veteran status, or any other non-merit factor unrelated to job duties.

B. 13. **EQUAL EMPLOYMENT OPPORTUNITY.** During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

- a. CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), pregnancy, marital status, gender, sex, sexual orientation, age ( over 18), veteran status or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.
- b. If this Agreement provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employs **fifteen** (15) or more employees, the following requirements shall apply:
  - (1) The CONTRACTOR shall, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, ancestry, physical or mental disability, medical condition (cancer related), pregnancy, marital status, gender, sex, sexual orientation, age (over 18), veteran status, or any other non-merit factor unrelated to job duties. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR's solicitation of goods and services. Definitions for **Minority/Women/Disabled** Owned Business Enterprises are available from the COUNTY General Services Purchasing Division.
  - (2) The CONTRACTOR shall **furnish** COUNTY **Affirmative** Action **Office** information and reports in the prescribed reporting format (PER 4012) identifying the gender, race, disability, and job classification of its employees and the names, dates and methods of advertisement and direct solicitation efforts made to subcontract with Minority/Women/Disabled Business Enterprises.
  - (3) In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders this CONTRACTOR may be declared ineligible for further contracts with the COUNTY.
  - (4) The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 13b to be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

B.14. **CONFIDENTIALITY OF RECORDS.** CONTRACTOR agrees that all information and records obtained in the course of providing services to COUNTY in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations



adopted pursuant thereto. CONTRACTOR agrees that it has a duty and responsibility to make available to the COUNTY Administrator or **his/her** designated representatives, including the Auditor-Controller of the COUNTY, the contents of records pertaining to COUNTY which are maintained in connection with the performance of CONTRACTOR'S duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The COUNTY acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

- B.15. MONITORING.** CONTRACTOR agrees that COUNTY shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by State and COUNTY requirements. CONTRACTOR agrees to provide COUNTY'S Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.
- B. 16. REPORTS.** CONTRACTOR shall submit written reports of operations, and other reports as requested by COUNTY. Format for the content of such reports will be developed by COUNTY in consultation with CONTRACTOR. Reports shall be submitted to COUNTY'S Administrator.
- B.17. OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL.** All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced **under** this Agreement shall be the property of COUNTY. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the COUNTY. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the CONTRACTOR. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.
- B. 18. EVALUATION/RESEARCH.** Evaluation or research involving contact with past or present recipients of services provided under this Agreement shall be permitted with the informed consent of the recipient and only **after** the CONTRACTOR has determined that the conduct of such evaluation or research will not adversely affect the quality of services provided or individual participation in services. COUNTY reserves the right to prohibit or terminate evaluation or research activities which in its judgment jeopardize the quality of services or individual participation in services provided under this Agreement.
- B.19. PUBLICITY.** CONTRACTOR agrees to provide acknowledgment to COUNTY in any and all public information released regarding programs, activities and services provided under this Agreement. Such releases shall contain a credit substantially as follows: "This program is funded under a contract with the County of Santa **Cruz.**"
- B.20. VOLUNTEERS.** CONTRACTOR agrees not to fill budgeted positions with volunteer workers.
- B.2 1. TRAVELING EXPENSES, FOOD AND LODGING.**
- a. CONTRACTOR'S claim for travel expense for food and lodging must be directly related to this program and shall be at rates not to exceed those applicable to regular COUNTY employees. No travel outside of the State of California shall be payable unless prior written authorization is obtained **from** COUNTY'S Administrator.
  - b. Private mileage reimbursement, if paid based upon miles driven, to CONTRACTOR'S employees when incurred in performance of duties under this Agreement shall be payable at a rate not to exceed COUNTY rates payable to COUNTY employees.
- B.22. CONTRACTOR PERSONNEL STANDARDS.** The CONTRACTOR shall determine that all staff providing services under this Agreement shall be personally and professionally qualified to perform the job requirements under this Agreement. CONTRACTOR shall maintain a resume for each employee which shall include qualifying education, experience and licenses, if applicable.

COUNTY'S Administrator may review resumes of all CONTRACTOR'S employees to ~~determine~~<sup>025</sup> that CONTRACTOR is meeting State and/or Federal job qualification requirements, if applicable under this Agreement.

B.23. PRESENTATION OF CLAIMS. Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz COUNTY Code, which by this reference is incorporated herein.

B.24. CHANGES.

- a. COUNTY may from time to time request changes in the scope of the services of CONTRACTOR to be performed hereunder. Such changes, including any increase or decrease in the amount of CONTRACTOR'S compensation, which are mutually agreed upon by and between COUNTY and CONTRACTOR, shall be effective when incorporated in written amendments in this Agreement. No alteration, amendment, or modification of the terms of this Agreement shall be valid unless executed by written amendment hereto and approved by COUNTY.
- b. COUNTY shall have the right to renegotiate the financial and/or programmatic terms of this Agreement in the event that there is a reduction in the approved budget.

B.25. NOTICE OF POSSIBLE TERMINATION FOR CAUSE.

- a. In the event CONTRACTOR fails to perform any of the provisions of this Agreement or fails to make progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not cure such failure within a period of fourteen (14) calendar days after receipt of notice from COUNTY specifying such failure, COUNTY may by written notice of default terminate the whole or part of this Agreement.
- b. In the event of a termination pursuant to this paragraph, all finished or unfinished documents, and other materials, prepared by CONTRACTOR under this Agreement shall become the property of COUNTY. CONTRACTOR shall be entitled to receive reasonable compensation not to exceed actual cost as reported in interim cost reports for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed amount payable to date of termination under this paragraph reduced by the amount of damages sustained by COUNTY by reason of such breach.

B.26. TERMINATION OF AGREEMENT WITHOUT CAUSE. This Agreement may be terminated without cause by COUNTY or the CONTRACTOR with thirty (30) days written notice.

B.27. TERMINATION DUE TO CESSATION OF FUNDING. COUNTY shall have the right to terminate this Agreement without prior notice to CONTRACTOR in the event that State or Federal funding for this Agreement ceases prior to the ordinary term of the Agreement.

B.28. EXTENSION OF TIME. COUNTY'S Administrator, may extend the time for completion of CONTRACTOR'S performance under this Agreement in the event performance is delayed due to unforeseeable causes beyond the control and without the fault or negligence of CONTRACTOR. Both parties agree that such extension of time does not alter the amount of compensation due CONTRACTOR.

B.29. RETENTION AND AUDIT OF RECORDS. CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years **after** final payment under this Agreement or until a **final** audit report is accepted by COUNTY, whichever occurs last. CONTRACTOR hereby agrees to be subject to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, federal auditors or the designee of either for a period of five (5) years **after** final payment under this Agreement.

B.30. WITHHOLDING OF PAYMENT. COUNTY may withhold final payment until year-end reports are received and approved by COUNTY. COUNTY may suspend or terminate payments for noncompliance with the terms of this Agreement.

B.3 1. DISALLOWANCE AND RESPONSIBILITY FOR AUDIT EXCEPTIONS. CONTRACTOR is responsible for knowledge of, and compliance with, all COUNTY, State and Federal regulations applicable to expenditure of funds under the terms of this Agreement. In the event CONTRACTOR claims and receives payment from COUNTY which is later disallowed based on an audit, performed by the COUNTY, the State of California or the United States government, CONTRACTOR shall promptly refund the disallowed amount to COUNTY on request, or at COUNTY'S sole option, COUNTY may offset the amount disallowed from any payment due or to become due to CONTRACTOR under this Agreement. CONTRACTOR also agrees to assume all responsibility for receiving, replying to, and complying with any audit exception by the COUNTY, State or Federal audit agency.

B.32. OVERPAYMENTS. Overpayments as determined by audits shall be payable to COUNTY within thirty (30) days after date of said determination. Overpayments held in excess of thirty days shall be subject to a penalty charge of a flat twelve (12) percent per annum.

B.33. INSURANCE.

- a. CONTRACTOR, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR'S insurance coverage and shall not contribute to it.
- b. If CONTRACTOR utilizes subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent CONTRACTOR'S Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

(1) Types of Insurance and Minimum Limits:

- (a) Worker's Compensation in the minimum statutorily required coverage amounts. This insurance coverage shall not be required if CONTRACTOR has no employees.
- (b) Automobile Liability Insurance for each of CONTRACTOR'S vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR'S employees), leased or hired vehicles, in the minimum amount of \$500,000 combined single limit per occurrence for bodily injury and property damage.
- (c) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$1,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.
- (d) Professional Liability Insurance in the minimum amount of \$1,000,000 combined single limit.
- (e) Contractor agrees to carry and maintain during the entire term of this Agreement fire and extended coverage including theft insurance to adequately cover value of County's inventoriable items in the possession of Contractor. Insurance policy must name County as the loss payee.

(2) Other Insurance Provisions:

- (a) If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement being both available and reasonably affordable in relation to the coverage

provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

- (b) All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

“The County of Santa Cruz, its officials, employees, agents and volunteers are added as an additional insured as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa **Cruz**”.

- (c) All required insurance policies shall be endorsed to contain the following clause:

“This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.”

- (d) CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverage. All Certificates of Insurance shall be delivered or sent to: Claims Desk, Health Services Administration, P.O. Box 962, Santa Cruz, CA 95061.

#### B.34. SAFETY AND INFECTION CONTROL.

- a. CONTRACTOR asserts that it is in compliance with applicable **Cal/OSHA** guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions, litigation, or other legal or regulatory proceedings in progress or being brought against CONTRACTOR as a result of non-compliance with such guidelines. CONTRACTOR agrees to notify COUNTY immediately should the status of any of the assertions in this paragraph change or come into question.
- b. CONTRACTOR must upon request furnish documentation satisfactory to COUNTY’S Health Officer, of the absence of tuberculosis disease for any employee or volunteer who provides services under this Agreement.
- c. CONTRACTOR agrees to furnish COUNTY, upon request, a copy of CONTRACTOR’S Safety and Infection Control Policy.

#### B.35. CULTURAL COMPETENCY.

In order to ensure access to services, CONTRACTOR shall provide services in a culturally competent manner. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes and policies that enable staff to work effectively in cross-cultural situations. CONTRACTOR shall provide or make available to staff cultural competency training. CONTRACTOR’S clients whose sole language is the COUNTY’S threshold language (i.e., Spanish) shall be provided information, access and direct services in that language.

EXHIBIT C  
SPECIFIC ALCOHOL & DRUG PROGRAM PROVISIONS

FISCAL PROVISIONS

- C.1. FULL COMPENSATION: It is expressly understood and agreed that this Agreement constitutes the entire agreement of Contractor and County and in no event shall Contractor be entitled to any compensation, benefits, reimbursements, or ancillary services other than as herein expressly provided.
- C.2. PARTIAL PERFORMANCE: In the event that less than all services are performed in a proper and timely manner, Contractor shall be paid only the reasonable cost for the services performed for the payment period as determined by County's Administrator.
- C.3. FINAL BUDGET/CONTRACT REVISION: Contractor has the option to revise contract and/or contract budget with approval of County Administrator. Final revisions shall be submitted to County's Administrator no later than sixty (60) days prior to the last day of this Agreement.
- C.4. BUDGET: Contractor agrees to provide County with a budget for services to be performed under this agreement as a basis for establishing the unit of service rate or cost reimbursement amount in Exhibit D, which shall be incorporated by reference in this agreement.
- c.5. COST ALLOCATION: Contractor agrees to allocate administrative, personnel, facility, and other operating costs under this Agreement according to a cost allocation system which has been approved by County's Administrator. Contractor agrees to apply approved cost allocation system to all program components and to permit County to examine all books and accounting records, including, invoices, materials, payroll, or other data for the purpose of monitoring the cost allocation system.
- C.6. REOPENING OF AGREEMENT: Contractor may submit a written request to County's Administrator to obtain approval of County to reopen Agreement. If County agrees to reopen Agreement, Contractor may be reimbursed for services provided after the date of County approval to amend the agreement. In no event shall Contractor be reimbursed for services not covered under this Agreement until a written amendment to this Agreement is approved by County. If Contractor provides services not covered by this Agreement after County has agreed to reopen, it does so at its own risk and will not be compensated for costs related to those services in the event that a **final** written amendment to this Agreement is not approved by the Board of Supervisors.
- c.7. PAYMENT BY CLAIM: County agrees to pay Contractor on receipt of a properly submitted claim on forms provided by County. Each claim shall be approved by County prior to payment. **County** may withhold payment of any claim until contract reports are received and approved by county.
- C.8. METHOD OF PAYMENT

FEE FOR SERVICE CONTRACTS: County shall compensate Contractor on a fee-for-service basis for performing the services listed in Exhibit E. Contractor shall report to County in arrears all costs and units of service provided. All reports shall clearly reflect all required information regarding the services for which claim is made. Each report shall reflect any, and all, payments made to Contractor by, or on behalf of, clients. County shall make payment to Contractor in accordance with the unit of service rates set forth in Exhibit D.

MEDICAL CONTRACTS: County shall compensate Contractor on a fixed rate basis. Contractor shall report to County all costs for providing services. All reports shall clearly reflect all required information regarding the costs for which claim is made. Each report shall reflect any, and all payments made to Contractor by, or on behalf of, clients.

ADVANCE: Contractor shall be provided the option of electing to receive from County an advance payment. Contractor assures that a cash advance is needed each month in order to provide the contracted services. The amount of the advance payment shall be equal to 1/12th of the County's maximum compensation, as shown in Exhibit D of this agreement, except for

contractors with Drug Medical income, who may receive 1/12th of 85% of the Federal Drug Medi-Cal portion of the contract as shown in Exhibit D of this Agreement. Payment may be less than the above 1/12th amounts if there is a cash carry-over **from** the prior month which indicates that the contractor does not need the full advance amount to support the program's cash flow during the month. Contractor may be allowed a carry-over amount from month to month, not to exceed the 1 /12th monthly allocation, upon County Administrator's approval. Any unused funds exceeding the carry-over base shall be offset against the next month's advance. No single monthly payment shall exceed 1/12th of the Maximum Allocation unless there have been payments of less than 1/12th of such amount for any prior month of the agreement term. To the extent that there have been such lesser payments, the resultant savings may be used to pay monthly billings which exceed 1/12th of the Maximum Allocation. Justification to County's Administrator shall be required for advance in excess of these amounts prior to approval of claim for such excess. The cash advance will not be used to provide working capital for non-County programs, and when possible the advance will be deposited in an interest bearing account, and the interest used to reduce program costs. Advance claims will include contract performance data as prescribed by the County. Contractors with Drug Medical funding or cost reimbursement contracts shall file monthly expenditure reports with each advance request. The expenditure reports must be identical in format as the contract budget or in a format approved by the County's Administrator.

- c.9. ACCOUNTS RECEIVABLE: In the event that Contractor or County terminates this Agreement, County shall retain its interest in the accounts receivable which were a result of Contractor conducting business under this Agreement for County. The accounts receivable shall either be assigned to County or shall be used to offset any amounts that may be due to Contractor resulting **from** such termination.
- C.10. ANNUAL COST REPORT: For each fiscal year, or portion thereof, that this Agreement is in effect, Contractor shall provide County an annual cost report within sixty (60) days following the close of such fiscal year. Such cost report shall be prepared in accordance with the cost reporting requirements of the State Department of Alcohol and Drug Programs and in accordance with any other written guidelines which may be provided by County. If this Agreement is terminated or canceled prior to the close of the fiscal year, the annual cost report shall be for that Agreement period which ends on the termination or cancellation date and copies of such report shall be submitted within sixty (60) days after such termination or cancellation.
- C.11. ANNUAL AUDIT: Contractors expending \$300,000 or more of Federal funds (excluding Drug Medical) in a single year must comply with Office of Management and Budget (OMB) Circular A-133, Audits of Institutions of Higher Education and other Non-Profit Institutions, which requires a single or program-specific audit be conducted **annually**. A copy of the A-133 audit shall be submitted to the County no later than eight months following the end of the fiscal year being audited. Recipients of less than \$300,000 a year in Federal funds are exempt from A-133 audit requirements. Only costs of audits performed under Circular A-133 can be charged to the Federal award.

Contractors expending less than \$300,000 of Federal **funds** (excluding Drug Medical) may be required by the County to have an audit, and will be notified in writing by the County Alcohol and Drug Program of any audit requirement and the due date. The scope of the audit and auditor's opinion shall include tracing a sample of units of service or costs charged to the contract to source documents. Any exceptions on units of service or costs shall be reported as adjustments in the audit report. Contractors having independent audits shall submit a copy of all audit reports, comments on findings and recommendations, and corrective action plans to the County Alcohol and Drug Program Administrator within 15 days of receipt of the audit report. County may withhold payment of claims until such reports are received.

Contractor agrees to pay County the full amount of any liability found to be due County due to audit exceptions of Contractor. County agrees to pay Contractor any additional amounts found to be owed by County to Contractor as a result of the audit report findings, not to exceed the maximum financial obligation of County under this agreement.

- C.12. RECORDS, AUDIT, AND INSPECTION THEREOF: Contractor agrees to maintain accurate books and accounting records kept in accordance with generally accepted accounting principles and use acceptable fund accounting methods relative to all its activities under this Agreement.

Contractor will permit **County** to audit, examine and make excerpts or transcripts from such data<sup>0 2 5 5</sup> and records, and to make audits of all invoices, materials, payrolls or personnel and other data relating to all matters covered by this Agreement. County shall normally provide ten (10) days notice to Contractor prior to examination of Contractor's records but reserves the right to inspect records upon demand. The State of California or any Federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon County by this paragraph.

#### MISCELLANEOUS PROVISIONS:

- C. 13. INCIDENT REPORTING: Contractor will report all incidents affecting the immediate health, safety and well-being of clients to the County Alcohol and Drug Program Administrator or his/her designee within 24 hours of knowledge of the condition or incident. Reportable incidents include, but are not limited to, deaths; episodes of acute life-threatening illness; serious physical or psychological injuries or risk thereof; and allegations of abuse **and/or** neglect.
- a. Contractor shall establish policies and procedures for investigation of such incidents and cooperate fully with County Alcohol and Drug Program Administration in any additional investigation it may wish to conduct.
- C. 14. ATTENDANCE AND REPORTS AT ALCOHOL AND DRUG ABUSE COMMISSION MEETINGS: Contractor's Executive Director/ Superintendent, or his/her designee, shall attend all duly called meetings of the Santa **Cruz** County Alcohol and Drug Abuse Commission (ADAC) as requested by County's Administrator. Reports to ADAC shall be given as scheduled or a portion of any claim may be withheld.
- C. 15. CONFORMANCE TO REGULATIONS: Contractor shall perform this Agreement in conformance with all applicable Federal, State, and local rules and regulations including, but not limited to; California Government Code of Regulations - Title IX, California Health and Safety Code - Division 10.5, Drug Program policies as identified in the Drug Program Fiscal Systems Manual (March **1985**), ADP's "County Monitoring Manual for Treatment Providers (July 1982) and applicable facility and professional licensure and/or certification laws. Failure to operate in conformance with licensing/certification requirements may result in termination of Agreement.
- C.16. INSURANCE: In addition to insurance provisions in Exhibit B, contractor shall also forward proof of coverage of all policies before their expiration date to County Administrator (Alcohol and Drug Program Administrator, P.O. Box 962, Santa **Cruz**, Ca. 95061).
- C. 17. PERSONNEL POLICIES: In addition to personnel standards in Exhibit B, Contractor shall have written personnel policies and shall make its personnel policies accessible to employees and to **County**.
- C.18. REAL PROPERTY DISCLOSURES: If Contractor is renting, leasing or subleasing any real property where persons are to receive services hereunder, Contractor shall prepare and submit to County's Administrator, upon request, an affidavit sworn to and executed by Contractor's duly constituted officers containing a detailed description of all existing and pending rental agreements, leases and subleases. The description shall include: the term (duration) of such rental agreement, the amount of monetary consideration to be paid to the lessor or sublessor over the term of the rental agreement, and the full names and addresses of all parties who stand in position of lessor or sublessor. If the lessor or sublessor is a private corporation, affidavit shall disclose a listing of all general and limited partners thereof. True and correct copies of all written rental agreements, leases, and subleases with respect to any such real property shall be made available to County upon request.

#### THE FOLLOWING PROVISIONS FOR TREATMENT PROVIDERS ONLY

- C. 19. AIDS PROTOCOL: Contractor shall develop a protocol on Acquired Immune Deficiency Syndrome (AIDS) as it relates to the treatment services provided by the agency. The protocol shall address staff training, client information, and treatment environment. The AIDS protocol shall be developed in consultation with the County's Administrator and shall be submitted to the County's Administrator for approval.

C.20. HIV POSITIVE: Each service modality described in Exhibit E that provides treatment services for intravenous drug abusers shall admit on a priority basis individuals who test positive for HIV and so advise those individuals seeking treatment. HIV status shall be disclosed by individuals only on a voluntary basis.

C.21. OUTREACH: Each treatment service modality described in Exhibit E shall perform outreach activities for the purpose of encouraging individuals in need of drug abuse treatment to obtain such treatment.

C.22. CLIENT RECORDS: Contractor shall maintain individual client records for each client. Such records shall include identifying data, social and financial data and a record of service provided by various personnel in sufficient detail to make possible evaluation by County's Administrator, or his/her designee, of services rendered. County, at its option, may take custody of Contractor's client records upon termination of services by Contractor. County agrees that such custody will conform to applicable confidentiality provisions of State and Federal law.

C.23. DEFINITION OF CLIENT: For the purposes of this Agreement, a client shall be defined as any individual to whom Contractor provides services for which compensation is sought, in whole or in part, from County.

C.24. CLIENT FEES:

FEE FOR SERVICE CONTRACT: All clients, except those receiving treatment through Drug Medical funds, or CalWORKs Substance Abuse Treatment (SAT) shall be charged a fee by Contractor for services provided hereunder. This fee shall be based upon the client's ability to pay for services, but shall not be in excess of Contractor's negotiated unit costs of providing said services. Contractor shall submit client fee schedule to County's Administrator for approval.

C.25. CLIENT FEES AND OTHER REVENUE: All fees collected from, or on behalf of clients shall be used to reduce the amount payable by County under this Agreement. Revenue in the form of client fees and other revenue collected by Contractor as a result of providing services under this Agreement shall be used by Contractor to support the cost of the total gross program unless specified otherwise in this Agreement. All revenue collected by Contractor under this agreement shall be reported, on a cash basis, in Contractor's monthly claim to County, excluding revenue required through fund raising activities or charitable donation.

C.26. FEES/PAYMENTS FOR SERVICES NOT COVERED BY THIS AGREEMENT: Fees or payments collected from, or on behalf of individuals not covered by this Agreement for services provided by Contractor which are the same or similar to services described in Exhibit E of this Agreement, may be used by Contractor to expand, or enhance Contractor's program. Fees and/or payments described above shall not reduce the amount of compensation claimed from County.

C.27. DATA SYSTEMS: Contractor shall fully participate in the National Drug and Alcohol Treatment Unit Survey (NDATUS), the California Alcohol and Drug Data System (CADDs), the Drug and Alcohol Treatment Access Report (DATAR), and any other data collection systems required by the State Department of Alcohol and Drug Programs (ADP).

C.28. LATINO ACCESSIBILITY POLICY: CONTRACTOR shall submit an updated assessment of their Latino Accessibility Policy and Action Plan and report during the first quarter. The report will also include a list of current staff members, their ethnicity and Spanish language fluency. During the fourth quarter, CONTRACTOR will report on all Action Plan steps including training, hiring and/or termination/resignation of staff or Board members scheduled to be completed by year end.



#### THE FOLLOWING PROVISIONS FOR DRUG MEDICAL PROVIDERS ONLY

C.29. DRUG MEDICAL COMPLIANCE: Contractors receiving Drug Medical funds agree to comply with all requirements for use of State Drug and Drug/Medical funds applicable under this



Agreement, and to prepare and submit all claims, costs reports and other reports as may be required by the State's Payment Cost Reporting System (PCRS).

- a. **MAINTENANCE OF RECORDS:** Drug Medi-Cal client files must be kept a minimum of seven (7) years from the date of last service and URC minutes/records for four (4) years.
- b. **CLIENT GRIEVANCE PROCEDURES:** Client grievances regarding discrimination due to race, color, creed, national origin, sex, age or physical or mental disability must be submitted to the County's Administrator for investigation by the County within 5 working days of the complaint.
- c. **INCIDENT REPORTING:** Incident report forms must be transmitted to the County's Administrator not later than 48 hours after the incident. Incidents to be reported include death, serious personal injury to staff or client, or substantial property damage.
- d. **APPEAL PROCESSES:** This is to notify contractor that assistance may be sought from the State in the event of a dispute over the terms and conditions of the County/Subcontractor contract in accordance with the "Appeal Processes" which is incorporated into this agreement as Exhibit G. This includes appeals regarding financial audits, disallowance of specific Drug Medical claims, certification decisions and an individual clients termination of Drug Medical benefits.

#### THE FOLLOWING PROVISIONS FOR METHADONE PROVIDERS ONLY

**C.30. METHADONE PROVIDERS:** Contractor agrees to provide Methadone Maintenance Services and facilitate HIV pre and post test counseling services to maintenance and Detox clients with the HSA ADHT program..

- a. **METHADONE DETOX CONDITION:** Contractor agrees as a condition of this Agreement, that it will provide methadone detoxification treatment services funded by Medical and client fees. These services are not paid for under this contract. Contractor further agrees that County shall have the right of review and approval of methadone Detox protocol and to establish client matrix levels for Detox services. Contractor agrees to make available to County for examination, all books, financial statements and accounting records as defined in Exhibit B and C as they relate to records for methadone Detox services.
- b. **DESCRIPTION OF SERVICES FOR METHADONE MAINTENANCE:** A detailed description of services to be provided under this Agreement is incorporated with the protocols approved by the County and the State Department of Alcohol and Drug Programs incorporated herein by reference and attached as Exhibit E.
- c. **JAIL DOSING:** Contractor shall continue to comply with agreements developed in prior years regarding dosing of contractor's clients and other persons needing methadone while incarcerated in County jails.

EXHIBIT D  
FISCAL PROVISIONS

- D.1. **MAXIMUM ALLOCATION:** Contractor agrees that **County's** Maximum Allocation under the terms of this Agreement for each mode of service are listed below. The County reserves the right to change the source of funds based on **County** and State requirements.

BY FUNDING SOURCE

TOTAL	Modality	Other Funds	Federal DMC	CalWORKs SAT
\$442,878	Methadone Maintenance	\$221,439	\$221,439	
\$ 17,460	Methadone Maintenance CalWORKs			\$ 17,460
\$ 19,729	Outpatient – SV (NNA)	\$ 19,729		
\$ 34,900	Outpatient – SV CalWORKs			\$ 34,900
\$ 27,456	Outpatient – SLV (NNA)	\$ 27,456		
\$542,423	Total	\$268,624	\$221,439	\$ 52,360

- D.2. **FEE FOR SERVICE CONTRACTS UNIT OF SERVICE RATES:** County agrees to compensate Contractor at the unit of service rates set forth below. Settlement will be done at the end of the contract with the Cost Report. Contractors may request a change in the below rates, by a written request to the County Administrator. **County** Administrator may approve rate changes of 10% or less. Rate changes above 10% will require a contract amendment.

UNIT	RATE	SERVICE
Staff Hour	\$42.18	Outpatient Counseling (NNA) Scotts Valley
Staff Hour	\$35.84	Outpatient Counseling (NNA) San Lorenzo Valley
Staff Hour	\$42.18	Outpatient Counseling (CalWORKs) Scotts Valley

- D.3. **METHADONE MAINTENANCE NTP (Narcotic Treatment Program) MEDICAL FIXED RATES, COUNTY ADMINISTRATIVE CHARGES AND PAYMENT OF OTHER FUNDS:** Payment for services will be based on Medical fixed rates as follows.

UNIT	RATE	SERVICE
Patient Dose	\$ 8.63	NTP – Methadone @MC)
Patient Visit (1 Unit = 10 minutes)	\$12.14	NTP – Individual Counseling @MC)
Patient Visit (1 Unit = 10 minutes)	\$3.23	NTP – Group Counseling (DMC)

The above UNIT, RATE and SERVICE rates also apply to the methadone maintenance services covered by the **CalWORKs** Funding as described in Exhibit E.

- D.4. **DEFINITIONS:** Definition of above unit of service shall be as follows:

**PATIENT DOSE** Methadone Maintenance Treatment (Drug Medical and **CalWORKs** Methadone Maintenance Treatment): A client dose is a calendar month of daily dosing services which are claimed as a daily unit of service (including in-person, take home, and extended take home doses as authorized and required in the methadone maintenance regulations).

**PATIENT VISIT – Individual and/or Group Counseling (Drug Medical and **CalWORKs** Narcotic Treatment Program):** A unit of service is a calendar month of treatment services claimed in 10 minute increments for a minimum of 50 minutes, up to a maximum of 200 minutes of individual and/or group counseling per calendar month to each beneficiary. A patient visit is a face-to-face contact between a counselor and patient, for group or individual counseling. Telephone contacts and visits not at the certified site are not billable units of service. Group counseling shall be conducted with no less than 4 and no more than 10 patients at the same time with at least one of the patients in the group being a Medical beneficiary focusing on the needs of the individuals served. Counseling sessions shall meet the requirements specified in Section 10345, Title 9, CCR.

**STAFF HOUR:** Those hours that a direct service staff person is on the job and available to provide services. A direct service staff person is defined as a staff person who spends time providing services directly to program clients. Administrative, clerical and other support services may not be billed as staff hours. Staff time used for vacations, holidays, sick leave and other leave may not be billed to County. Volunteer and unpaid intern time may not be billed to County. Time to be billed in **15-minute** increments of direct staff time. Staff Hours are claimed for the following modes of service:

- a. Outpatient Services: Staff Hours may include individual counseling and group therapy of a minimum of 3 and not more than 15 unrelated individuals, intake, assessment, case management and aftercare.
- b. **CalWORKs:** Staff Hours may be claimed for assessment, treatment, case management, referral and aftercare services that are authorized and approved by the Human Resources Agency (HRA) **CalWORKs** Employment and Training staff. A copy of the **CADDs** form for each new client enrolled during the report month will be submitted with each monthly claim. Alcohol or drug (AOD) services are to be employment focused, and in accordance with **CalWORKs** Welfare-to-Work plans and/or participation agreements. As authorized and approved by HRA, **CalWORKs funds** may also be claimed for participation in **CalWORKs** multi-disciplinary team meetings; for outreach and education activities related to informing and encouraging **CalWORKs** recipients to enter into alcohol and drug treatment services; for start-up activities approved by the County Alcohol and Drug Program Administrator; and for participation as requested in multi-disciplinary team meetings. Contractor shall establish procedures for screening all clients at intake regarding their status as a **CalWORKs** recipient and refer **CalWORKs** recipients who were not initially referred by the HRA back to HRA for inclusion of alcohol and drug treatment into their **CalWORKs** activity agreement **and/or** **CalWORKs** Welfare-to-Work plan. If access to service for clients referred under **CalWORKs** cannot be provided within seven days of the receipt of the HRA referral, Contractor shall inform **HRA** and the Health Services Agency (**HSA**) Alcohol and Drug Program, and work in cooperation with I-IRA and HSA to address access issues. Contractor will coordinate with HRA and HSA to develop participant tracking and monitoring systems, as needed, by the **CalWORKs** program. Contractor will also work with HRA and HSA to develop protocols for protecting client confidentiality and exchanging necessary and appropriate information as required for reporting purposes.

- D.5. **ADVANCE BASE:** Advances for NNA, **CalWORKs**, and Drug Medical services shall be made on a base of \$509,207. Advance Base does not include 15% of Federal Medical funds if applicable as outlined in the Fiscal Provisions at Exhibit C.8. Settlement of **final** NNA and Drug Medical contract payments will be based on the final Cost Report.

**DRUG MEDI-CAL ADMINISTRATIVE CHARGES:** County administrative charges for Drug Medical services will not exceed 10% of the approved rate per unit of service, unless provider cost is less than the contract amount and County administrative cost is higher. Drug Medical unit of service costs that exceed the rate may be paid up to the limit of County funds available, not to exceed actual costs of the Drug Medical program.

- D.6. **INCREASE IN MAXIMUM ALLOCATION FOR MODE OF SERVICE:** Funds may not be shifted between modalities, e.g., Outpatient and Residential, without written approval by County Administrator. Shifts can be requested to the extent that there are funds available as a result of reduced billings for another mode of service or other modes of services hereunder. Such shifting of funds shall be on a dollar for dollar basis and as the Maximum Allocation for provision of a particular mode of service is augmented, there shall be a corresponding reduction in the Maximum Allocation for another mode of service or modes of services.

EXHIBIT E- 1  
DESCRIPTION OF SERVICES

0260

Contractor: Triad Community Services  
Component: Methadone Services  
Modality: Methadone Maintenance  
Primary Target Groups Treated: Opiate-Addicted Adults

Provider #: 44-4460

Budget and Unit of Service (UOS) Data

	98-99 Past Year Actual	99-00 Current Year Estimated	00-01 New Budget Year Estimated
Gross Program Cost	\$669,985	\$700,180	\$868,809
County Funding	\$320,444	\$346,492	\$442,878
Number of patients funded by County	170	210	260

PRIMARY PROBLEMS TREATED

The Santa Cruz methadone maintenance treatment program treats those chronic heroin addicts who have relapsed to daily drug use. Patients receive daily oral doses of methadone, medical exams, counseling services and HIV counseling and education. Patients who comply with program requirements remain on Methadone Maintenance between 12-24 months.

PROGRAM GOALS AND OBJECTIVES

GOAL I. To provide methadone maintenance treatment services to patients who **qualify** for services under state/federal regulations.

OBJECTIVE A. To serve 260 patients during the contract period and to increase slot capacity to 223 patients served per month by November 1, 2000.

A. 1. Triad agrees to encourage non-Medical patients to participate financially in their own recovery by charging for outpatient services according to each individual's ability to pay, in order to extend the units of service which may be provided by public funding. Triad will continue to maintain a high fee collection rate.

A.2. Of the 260 patients, Triad will provide Methadone Services to the following hard to reach populations:

Opiate addicted adults who are:

- a. Latinos.
- b. Women.
- c. Pregnant or chronically and terminally ill Jail patients.

and give priority admission status and keep emergency slots open for priority admissions to Opiate addicted;

- c. Pregnant Women.
- d. HIV Positive patients.

A.3. To continue to do outreach in the County with a focus on South County, Latinos, HIV patients and pregnant patients.

OBJECTIVE B. To provide 6,783 slot days per month and a total of 81,395 slot days during the fiscal year.

- B. 1. To maintain an absenteeism dosing rate of not more than 7% of active patients. (Does not include patients in jails, hospitals, or institutions that are having slots held.) 0267
- B.2. To provide 6,5 12 doses per month beginning November 1, 2000.
- B.3. To continue to provide jail dosing to pregnant or chronically and terminally ill patients.

OBJECTIVE C: To provide a minimum of 5 counseling units of service to each client per month and to strive for 9 to 11 units of service per client per month. (1 UOS = 10 minutes of counseling.)

GOAL II. To provide AIDS counseling to patients and education and training for staff and patients and facilitate testing and counseling by HSA - ADHT.

OBJECTIVE A. To review, revise (as necessary), and continue the MOU with HSA ADHT. If there are changes in the MOU, submit a copy to **DADPA** with the First Quarter Report.

OBJECTIVE B. To work closely with HSA-ADHT to facilitate HIV testing and counseling, to monitor implementation, training and education, to evaluate effectiveness and submit a summary to **DADPA** with the 3rd quarter and final report and to provide an AIDS counseling/education session for all patients.

OBJECTIVE C. To provide AIDS prevention and education materials in English or Spanish to all patients.

GOAL III. (APPLIES TO ALL E EXHIBITS) To promote staff development and competency by providing training to staff.

OBJECTIVE A. To develop a Staff Training Plan and submit the Plan with the First Quarter Report. The Staff Training Plan must include the title and topic of the training, the trainer's name, the date of the training and the cost. In addition to alcohol and **drug** treatment and prevention training topics, the Training Plan must include the following:

- a. Safety and Infectious Disease policy issues;
- b. HIV/AIDS prevention, treatment, confidentiality, and referrals;
- c. Admission priority and waiting lists requirements, TB testing and services, and interim services for injection drug users;
- d. ADA requirements and agency plan;
- e. Programmatic issues related to the diverse aspects of the population (e.g., culture, acculturation and assimilation, cultural competency and **Latino** accessibility, dual diagnosis, and other population characteristics).

OBJECTIVE B. Document trainings attended by staff in individual employee training logs and maintain in employees' personnel files.

OBJECTIVE C. Report actual trainings attended by staff in each Quarterly Report, including the following:

- a. The title, topic and date of the training;
- b. The length of the training;
- c. The name and title of each staff attending the training.

GOAL IV. (APPLIES TO ALL E EXHIBITS) To ensure accessibility to individuals with disabilities into county funded programs and to meet the Americans **With Disabilities** Act (ADA) requirements, and **County** and ADP reporting and action requirements.

OBJECTIVE A. To conduct an **annual** review of the agency's ADA Accessibility Policy, and report on any revisions to the policy in the First Quarter Report. Name the agency staff person who is responsible for ADA compliance.

OBJECTIVE B. Maintain the appropriate Fire Marshal clearance and State License.

OBJECTIVE C. Any complaints related to ADA compliance must be reported verbally to **DADPA** within 24 hours and in writing within three days.

GOAL V. (APPLIES TO ALL E EXHIBITS) To evaluate program effectiveness.

OBJECTIVE A. To evaluate in the annual report the effectiveness of services provided including any outcome study results controlled by the agency

GOAL VI. (APPLIES TO ALL OUTPATIENT AND RESIDENTIAL E EXHIBITS) To promote accessibility for dual diagnosis clients into the agency's residential and outpatient treatment modalities.

OBJECTIVE A. Review and revise prior year Action Plan and submit **with** the First Quarter Report.

OBJECTIVE B. Designate a lead staff person to assist the County in planning staff training activities and staff rotation activities, and implementing these activities, as per the current year plan. Report the name of the staff person in the First Quarter Report.

GOAL VII. (APPLIES ONLY TO MEDI-CAL FUNDED PROGRAMS) To manage the Medical program and funding to meet all County and ADP M/C requirements in order to maximize revenue, to reduce disallowances, and to prevent audit exceptions.

OBJECTIVE A. To ensure timely accurate submission and data entry of Medi-Cal billable units of service within 20 days after the month of service, to processing of all reports from State Alcohol and Drug Program (ADP) Medical by due dates; and submission of DATAR reports with monthly claims.

OBJECTIVE B. To monitor Medical revenue status by doing quarterly written analysis of the units of service, the dollars earned, the program, and projections for the year to be included with each quarterly report.

EXHIBIT E-2  
DESCRIPTION OF SERVICES

Contractor: Triad Community Services  
 Component: Methadone Services  
 Modality: **CalWORKs** Methadone Maintenance  
 Primary Target Groups Treated: Opiate-Addicted **CalWORKs** Adults  
 Provider #: 44-4460

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Budget and Unit of Service (UOS) Data

	98-99 Past Year Actual	99-00 Current Year Estimated	00-01 New Budget Year Estimated
Gross Program Cost	\$11,576	\$16,580	\$17,460
<b>CalWORKs</b> Funding	\$4,000	\$4,000	\$17,460
Number of patients funded by County	1	1	3

PRIMARY PROBLEMS TREATED

The Santa **Cruz** methadone maintenance treatment program treats chronic heroin addicts who have relapsed to daily drug use. Patients receive daily oral doses of methadone, medical exams, counseling services and HIV counseling and education designed to address barriers to employment experienced by **CalWORKs** drug addicted patients.

PROGRAM GOALS AND OBJECTIVES

GOAL I. To provide full Methadone maintenance treatment services **CalWORKs** patients who qualify for services under state/federal regulations.

OBJECTIVE A. To provide 1,234 dosing days, 244 individual and 568 group units of counseling to at least 3 **CalWORKs** patients.

- A.1. Quarterly reports of **CalWORKs** Methadone Service patients served will at a minimum include a count and summary of the following:
- a. Slot days.
  - b. Doses.
  - c. Individual Counseling visits.
  - d. Total units of service.
  - f. Number, ethnicity and gender of **unduplicated** patients listed above.

EXHIBIT E-3  
DESCRIPTION OF SERVICES

0264

Contractor: Triad Community Services  
 Component: Outpatient Services  
 Modality: Individual and Group Counseling – Scotts Valley  
 Primary Target Groups Treated: Chemically Dependent Adolescents

Provider #: 44-4462

Budget and Unit of Service (UOS) Data			
	98-99 Past Year Actual	99-00 Current Year Estimated	00-01 New Budget Year Estimated
Gross Program Cost	\$ 17,881	\$ 18,417	\$19,729
County Funding	\$ 17,881	\$ 18,417	\$19,729
Number of clients funded by County	60	75	75

### PRIMARY PROBLEMS TREATED

Description of Services: The early recovery outpatient program offers comprehensive chemical dependency (CD) treatment to adolescents, including individual and group counseling, family support groups, educational lecture series, family counseling, psychological evaluations, medical exams, lab work and urinalysis.

Primary Problems Treated: Chemical dependency in adolescents.

### PROGRAM GOALS AND OBJECTIVES

**GOAL I:** Triad will provide Outpatient Services to chemically dependent adolescents at Triad Scotts Valley.

**OBJECTIVE A. OUTPATIENT COUNSELING.** Triad will provide a total of 585 Outpatient Counseling staffhours to 75 adolescents.

**A.1.** Triad will encourage clients to participate financially in their own recovery by charging for outpatient services according to each individual's ability to pay, in order to extend the units of service which may be provided by public funding. No client will be turned away because of inability to pay.

**OBJECTIVE B. INDIVIDUAL COUNSELING.** Of the 585 staff hours for Outpatient Services, Triad will provide 322 staffhours for Individual Counseling to 75 unduplicated clients.

**B.1.** Of the 322 hours, at least 255 staff hours will be for Individual Counseling face-to-face client services. Face-to-face client service staff hours will not equal available staff hours because of staff time for charting, no-shows and session planning.

**B.2.** Quarterly reports of Individual Counseling clients served will at a minimum include a count and summary of the following:

- a. Comprehensive Intake Assessment face-to-face visits.
- c. Individual Counseling face-to-face visits.
- d. Number, **ethnicity** and gender of unduplicated clients listed above.

**OBJECTIVE C. GROUP COUNSELING.** Of the 585staff hours for Outpatient Services, Triad Scotts Valley will provide 263 staff hours for Group Counseling.

**c.1.** Of the 263 hours, at least 225 staff hours will be devoted to face-to-face



client services to 25 unduplicated clients. Face-to-face client service staff hours will not equal available staff hours because of staff time for charting, no-shows and session planning.

- c.2. Quarterly reports of clients counseled will at a minimum include a count and summary of the following:
- a. Number of group visits.
  - b. Average number of clients in each group.
  - c. Number, **ethnicity** and gender' of unduplicated clients listed above.

EXHIBIT E-4  
DESCRIPTION OF SERVICES

0266

Contractor: Triad Community Services  
 Component: Outpatient Services Provider #: 44-4462  
 Modality: **CalWORKs** Individual and Group Counseling Scotts Valley  
 Primary Target Groups Treated: Alcohol and Drug Abusing **CalWORKs** Clients

**Budget and Unit of Service (UOS) Data**

	98-99 Past Year Actual	99-00 Current Year Estimated	00-01 New Budget Year Estimated
Gross Program Cost	\$4,000	\$4,000	\$34,900
<b>CalWORKs</b> Funding	\$4,000	\$4,000	\$34,900
Number of clients funded by County	4	4	16

**PRIMARY PROBLEMS TREATED**

Description of Services: The early recovery outpatient program offers comprehensive chemical dependency (CD) treatment designed to reduce barriers to employment caused alcohol and other drug abuse to **CalWORKs** clients.

**PROGRAM GOALS AND OBJECTIVES**

GOAL I. To provide chemical dependency treatment designed to reduce barriers to employment caused by alcohol and other drug abuse.

OBJECTIVE A. OUTPATIENT COUNSELING. Triad Scotts Valley will provide a total of 7 10 staff hours to 16 **CalWORKs** recipients age 18 or over, who are abusing alcohol and/or other drugs.

OBJECTIVE B. INDIVIDUAL COUNSELING. Of the 7 10 staff hours for Outpatient Services, Triad Scotts Valley will provide 348 staffhours for **CalWORKs** Individual Counseling.

B.1. Of the 348 hours, at least 285 staff hours will be for Individual Counseling face-to-face client services to 16 unduplicated clients. **Face-to-face** client service staffhours will not equal available staffhours because of staff time for charting, no-shows and session planning.

B.2. Quarterly reports of **CalWORKs** Individual Counseling clients served will at a minimum include a count and summary of the following:

- a. Comprehensive Intake Assessment face-to-face visits.
- b. Individual Counseling face-to-face visits.
- c. Number, ethnicity and gender of unduplicated clients listed above.

OBJECTIVE C. GROUP COUNSELING. Of the 7 10 staff hours, Triad Scotts Valley will provide 362 staff hours for **CalWORKs** Group Counseling.

c.1. Of the 362 hours, at least 3 15 staff hours will be devoted to face-to-face client services to 16 unduplicated clients. Face-to-face client service staff hours will not equal available staff hours because of staff time for charting, no-shows and session planning.

c.2. Quarterly reports of **CalWORKs** clients counseled will at a minimum include a count and summary of the following:

- a. Number of group visits. 0267
- b. Average number of clients in each group.
- c. Number, ethnicity and gender of unduplicated clients listed above.

EXHIBIT E-5  
DESCRIPTION OF SERVICES

0268

Contractor: Triad Community Services  
 Component: Outpatient Services  
 Modality: Individual and Group Counseling  
 Primary Target Groups Treated: Chemically Dependent Adolescents

Provider #: 44-4462  
 Triad San Lorenzo Valley Unified School District

Budget and Unit of Service (UOS) Data

	9 8 - 9 9 Past Year Actual	99-00 Current Year Estimated	00/01 New Budget Year Estimated
Gross Program Cost	\$25,096	\$26,400	\$27,456
County Funding	\$24,884	\$26,400	\$27,456
Number of clients funded by County	150	150	150

**PRIMARY PROBLEMS TREATED**

Description of Services: At risk adolescents in the San Lorenzo Valley Unified School District (SLWSD) will be provided with outpatient counseling services including individual and group counseling. Primary prevention services will be included in the following treatment services.

Primary Problems Treated: Chemical dependency in adolescents in the SLV.

GOAL I: To provide comprehensive **intake\assessment** and outpatient counseling treatment services for adolescents attending school in the San Lorenzo Valley School District.

OBJECTIVE A. OUTPATIENT COUNSELING. Triad will provide a total of 766 Outpatient Counseling staff hours to 150 adolescents.

A.1. Triad will encourage clients to participate financially in their own recovery by charging for outpatient services according to each individual's ability to pay, in order to extend the units of service which may be provided by public funding. No client will be turned away because of inability to pay.

OBJECTIVE B. INDIVIDUAL COUNSELING. Of the 766 **staff** hours for Outpatient Services, Triad SLWSD will provide 714 staff hours for Individual Counseling.

B.1. Of the 714 hours, at least 417 staff hours will be for Individual Counseling face-to-face client services to 150 unduplicated clients. Face-to-face client service staff hours will not equal available staff hours because of staff time for charting, no-shows and session planning.

B.2. Quarterly reports of Individual Counseling clients served will at a minimum include a count and summary of the following:

- a. Comprehensive Intake Assessment face-to-face visits.
- c. Individual Counseling face-to-face visits.
- d. Number, ethnicity and gender of unduplicated clients listed above.

OBJECTIVE C. GROUP COUNSELING. Of the 766 staff hours for Outpatient Services, Triad SLWSD will provide 52 staff hours for Group Counseling.

C.1. Of the 52 hours, 26 staff hours will be devoted to face-to-face client services to 15 unduplicated clients. Face-to-face client service staff hours will not equal available staff hours because of staff time for charting, no-shows and session planning.

- c.2. Quarterly reports of clients counseled will at a minimum include a count and summary of the following:
- a. Number of group visits.
  - b. Average number of clients in each group.
  - c. Number, ethnicity and gender of unduplicated clients listed above.

EXHIBIT F-1  
ASSURANCE OF NONDISCRIMINATION IN PROGRAMS OR ACTIVITIES  
RECEIVING STATE FINANCIAL ASSISTANCE

0270

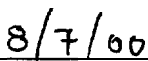
Triad Community Services, (hereinafter called the "Recipient") agrees that it will comply with Article 9.5 (commencing with Section 1135) of the Government Code and the regulations adopted or actions taken by the State Department of Alcohol and Drug Programs to implement such Article to the end that no person in the State of California shall, on the basis of ethnic group identification, religion, age, gender, color, or disability, be unlawfully denied the benefits of, or be unlawfully subjected to discrimination under any program receiving State financial assistance.

Recipient shall ensure that each of its employees are aware of the rights of ultimate beneficiaries and the responsibilities of recipients under Article 9.5, and make available to ultimate beneficiaries and other interested persons information regarding the provisions of Article 9.5 and implementing regulations and their applicability to the program or activity for which the Recipient receives State financial assistance. Further, the Recipient certifies that it has a process in place by which complaints pursuant to Article 9.5 are **resolved** informally and quickly at the lowest possible level.

Recipient shall permit access by representative of the State Department of Alcohol and Drug Programs at any time during normal business hours to such of its books, records, accounts, other sources of information and its facilities as may be pertinent to ascertain compliance with Article 9.5. Recipient recognizes and agrees that State financial assistance will be extended in reliance upon the representations and agreements made in this assurance, and that the State of California shall have the right to seek administrative and judicial enforcement of this assurance. This assurance is binding on the Recipient, its successor transferees, and assignees. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of **the** Recipient.

TRIAD COMMUNITY SERVICES  
527 1 **Scotts** Valley Drive, Suite 200  
**Scotts** Valley, CA 95066

  
\_\_\_\_\_  
(Authorized Official)

  
\_\_\_\_\_  
(Date)

ASSURANCES REGARDING THE NO UNLAWFUL  
USE OF DRUGS OR ALCOHOL

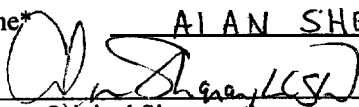
Consistent with the requirements of California Health and Safety Code, Division 10.5, Sections 11999 through 11999.3 (SB 1377), Statutes of 1989, Chapter 1429, and on behalf of Triad Community Services (official program name) the undersigned person does hereby assure that:

1. He or she understands the requirements of Section 11999.2, which states:
  - (a) Notwithstanding any other provision of law, commencing July 1, 1990, no state funds shall be encumbered by a state agency for allocation to any entity, whether public or private, for a drug- or alcohol-related program, unless the drug- or alcohol-related program contains a component that clearly explains in written materials that there shall be no unlawful use of drugs or alcohol. 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.
  - (b) All aspects of a drug- or alcohol-related program shall be consistent with the "no unlawful use" message, including, but not limited to, program standards, curricula, materials, and teachings. These materials and programs may include information regarding the health hazards of use of illegal drugs and alcohol, concepts promoting the well-being of the whole person, risk reduction, the addictive personality, development of positive concepts consistent with the "no unlawful use" of drugs and alcohol message.
  - (c) The "no unlawful use" of drugs and alcohol message contained in drug- or alcohol-related programs shall apply to the use of drugs and alcohol prohibited by law.
  - (d) This section does not apply to any programs funded by the state that provides education and prevention outreach to intravenous drug users with AIDS or AIDS-related conditions, or persons at risk of HIV-infection through intravenous drug use.
2. He or she has reviewed those aspects of the program to which Section 11999.2 applies, and
3. Those aspects of the program to which Section 11999.2 applies meet the requirements of Section 11999.2.

Printed

Name\*

ALAN SHERER, LCSW



Original Signature\*

Executive Director

Title

8/7/00

Date

\* NOTE: This form must be signed by the person responsible for operating a drug- or alcohol-related program.

ADP 7290 (4/92)

EXHIBIT G  
APPEAL PROCESSES

## I. FINANCIAL AUDIT APPEALS

The Department of Alcohol and Drug Programs (ADP) will contract with either the Department of General Services, Office of Administrative Hearing (OAH) or the Department of Health Services (DHS) for an administrative hearing process. Either agency's process is used only for appeals of financial disallowances of alcohol and / or drug program audits.

For either process, the following steps will be necessary to initiate an audit appeal:

1. The Contractor shall prepare and submit a written Notice of Defense (statement of disputed issues), to ADP specifying any objection to the financial findings.
  - The Notice must be mailed to ADP within sixty (60) calendar days from receipt of the Audit Report to:
 

Audit Appeals Coordinator  
Department of Alcohol and Drug Programs  
1700K Street  
Sacramento, CA 958 14
  - The notice must include the signature and mailing address of an individual with the authority to represent the Contractor.
2. ADP will notify the Contractor regarding further arrangements after receipt of the Notice of Defense.

## II. ADMINISTRATIVE APPEALS

If the Contractor wishes to appeal ADP or Department of Health Services (DHS) dispositions concerning recoupment of specific Medi-Cal claims, the procedures include in the California Code of Regulations (CCR) Title 22, Section 5 1015 must be followed. This section applies to Drug Medi-Cal (D/MC) claims processing. The Contractor may also appeal disapprovals by ADP for (re) certification requests as indicated in Section IV of this exhibit.

The following process will apply to first-level grievances or complaints:

1. The Contractor shall initiate the action by submitting the grievance or complaint in writing to ADP.
  - The grievance or complaint shall be submitted in the form of a letter on the official stationery of the Contractor and signed by an authorized representative of the Contractor.
  - The document Shall state that it is being submitted in accordance with CCR Title 22, Section 51015.
  - The document shall identify the specific claim(s) involved and describe the disputed (in) action regarding the claims.
2. The appeal shall be submitted to ADP within ninety (90) days from the date the Contractor receives written notification of the decision to disallow claims.
  - Grievances or **complaints** shall be directed to:

Deputy Director  
Program Operations Division  
Department of Alcohol and Drug Programs  
1700 K Street  
Sacramento, CA 958 14



3. ADP shall acknowledge the grievance or complaint within fifteen (15) calendar days of its receipt.
4. ADP shall act on the appeal and inform the Contractor of ADP's decision, and the basic therefore, within fifteen (15) calendar days after ADP's notice of acknowledgement.

ADP shall have the option of extending the decision response time if additional information is required from the Contractor. The Contractor shall be notified if ADP extends the response time limit.

The Contractor may initiate a second-level grievance or complaint for claims processing only. The grievance or complaint shall be directed to DHS. The second-level process may be pursued only after complying with the first-level grievance or complaint process and only under the following circumstances:

1. ADP failed to acknowledge the grievance or complaint within fifteen (15) days of its receipt.
2. The Contractor is dissatisfied with the action taken by ADP where the conclusion is based on ADP's own evaluation of the merits of the grievance or complaint.
3. The second-level appeal is submitted to DHS within thirty (30) calendar days from the date ADP failed to acknowledge the first-level appeal or from the date of the first-level appeal decision by ADP.

The following process will apply to the grievance or complaints:

1. The contractor shall refer the grievance or complaint to DHS to the attention of:

Chief  
Field Service Branch  
Department of Health Services  
714 P Street, Room 1516  
Sacramento, CA 958 14

The following information shall be submitted:

- a copy of the original written grievance or complaint that was sent to ADP;
  - a copy of ADP's report to which the grievance or complaint applies;
  - and a copy of ADP's response, specific finding(s), and conclusion(s) regarding the grievance or complaint with which the Contractor is dissatisfied.
2. DHS shall review the written documents submitted in the grievance or complaint and send a written report of its conclusions and reasons to the Contractor and ADP within sixty (60) days of receipt of the referral. DHS may request additional information and/or hold an informal meeting with the involved parties before rendering a decision.
  - DHS shall have the option of extending the decision response time if additional information is required from the Contractor. The Contractor and ADP will be notified if DHS extends the response time limit.

### III CLIENT RIGHT TO ADMINISTRATIVE DUE PROCESS

Each **Medi-Cal** beneficiary has the right to an **administrative** hearing regarding any action taken to deny, terminate, or reduce a beneficiary's receipt of D/MC benefits under CCR Title 22 and methadone treatment services under CCR Title 9. Procedures outlined in CCR Title 22 Sections **50951, 50953**, and 51014.1; Welfare and Institutions Code Sections 10950 through 10965; and the Department of Social Services (DSS) Manual of Policy and Procedures. Chapter 22 will be followed by the Contractor, the Utilization Review Committee (URC), and the beneficiary of

If an administrative hearing is requested, an explanation of the circumstances under which the D/MC service and payment shall be continued must be explained to the beneficiary. These steps must be followed in preparation for a hearing.

1. The Contractor must inform the beneficiary in writing at least ten ( 10) days before the effective date of the intended action to terminate or reduce services under D/MC. The notice to the beneficiary shall include:
  - a statement of the action the Contractor intends to take;
  - the reason of the intended action;
  - citation of the specific regulation(s) supporting the intended action(s);
  - an explanation of the beneficiary's right to request an administrative hearing due to the Contractor's decision;
  - and an explanation of the procedure for the beneficiary to request a hearing. The beneficiary must submit the request to:

Administrative Adjudications Division  
 Department of Social Services  
 744 P Street, Room MS 19-37  
 Sacramento, CA 958 14

2. The Contractor must submit the details of the intended action to the URC.
3. Upon notification that a beneficiary has filed for an administrative hearing, the URC shall write a position paper to the office of the Chief Referee at DSS. The position paper must summarize the facts of the case and set forth the regulatory justification for the action.
  - The URC does not have the authority to determinate D/MC payment for services because of client violation of CCR Title 9 requirements. If the beneficiary does not comply **with** program rules and requirements according to Title 9, the Contractor may terminate services and the beneficiary would have the right to a fair hearing under Title 9 procedures.

The findings and decisions of the DSS hearing officer shall be submitted to the Director, DHS, for review in accordance with Title 22, Section 50953 (a). As part of its review, DHS shall seek input from ADP; however, DHS retains sole authority for the decision-making regarding **Medi-Cal** issues.

#### IV. PROVIDER PARTICIPATION, CERTIFICATION, AND RECERTIFICATION APPEALS

The appeals procedures regarding D/MC provider participation, certification, and recertification are as follows:

- a. First-Level Appeals
  1. A provider may appeal a certification evaluator's decision by submitting a request in writing to ADP Licensing and Certification Branch, with specific reasons for the request.
  2. The request for a First-Level Appeal will be submitted to ADP within 30 calendar days from the date the provider and / or county receives written notification of the ADP decision to **deny** the provider's certification.
  3. ADP will acknowledge the written request within 15 calendar days of its receipt.
  4. ADP will act on the appeal and inform the provider and / or county of ADP's decision and the basis **therefor** within 15 calendar days after ADP's acknowledgment notification.

5. ADP will have the option of extending the decision response time if additional information is required from the provider and /or county. The provider and / or county will be notified if ADP extends the response time limit.

The request for an appeal will be submitted in the form of a letter signed by an appropriate representative of the provider and / or county.

Requests for appeal should be directed to the:

Manager, Licensing and Certification Branch  
Quality Assurance Division  
Department of Alcohol and Drug Programs  
1700 K Street  
Sacramento, CA 958 14

b. Second-Level Appeals

A provider and / or county may make a request for a second-level appeal to the ADP Quality Assurance Division Deputy Director only after complying with first-level appeal procedures and only in the following circumstances:

1. ADP has failed to acknowledge a request for a first-level appeal within 15 days of its receipt; or,
2. the provider and / or county is dissatisfied with the action taken by ADP Licensing and certification Branch where the conclusion is based on its own evaluation of the merits of the request.

A request for a second-level appeal will be submitted to ADP within 30 calendar days **from** the date ADP failed to acknowledge the first-level appeal decision.

In making a request for a second-level appeal, the provider and / or county will include a copy of the original written request sent to ADP, a copy of ADP with which the provider is dissatisfied.

The Deputy Director for the ADP Quality Assurance Division will review the written documents submitted in the request, may ask for additional information, may hold an informal meeting with involved parties, and will send a written report of its conclusions and reasons to the provider and / or county within 60 days of receipt of the referral. ADP will have the option of extending the decision response time if additional information is required from the provider and / or county. The provider and / or county will be notified if ADP extends the response time limit,

All requests for second-level appeals made in accordance with this paragraph will be directed to:

Deputy Director  
Quality Assurance Division  
Department of Alcohol and Drug Programs  
1700 K Street  
Sacramento, CA 95814

These appeal procedures should only be used **after** direct communications with the program analyst assigned to the area or inquiries **submitted** to ADP through normal channels have not resulted in a satisfactory resolution of the case.