

**FIRST AMENDMENT TO  
TULARE COUNTY AGREEMENT NO. 28696**

---

**THIS FIRST AMENDMENT** (“Amendment”) to Tulare County Agreement Number 28696 (the “Agreement”) is entered into by and between the **COUNTY OF TULARE** (“COUNTY”) and **ADDICTION RESEARCH AND TREATMENT, INC., dba BAART** (“CONTRACTOR”), and is effective upon signature by the Tulare County Board of Supervisors with reference to the following:

- A. The COUNTY and CONTRACTOR entered into the Agreement on July 1, 2018, for the purpose of providing alcohol and other drug related prevention and/or treatment services; and
- B. COUNTY and CONTRACTOR now wish to amend the Agreement in order to add additional treatment locations in Fresno County.

**ACCORDINGLY, COUNTY and CONTRACTOR agree as follows:**

- 1. Section 1, entitled TERM, of the Agreement is hereby revised to read as follows:

This Agreement becomes effective as of March 1, 2018, and expires at 11:59 PM on June 30, 2019, unless earlier terminated as provided below, or unless the Parties extend the term by a written amendment to this Agreement.

- 2. Exhibit A, entitled Scope of Services, of the Agreement is hereby superseded and replaced with the attached Exhibit A.
- 3. Exhibit B, entitled Compensation, of the Agreement is hereby superseded and replaced with the attached Exhibit B.
- 4. Exhibit L, entitled Substance Use Disorder Service Programs, has been included as part of this amendment.
- 5. Except as provided above, all other terms and conditions of the Agreement shall remain in full force and effect.

///

///

///

///

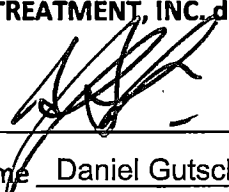
///

**FIRST AMENDMENT TO  
TULARE COUNTY AGREEMENT NO. 28696**

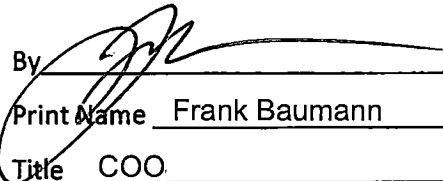
**THE PARTIES**, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

**ADDICTION RESEARCH AND  
TREATMENT, INC. dba BAART**

Date 11-30-2018

By   
Print Name Daniel Gutschenritter, CFO  
Title CFO

Date 12-03-2018

By   
Print Name Frank Baumann  
Title COO

[Pursuant to Corporations Code section 313, County policy requires that contracts with a Corporation be signed by both (1) the chairman of the Board of Directors, the president or any vice-president (or another officer having general, operational responsibilities), and (2) the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer (or another officer having recordkeeping or financial responsibilities), unless the contract is accompanied by a certified copy of a resolution of the corporation's Board of Directors authorizing the execution of the contract. Similarly, pursuant to California Corporations Code section 17703.01, County policy requires that contracts with a Limited Liability Company be signed by at least two managers, unless the contract is accompanied by a certified copy of the articles of organization stating that the LLC is managed by only one manager.]

**COUNTY OF TULARE**

Date \_\_\_\_\_

By \_\_\_\_\_  
Chairman, Board of Supervisors

ATTEST: JASON T. BRITT  
County Administrative Officer/Clerk of the Board  
of Supervisors of the County of Tulare

By \_\_\_\_\_  
Deputy Clerk

Approved as to Form:  
County Counsel

By   
Deputy

Matter # 20181332

**EXHIBIT A  
SCOPE OF SERVICES**

**ADDICTION RESEARCH AND TREATMENT INC., dba BAART  
Methadone Maintenance Program**

**FISCAL YEARS 2017/2018 & 2018/2019  
MARCH 1, 2018 THROUGH JUNE 30, 2019**

**Goal Statement:** Reduce the impact of substance use disorder and addiction on the target population by successfully implementing the described interventions.

**Target Population:** The program will serve adults, aged 18 and older, addicted to heroin and all other opioids. (Addiction Research and Treatment Inc., dba BAART will provide services to opioid-dependent individuals under 18 years of age on a case by case basis.) The program will serve individuals from all ethnic, racial, religious, and cultural backgrounds. The program will serve individuals regardless of sexual orientation or gender identity. The target population includes many individuals who are homeless, living on the streets, in shelters, and residential hotels. The program will serve individuals from all levels of economic status.

Addiction Research and Treatment Inc., dba BAART (BAART) serves opioid-dependent individuals with co-occurring disorders such as Human Immunodeficiency Virus (HIV), Hepatitis C Virus (HCV), Tuberculosis (TB), diabetes, and mental illness. BAART offers ancillary and referral services to help patients address co-occurring disorders.

**Modality & Description of Service:** BAART's primary service function is Methadone Maintenance.

Ancillary services including medical examinations, individual and group counseling are included. HIV, HCV, and TB screenings are offered on site.

The program offers comprehensive opioid treatment for opioid-dependent persons. In addition to medication, patients receive a complete medical examination at point of intake and annually thereafter, and individual counseling sessions at least once per month for a minimum of 50 minutes. Individual patient need determines the length and frequency of counseling sessions per month.

**Locations:**

1. The Visalia Clinic, located at 1646 South Court Street is open for the dispensing of methadone 365 days per year. The Visalia Clinic hours are Monday through Friday from 5:30AM to 3:30PM, Saturday and Sunday from 6:00 AM to 9:00AM and on Holidays from 6:00AM to 8:00 AM. The clinic staff is available during the Monday through Friday hours to provide counseling and primary healthcare services. Specific staff schedules vary according to the program needs.
2. The Porterville Clinic, located at 89 East Mill Avenue is open for the dispensing of methadone 365 days per year. The Porterville Clinic hours are Monday through Friday from 5:30AM to 1:30PM, Saturday and Sunday from 6:00 AM to 9:00AM and on Holidays from 6:00AM to

8:00 AM. The clinic staff is available during the Monday through Friday hours to provide counseling services. Specific staff schedules vary according to the program needs.

3. Fresno clinics:

- a. The Van Ness Clinic, located at 539 N Van Ness is open for the dispensing of methadone 365 days per year. The Van Ness Clinic hours are Monday through Friday from 6:00AM to 2:00PM, Saturday and Sunday from 6:00 AM to 10:00AM and on Holidays from 6:00AM to 9:00 AM. The clinic staff is available during the Monday through Friday hours to provide counseling services. Specific staff schedules vary according to the program needs
- b. The E Street Clinic, located at 1235 E Street is open for the dispensing of methadone 365 days per year. The E Street Clinic hours are Monday through Friday from 5:30AM to 1:30PM, Saturday and Sunday from 6:00 AM to 9:00AM and on Holidays from 6:00AM to 8:00 AM. The clinic staff is available during the Monday through Friday hours to provide counseling services. Specific staff schedules vary according to the program needs.
- c. The Cartwright Clinic, located at 3103 E Cartwright Avenue is open for the dispensing of methadone 365 days per year. The Cartwright Clinic hours are Monday through Friday from 5:30 AM to 9:30 AM & 10:30 AM to 1:00 PM, Saturday and Sunday from 6:00 AM to 9:00 AM and on Holidays from 6:00AM to 8:00 AM. The clinic staff is available during the Monday through Friday hours to provide counseling services. Specific staff schedules vary according to the program needs.

**Methodology:**

- A. BAART depends primarily on word of mouth and referrals from community social service agencies for recruitment. BAART works continuously to strengthen patient outreach and recruitment by redesigning and updating promotional pamphlets, brochures and the BAART Programs website. BAART has provided and continues to offer free educational services to any organization interested in learning about methadone maintenance treatment, philosophy and clinical outcomes.
- B. Methadone Maintenance Treatment (MMT) is appropriate for persons with chronic opioid dependence and addiction who have a history of repeated relapse, persons who live in environments not supportive of a life-style free from substance use, and for those who repeatedly engage in criminal behavior related to their chronic opioid use.

Criteria used to determine appropriateness include history of substance use disorder, physical examination results, results of laboratory tests (blood and urine), Federal admission criteria, State Title IX criteria, and patient preference.

Preliminary screenings are conducted to determine eligibility and appropriateness for maintenance treatment in addition to identifying, documenting and addressing the immediate and urgent needs of the prospective patient.

The screening procedure is conducted by a face-to-face meeting with a counselor, intake coordinator, or staff person whenever a person requests to be considered for admission to

maintenance treatment. The program physician, in consult with the clinic director, will make the final determination of admission to treatment.

Persons considered high-priority candidates for admission include:

- Pregnant opioid dependent women
- Persons with HIV infection
- Persons with life threatening diseases such as TB and HCV, that are made worse by injection drug use
- Persons with serious endocarditis, septic arthritis, or other medical problems

#### *Comprehensive Health Assessment*

A health assessment is completed for every patient entering the program. The assessment includes a review of the patient's medical history, a physical examination, laboratory tests (i.e., Complete Blood Count, Sequential Multiple Analysis with Computer (SMAC), Urinalysis and TB) and the appropriate health referrals for acute and chronic medical conditions. Given the high-risk lifestyles and special health problems of most people addicted to illicit drugs, the medical staff assess each new patient for conditions such as hepatitis, tuberculosis, sexually transmitted diseases, and abscesses. The medical staff also discusses the advantages of HIV antibody testing and/or early medical intervention for those patients who disclose that they are HIV positive.

#### *Assessment and Treatment Planning*

Patients participate in an assessment process upon entrance into the MMT program, which includes the completion of the Addiction Severity Index-Lite (ASI-lite) and the development of an individualized treatment plan. Both are completed with the support and guidance of a patient's counselor. Treatment Plans are reviewed, revised, and signed by the patient, counselor, and Medical Director every quarter. The ASI-lite is completed at intake and annually to assess progress.

#### *Daily Dosing*

The core substance use disorder treatment service is providing patients with a medically supervised opioid treatment program using methadone. Each patient's recommended length of stay in treatment will vary based on criteria established at the onset of treatment and assessed on an on-going basis. These criteria measure the effectiveness of treatment and include toxicology screening, attendance at counseling sessions, employment status, arrest record, and other such lifestyle factors.

#### *Urinalysis*

Urinalysis (UA) testing is scheduled once per month on a random basis to screen for the use of illicit drugs. This procedure is always followed-up with individual counseling. Counselors specifically address each UA that is positive for illicit substances with the patient.

#### *Counseling*

Individual counseling sessions are provided for each patient for a minimum of 50 minutes per month and a maximum of 200 minutes per month. Frequency of counseling as well as counseling goals and objectives are determined and re-evaluated by the patient, Medical Director and counselor during a quarterly Treatment Planning process.

Counseling sessions are patient driven, focusing on substance use disorder issues including relapse prevention, HIV and HCV issues including education and risk reduction and offered to all patients. Research shows that counseling is a critical part of effective methadone maintenance treatment and contributes to improved treatment outcomes.

### *Linkage*

The Visalia Clinic team maintains and regularly updates a list of referral sources including psychological and psychiatric services, employment, housing, and specialty medical services.

#### D. BAART's treatment philosophy recognizes that:

- Substance use disorder is a chronic, relapsing condition;
- Substance use disorder treatment is a continually evolving field of knowledge;
- Individuals who seek treatment present a wide range of factors related to their developing and maintaining substance use disorder and other problems; their motivations and degrees of readiness for change fall along a broad continuum;
- Effective treatment depends on culturally sensitive programming;
- Comprehensive, low-barrier treatment has the best chance to be effective in resolution of chronic substance use disorders; and
- The most effective treatment of substance use disorders requires treatment of the medical, psychological, and social ills of patients.

A successful treatment episode is measured by a reduction in harm to patient caused by illicit drug use as well as by: satisfying individualized treatment plan objectives, attendance at scheduled counseling appointments, increased HIV/AIDS knowledge and decreased incidents of incarceration, and transferring to another program for further substance abuse treatment.

Given the BAART mission and the previously mentioned philosophy, patients are encouraged to continue treatment as long as appropriate, which varies for each patient. When patients decide to end their treatment with the support of BAART they engage in a discharge planning process. This process involves processing options, plans, goals, and challenges of life after treatment with the patient.

Discharging from treatment is a gradual process combining counseling with the medically supervised and scheduled taper off prescribed medication. Patients who choose to terminate treatment against medical advice are also provided with counseling and a medically supervised and scheduled taper off of the prescribed medication. Patients who terminate against medical advice are also required to sign a waiver acknowledging the physician's recommendation.

The organization employs a full time VP of Clinical Compliance to ensure program compliance with the Health Commission, local, state, and federal regulations, including Health Insurance Portability and Accountability Act (HIPPA) and Title IX regulations.

BAART has Privacy Policies and Procedures designed to ensure compliance with all applicable state and federal laws governing the privacy and confidentiality of protected health information and that it adopts and follows proper practices in this area.

The focus of BAART programs' relationship with patients receiving substance use disorder treatment is the reduction and/or cessation of illicit drug use. Once a patient ceases illicit drug use, focus of treatment becomes relapse prevention. If relapse occurs it is treated as a normal part of the recovery process and efforts are shifted to make the relapse finite and short in duration.

For years, BAART has incorporated ideas reflected by the National Standards for Culturally and Linguistically Appropriate Services (CLAS). Policies, operational guidelines, and organizational and program goals have been developed, formalized, incorporated into written policy manuals and implemented in daily clinic practices

BAART has a non-discrimination policy for both patients and staff ensuring equal opportunities for all eligible individuals who wish to receive BAART services or apply for employment. Patients receive a written copy of the patient non-discrimination policy at an initial individual orientation meeting conducted by a counselor who also reviews the policy orally with the patient. Staff receives an oral review and a written copy of the BAART non-discrimination policy during the new employee orientation conducted by the Human Resource department.

BAART employees are trained on the importance of honoring the dignity of all patients served. Every year BAART staff is required to participate in cultural sensitivity training and training on privacy and confidentiality requirements, Code of Ethics, Patient Rights, and Grievance Procedures. Each year, all direct care staff participate in "Special Populations Training" designed to address issues relevant to unique populations: individuals living with HIV/AIDS, women, transgendered individuals, adolescents, and seniors.

Patients are encouraged to participate in the internal BAART annual patient satisfaction survey exercise. Results from the internal survey are posted in the lobby.

**EXHIBIT B  
COMPENSATION**

**ADDICTION RESEARCH AND TREATMENT INC., dba BAART  
Methadone Maintenance Program**

**FISCAL YEARS 2017/2018 & 2018/2019  
MARCH 1, 2018 THROUGH JUNE 30, 2019**

This Agreement is for the purpose of providing Non-Perinatal and Perinatal Methadone Maintenance for Drug Medi-Cal (DMC) clients. Clients may be residents of Tulare County or anywhere from within the State of California. Based upon information obtained from clients, CONTRACTOR shall be responsible for determining if clients are covered by DMC. No bona-fide DMC client shall be refused services by CONTRACTOR. A DMC client shall not be charged a fee for services, other than a share of cost, pursuant to Article 12 (commencing with Section 50651), Chapter 2, Division 3, Title 22, CCR.

The base reimbursement estimate for Fiscal Years 2017/2018 and 2018/2019 shall be **FOUR MILLION SEVEN HUNDRED TWENTY NINE THOUSAND DOLLARS (\$4,729,000.00)** for Non-Perinatal clients and **TWENTY TWO THOUSAND (\$22,000.00)** for Perinatal clients; subject to the entitlement nature of DMC as described below. The total base amount for contracted services is **FOUR MILLION SEVEN HUNDRED FIFTY ONE THOUSAND (\$4,751,000.00)**.

<b>Service Provided</b>	<b>Contract Amount</b>
Non-Perinatal Meth Maint	4,729,000.00
Perinatal Meth Maint	22,000.00
Total(s)	4,751,000.00

CONTRACTOR shall submit monthly DMC claims for services rendered to both Perinatal and non-Perinatal clients each month to the County's Accounts Receivable Unit (at 5957 S. Mooney Blvd., Visalia, CA 93277). DMC claims submitted less than five (5) working days prior to the last day of the month following the month of service shall ONLY be reimbursable to CONTRACTOR subject to payment by the State to COUNTY. Said claims will be paid according to the normal County payment cycle, based upon the published FISCAL YEAR State-approved DMC rates. The State of California may deny and/or disallow claims submitted for payment; COUNTY will notify CONTRACTOR of the claim status and request corrections as needed. Those claims that are deemed uncollectible and "final denied" will become payable to the COUNTY from CONTRACTOR.

CONTRACTOR should enter all relevant client information into at admission, but under no circumstances shall it be entered later than five days after admission date. DATAR (Drug & Alcohol Treatment Access Report) reports are due from CONTRACTOR on the 10<sup>th</sup> of each month and are to be sent to the State according to Department of Health Care Services (DHCS) SUD Programs and COUNTY instructions. AVATAR client data must be entered within 48 business hours of admittance to and discharge from the treatment program. CONTRACTOR must correct CalOMS data within 2 working days after notification from COUNTY of any and all errors. If CONTRACTOR fails to file claims timely, enter client information into AVATAR, DATAR, or CalOMS, COUNTY may withhold payments until such entries have been made.

Records on each individual recipient of DMC services shall include diagnostic studies, records of client counseling sessions, progress notes, discharge summaries, and/or any other pertinent client information. CONTRACTOR agrees to comply with State and Federal confidentiality requirements. However, the confidentiality provisions shall not prevent COUNTY staff from reviewing client records in the performance of their duties.

If this Agreement is terminated or not renewed, in whole or in part, the clinical records of all past and current recipients of services of the terminated or non-renewed Substance Use Disorder (SUD) program(s) must be



maintained by CONTRACTOR for a minimum of 5 years or until all audit issues with the State have been satisfied, whichever is longer, although COUNTY shall have access to these records at any reasonable time.

If Federal, State or other funding is terminated or reduced below the amounts specified in the State's preliminary allocation letter, or if any funding priorities are imposed by the State, the reimbursement amounts shown above may be reduced on a proportionate basis or terminated with a 30-day written notice.

Not later than sixty (60) days following the end of the contract period, unless otherwise instructed in writing, CONTRACTOR shall submit a final Performance Report related to funding described above. The Performance Report will include the State worksheet labeled Document 2P(h) NTP Non-Perinatal and Document 2P(h) NTP Perinatal. This Report will clearly show both the allowable funding and allowable Units of Service (UOS) provided by CONTRACTOR. UOS to be reported shall be as follows, for Perinatal and non-Perinatal separately:

NTP

# of Individual counseling sessions @ 10 minutes each

# of Methadone doses administered

Licensed capacity

An annual narrative of program progress toward outcomes shall be submitted with the annual Performance Report.

Per ADP Bulletin #98-42, due "to the entitlement nature of DMC, providers should not be limited by a contract amount." Thus, the DMC amounts shown in the CONTRACTOR budget are simply estimates, and are not to be construed as maximums or limiting factors. However, COUNTY will not pay any expenses incurred above rate caps.

It is understood that if the Department of Health Care Services, SUD Programs disallows or denies DMC claims, CONTRACTOR shall reimburse COUNTY for any and all State and Federal Drug Medi-Cal funds previously paid for those claims, regardless of the fiscal year in which the discrepancy is discovered.

## **EXHIBIT L**

### **Substance Use Disorder Service Programs**

#### **1. Services**

Services and work provided by Contractor at the County's request under this Agreement will be performed in a timely manner, and in accordance with applicable federal and state statutes and regulations, including, but not limited to, sections 96.126, 96.127, 96.128, 96.131 and 96.132, and all references therefrom, of the Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA) Reauthorization Act, Public Law 106-310, the State of California Alcohol and/or Other Drug Program Certification Standards (2017 version), Title 21, CFR Part 1300, et seq., Title 42, CFR, Part 8; Drug Medi-Cal Certification Standards for Substance Abuse Clinics; Title 22, CCR, Sections 51341.1, 51490.1, and 51516.1; Title 9, CCR, Division 4, Chapter 4, Subchapter 1, Sections 10000, et seq.; Title 22, CCR, Division 3, Chapter 3, sections 51000 et. seq. and any and all guidelines promulgated by the State Department of Health Care Services' (DHCS) Alcohol and Drug Programs and the Tulare County Department of Health and Human Services to serve special populations and groups, as applicable; County laws, ordinances, regulations and resolutions; and in a manner in accordance with the standards and obligations of Contractor's profession. Contractor shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of Contractor's obligations. The County shall maintain copies of above-mentioned statutes, regulations, and guidelines for Contractor's use. Copies of Substance Use Disorder Service Programs Policies and Procedures are sent to Contractors, as applicable, and can be resubmitted on request. Counselor Certification: Any registered or certified counselor providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS licensed or certified program is required to be certified as defined in Title 9, CCR, Division 4, Chapter 8.

1.1 **Re-Certification Events:** Contractor shall notify DHCS and the County Alcohol and Drug Administrator within the timeframes noted in the State Contract, in addition to applicable federal, state and local regulations and policies of any triggering recertification events, such as change in ownership, change in scope of services, remodeling of facility, or change in location.

1.2 **Cultural and Linguistic Proficiency:** To ensure access to quality care by diverse populations, Contractor shall adopt the federal Office of Minority Health Culturally and Linguistically Appropriate Services (CLAS) national standards, as described in Exhibit J.

1.3 **Perinatal Services Network Guidelines:** Perinatal programs shall comply with the Perinatal Services Network Guidelines FY 2016-17 until such time new Perinatal Services Network Guidelines are established and adopted.

1.4 **Charitable Choice Requirements:** Contractors shall not use funds provided through this contract for inherently religious activities, such as worship, religious instruction, or proselytization. Contractors that are religious organizations shall establish a referral process to a reasonably accessible program for clients who may object to the religious nature of the Contractor's program and contractors shall be required to notify clients of their rights prohibiting discrimination and to be referred to another program if they object to the religious nature of the program at intake. Referrals that were made due to the religious nature of the Contractor's program shall be submitted annually to the County Alcohol and Drug Administrator by June 30 for referrals made during the fiscal year.

1.5 **Trafficking Victims Protection Act of 2000:** Contractor shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 as amended (22 U.S.C. 7104). The County is authorized to terminate the contract, without penalty, if the Contractor: (a) Engages in severe forms of trafficking in persons during the period of time that the award is in effect; (b) Procures a commercial sex act during the period of time that the award is in effect; or (c) Uses forced labor in the performance of the award or subawards under the award.

1.6 **Access to Drug/Medi-Cal Services:** When a request for covered services is made by a

beneficiary, services shall be initiated within 10 business days of the Contractor's receipt of the request. Contractor shall have a documented system for monitoring and evaluating accessibility of care, including a system for addressing problems that develop regarding waiting times and appointments. Contractor shall also have hours of operation during which services are provided to Medi-Cal beneficiaries that are no less than the hours of operation during which the provider offers services to non-Medi-Cal beneficiaries

1.7 Contractors that are Drug/Medi-Cal certified shall also comply with the applicable 42 CFR 438 Managed Care requirements, including, but not limited to the following:

1.7.1 Culturally Competent Services: Contractors are responsible to provide culturally competent services. Contractors must ensure that their policies, procedures, and practices are consistent with the principles outlined and are embedded in the organizational structure, as well as being upheld in day-to-day operations. Translation and oral interpreter services must be available for beneficiaries, as needed and at no cost to the beneficiary.

1.7.2 Medication Assisted Treatment: Contractors will have procedures for linkage/integration for beneficiaries requiring medication assisted treatment. Contractor staff will regularly communicate with physicians of beneficiaries who are prescribed these medications unless the beneficiary refuses to consent to a 42 CFR, Part 2 compliant release of information for this purpose.

1.7.3 Evidence-Based Practices (EBPs): Contractors will implement at the least two of the following EBPs per service modality: Motivational Interviewing, Cognitive-Behavioral Therapy, Relapse Prevention, Trauma-Informed Treatment and Psycho-Education.

1.7.4 Beneficiary Informational Materials: Contractor shall make available at initial contact, and shall notify beneficiaries of their right to request and obtain the following information at least once a year and thereafter upon request: DMC-ODS Beneficiary Booklet and Provider Directory. Contractor shall also post notices explaining grievance, appeal and expedited appeal processes in all program sites, as well as make available forms and self-addressed envelopes to file grievances, appeals and expedited appeals without having to make a verbal or written request to anyone. The County will produce required beneficiary informational materials in English and Spanish. Contractor shall request materials from the County, as needed.

1.7.5 Notice of Adverse Benefit Determination (NOABD): Contractor shall immediately notify BHRS of any action that may require a NOABD be issued to a beneficiary, including, but not limited to: failing to provide the beneficiary with an initial face-to-face assessment appointment within 10 business days of the request; or determining that a beneficiary does not meet medical necessity for any substance use disorder treatment services.

1.7.6 Verifying Medi-Cal Eligibility: Contractor shall verify the Medi-Cal eligibility of each beneficiary for each month of service prior to billing for Drug/Medi-Cal services to that beneficiary for that month. Medi-Cal eligibility verification should be performed prior to rendering service, in accordance with and as described in the DHCS's DMC Provider Billing Manual.

1.7.7 American Society of Addiction Medicine (ASAM) Criteria: Contractor shall be trained in the ASAM Criteria prior to providing services. At a minimum, providers and staff conducting assessments are required to complete the two e-Training modules entitled "ASAM Multidimensional Assessment" and "From Assessment to Service Planning and Level of Care".

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

1.9 Restriction on Distribution of Sterile Needles: No Substance Abuse Prevention and Treatment (SAPT) Block Grant funds made available through this Contract shall be used to carry out any program that includes the distribution of sterile needles or syringes for the hypodermic injection of any illegal drug unless the State chooses to implement a demonstration syringe services program for injecting drug users.

1.10 Limitation on Use of Funds for Promotion of Legalization of Controlled Substances: None of the funds made available through this Contract may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the Controlled Substances Act (21 USC 812).

## **2. Program Evaluation**

2.1 Contractor shall maintain books, records, files, documents and evidence directly pertinent to work under this Agreement in sufficient detail to make possible an evaluation of services provided and compliance with DHCS regulations, as applicable, and in accordance with accepted professional practice and accounting procedures for a minimum of five (5) years after the termination of the Agreement. Contractor agrees to extend to DHCS and to the County and their designees the right to review and investigate records, programs, and procedures, as well as overall operation of Contractor's program with reasonable notice.

2.2 Formal evaluation of the program shall be made annually through a Provider Self-Audit and on-site visit. This evaluation shall result in a written report to the Contractor within fifteen (15) working days of the site visit. Any report that results from a site visit shall be submitted to the Contractor within fifteen (15) working days. Contractor shall submit a written response within the timeframe outlined in the site visit report, and such response shall be part of the official written report provided for in this section.

2.3 Contractor shall meet the requirements of and participate in the management information system of BHRS, and maintain fiscal, administrative, and programmatic records and such other data as may be required by the County Alcohol and Drug Administrator for program and research requirements.

2.4 Contractor shall notify the County Alcohol and Drug Administrator within two business days of receipt of any DHCS report identifying non-compliance services or processes requiring a Corrective Action Plan (CAP). Contractor shall submit the CAP to DHCS with the designated timeframe specified by DHCS and shall concurrently send a copy to the County Alcohol and Drug Administrator.

## **3. Records**

3.1 Contractor and the County mutually agree to maintain the confidentiality of Contractor's participant records, including billings, pursuant to Sections 11812(c) and 11879, Health & Safety Code and Federal Regulations for Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, dated June 9, 1987), the Federal Health Insurance Portability and Accountability Act (HIPAA) and all other applicable State and Federal laws and any amendments. Contractor shall inform all its officers, employees, and agents of the confidentiality provisions of said regulations, and provide all necessary policies and procedures and training to ensure compliance. Contractor shall ensure staff participate in information privacy and security training at least annually, and prior to accessing PHI or PI, sign a confidentiality statement that includes, at a minimum, General use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement must be renewed annually and shall be retained for a period of six (6) years following termination of this contract.

3.2 Where contracts exceed \$10,000 of state funding – the Contractor shall be subject to examination and audit of the Department of Auditor General for a period of three (3) years after final payment under contract (Government Code § 8546.7).

3.3 Contractor shall allow DHCS, US HHS, the Comptroller General of the US and other authorized federal and state agencies, or their duly authorized representatives to inspect books, records and facilities, as permitted by law.

3.4 The Contractor, if applicable, shall maintain medical records required by Title 22 of the California Code of Regulations, and other records showing a Medi-Cal beneficiary's eligibility for services, the service(s) rendered, the Medi-Cal beneficiary to whom the service was rendered, the date of the services, the medical necessity of the service and the quality of care provided. Records shall be maintained in accordance with Title 22 California Code of Regulations.

3.5 Contractor is responsible for the repayment of all exceptions and disallowances taken by local, State and Federal agencies, related to activities conducted by Contractor under the Agreement. Where unallowable costs have been claimed and reimbursed, they will be refunded to County. When a financial audit is conducted by the Federal Government, the State, or the California State Auditor directly with Contractor, and if the Contractor disagrees with audit disallowances related to its programs, claims or services, County shall, at the Contractor's request, request an appeal to the State via the County.

3.6 Financial records shall be kept so that they clearly reflect the source of funding for each type of service for which reimbursement is claimed. These documents include, but are not limited to, all ledgers, books, vouchers, time sheets, payrolls, appointment schedules, client data cards, and schedules for allocating costs. Fiscal records shall contain sufficient data to enable auditors to perform a complete audit and shall be maintained in conformance with the procedures and accounting principles set forth in the State Department of Health Care Services' Cost Reporting/Data Collection Systems.

#### **4. Unusual Occurrence and Incident Reporting**

4.1 Contractor shall report unusual occurrences to the County of Tulare Substance Use Services' Program Manager or designee. An unusual occurrence is any event which jeopardizes the health and/or safety of clients, staff and/or members of the community, including but not limited to physical injury and death.

4.2 Unusual occurrences are to be reported to the County within five (5) calendar days of the event or as soon as possible after becoming aware of the unusual event. Reports are to include the following elements:

- 4.2.1 Complete written description of event including outcome;
- 4.2.2 Written report of Contractor's investigation and conclusions;
- 4.2.3 List of persons directly involved and/or with direct knowledge of the event.

4.3 The County and DHCS retain the right to independently investigate unusual occurrences and Contractor will cooperate in the conduct of such independent investigations.

4.4 Residential substance use treatment facilities licensed by DHCS shall also comply with reporting unusual incidents as outlined in Title 9 CCR, Chapter 5, Subchapter 3, Article 1. Contractor shall notify the County Alcohol and Drug Administrator concurrently, which is a telephonic report within one (1) working day of the event, followed by a copy of the written report submitted to DHCS within seven (7) days of the event.

#### **5. Applicable Fee(s)**

5.1 Contractor shall charge participant fees. No one shall be denied services based solely on ability or inability to pay.

5.2 Contractor shall perform eligibility and financial determinations in accordance with a fee schedule approved by the Chief of Alcohol and Drug Programs for this purpose. Individual income, expenses, and number of dependents shall be considered in formulating the fee schedule and in its utilization.

5.3 Contractor agrees to have on file with the County a schedule of Contractor's published charges, if applicable.

5.4 Contractor shall conduct community-centered fundraising activities, as appropriate.

**6. Non-Discrimination**

6.1 Contractor shall develop and implement policies and procedures that ensure: non-discrimination in the provision of services based on a diagnosis of Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related Complex (ARC), or upon testing positive for Human Immunodeficiency Virus (HIV); the prohibition of the use of HIV antibody testing as a screening criterion for program participation; training of all staff and all participants regarding high-risk behaviors, safer sex practices, and perinatal transmission of HIV infection; and development of procedures for addressing the special needs and problems of those individuals who test positive for antibodies to HIV. No individual shall be required to disclose his or her HIV status.

6.2 The contractor and/or any permitted sub-contractor shall not discriminate in the provision of services because of race, color, religion, national origin, sex, sexual orientation, age or mental or physical handicap as provided by State and Federal law. For the purpose of this contract, distinctions on the grounds of race, color, religion, national origin, age or mental or physical handicap include but are not limited to the following: denying a Medi-Cal beneficiary any service or benefit which is different, or is provided in a different way manner or at a different time from that provided to other beneficiaries under this contract; subjecting a beneficiary to segregation or separate treatment in any matter related to receipt of any service; restricting a beneficiary in any way in the enjoyment, advantage or privilege enjoyed by others receiving ant service or benefit; treating a beneficiary differently from others in determining whether the beneficiary satisfied any admission, eligibility, other requirement or condition which individuals must meet in order to be provided any benefit; the assignment of times or places for the provision of services on a basis of the race, color, religion, national origin, sexual orientation, age or mental or physical handicap of the beneficiaries to be served.

6.3 The Contractor shall take affirmative action to ensure that services to intended Medi-Cal beneficiaries are provided without regard to race, color, religion, national origin, sex, sexual orientation, age or mental or physical handicap.

**7. Required Program Submissions**

7.1 Contractor agrees to maintain, and provide to County upon request, job descriptions, including minimum qualifications for employment and duties performed, for all personnel whose salaries, wages, and benefits are reimbursable in whole or in part under this Agreement.

7.2 Contractor agrees to maintain, and to provide to County upon request, an organizational chart that reflects the Contractor's current operating structure.

7.3 Contractor shall maintain, and provide to County upon request, the complaint procedure to be utilized in the event that there is a complaint regarding services provided under this Agreement. Contractor shall ensure that recipients of service under this Agreement have access to and are informed of Contractor's complaint procedure.

7.4 Upon Contractor's completion of services under this Agreement to County's satisfaction, payment to Contractor shall be made monthly in accordance with the procedures set forth in Exhibit B. All billings and reports shall clearly reflect and in reasonable detail give information regarding the services for which the claim is being made. It is understood and agreed that County may withhold payment until receipt of billings and reports in the prescribed detail and format. Billings and reports shall be made and forwarded to County of Tulare Health & Human Services Division of BHRS promptly at the end of each calendar month; no later than the 10<sup>th</sup> day of the month following the month in which the services, for which billing is made, were rendered. Payments received after that date may result in a delay in payment until the next monthly billing cycle. The payment for the month of September may be withheld pending receipt of the preceding year's Cost Report on continuing services contracts.

7.5 Contractor shall furnish County, within one hundred and eighty (180) days of close of contractor fiscal year, a certified copy of an Audit Report from an independent CPA firm. This Audit Report shall cover Contractor's fiscal year which most nearly coincides with County's fiscal year. Contractors receiving federal funds shall comply with Office of Management and Budget (OMB) Circular Number A-133, Uniform administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations. Cost Report settlements shall be made when a proper Cost Report has been submitted to the County. The findings of the annual Cost Report shall be subject to an audit by County and State. The State of California may make such audits as it deems necessary for the purpose of determining reimbursement due to the County.

7.6 Contractor will have an MOU in place with all approved subcontractors that defines the services to be provided by the subcontractors and is consistent with and fully reflects the services and conditions described in this contract. Such MOUs will be made available to County within a reasonable time upon request.

7.7 Contractor shall enter all relevant information into AVATAR at client admission, but it must be done not later than 5 days after admission date. CalOMS (California Outcomes Measurement System) client data must be entered within 48 business hours of admittance to and discharge from the treatment program. CONTRACTOR must correct CalOMS data within 2 working days after notification from POS of any and all errors. On-line DATAR (Drug and Alcohol Treatment Access Report) entries shall be made no later than the 10<sup>th</sup> day of each month.

## **8. Contractor's Compliance with Provisions of State Contract**

8.1 The County receives funding from DHCS pursuant to an annual contracting arrangement (hereinafter "State Contract"). The State Contract contains certain requirements pertaining to the privacy and security of personally identifiable information (hereinafter "PII") and/or protected health information (hereinafter "PHI") and requires that County contractually obligate any of its sub-contractors to also comply with these requirements. Contractor hereby agrees to be bound by, and comply with, any and all terms and conditions of the State Contract pertaining to the privacy and/or security of PII and/or PHI, a hard copy of which County will provide to the Contractor upon request, and an electronic copy of which can be found on the DHCS website.

8.2 Additionally, in the event the State Contract requires the County to notify the State of a breach of privacy and/or security of PII and/or PHI, Contractor shall, immediately upon discovery of a breach of privacy and/or security of PII and/or PHI by Contractor, notify County of such breach by telephone and email or facsimile to the following contact: Privacy Officer – Ph: (559) 624-7465, e-mail: [privacyofficer@tularehhsa.org](mailto:privacyofficer@tularehhsa.org). Contractor further agrees that it shall notify County of any such breaches prior to the time the County is required to notify the State pursuant to the State Contract.

8.3 In the event the State Contract requires the County to pay any costs associated with a breach of privacy and/or security of PII and/or PHI, including but not limited to the costs of notification, Contractor shall pay on County's behalf any and all such costs arising out of a breach of privacy and/or security of PII and/or PHI by Contractor.

## **9. Electronic Signature**

If Contractor uses electronic medical records, the Contractor agrees to use a system that is consistent with





If Contractor uses electronic medical records, the Contractor agrees to submit staff updates, including changes in roles or new or separated staff, to the AVATAR Administrator within the timeframes outlined in the HHS Policy 30-02 EHR Privacy and Security. The notification shall include submission of the AVATAR Electronic Signature Agreement and AVATAR User Request/Change Form, as applicable. If a user suspects that their electronic signature may be comprised, Contractor shall notify the AVATAR Administrator within the timeframes outlined in the HHS Policy.

**10. Compliance with Anti-Kickback Statute**

Contractor shall comply with the provisions of the "Anti-Kickback Statute" (42 U.S.C. § 1320a-7b) as they pertain to Federal healthcare programs.

**11. Davis-Bacon Act**

Contractor must comply with the provisions of the Davis-Bacon Act, as amended (40 U.S.C. § 3141 et seq.). When required by Federal Medicaid Program legislation, all construction contracts awarded by the Contractor and its subcontractors of more than \$2,000 must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141 et seq.) as supplemented by Department of Labor regulations (Title 29, CFR Part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction").

**12. Conditions for Federal Financial Participation**

12.1 Contractor shall meet all conditions for Federal Financial Participation, consistent with 42 CFR 438.802, 42 CFR 438.804, 42 CFR 438.806, 42 CFR 438.808, 42 CFR 438.810, 42 CFR 438.812.

12.2 Pursuant to 42 CFR 438.808, Federal Financial Participation (FFP) is not available to the Contractor if the Contractor:

12.2.1 Is an entity that could be excluded under section 1128(b)(8) as being controlled by a sanctioned individual;

12.2.2 Is an entity that has a substantial contractual relationship as defined in section 431.55(h)(3), either directly or indirectly, with an individual convicted of certain crimes described in section 1128(8)(B); or

12.2.3 Is an entity that employs or contracts, directly or indirectly, for the furnishing of health care utilization review, medical social work, or administrative services, with one of the following:

- i. Any individual or entity excluded from participation in federal health care programs under section 1128 or section 1126A; or
- ii. An entity that would provide those services through an excluded individual or entity.

**13. Certification of Non-Exclusion or Suspension from Participation in Federal Health Care Program**

13.1 Federal and State Excluded, Suspension and Debarment List: The County and the Contractor shall comply with the provisions of Title 42 § 438.610 and Executive Orders 12549 and 12689, "Debarment and Suspension," which excludes parties listed on the General Services Administration (GSA) list of parties excluded from federal procurement or non-procurement programs from having a relationship with the County or Contractor.

13.2 Prior to the effective date of this Contract, Contractor must certify that it is not excluded from participation in Federal Health Care Programs under either Section 1128 or 1128A of the Social Security Act. Failure to so certify will render all provisions of this Contract null and void and may result in the immediate termination of the Contract.

13.3 Contractor shall certify, prior to the execution of the contract, that the Contractor does not employ staff or sub-contractors who are excluded from participation in federally funded health care programs. Contractor shall conduct initial and monthly Exclusion & Suspension searches of the following databases and

provide evidence of these completed searches when requested by County, CA Department of Health Care Services or the US Department of Health & Human Services.

13.3.1 [www.oig.hhs.gov/exclusions](http://www.oig.hhs.gov/exclusions) - LEIE Federal Exclusions

13.3.2 [www.sam.gov/portal/SAM](http://www.sam.gov/portal/SAM) - GSA Exclusions Extract

13.3.3 [www.Medi-Cal.ca.gov](http://www.Medi-Cal.ca.gov) – Suspended & Ineligible Provider List

13.4 Contractor shall certify, prior to the execution of the contract that the Contractor does not employ staff or sub-contractors that are on the Social Security Administration's Death Master File. Contractor shall check the following database prior to employing staff or sub-contractors, and provide evidence of these completed searches when requested by County, CA Department of Health Care Services or the US Department of Health & Human Services.

13.4.1 <https://www.ssdmf.com/> - Social Security Death Master File

13.5 Contractor is required to notify County immediately if they become aware of any information that may indicate their (including employees and subcontractors) potential placement on an exclusions list.

**14. License Verification**

Contractor shall ensure that all staff and subcontractors providing services will have all necessary and valid professional certification(s) or license(s) to practice the contracted services. This includes implementing procedures of professional license checks, credentialing and re-credentialing, monitoring limitations and expiration of licenses, and ensuring that all providers have a current National Provider Identifier (NPI) through the National Plan and Provider Enumeration System (NPPES). Contractor shall provide evidence of these completed verifications when requested by County, DHCS or the US Department of Health & Human Services.