

Contract No. _____

Contract Description: Provision of residential treatment and withdrawal management services for referred clients of Nevada County.

**PROFESSIONAL SERVICES CONTRACT
FOR HEALTH AND HUMAN SERVICES AGENCY**

THIS PROFESSIONAL SERVICES CONTRACT (“Contract”) is made at Nevada City, California, as of June 16, 2026 by and between the County of Nevada, ("County"), and Progress House, Inc. ("Contractor") (together “Parties”, individual “Party”), who agree as follows:

1. **Services** Subject to the terms and conditions set forth in this Contract, Contractor shall provide the services described in Exhibit A. Contractor shall provide said services at the time, place, and in the manner specified in Exhibit A.
2. **Payment** County shall pay Contractor for services rendered pursuant to this Contract at the time and in the amount set forth in Exhibit B. The payments specified in Exhibit B shall be the only payment made to Contractor for services rendered pursuant to this Contract. Contractor shall submit all billings for said services to County in the manner specified in Exhibit B; or, if no manner be specified in Exhibit B, then according to the usual and customary procedures which Contractor uses for billing clients similar to County. **The amount of the contract shall not exceed One Million Dollars (\$1,000,000).**
3. **Term** This Contract shall commence on July 1, 2026. All services required to be provided by this Contract shall be completed and ready for acceptance no later than the **Contract Termination Date** of: June 30, 2027.
4. **Facilities, Equipment and Other Materials** Contractor shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Contract.
5. **Exhibits** All exhibits referred to herein and attached hereto are incorporated herein by this reference.
6. **Electronic Signatures** The Parties acknowledge and agree that this Contract may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, “electronic signature” shall include faxed or emailed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.
7. **Time for Performance** Time is of the essence. Failure of Contractor to perform any services within the time limits set forth in Exhibit A or elsewhere in this Contract shall constitute material breach of this contract. Contractor shall devote such time to the performance of services pursuant to this Contract as may be reasonably necessary for the satisfactory performance of Contractor's obligations pursuant to this Contract. Neither Party shall be considered in default of this Contract to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the Party.
8. **Liquidated Damages**
Liquidated Damages are presented as an estimate of an intangible loss to the County. It is a provision that allows for the payment of a specified sum should Contractor be in breach of contract. Liquidated Damages **shall not** **shall apply** to this contract. If Liquidated Damages are applicable to this contract, the terms are incorporated in Exhibit I, attached hereto.

9. **Relationship of Parties**

9.1. **Independent Contractor**

In providing services herein, Contractor, and the agents and employees thereof, shall work in an independent capacity and as an independent contractor and not as agents or employees of County. Contractor acknowledges that it customarily engages independently in the trade, occupation, or business as that involved in the work required herein. Further the Parties agree that Contractor shall perform the work required herein free from the control and direction of County, and that the nature of the work is outside the usual course of County's business. In performing the work required herein, Contractor shall not be entitled to any employment benefits, Workers' Compensation, or other programs afforded to County employees. Contractor shall hold County harmless and indemnify County against such claim by its agents or employees. County makes no representation as to the effect of this independent contractor relationship on Contractor's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Contractor specifically assumes the responsibility for making such determination. Contractor shall be responsible for all reports and obligations including but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, workers' compensation and other applicable federal and state taxes.

9.2. **No Agent Authority** Contractor shall have no power to incur any debt, obligation, or liability on behalf of County or otherwise to act on behalf of County as an agent. Neither County nor any of its agents shall have control over the conduct of Contractor or any of Contractor's employees, except as set forth in this Contract. Contractor shall not represent that it is, or that any of its agents or employees are, in any manner employees of County.

9.3. **Indemnification of CalPERS Determination** In the event that Contractor or any employee, agent, or subcontractor of Contractor providing service under this Contract is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of County, Contractor shall indemnify, defend and hold harmless County for all payments on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of County.

10. **Assignment and Subcontracting** Except as specifically provided herein, the rights, responsibilities, duties and services to be performed under this Contract are personal to Contractor and may not be transferred, subcontracted, or assigned without the prior written consent of County. Contractor shall not substitute or replace any personnel for those specifically named herein or in its proposal without the prior written consent of County.

Contractor shall cause and require each transferee, subcontractor, and assignee to comply with the insurance provisions **and information technology security provisions** set forth herein, to the extent such insurance provisions are required of Contractor under this Contract. Failure of Contractor to so cause and require such compliance by each transferee, subcontractor, and assignee shall constitute a material breach of this Contract, and, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to suspend payments hereunder, or terminate this Contract, or both.

11. **Licenses, Permits, Etc.** Contractor represents and warrants to County that Contractor shall, at its sole cost and expense, obtain or keep in effect at all times during the term of this Contract, any licenses, permits, and approvals which are legally required for Contractor to practice its profession at the time the services are performed.

12. **Hold Harmless and Indemnification Contract** To the fullest extent permitted by law, each Party (the "Indemnifying Party") hereby agrees to protect, defend, indemnify, and hold the other Party (the "Indemnified Party"), its officers, agents, employees, and volunteers, free and harmless from any and all

losses, claims, liens, demands, and causes of action of every kind and character resulting from the Indemnifying Party's negligent act, willful misconduct, or error or omission, including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by the Indemnified Party arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of the Indemnified Party) and without limitation, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the Contract. The Indemnifying Party agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Indemnifying Party, using legal counsel approved in writing by Indemnified Party. Indemnifying Party also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against either Party or to enlarge in any way either Party's liability but is intended solely to provide for indemnification of the Indemnified Party from liability for damages, or injuries to third persons or property, arising from or in connection with Indemnifying Party's performance pursuant to this Contract. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this Contract.

13. **Certificate of Good Standing** Contractors who are registered corporations, including those corporations that are registered non-profits, shall possess a Certificate of Good Standing also known as Certificate of Existence or Certificate of Authorization from the California Secretary of State, and shall keep its status in good standing and effect during the term of this Contract.
14. **Standard of Performance** Contractor shall perform all services required pursuant to this Contract in the manner and according to the standards observed by a competent practitioner of the profession in which Contractor is engaged in the geographical area in which Contractor practices its profession. All products of whatsoever nature which Contractor delivers to County pursuant to this Contract shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Contractor's profession.
15. **Contractor without additional compensation** Contractor's personnel, when on County's premises and when accessing County's network remotely, shall comply with County's regulations regarding security, remote access, safety and professional conduct, including but not limited to Nevada County Security Policy NCSP-102 Nevada County External User Policy and Account Application regarding data and access security. Contractor personnel will solely utilize County's privileged access management platform for all remote access support functions, unless other methods are granted in writing by County's Chief Information Officer or their designee.
16. **Prevailing Wage and Apprentices** To the extent made applicable by law, performance of this Contract shall be in conformity with the provisions of California Labor Code, Division 2, Part 7, Chapter 1, commencing with section 1720 relating to prevailing wages which must be paid to workers employed on a public work as defined in Labor Code section 1720, et seq., and shall be in conformity with Title 8 of the California Code of Regulations section 200 et seq., relating to apprenticeship. Where applicable:
 - Contractor shall comply with the provisions thereof at the commencement of Services to be provided herein, and thereafter during the term of this Contract. A breach of the requirements of this section shall be deemed a material breach of this contract. Applicable prevailing wage determinations are available on the California Department of Industrial Relations website at <http://www.dir.ca.gov/OPRL/PWD>.
 - Contractor and all subcontractors must comply with the requirements of Labor Code section 1771.1(a) pertaining to registration of contractors pursuant to section 1725.5. Registration and all related requirements of those sections must be maintained throughout the performance of the Contract.

- Contracts to which prevailing wage requirements apply are subject to compliance monitoring and enforcement by the Department of Industrial Relations. Each Contractor and each subcontractor must furnish certified payroll records to the Labor Commissioner at least monthly.
- The County is required to provide notice to the Department of Industrial Relations of any public work contract subject to prevailing wages within five (5) days of award.

17. **Accessibility** It is the policy of County that all County services, programs, meetings, activities and facilities shall be accessible to all persons, and shall be comply with the provisions of the Americans With Disabilities Act and Title 24, California Code of Regulations. To the extent this Contract shall call for Contractor to provide County contracted services directly to the public, Contractor shall certify that said direct services are and shall be accessible to all persons.
18. **Nondiscriminatory Employment** Contractor shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or sexual orientation, or any other legally protected category, in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
19. **Drug-Free Workplace** Senate Bill 1120, (Chapter 1170, Statutes of 1990), requires recipients of State grants to maintain a "drug-free workplace". Every person or organization awarded a contract for the procurement of any property or services shall certify as required under Government Code Section 8355-8357 that it will provide a drug-free workplace.
20. **Political Activities** Contractor shall in no instance expend funds or use resources derived from this Contract on any political activities.
21. **Levine Act** This contract shall not shall be subject to compliance with Government Code Section 84308 (Levine Act), which pertains to campaign contributions of more than \$500 to any member of the County of Nevada Board of Supervisors or any County of Nevada Official who will be making, participating in making, or in any way attempting to use their official position to influence a County decision to approve the contract. If Levine Act Compliance is applicable to this contract, the terms are incorporated in Exhibit H, attached hereto.
22. **Subrecipient** This contract shall not shall be subject to subrecipient status as such: the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 et al (commonly referred to as the "OMB Super Circular" or "Uniform Guidance"). A copy of these regulations is available at the link provided herein for the Code of Federal Regulations. Subrecipient and Contractor determinations
23. **Debarment** In order to prohibit the procurement of any goods or services ultimately funded by Federal awards from debarred, suspended or otherwise excluded parties, this contract shall not shall qualify for debarment suspension monitoring. Contractor shall provide proof of debarment compliance if requested by the County. In addition, the County may (at anytime during the term of the Contract) screen the Contractor at www.sam.gov to ensure Contractor, its principal and their named subcontractors are not debarred, suspended or otherwise excluded by the United States Government in compliance with the requirements of 7 Code of Federal Regulations (CFR) 3016.35, 28 CFR 66.35, 29 CFR 97.35, 34 CFR 80.35, 45 CFR 92.35 and Executive Order 12549.
24. **Financial, Statistical and Contract-Related Records:**
- 24.1. **Books and Records** Contractor shall maintain statistical records and submit reports as required by County. Contractor shall also maintain accounting and administrative books and records, program procedures and documentation relating to licensure and accreditation as they pertain to this Contract. All such financial, statistical and contract-related records shall be retained for five (5) years or until program review findings and/or audit findings are resolved, whichever is later. Such

records shall include but not be limited to bids and all supporting documents, original entry books, canceled checks, receipts, invoices, payroll records, including subsistence, travel and field expenses, together with a general ledger itemizing all debits and credits.

24.2. **Inspection** Upon reasonable advance notice and during normal business hours or at such other times as may be agreed upon, Contractor shall make all of its books and records, including general business records, available for inspection, examination or copying, to County, or to the State Department of Health Care Services, the Federal Department of Health and Human Services, the Controller General of the United States and to all other authorized federal and state agencies, or their duly authorized representatives.

24.3. **Audit** Contractor shall permit the aforesaid agencies or their duly authorized representatives to audit all books, accounts or records relating to this Contract, and all books, accounts or records of any business entities controlled by Contractor who participated in this Contract in any way. All such records shall be available for inspection by auditors designated by County or State, at reasonable times during normal business hours. Any audit may be conducted on Contractor's premises or, at County's option, Contractor shall provide all books and records within fifteen (15) days upon delivery of written notice from County. Contractor shall promptly refund any moneys erroneously charged and shall be liable for the costs of audit if the audit establishes an over-charge of five percent (5%) or more of the correct amount owed during the audit period.

25. **Cost Disclosure:** In accordance with Government Code Section 7550, should a written report be prepared under or required by the provisions of this Contract, Contractor agrees to state in a separate section of said report the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of said report.

26. **Termination.**

- A. A material breach, as defined pursuant to the terms of this Contract or otherwise, in addition to any other remedy available at law or otherwise, shall serve as a basis upon which County may elect to immediately suspend payments hereunder, or terminate this Contract, or both, without notice.
- B. If Contractor fails to timely provide in any manner the services materials and products required under this Contract, or otherwise fails to promptly comply with the terms of this Contract, or violates any ordinance, regulation or other law which applies to its performance herein, County may terminate this Contract by giving **five (5) calendar days written notice to Contractor.**
- C. Either Party may terminate this Contract for any reason, or without cause, by giving **thirty (30) calendar days written notice** to the other, which notice shall be sent by registered mail in conformity with the notice provisions, below. In the event of termination not the fault of Contractor, Contractor shall be paid for services performed to the date of termination in accordance with the terms of this Contract. Contractor shall be excused for failure to perform services herein if such performance is prevented by acts of God, strikes, labor disputes or other forces over which Contractor has no control.
- D. County, upon giving **thirty (30) calendar days written notice** to Contractor, shall have the right to terminate its obligations under this Contract at the end of any fiscal year if County or the State of California, as the case may be, does not appropriate funds sufficient to discharge County's obligations coming due under this contract.
- E. Any notice to be provided under this section may be given by the Agency Director.
- F. Suspension: County, upon giving seven (7) calendar days written notice to Contractor, shall have the right to suspend this Contract, in whole or in part, for any time period as County deems necessary due to delays in Federal, State or County appropriation of funds, lack of demand for services to be provided under this contract, or other good cause. Upon receipt of a notice of suspension from County, Contractor shall immediately suspend or stop work as directed by County and shall not resume work until and unless County gives Contractor a written notice to resume work. In the event of a suspension not the fault of the Contractor, Contractor shall be paid for services performed to the date of the notice of suspension in accordance with the terms of this Contract.

In the event this Contract is terminated:

- 1) Contractor shall deliver copies of all writings prepared by it pursuant to this Contract. The term "writings" shall be construed to mean and include handwriting, typewriting, printing, Photostatting, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.
- 2) County shall have full ownership and control of all such writings delivered by Contractor pursuant to this Contract.
- 3) County shall pay Contractor the reasonable value of services rendered by Contractor to the date of termination pursuant to this Contract not to exceed the amount documented by Contractor and approved by County as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the Contract specified in Exhibit B, and further provided, however, County shall not in any manner be liable for lost profits which might have been made by Contractor had Contractor completed the services required by this Contract. In this regard, Contractor shall furnish to County such financial information as in the judgment of County is necessary to determine the reasonable value of the services rendered by Contractor. The foregoing is cumulative and does not affect any right or remedy, which County may have in law or equity.

27. **Intellectual Property** Contractor will not publish or transfer any materials produced or resulting from activities supported by this Contract without the express written consent of County. All reports, original drawings, graphics, plans, studies and other data and documents, in whatever form or format, assembled or prepared by Contractor or Contractor's subcontractors, consultants, and other agents in connection with this Contract are "works made for hire" (as defined in the Copyright Act, 17 U.S.C. Section 101 et seq., as amended) for County, and Contractor unconditionally and irrevocably transfers and assigns to County all right, title, and interest, including all copyrights and other intellectual property rights, in or to the "works made for hire." Unless required by law, Contractor shall not publish, transfer, discuss, or disclose any of the above-described works made for hire or any information gathered, discovered, or generated in any way through this Contract, without County's prior express written consent. To the extent County provides any of its own original photographs, diagrams, plans, documents, information, reports, computer code and all recordable media together with all copyright interests thereto, to Contractor during this Contract, such information shall remain the property of County, and upon fifteen (15) days demand therefore, shall be promptly delivered to County without exception.
28. **Waiver** One or more waivers by one Party of any major or minor breach or default of any provision, term, condition, or covenant of this Contract shall not operate as a waiver of any subsequent breach or default by the other Party.
29. **Conflict of Interest** Contractor certifies that no official or employee of County, nor any business entity in which an official of County has an interest, has been employed or retained to solicit or aid in the procuring of this Contract. In addition, Contractor agrees that no such person will be employed in the performance of this Contract unless first agreed to in writing by County. This includes prior Nevada County employment in accordance with County's Personnel Code
30. **Entirety of Contract** This Contract contains the entire Contract of County and Contractor with respect to the subject matter hereof, and no other contract, statement, or promise made by any Party, or to any employee, officer or agent of any Party, which is not contained in this Contract, shall be binding or valid.
31. **Alteration** No waiver, alteration, modification, or termination of this Contract shall be valid unless made in writing and signed by all Parties, except as expressly provided in Section 26, Termination.
32. **Governing Law and Venue** This Contract is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. The venue for any legal

proceedings regarding this Contract shall be the County of Nevada, State of California. Each Party waives any federal court removal and/or original jurisdiction rights it may have.

33. **Compliance with Applicable Laws** Contractor and any subcontractors shall comply with any and all federal, state and local laws, codes, ordinances, rules and regulations which relate to, concern or affect the services or type of services to be provided by this Contract.
34. **Confidentiality** Contractor, its employees, agents and or subcontractors may come in contact with documents that contain information regarding matters that must be kept confidential by County, including personally identifiable patient or client information. Even information that might not be considered confidential for the usual reasons of protecting non-public records should be considered by Contractor to be confidential.

Contractor agrees to maintain confidentiality of information and records as required by applicable federal, state, and local laws, regulations and rules and recognized standards of professional practice.

Notwithstanding any other provision of this Contract, Contractor agrees to protect the confidentiality of any confidential information with which Contractor may come into contact in the process of performing its contracted services. This information includes but is not limited to all written, oral, visual and printed patient or client information, including but not limited to: names, addresses, social security numbers, date of birth, driver's license number, case numbers, services provided, social and economic conditions or circumstances, agency evaluation of personal information, and medical data.

Contractor shall not retain, copy, use, or disclose this information in any manner for any purpose that is not specifically permitted by this Contract. Violation of the confidentiality of patient or client information may, at the option of County, be considered a material breach of this Contract.

35. **Additional Contractor Responsibilities**
- A. To the extent Contractor is a mandated reporter of suspected child and/or dependent adult abuse and neglect, it shall ensure that its employees, agents, volunteers, subcontractors, and independent contractors are made aware of, understand, and comply with all reporting requirements. Contractor shall immediately notify County of any incident or condition resulting in injury, harm, or risk of harm to any child or dependent adult served under this Contract.
 - B. Contractor will immediately notify County of any active complaints, lawsuits, licensing or regulatory investigations, reports of fraud or malfeasance, or criminal investigations regarding its operations. Contractor agrees to work cooperatively with County in response to any investigation commenced by County with regard to this Contract or the clients served herein, including providing any/all records requested by County related thereto.
 - C. Contractor shall employ reasonable background check procedures on all employees, prospective employees, volunteers and consultants performing work involving direct contact with minor children or dependent adults under this Contract, including fingerprinting and criminal records checks, sexual offender registry checks, and reference checks, including both personal and professional references.

36. **Information Technology Security Requirements** This contract shall not shall be subject to Exhibit F, "Information Technology Security," which is attached and incorporated by this reference. Contractor's failure to comply with the requirements in Exhibit F is a material breach of this Agreement.

37. **Artificial Intelligence Technology (AI Technology)** includes any machine learning, deep learning, or artificial intelligence ("AI") technologies, such as statistical learning algorithms, models (including large language models), neural networks, and other AI tools or methodologies, as well as all software implementations and related hardware or equipment capable of generating content (e.g., text, images, video, audio, or computer code) based on user-supplied prompts.

County Data includes all information, data, materials, text, prompts, images, or other content provided to the Contractor under this Agreement or any other agreements between the Contractor and the County.

Responsibilities and Training:

Contractor is responsible for all information in the machine learning model, intellectual property rights associated with the information, and software and coded instructions used to generate AI content. County is responsible for the accuracy, utility and formulation of prompts and other inputs used to access the AI services and for decisions made, advice given, actions taken, and failures to take action based on AI content generated from AI services, except for AI content that is generated from erroneous or non-existing information in Contractor’s machine learning models or from malfunctioning AI service software.

Contractor shall not use, or permit any third party to use, County Data to train, validate, update, improve, or modify any AI Technology, whether for Contractor’s benefit or that of a third party, without the County's prior written authorization, which the County may grant or withhold at its sole discretion.

38. **Notification** Any notice or demand desired or required to be given hereunder shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the Parties as follows:

COUNTY OF NEVADA:		CONTRACTOR:	
Nevada County Behavioral Health Department, Health and Human Services Administration		Progress House, Inc.	
Address:	500 Crown Point Circle, Suite 120	Address	2844 Coloma Street
City, St, Zip	Grass Valley, CA 95945	City, St, Zip	Placerville, CA 95672
Attn:	Kelly Miner-Gann	Attn:	Cindy Carlson
Email:	Kelly.Miner-Gann@nevadacountyca.gov	Email:	ccarlson@progresshouseinc.org
Phone:	(530) 470-2522	Phone:	(530) 344-4542

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

Authority: All individuals executing this Contract on behalf of Contractor represent and warrant that they are authorized to execute and deliver this Contract on behalf of Contractor.

IN WITNESS WHEREOF, the Parties have executed this Contract to begin on the Effective Date.

COUNTY OF NEVADA:

By: _____ Date: _____

Printed Name/Title: Honorable Lisa Swarthout, Chair, of the Board of Supervisors

By: _____

Attest: Clerk of the Board of Supervisors, or designee

CONTRACTOR: Progress House, Inc.

By: _____ Date: _____

Name: _____

* Title: _____

By: _____ Date: _____

Name: _____

* Title: _____

**If Contractor is a corporation, this Contract must be signed by two corporate officers; one of which must be the secretary of the corporation, and the other may be either the President or Vice President, unless an authenticated corporate resolution is attached delegating authority to a single officer to bind the corporation (California Corporations Code Sec. 313).*

Exhibits

- Exhibit A: [Schedule of Services](#)
- Exhibit B: [Schedule of Charges and Payments](#)
- Exhibit C: [Insurance Requirements](#)
- Exhibit D: [Behavioral Health Provisions](#)
- Exhibit E: [Schedule of HIPAA Provisions](#)
- Exhibit F: [Information Technology Security](#)
- Exhibit G: [Additional Funds Terms and Conditions](#)
- [Summary Page](#)

EXHIBIT A
SCHEDULE OF SERVICES
PROGRESS HOUSE

Progress House, hereinafter referred to as “Contractor,” shall provide comprehensive and integrated residential treatment and withdrawal management program services for adults over the age of eighteen (18), for the recovery and treatment of Substance Use Disorders (SUD) for authorized clients of Nevada County for the Behavioral Health Department, hereinafter referred to as “County.” The following services are included in this contract:

- Residential Treatment (Exhibit A-1)
- Residential Withdrawal Management Treatment Services (Exhibit A-2)
- Perinatal Services (Exhibit A-3)

1) Program Overviews

- a. Contractor’s residential treatment and withdrawal management programs provide comprehensive treatment services to adults, over the age of eighteen (18), in a carefully structured and supportive environment with a high degree of accountability. Contractor shall provide an integrated continuum of care for a client that focuses on each unique individual and their family system.
- b. Contractor shall provide a safe, supportive, social model, non-medical model treatment environment 24 hours/7 days a week. Contractor will be cooccurring disorder and Rapid Re-Housing competent, accept clients who are receiving Medication Assisted Treatment (MAT), and connect clients to employment and related services as soon as possible. MAT includes Buprenorphine (transmucosal and long-acting injectable), Naltrexone (oral and long-acting injectable), Disulfiram, and Methadone. Contractor is agreeable to maintain a client’s methadone treatment throughout their treatment episode if client is not interested in transitioning to another MAT medication such as Buprenorphine.
- c. Clients may stay in residential treatment for varying lengths of time based on the American Society of Addition Medicine (ASAM) assessment. The ASAM will be administered to all clients entering any level of treatment. A substance use related disorder, and mental health diagnosis, if appropriate, diagnosis will be established and completed on all clients using the current edition of the Diagnostic and Statistical Manual of Mental Disorders (DSM-5). Clients will be moved to the least restrictive level of care appropriate based on clinical staffing case review (including ASAM, and DSM diagnosis). Clients with a score of placing in Level 3.1 or 3.5 on ASAM will be admitted to residential treatment. Discharge planning will commence upon entry into the treatment program. Contractor shall foster conditions which will support reintegration of the client into the community, by providing a stable residential situation and partnering with the client on active discharge planning.

2) Terminations & Discharge

- a. All policies and procedures for declining to admit an individual to or for terminating an individual from a program will be subject to County review. All terminations, whether by Contractor determination or the client self-discharging against staff advice (ASA’s), will be reported as soon as the decision is in process or Contractor becomes aware a client is leaving or has left treatment, and no later than the actual termination date. If it is a weekend, a voicemail message will be left with the County contact in addition to all regular discharge communications and processes.
- b. Residential providers will not automatically discharge a beneficiary who has tested positive on a urine analysis unless it is determined that they are an imminent risk to themselves or other clients. Instead, the beneficiary will receive an individual counseling session, to

determine what triggered the use and may be reassessed to a different level of care when appropriate with a concurrent adjustment to the treatment plan. A face-to-face meeting with the County care coordinator and/or probation officer (if applicable) is recommended as well.

3) Referrals

- a. Clients may be referred to Contractor through an authorized County agency or may be self-referred.
 - i. Self-referred clients will be referred to NCBH to be screened for eligibility.
 - ii. Clients that do not meet the criteria for residential placement will be referred to an outpatient substance use treatment program.
 - iii. For clients who meet criteria after initial screening by Contractor, ASAM level of care screening will be shared with County.
- b. Ongoing Medi-Cal Necessity Determination
 - i. It is recommended Contractor conduct an ASAM Level of Care screening every 30 days or whenever the condition of the client changes, indicating a level of care change.
 - ii. The client shall continue in each level of care for as long as it is medically necessary as determined by the ASAM level of care assessment.

4) Contractor Responsibilities

- a. To receive Medi-Cal reimbursement for Drug Medi-Cal substance use disorder services, Contractor shall provide these services under the direction of a physician and the following requirements shall apply:
 - i. Admission Criteria & Procedures
 1. Develop and use criteria and procedures for the admission of individuals to treatment.
 2. Complete a personal medical and substance use history for each client upon admission to treatment.
 3. Complete an assessment of the physical condition of the individual within 30 days of the admission to treatment date. The assessment shall be completed by either:
 - a. A physical examination of the individual by a physician, registered nurse practitioner, or physician assistant authorized by state law to perform the prescribed procedures.
 - b. A review of the documentation of a physical examination completed within the last 12 months.
 - c. If the physician has not reviewed or conducted a physical exam, the provider shall document the goal of obtaining a physical exam on the initial and updated treatment plans until the goal of obtaining a physical exam has been met.
 - ii. Treatment Plan
 1. The initial treatment plan shall include:
 - a. A statement of problems to be addressed.
 - b. Goals to be reached which address each problem.
 - c. Action steps which will be taken by the Contractor and/or member to accomplish identified goals.
 - d. Target dates for the accomplishment of action steps and goals.
 - e. A description of the services including the type of counseling to be provided and the frequency thereof.
 - f. The assignment of a primary counselor.

2. Contractor shall ensure that the initial treatment plan meets the following requirements:
 - a. Engage the individual to meaningfully participate in the development.
 - b. The counselor shall complete plan, type or legibly print name, and date and sign the plan within 30 calendar days of the admission date.
 - c. The individual shall review and approve the plan within 30 calendar days of the admission date; the provider will document the reasons if the individual refuses to sign the plan and the strategy to engage the individual to participate.
 - d. The physician or licensed Practitioner or the Healing Arts (LPHA) shall review plan, approve plan, type or legibly print name, and date and sign within 15 calendar days of signature by the counselor.
3. Contractor shall ensure that the treatment plan is reviewed and updated as follows:
 - a. The counselor shall review and sign the updated treatment plan no later than 90 calendar days after signing the initial treatment plan and no later than every 90 calendar days thereafter or when a change in problem identification or focus of treatment occurs, whichever comes first.
 - b. Within 15 calendar days of signature by the counselor, the physician shall review, approve, and sign all updated treatment plans. If the physician has not prescribed medication to the client, a psychologist licensed by the State of California Board of Psychology may sign an updated treatment plan.

iii. Progress Notes

1. Progress notes shall be legible, and counselor shall record a progress note for each member participating in an individual or group counseling session. Progress notes are individual summaries and shall include:
2. A description of the member's progress on the problem list, goals, action steps, objectives and /or referrals.
3. Information on a member's attendance including the date (month, day, year) and duration in minutes of each individual or group counseling session.

b. Administration and Reporting

i. DATAR

1. Treatment providers that receive state or federal funding through the County must send Drug and Alcohol Treatment Access Report (DATAR) information to the Department of Health Care Services (DHCS) each month. This has information on the program's capacity to provide different types of SUD treatment to clients and how much of the capacity was utilized that month. If the provider has a waiting list for publicly funded SUD treatment services, DATAR includes summary information about the people on the waiting list. Contractor agrees to comply with this requirement.
2. Contractor shall also cooperate with County Behavioral Health Department and County Probation Department for collection of any other data of informational reports as may be needed pertaining to services rendered under this Agreement.

ii. Drug Medi-Cal Organized Delivery System

1. ASAM Level of Care Date
 - a. All beneficiaries will participate in an assessment using ASAM dimensions. The assessed and actual level of care (and justification if the levels differ) shall be recorded in the County EHR. All ASAM LOC assessments that were performed when opening or closing a client to a LOC will be documented in County EHR along with the CalOMS opening and closings.
2. Treatment Perception Survey

Contractor shall participate in the annual Treatment Perception Survey (TPS) as directed by County and DHCS.

 - a. At least 75% of beneficiaries completing the Treatment Perceptions Survey reported being satisfied (3.5 out of 5.0) with the location and time of services.
3. Delivery of Individualized and Quality Care
 - a. Beneficiary Satisfaction: DMC-ODS Providers (serving adults 18+) shall participate in the annual statewide Treatment Perceptions Survey (administration period to be determined by DHCS). Upon review of Provider-specific results, Contractor shall select a minimum of one quality improvement initiative to implement annually.
 - b. Evidence-Based Practices (EBPs): Contractors will implement—and assess fidelity to—at the least two of the following EBPs per service modality: Motivational Interviewing, Cognitive-Behavioral Therapy, Relapse Prevention, Trauma-Informed Treatment and Psychoeducation.
 - c. ASAM Level of Care (LOC): All members participate in an assessment using ASAM dimensions. The assessed and actual level of care (and justification if the levels differ) shall be recorded in the client’s medical record.
- c. Performance Standards – submit quarterly reports
 - i. Contractor will implement with fidelity at least two approved EBPs.
 - ii. 100% of members participated in an assessment using ASAM dimensions and are provided with a recommendation regarding ASAM level of care.
 - iii. At least 80% of members are reassessed within 90 days of the initial assessment.
 - iv. Connect 80% of individuals exiting residential treatment with outpatient treatment services within 30 days of discharge
- d. Staffing and Facilities
 - i. Contractor shall maintain at all times trained, skilled, paid staff on every shift.
 1. All staff providing direct substance use disorder services to the residents of the program must be either registered or certified with a DHCS approved certifying organization.
 2. Contractor Medical Director must meet the following requirements:
 - i. Enrolled with DHCS under applicable state regulations.
 - ii. Screened as a “limited” categorical risk within a year prior to serving as a Medical Director.
 - iii. Signed a Medicaid provider agreement with DHCS.
 3. The Contractor shall maintain a documented staffing plan that covers staffing strategies for business hours, after hours and weekends. The plan will detail

the use of peer volunteers and paid staff, and the minimum qualifications required for each position and/or situation.

4. Contractor shall maintain at all times a trained, skilled staff, which understands and maintains confidentiality of participants and records. Confidentiality of participants is maintained by staff.
 5. In-service training shall be provided at least monthly for staff to maintain a well-trained staff. Contractor shall maintain qualified staff to provide Drug/Alcohol services.
- ii. All programs and facilities shall be in full compliance with applicable County, state, and federal laws, ordinances, rules, certifications, and regulations and shall remain in full compliance during the term of this Agreement.
 - iii. Contractor acknowledges and agrees that all rendering providers delivering services under this Agreement who are eligible for Medicare enrollment—including but not limited to:
 - Physicians
 - Physician Assistants
 - Nurse Practitioners
 - Clinical Nurse Specialists
 - Clinical Psychologists
 - Licensed Clinical Social Workers
 - Licensed Professional Clinical Counselors
 - Licensed Marriage and Family Therapist

must be actively enrolled as Medicare providers.

Contractor shall ensure that each eligible provider:

1. Maintains current and active Medicare enrollment in accordance with all applicable federal regulations;
2. Completes all required Medicare enrollment, revalidation, and reporting obligations within the timeframes established by the Centers for Medicare & Medicaid Services (CMS);
3. Provides documentation of Medicare enrollment status to the County upon request, including but not limited to confirmation of active enrollment, revalidation notices, or any correspondence from CMS affecting enrollment status; and
4. Notifies the County in writing within ten (10) business days of any change in Medicare enrollment status, including suspension, termination, deactivation, or any action that may impact the provider's ability to bill Medicare.

Failure of Contractor or its rendering providers to comply with Medicare enrollment requirements may result in corrective action, suspension of referrals, withholding of payments, or termination of this Agreement, at the County's sole discretion.

e. Reports and Quality Assurance

- i. Contractor shall maintain a system of quality assurance and utilization review that conforms to state and federal requirements pertaining to consumer/beneficiary rights, consumer access to services, and quality of care.
- ii. The standard requirements in Regulations and the BHP contract shall apply to the Medi-Cal services provided through this contract. CONTRACTOR shall provide the County monthly reports of the exclusion Verifications for the following databases:

Medi-Cal Exclusion Database, EPLS Database, Social Security Death Index Database, OIG Database and the BBS Database, unless County determines these checks are no longer needed to be performed by Contractor.

- iii. The CONTRACTOR Quality Assurance (QA) staff shall review clinical documentation to ensure they are accurate and written in alignment with Medi-Cal documentation standards. The QA staff shall audit at least 5% of their charts monthly. Documentation of QA activities shall be submitted quarterly to the NCBH Contract Manager and NCBH QA Manager.
 1. CONTRACTOR will use the CalMHSA chart audit tool, or a tool approved by the county, to document and track review and audits of charts.
- iv. In the event that a chart audit or any other quality assurance review identifies deficiencies in documentation, billing, or service delivery, the CONTRACTOR shall be required to include the following in the monthly report documenting QA activities:
 1. Identified deficiency
 2. Corrective measure taken to remediate the deficiency
 3. Date that the corrective measure was completed.
 4. CONTRACTOR will need to include a monitoring plan if repeat deficiencies of a similar nature are noted in order to ensure CONTRACTOR's staff understand and compliance with the corrective action. This monitoring plan shall continue for at least 2 months after the date of the correction or longer as needed if the deficiency continues.
- v. The CONTRACTOR shall ensure that all staff receive ongoing training regarding documentation, billing practices, and any updates to applicable quality assurance policies.
- vi. The CONTRACTOR shall implement internal continuous quality improvement processes designed to monitor, evaluate, and improve the quality of services provided. The Provider shall submit quarterly reports, as required by the COUNTY, demonstrating the outcomes of its continued quality improvement activities and any quality improvement measures implemented.
- vii. County reserves the right to visit the residential program and to walk through the facility without any prior notice. County staff will be courteous and non-disruptive to the ongoing treatment program when performing this function. The County further reserves the right for county department staff to participate in any of the treatment groups with reasonable prior notification to the Contractor and written consent of all group participants.

5) Additional Agreements

- a. The Parties hereby acknowledge and agree that in the event of changes to the Drug Medi-Cal Organized Delivery System that County determines will constitute a material change to rights and obligations set forth in this Agreement, the County has, at its option, the right to re-open and renegotiate this Agreement upon thirty (30) days written notice to Contractor.

Contractor agrees to abide by the provisions of Attachment 1 hereto attached and incorporated herein as required of "contractors" and "subcontractors" under the State Department of Health Care Services (DHCS) Standard Agreement Number 14-90076 by and between DHCS and the County.

EXHIBIT A-1
RESIDENTIAL TREATMENT

1) Program Overview

- a. Residential Level 3.1– Clinically Managed Low Intensity
Provides 24-hour structure with available trained personnel and at least 5 hours of clinical service per week of low-intensity treatment of substance use related disorders and preparation for outpatient treatment. Treatment is characterized by services such as individual, group, and family counseling and psychoeducation. These services facilitate the application of recovery skills, relapse prevention, and emotional coping strategies.
- b. Residential Level 3.5– Clinically Managed High-Intensity
Provides 24-hour care with trained counselors to stabilize multidimensional imminent danger and preparation for outpatient treatment. Services include at least 20 hours of clinical service per week designed to assist clients whose addiction is so out of control that they need a 24-hour high intensity, supportive treatment environment.

2) Contractor Responsibilities

- a. Intake process to determine that a beneficiary meets the medical necessity criteria and admitting the beneficiary into a Substance Use Disorder (SUD) treatment program. Intake includes the evaluation or analysis of SUDs; the diagnosis of SUDs; and the assessment of treatment needs to provide medically necessary services. Contractor will screen for co-occurring disorders. Intake may include a physical examination and laboratory testing necessary for SUD treatment.
- b. Safeguarding Medications: Facilities will store all resident medication and facility staff members may assist with resident’s self-administration of medication.
- c. Patient Education: Provide research-based education on addiction, treatment, recovery, and associated health risks.
- d. Individual and Group Counseling: Contacts between a member and a therapist or counselor.
- e. Family Therapy: The effects of addiction are far-reaching and patient’s family members and loved ones are also affected by the disorder. By including family members in the treatment process, education about factors that are important to the patient’s recovery, as well as their own recovery, can be conveyed. Family members can provide social support to the patient, help motivate their loved one to remain in treatment, and receive help and support for their own family recovery as well.
- f. Collateral Services: Sessions with therapists or counselors and significant persons in the life of the member, focused on the treatment needs of the beneficiary in terms of supporting the achievement of the beneficiary’s treatment goals. Significant persons are individuals that have a personal, not official or professional, relationship with the beneficiary.
- g. Crisis Intervention Services: Contact between a therapist or counselor and a member in crisis. Services shall focus on alleviating crisis problems. “Crisis” means an actual relapse or an unforeseen event or circumstance which presents to the member an imminent threat of relapse. Crisis intervention services shall be limited to the stabilization of the beneficiary’s emergency.
- h. Treatment Planning
 - i. The provider shall prepare an individualized written treatment plan, based upon information obtained in the intake and assessment process. The treatment plan will be completed within ten (10) days of admittance to the program, reviewed every 30 days, and then updated every 90 days unless there is a change in treatment modality

or significant event that would then require a new treatment plan. The Treatment Plan will be written to address these seven (7) domains:

1. Drug Use and/or Withdrawal Potential
 2. Biomedical/Behavioral Conditions and Complications (physical health)
 3. Emotional/Behavioral Conditions and Complications (mental health)
 4. Treatment Acceptance/Resistance/Readiness to Change
 5. Relapse/Continued Use Potential
 6. Recovery Environment (Family, Social, Educational, Vocations)
 7. Discharge Planning (plan for reintegration into community after discharge, including permanent housing and support).
- ii. Contractor shall provide a copy of the Individual Treatment Plan to the County if requested.
- i. Transportation Services: Provision of or arrangement for transportation to and from medically necessary treatment. NCBH SUD Care Coordinators will be available to support Contractor with transportation if notified in advance this is needed.
 - j. Care Coordination: Service to assist beneficiaries in accessing needed medical, educational, social, prevocational, vocational, rehabilitative, or other community services. Care coordination can be face-to-face or over the telephone and shall be consistent with and shall not violate confidentiality of Substance Use Disorder clients as set forth in 42 CFR Part 2, and California law. The components of care coordination include:
 - i. Comprehensive assessment and periodic reassessment of individual needs to determine the need for the continuation of care coordination.
 - ii. Transition to a higher or lower level of SUD care.
 - iii. Development and periodic revision of a client plan that includes service activities.
 - iv. Communication, coordination, referral, and related activities.
 - v. Monitoring service delivery to ensure beneficiary access to service and the service delivery system.
 - vi. Monitoring the beneficiary's progress.
 - vii. Patient advocacy, linkages to physical and mental health care, transportation, and retention in primary care services.
 - k. Clinician Consultation: Services include DMC counselors, LPHAs, and physicians' consulting with addiction medicine physicians, addiction psychiatrists, or clinical pharmacists. Physician consultation services are not with the client; rather, they are designed to assist DMC providers with seeking expert advice on designing treatment plans for specific clients, and to support DMC providers with complex cases which may address medication selection, dosing, side effect management, adherence, drug-drug interactions, or level of care considerations.
 - l. Discharge Services: The process to prepare the beneficiary for referral into another level of care, post treatment return or reentry into the community, and/or the linkage of the individual to essential community treatment, housing, and human services.
 - m. MAT for Opioid Use Disorder (OUD) and MAT for Alcohol Use Disorder (AUD) and other non-opioid SUDs.
 - i. Providers must offer MAT directly or have effective referral mechanisms in place to the most clinically appropriate MAT services (defined as facilitating access to MAT off-site for beneficiaries while they are receiving partial hospitalization services if not provided on-site. Providing a beneficiary with the contact information for a treatment program is insufficient).

- ii. Contractor shall utilize evidence-based practices (EBPs) and curricula throughout the programs. The practices must have efficacy as referenced in literature and be identified as a best practice at the SAMHSA website (<http://www.samhsa.gov>). Overview of these practices are listed below:
 - 1. Motivational Interviewing - A beneficiary-centered, empathic, but directive counseling strategy designed to explore and reduce a person's ambivalence toward treatment. This approach frequently includes other problem-solving or solution-focused strategies that build on beneficiaries' past successes.
 - 2. Cognitive-Behavioral Therapy- Based on the theory that most emotional and behavioral reactions are learned and that new ways of reacting and behaving can be learned.
 - 3. Relapse Prevention - A behavioral self-control program that teaches individuals with SUD how to anticipate and cope with the potential for relapse. Relapse prevention can be used as a stand-alone substance use treatment program or as an aftercare program to sustain gains achieved during initial SUD treatment.
 - 4. Trauma-Informed Treatment- Trauma-Informed Care recognizes the presence of trauma symptoms and acknowledges the role trauma may play in an individual's life. Services must consider trauma, and place priority on trauma survivors' safety, choice, and control.
 - 5. Psycho-Education- Psycho-educational groups are designed to educate beneficiaries about substance use disorder and related behaviors and consequences. Psycho-educational groups provide information designed to have a direct application to beneficiaries' lives; to instill self-awareness, suggest options for growth and change, identify community resources that can assist beneficiaries in recovery, develop an understanding of the process of recovery, and prompt people using substances to act on their own behalf.
 - 6. DMC-ODS Counties shall ensure providers have implemented EBPs and are delivering the practices to fidelity.
- n. Special Issues Addressed: Contractor's residential programs have comprehensive policies and procedures to work with specific populations. Issues may include but are not limited to:
 - 1. Women's and men's issues
 - 2. Clients with trauma and sexual assault issues
 - 3. Clients with co-occurring disorders
 - 4. Clients with specific criminal justice issues
 - 5. Clients with literacy issues.
- o. Discharge / Relapse Prevention / Community Integration: Contractor's residential program prioritizes transition (or discharge) planning, beginning at intake to support successful reintegration. Contractor's programs include the following components:
 - 1. Family Team Meetings: a key strategy to support successful reintegration through engaging the participant and the identified support system to collectively support the participant's plan.
 - 2. Follow-up Care: During intake consent for follow-up is signed by each participant and upon successful completion each participant is called at 30 days, 90 days, 6 months, and 1 year after completion of program to assess their level of success and/or needs for additional services or referrals. Reports are compiled on an annual basis and disseminated to staff.

3. Care Coordination: Contractor's care coordinator provides strength-based care coordination to identify appropriate resources and plans with respect to housing, employment, education, medical services, and support clients to achieve other milestones toward greater self-sufficiency (e.g. childcare enrollment; obtaining and improving credit scores, etc.).

Transition Plan: A written transition plan is prepared when a person is transferred to another level of care, an aftercare program, or prepares for discharge. In addition to resources, the plan will identify the person's current progress in his/her own recovery and movement toward well-being; need for support systems; as well as information on medications, when applicable; referral source information; and communication on options available should symptoms recur.

EXHIBIT A-2
RESIDENTIAL WITHDRAWAL MANAGEMENT TREATMENT

1) Contractor Responsibilities

i. Program Structure

- i. Contractor will provide ASAM level 3.2 Clinically Managed Residential Withdrawal Management, sometimes referred to as “social setting detoxification.”
- ii. Contractor’s withdrawal management services shall be in full compliance with all applicable county, state, and federal laws, ordinances, rules, and regulations and shall remain in full compliance during the term of any contract with the County.
- iii. Withdrawal Management is a minimum of 72 hours but is not to exceed 21 days.

ii. Staffing

- i. Contractor shall maintain at all times trained, skilled paid staff on every shift that have been trained in CPR, Life Support, and Withdrawal Management.

iii. Policies and Procedures

- i. Contractor shall maintain policies and procedures that include under what conditions nursing and physician care is warranted and/or when transfers to a medically monitored facility or an acute care hospital are necessary.
- ii. The Contractor shall maintain policies and procedures that include under what conditions a client is accepted into the residential program who receives Medication Assisted Treatment (MAT) through another provider in the community.

iv. Deliverables

- i. Contractor will partner with the County to develop an appropriate aftercare plan for each person referred to under the terms of the contract.

Contractor will provide care coordination services and seek physician consultation when appropriate.

EXHIBIT A-3
PERINATAL SERVICES

1) Program Overview

- a. The Perinatal Program provides coordinated substance use intervention and treatment services complimented with health care and pertinent ancillary services to pregnant and parenting women of Nevada County. The program follows the current Perinatal Practice Guidelines issued by DHCS in bringing together substance use treatment, mental health, and social services expertise, with physical health professionals. Contractor shall provide a cohesive system for intervention, assessment, education, treatment, and referrals to enhance the well-being of women and their children. [Perinatal Practice Guidelines](#)
- b. The Perinatal Program shall include but not necessarily be limited to the following:
 - i. Substance use disorder counseling and education.
 - ii. Individual, group, and family counseling.
 - iii. Sexual and physical abuse counseling.
 - iv. Parenting education for other/child habilitative and rehabilitative services (i.e., development of parenting skills, training in child development, which may include the provision of cooperative childcare pursuant to Health and Safety Code Section 1596.792).
 - v. Education to reduce harmful effects of substances on the mother and fetus or the mother and infant.
 - vi. Education on HIV/AIDS transmission and access to testing.
 - vii. Education on TB and Hep C and access to testing.
 - viii. Coordination of ancillary services (i.e. assistance in accessing and completing dental services, social services, community services, educational/vocational training, and other services which are medically necessary to prevent risk to fetus or infant) and referral to pertinent community services according to client treatment/discharge plans.
- c. Service Delivery Requirements
 - i. Priority Population and Coverage Period
Pregnant and parenting women are a priority population. In accordance with SUBG & DMC ODS requirements, Contractor shall admit both women and their child(ren) into treatment services. SUD treatment providers must serve the following individuals with a SUD:
 - 1. Pregnant women
 - 2. Women with dependent children
 - 3. Women attempting to regain custody of their children
 - 4. Postpartum women and their children
 - 5. Women with substance exposed infants
- d. Admission Priority
 - i. Contractor shall provide preference to pregnant women with access to more urgent treatment services due to the harmful effects of substance use on the fetus. Specifically, priority must be given to pregnant women who are seeking or referred to treatment in the following order:
 - 1. Pregnant injecting drug users
 - 2. Pregnant substance users
 - 3. Injection drug users
 - 4. All others
- e. Best Practices for Admission Priority

It is encouraged to identify prenatal drug exposure and provide timely care to pregnant women with a SUD as it provides a significant buffer against adverse pregnancy outcomes. Treatment should not be delayed if a bed is available based on the client not yet having linkage to prenatal care or MAT treatment upon the time of intake. This notion is supported by 22 CCR § 51341.1(h)(1)(A)(iv)(a-b).

f. Interim Services

Provider shall make interim services available for pregnant and parenting women awaiting admission into treatment to reduce the adverse health effects of substance use, promote the health of the woman, and reduce the risk of disease transmission. If provider has insufficient capacity to provide treatment services to pregnant and parenting women using drugs intravenously and a referral to treatment has been made, the provider must:

- i. Admit the woman no later than 14 days of the request; or
- ii. Admit the woman no later than 120 days of the request and provide interim services no later than 48 hours after the request.

At a minimum, interim services include the following:

- i. Counseling and education about the risks and prevention of transmission of HIV and TB
- ii. Counseling and education about the risks of needle sharing
- iii. Counseling and education about the risks of transmission to sexual partners and infants
- iv. Referral for HIV or TB services
- v. Counseling on the effects of alcohol and drug use on the fetus and referrals for prenatal for pregnant women.

g. Care Coordination

Contractor shall provide or arrange for care coordination to ensure pregnant and parenting women and their children have access to the following services:

- i. Primary medical care, including prenatal care and childcare
- ii. Primary pediatric care, including immunization
- iii. Gender-specific treatment
- iv. Therapeutic interventions for children to address developmental needs, sexual and psychological abuse, and neglect

h. Transportation

Contractor shall provide or arrange for transportation to and from the treatment site for individuals who do not have their own transportation, to ensure that pregnant and parenting women, and their children, have access to all necessary services.

i. Parenting Skills

Contractor shall incorporate parenting skills into a woman's care plan to help the woman and her child(ren) while the woman is in treatment. Best practice include the following topics:

- i. Developmentally age-appropriate programs for children
- ii. Parenting education for mothers
- iii. Strategies to improve nurturing for mothers and children
- iv. Appropriate parent-child roles, including modeling opportunities
- v. Integration of culturally competent parenting practices and expectations
- vi. Nutrition
- vii. Children's mental health needs
- viii. Integration of culturally competent parenting practices and expectations
- ix. Education for mothers about child safety
- x. Children's substance use prevention curriculum

j. Child Care

Contractor will provide onsite childcare for children during the hours of Perinatal Treatment Program. However, the mother is ultimately responsible for her children, and in the event of a child's illness or other problems, the mother may be asked to leave the women's activities and care for her child(ren).

**EXHIBIT B
SCHEDULE OF CHARGES AND PAYMENTS
PROGRESS HOUSE**

Subject to the satisfactory performance of services required of Contractor pursuant to this contract, and to the terms and conditions as set forth, the County shall pay Contractor a maximum amount not to exceed \$1,000,000 for the period of July 1, 2026 through June 30, 2027. The maximum obligation of this Contract is contingent and dependent upon final approval of State budget and County receipt of anticipated funding to support program expenses.

Service	Drug Medi- Cal Rate
Residential 3.1	\$206 per day (includes \$36.72 room and board) <i>County shall be billed only for those days County client was a resident in one of the Contractor's programs.</i>
Residential 3.5	\$247.20 per day (includes \$36.72 room and board) <i>County shall be billed only for those days County client was a resident in one of the Contractor's programs.</i>
Withdrawal Management 3.2	\$278.10 per day (includes \$36.72 room and board) <i>County shall be billed only for those days County client was a resident in one of the Contractor's programs</i>

Direct Service Staff By Discipline	Hourly Rate
Physicians Assistant	\$ 379.48
Nurse Practitioner	\$ 538.50
RN	\$ 343.69
MD (typically in SUD system of Care)	\$ 846.13
Psychologist/Pre-licensed Psychologist	\$ 340.29
LPHA/Intern or Waivered LPHA (MFT, LCSW, LPCC)	\$ 263.78
Alcohol and Drug Counselor	\$ 227.66
Peer Recovery Specialist	\$ 207.96
Other Qualified Practioner	\$ 207.29

FINANCIAL TERMS

1. CLAIMING

- A. Contractor shall submit to County, for services rendered in the prior month, and in accordance with CPT format requirements, a statement of services rendered to County and costs incurred that includes documentation to support all expenses claimed by the 10th of each month. County shall review the billing and notify the Contractor within fifteen (15) working days if an individual item or group of costs is being questioned. Contractor has the option of delaying the entire claim pending resolution of the cost(s).
- B. Claims shall be complete and accurate and must include all required information regarding the claimed services.

- C. Contractor shall maximize the Federal Financial Participation (FFP) reimbursement by claiming all possible Medi-Cal services and correcting denied services for resubmission in a timely manner as needed.

2. INVOICING

- A. Contractor shall invoice County for services monthly, in arrears, in the format directed by County. Invoices shall be based on claims entered into the County's billing and transactional database system for the prior month.
- B. Invoices shall be provided to County after the close of the month in which services were rendered. Following receipt and provisional approval of a monthly invoice, County shall make payment within 30 days.
- C. Monthly payments for claimed services shall be based on the units of time assigned to each CPT or HCPCS code entered in the County's billing and transactional database multiplied by the applicable service rate.
- D. County's payments to Contractor for performance of claimed services are provisional and subject to adjustment until the completion of all settlement activities. County's adjustments to provisional payments for claimed services shall be based on the terms, conditions, and limitations of this Agreement or the reasons for recoupment set forth in Article 5, Section 6.
- E. Contractor shall submit invoices to:

Nevada County Behavioral Health Department
Attn: Fiscal Staff
500 Crown Point Circle, Suite 120
Grass Valley, CA 95945

3. ADDITIONAL FINANCIAL REQUIREMENTS

- A. County has the right to monitor the performance of this Agreement to ensure the accuracy of claims for reimbursement and compliance with all applicable laws and regulations.
- B. Contractor must comply with the False Claims Act employee training and policy requirements set forth in 42 U.S.C. 1396a(a)(68) and as the Secretary of the US DHHS may specify.
- C. Contractor agrees that no part of any federal funds provided under this Agreement shall be used to pay the salary of an individual per fiscal year at a rate in excess of Level 1 of the Executive Schedule at <https://www.opm.gov/> (U.S. Office of Personnel Management), as from time to time amended.
- D. Federal Financial Participation is not available for any amount furnished to an Excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the County failed to suspend payments during an investigation of a credible allegation of fraud (42 U.S.C. § 1396b(i)(2)).
- E. Contractor shall cooperate with the County in the implementation, monitoring and evaluation of the Contract and comply with any and all reporting requirements established by the County. Payment of invoices may be held until Contractor is in compliance with reporting requirements. County shall not be responsible for reimbursement of invoices submitted by Contractor that do not have proper authorizations in place.

4. FINANCIAL AUDIT REPORT REQUIREMENTS FOR PASS-THROUGH ENTITIES

- A. If County determines that Contractor is a "subrecipient" (also known as a "pass-through entity") as defined in 2 C.F.R. § 200 et seq., Contractor represents that it will comply with the applicable cost principles and administrative requirements including claims for payment or reimbursement by County as set forth in 2 C.F.R. § 200 et seq., as may be amended from time

to time. Contractor shall observe and comply with all applicable financial audit report requirements and standards.

- B. Financial audit reports must contain a separate schedule that identifies all funds included in the audit that are received from or passed through the County. County programs must be identified by Agreement number, Agreement amount, Agreement period, and the amount expended during the fiscal year by funding source.
- C. Contractor will provide a financial audit report including all attachments to the report and the management letter and corresponding response within six months of the end of the audit year to the Director. The Director is responsible for providing the audit report to the County Auditor.
- D. Contractor must submit any required corrective action plan to the County simultaneously with the audit report or as soon thereafter as it is available. The County shall monitor implementation of the corrective action plan as it pertains to services provided pursuant to this Agreement.

NON-PROFIT SUPPLEMENTAL AUDIT PROVISIONS:

(i) Contractor shall have on file with the County at all times their most recent reviewed or audited financial statements including the review or opinion letter issued by an independent Certified Public Accountant. The financial statement package is due to the County within one hundred eighty (180) days of the end of the Contractor’s fiscal year. Contractor may request in writing an extension of due date for good cause – at its discretion, County shall provide written approval or denial of request.

(ii) Non-profit Contractors whose contract with the County includes services that will be reimbursed, partially or in full, with Federal funds are also governed by the OMB Super Circular and are required to have a single or program-specific audit conducted if the Contractor has expended \$1,000,000 or more in Federal awards during Contractor’s fiscal year. Any Contractor who is required to complete an annual Single Audit must submit a copy of their annual audit report and audit findings to County at the address listed in the “Notification” section of the executed contract within the earlier of thirty (30) days after the Contractor’s receipt of the auditor’s report or nine (9) months following the end of the Contractor’s fiscal year.

Records to be Maintained

Contractor shall keep and maintain accurate records of all costs incurred and all time expended for work under this contract. Contractor shall contractually require that all of Contractor’s Subcontractors performing work called for under this contract also keep and maintain such records, whether kept by Contractor or any Subcontractor, shall be made available to County or its authorized representative, or officials of the State of California for review or audit during normal business hours, upon reasonable advance notice given by County, its authorized representative, or officials of the State of California. All fiscal records shall be maintained for five years or until all audits and appeals are completed, whichever is later.

ATTACHMENT 1

Contractor agrees to comply with the requirements of “contractors” and “subcontractors” as listed and required per– Program Specifications of the current Standard Agreement between the County of Nevada and the State Department of Health Care Services entered into by the authority of Chapter 3 of Part 1, Division 10.5 of the Health and Safety Code (HSC) and as approved by County’s Board of Supervisors for the purpose of providing alcohol and drug treatment services. The provisions are as follows:

A. Additional Contract Restrictions

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

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

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

In the event the Drug Medi-Cal Treatment Program Services component of this Contract becomes null and void, an updated Exhibit B, Attachment I will take effect reflecting the removal of federal Medicaid funds and DMC State General Funds from this Contract.

All other requirements and conditions of this Contract will remain in effect until amended or terminated.

C. Hatch Act

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

D. No Unlawful Use or Unlawful Use Messages Regarding Drugs

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

E. Noncompliance with Reporting Requirements

Contractor agrees that the State has the right to withhold payments until Contractor has submitted any required data and reports to the State, as identified in Exhibit A, Attachment I, Part III – Reporting Requirements, or as identified in Document 1F(a), Reporting Requirements Matrix for Counties.

F. 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).

G. Debarment and Suspension

Contractor shall advise all subcontractors of their obligation to comply with applicable federal debarment and suspension regulations, in addition to the requirements set forth in 42 CFR Part 1001.

H. Restriction on Distribution of Sterile Needles

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

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

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

1. Trading Partner Requirements

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

2. Concurrence for Test Modifications to HHS Transaction Standards

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

3. Adequate Testing

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

4. Deficiencies

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

5. Code Set Retention

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

6. Data Transmission Log

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

J. Nondiscrimination and Institutional Safeguards for Religious Providers

Contractor shall establish such processes and procedures as necessary to comply with the provisions of Title 42, USC, Section 300x-65 and Title 42, CFR, Part 54, (Reference Document 1B).

K. Counselor Certification

Any counselor providing intake, assessment of need for services, treatment or recovery planning, individual or group counseling to participants, patients, or residents in a DHCS

licensed or certified program is required to be registered or certified as defined in Title 9, CCR, Division 4, Chapter 8. (Document 3H)

L. Cultural and Linguistic Proficiency

To ensure equal access to quality care by diverse populations, each service provider receiving funds from this contract shall adopt the Federal Office of Minority Health Culturally and Linguistically Appropriate Service (CLAS) national standards (Document 3V).

M. Intravenous Drug Use (IVDU) Treatment

Contractor shall ensure that individuals in need of IVDU treatment shall be encouraged to undergo alcohol and other drug (AOD) treatment (42 USC 300x-23(45 CFR 96.126(e)).

N. Tuberculosis Treatment

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

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

O. Trafficking Victims Protection Act of 2000

Contractor and its Subcontractors that provide services covered by this Contract shall comply with Section 106(g) of the Trafficking Victims Protection Act of 2000 (22 United States Code (USC) 7104(g)) as amended by section 1702. The County is authorized to terminate a contract and/or take other remedial action as deemed necessary, without penalty, if the Contractor or any Subcontractor:

1. Engages in severe forms of trafficking in persons during the period of time that the award is in effect;
2. Procures a commercial sex act during the period of time that the award is in effect;
3. Uses forced labor in the performance of the award or subawards under the award.

For full text of the award term, go to: [eCFR :: Appendix A to Part 175, Title 2 -- Award Term](#)

P. Tribal Communities and Organizations

Contractor shall regularly assess (e.g. review population information available through Census, compare to information obtained in the California Outcome Measurement System for Treatment (CalOMS Tx) to determine whether the population is being reached, survey Tribal representatives for insight in potential barriers), the substance use service needs of the American Indian/Alaskan Native (AI/AN) population within the County geographic area, and shall engage in regular and meaningful consultation and collaboration with elected officials of

the tribe, Rancheria, or their designee for the purpose of identifying issues/barriers to service delivery and improvement of the quality, effectiveness and accessibility of services available to AI/NA communities within the County.

Q. Participation of County Alcohol and Drug Program Administrators Association of California.

Pursuant to HSC Section 11801(g), the AOD administrator shall participate and represent the county in meetings of the County Alcohol and Drug Program Administrators Association of California for the purposes of representing the counties in their relationship with the state with respect to policies, standards, and administration for AOD abuse services.

Pursuant to HSC Section 11811.5(c), the county alcohol and drug program administrator shall attend any special meetings called by the Director of DHCS.

R. Youth Treatment Guidelines

Contractor will follow the guidelines in Document 1V, incorporated by this reference, "Youth Treatment Guidelines," in developing and implementing youth treatment programs funded under this Exhibit, until such time new Youth Treatment Guidelines are established and adopted. No formal amendment of this contract is required for new guidelines to apply.

S. Perinatal Services Network Guidelines

Contractor must comply with the perinatal program requirements as outlined in the Perinatal Services Network Guidelines. The Perinatal Services Network Guidelines are attached to this contract as Document 1G, incorporated by reference. The Contractor must comply with the current version of these guidelines until new Perinatal Services Network Guidelines are established and adopted. The incorporation of any new Perinatal Services Network Guidelines into this contract shall not require a formal amendment.

Contractor receiving SABG funds must adhere to the Perinatal Services Network Guidelines, regardless of whether the Contractor exchanges perinatal funds for additional discretionary funds.

T. Restrictions on Grantee Lobbying – Appropriations Act Section 503

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

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

U. Nondiscrimination in Employment and Services

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

V. Federal Law Requirements:

1. Title VI of the Civil Rights Act of 1964, Section 2000d, as amended, prohibiting discrimination based on race, color, or national origin in Federally-funded programs.
2. Title VIII of the Civil Rights Act of 1968 (42 USC 3601 et seq.) prohibiting discrimination on the basis of race, color, religion, sex, handicap, familial status or national origin in the sale or rental of housing.
3. Age Discrimination Act of 1975 (45 CFR Part 90), as amended (42 USC Sections 6101 – 6107), which prohibits discrimination on the basis of age.
4. Age Discrimination in Employment Act (29 CFR Part 1625)
5. Title I of the Americans with Disabilities Act (29 CFR Part 1630) prohibiting discrimination against the disabled in employment
6. Title II of the Americans with Disabilities Act (28 CFR Part 35) prohibiting discrimination against the disabled by public entities
7. Title III of the Americans with Disabilities Act (28 CFR Part 36) regarding access.
8. Section 504 of the Rehabilitation Act of 1973, as amended (29 USC Section 794), prohibiting discrimination on the basis of handicap
9. Executive Order 11246 (42 USC 2000(e) et seq. and 41 CFR Part 60) regarding nondiscrimination in employment under Federal contracts and construction contracts greater than \$10,000 funded by Federal financial assistance
10. Executive Order 13166 (67 FR 41455) to improve access to Federal services for those with limited English proficiency
11. The Drug Abuse Office and Treatment Act of 1972, as amended, relating to nondiscrimination on the basis of drug abuse
12. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
13. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E).

W. State Law Requirements:

1. Fair Employment and Housing Act (Government Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.).
2. Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135.

3. Title 9, Division 4, Chapter 8 of the CCR, commencing with Section 10800
4. No state or Federal funds shall be used by the Contractor or its Subcontractors for sectarian worship, instruction, or proselytization. No state funds shall be used by the Contractor or its Subcontractors to provide direct, immediate, or substantial support to any religious activity.
5. Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.

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

Y. Record Retention Requirements

Subcontractor agrees to maintain and preserve, until three years after termination of this agreement and final payment from DHCS to the Contractor, to permit DHCS or any duly authorized representative, to have access to, examine or audit and pertinent books, documents, papers, and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records.

Z. Dymally-Alatorre Bilingual Services Act (Government Code sections 7290-7299.8).

Contractor shall comply with the linguistic requirements included in this Section.

Contractor shall have:

1. Oral interpreter services available in threshold languages at key points of contact available to assist beneficiaries whose primary language is a threshold language to access the SUD services or related services through that key point of contact. The threshold languages shall be determined on a countywide basis. Counties may limit the key points of contact at which interpreter services in a threshold language are available to a specific geographic area within the county when:
 - (a) The county has determined, for a language that is a threshold language on a countywide basis, that there are geographic areas of the county where that language is a threshold language, and other areas where it is not; and
 - (b) The Contractor provides referrals for beneficiaries who prefer to receive services in that threshold language, but who initially access services outside the specified geographic area, to a key point of contact that does have interpreter services in that threshold language.
2. Policies and procedures in place to assist beneficiaries who need oral interpreter services in languages other than threshold languages to access the SUD services or related services available at the key points of contact.
3. General program literature used by the Contractor to assist beneficiaries in accessing services available in threshold languages, based on the threshold languages in the county as a whole.

AA. Marijuana Restriction

Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to an individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 CFR. §75.300(a) (requiring HHS to “ensure that Federal funding is expended in full accordance with U.S. statutory requirements.”); 21 USC § 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under Federal law.

AB. County Behavioral Health Director’s Association of California

The County AOD Program Administrator shall participate and represent the county in meetings of the County Behavioral Health Director’s Association of California for the purposes of representing the counties in their relationship with DHCS with respect to policies, standards, and administration for AOD abuse services.

The County AOD Program Administrator shall attend any special meetings called by the Director of DHCS. Participation and representation shall also be provided by the County Behavioral Health Director’s Association of California.

AC. Voluntary Termination of DMC ODS Services

The Contractor may terminate this Agreement at any time, for any reason, by giving 60 days written notice to DHCS. The Contractor shall be paid for DMC-ODS services provided to beneficiaries up to the date of termination. Upon termination, the Contractor shall immediately begin providing DMC services to beneficiaries in accordance with the State Plan.

AD. Investigations and Confidentiality of Administrative Actions

Contractor acknowledges that if a DMC provider is under investigation by DHCS or any other state, local or federal law enforcement agency for fraud or abuse, DHCS may temporarily suspend the provider from the DMC program, pursuant to W&I Code, Section 14043.36(a). Information about a provider’s administrative sanction status is confidential until such time as the action is either completed or resolved. DHCS may also issue a Payment Suspension to a provider pursuant to W&I Code Section 14107.11 and Code of Federal Regulations, Title 42, section 455.23. The Contractor is to withhold payments from a DMC provider during the time a Payment Suspension is in effect.

1. Contractor shall execute the Confidentiality Agreement, attached as Document 5A. The Confidentiality Agreement permits DHCS to communicate with Contractor concerning subcontracted providers that are subject to administrative actions.

2. [5A Confidentiality Agreement Template](#)

AF. Subcontractual Relationships and Delegation (42 CFR §438.230)

The requirements of this section apply to any contract or written arrangement that the Contractor has with any subcontractor. Notwithstanding any relationship(s) that Contractor may have with any subcontractor, the contractor shall maintain the ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of this contract. All contracts or written arrangements between the Contractor and any subcontractor shall specify the following:

1. The delegated activities or obligations, and related reporting responsibilities specified in the contract or written agreement.
2. The subcontractor agrees to perform the delegated activities and reporting responsibilities specified in compliance with the Contractor's contract obligations.
3. The contract or written agreement shall either provide for the revocation of the delegation of activities or obligations or specify other remedies in instances where the Department or the Contractor determine that the subcontractor has not performed satisfactorily.
4. The subcontractor agrees to comply with all applicable Medicaid laws, regulations, including applicable subregulatory guidance and contract provisions; and
5. The subcontractor agrees that –
 - a. The Department, CMS, the Health and Human Services (HHS) Inspector General, or their designees have the right to audit, evaluate, and inspect any books, records, contracts, computer or other electronic systems of the subcontractor, or of the subcontractor's Contractor, that pertain to any aspect of services and activities performed, or determination of amounts payable under this Agreement at any time.
 - b. The subcontractor will make available, for purposes of an audit, evaluation, or inspection, its premises, physical facilities, equipment, books, records, contracts, computer or other electronic systems related to its Medicaid beneficiaries.
 - c. The Department, CMS, the HHS Inspector General, the Comptroller General, or their designees' right to audit the subcontractor will exist through 10 years from the final date of the contract period or from the date of completion of any audit, whichever is later.
 - d. If the Department, CMS, or the HHS Inspector General determines that there is a reasonable possibility of fraud or similar risk, the Department, CMS, or the HHS Inspector General may inspect, evaluate, and audit the subcontractor at any time.

**EXHIBIT C
INSURANCE REQUIREMENTS**

Insurance. Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, or employees. Coverage shall be at least as broad as:

1. **Commercial General Liability CGL:** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation:** Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Sexual Abuse or Molestation (SAM) Liability:** If the work will include contact with minors, elderly adults, or otherwise vulnerable clients and the CGL policy referenced above is not endorsed to include affirmative coverage for sexual abuse or molestation, Contractor shall obtain and maintain policy covering Sexual Abuse and Molestation with a limit no less than **\$1,000,000** per occurrence or claim.
5. **Professional Liability (Errors and Omissions):** Insurance covering **medical malpractice** with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate.
6. **Cyber Liability:** Insurance, with limit not less than **\$1,000,000** per occurrence or claim, **\$1,000,000** aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this Contract and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

If Contractor maintains broader coverage and/or higher limits than the minimums shown above, County requires and shall be entitled to the broader coverage and/or the higher limits maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to County

Other Insurance Provisions:

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

1. **Additional Insured Status: County, its officers, employees, agents, and volunteers are to be covered as additional insureds** on the CGL policy with respect to liability arising out of the work or operations performed by or on behalf of Contractor including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage

Page 36 of 50

Exhibit C

Professional Services Agreement-HHSA – Insurance Requirements

- can be provided in the form of an endorsement to Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, then through the addition of both CG 20 10, CG 20 25, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions are used.)
2. **Primary Coverage** For any claims related to this contract, **Contractor's insurance shall be primary** insurance primary coverage at least as broad as ISO CG 20 01 04 13 as respects County, its officers, employees, agents, and volunteers. Any insurance or self-insurance maintained by the County, its officers, employees, agents, and volunteers shall be excess of Contractor's insurance and shall not contribute with it.
 3. **Umbrella or Excess Policy** The Contractor may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess liability policies are exhausted.
 4. **Notice of Cancellation** This policy shall not be changed without first giving thirty (30) days prior written notice and ten (10) days prior written notice of cancellation for non-payment of premium to County.
 5. **Waiver of Subrogation** Contractor hereby grants to County a waiver of any right to subrogation which any insurer or said Contractor may acquire against County by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County has received a waiver of subrogation endorsement from the insurer.
 6. **Sole Proprietors** If Contractor is a Sole Proprietor and has no employees, they are not required to have Workers Compensation coverage. Contractor shall sign a statement attesting to this condition, and shall agree they have no rights, entitlements or claim against County for any type of employment benefits or workers' compensation or other programs afforded to County employees.
 7. **Self-Insured Retentions** must be declared to and approved by the County. The County may require the Contractor to provide proof of ability to pay losses and related investigations, claims administration, and defense expenses within the retention. The Policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured retention (SIR) or deductible that exceeds **\$25,000** unless approved in writing by the County. Any and all deductibles and SIRs shall be the sole responsibility of the Contractor or subcontractor who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. County may deduct from any amounts otherwise due Contractor to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. County reserves the right to obtain a copy of any policies and endorsements for verification. |
 8. **Acceptability of Insurers:** Insurance is to be placed with insurers authorized to conduct business in the State with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to County.
 9. **Claims Made Policies** if any of the required policies provide coverage on a claims-made basis:

- a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - b. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of the contract of work.
 - c. If the coverage is canceled or non-renewed, and not replaced with another **claims-made policy form with a Retroactive Date**, prior to the contract effective date, Contractor must purchase “extended reporting” coverage for a minimum of **five (5)** years after completion of contract work.
10. **Verification of Coverage** Contractor may be requested to furnish County with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and the County reserves the right to request a copy of the Declarations and Endorsement page of the CGL policy listing all policy endorsements to County before work begins. Failure to obtain and provide verification of the requested/required documents prior to the work beginning shall not waive Contractor’s obligation to provide them. County reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
 11. **Subcontractors** Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that County is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.
 12. **Special Risks or Circumstances** County reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.
 13. **Premium Payments** The insurance companies shall have no recourse against County and funding agencies, its officers, and employees or any of them for payment of any premiums or assessments under any policy issued by a mutual insurance company.
 14. **Material Breach** Failure of Contractor to maintain the insurance required by this Contract, or to comply with any of the requirements of this section, shall constitute a material breach of the entire Contract.
 15. **Certificate Holder** the Certificate Holder on insurance certificates and related documents should read as follows:

County of Nevada
 950 Maidu Ave.
 Nevada City, CA 95959

Upon initial award of the Contract to your firm, you may be instructed to send the actual documents to a County contact person for preliminary compliance review.

Certificates which amend or alter the coverage during the term of the Contract, including updated certificates due to policy renewal, should be sent directly to Contract Administrator.

EXHIBIT D
BEHAVIORAL HEALTH PROVISIONS

Certain programs will be subject to specific local, state, or federal requirements depending on their scope of services or work provided. Not all provisions below will apply to all behavioral health programs, so please be familiar with the ones your specific program is held to.

1. Laws, Statutes, and Regulations:

- A. Contractor agrees to comply with the Bronzan-McCorquodale Act (Welfare and Institutions Code, Division 5, 6, and 9, Section 5600 et seq. and Section 4132.44), Title 9 and Title 22 of the California Code of Regulations, Title XIX of the Social Security Act, State Department of Health Care Services Policy Letters, and Title 42 of the Code of Federal Regulations, Sections 434.6 and 438.608 which relate to, concern or affect the Services to be provided under this Contact.
- B. Clean Air Act and Federal Water Pollution Control:
Contractor shall comply with the provisions of the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, which provides that contracts and subcontracts of amounts in excess of \$100,000 shall contain a provision that Contractor and any subcontractor shall comply with all applicable standards, orders or regulations issues pursuant to the Clear Air Act and the Federal Water Pollution Control Act. Violations shall be reported to the Centers for Medicare and Medicaid Services.
- C. For the provision of services as provided herein, Contractor shall not employ or contract with providers or other individuals and entities excluded from participation in Federal Health Care Programs under either Section 1128 or 1128A of the Social Security Act and shall screen all individuals and entities employed or retained to provide services for eligibility to participate in Federal Health Care programs (see <http://oig.hhs.gov/exclusions/index.asp> and <http://files.medical.ca.gov/pubsdoco/SandILanding.asp>). Contractor shall check monthly and immediately report to the department if there is a change of status.
- D. Dymally-Alatorre Bilingual Act:
Contractor shall comply with all applicable provisions of the Dymally-Alatorre Bilingual Act which requires that state agencies, their contractors, consultants or services providers that serve a substantial number of non-English-speaking people employ a sufficient amount of bilingual persons in order to provide certain information and render certain services in a language other than English.
- E. Byrd Anti-Lobbying Amendment:
Contractor certifies that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Contractor shall also disclose to Department of Health Care Services (“DHCS”) any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.
- F. Ownership: Contractor shall provide written verification of compliance with CFR, Title 42, sections 455.101 and 455.104. This verification will be provided to Nevada County Behavioral Health (“NCBH”) by December 31 of each year and when prescribed below.

- (a) Who must provide disclosures. The Medi-Cal agency must obtain disclosures from disclosing entities, fiscal agents, and managed care entities. Contractor and any of its subcontractors/network providers providing services pursuant to this Contract shall submit the disclosures below to NCBH regarding the network providers' (disclosing entities') ownership and control. Contractor's network providers must submit updated disclosures to NCBH upon submitting the provider application, before entering into or renewing the network providers' contracts, and within 35 days after any change in the provider's ownership and/or annually.
- (b) Disclosures to be provided:
- The name and address of any person (individual or corporation) with an ownership or control interest in the disclosing entity, fiscal agent, or managed care entity. The address for corporate entities must include as applicable primary business address, every business location, and P.O. Box address.
 - Date of birth and Social Security Number (in the case of an individual).
 - Other tax identification number (in the case of a corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) or in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a five (5) percent or more interest.
 - Whether the person (individual or corporation) with an ownership or control interest in the disclosing entity (or fiscal agent or managed care entity) is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling; or whether the person (individual or corporation) with an ownership or control interest in any subcontractor in which the disclosing entity (or fiscal agent or managed care entity) has a five (5) percent or more interest is related to another person with ownership or control interest in the disclosing entity as a spouse, parent, child, or sibling.
 - The name of any other disclosing entity (or fiscal agent or managed care entity) in which an owner of the disclosing entity (or fiscal agent or managed care entity) has an ownership or control interest.
 - The name, address, date of birth, and Social Security Number of any managing employee of the disclosing entity (or fiscal agent or managed care entity).
- (c) When the disclosures must be provided.
- I. Disclosures from providers or disclosing entities. Disclosure from any provider or disclosing entity is due at any of the following times:
 - i. Upon the provider or disclosing entity submitting the provider application.
 - ii. Upon the provider or disclosing entity executing the provider Contract.
 - iii. Upon request of the Medi-Cal agency during the re-validation of enrollment process under § 455.414.
 - iv. Within 35 days after any change in ownership of the disclosing entity.
 - II. Disclosures from fiscal agents. Disclosures from fiscal agents are due at any of the following times:
 - i. Upon the fiscal agent submitting the proposal in accordance with the State's procurement process.
 - ii. Upon the fiscal agent executing the contract with the State.
 - iii. Upon renewal or extension of the contract.
 - iv. Within 35 days after any change in ownership of the fiscal agent.

- III. Disclosures from managed care entities. Disclosures from managed care entities (MCOs, PIHPs, PAHPs, and HIOs), except PCCMs are due at any of the following times:
 - i. Upon the managed care entity submitting the proposal in accordance with the State's procurement process.
 - ii. Upon the managed care entity executing the contract with the State.
 - iii. Upon renewal or extension of the contract.
 - iv. Within 35 days after any change in ownership of the managed care entity.
 - v. Disclosures from PCCMs. PCCMs will comply with disclosure requirements under paragraph (c)(1) of this section.
 - (d) To whom must the disclosures be provided. All disclosures must be provided to the Med-Cal agency.
 - (e) Consequences for failure to provide required disclosures. Federal financial participation ("FFP") is not available in payments made to a disclosing entity that fails to disclose ownership or control information as required by this section.
- G. Contractor shall have a method to verify whether services billed to Medi-Cal were actually furnished to Medi-Cal beneficiaries. Contractor's verification method shall be based on random samples and will specify the percentage of total services provided that shall be verified. Contractor's verification process shall be submitted to and approved by the NCBH Quality Assurance Manager. Contractor will report the outcome of service verification activities to the NCBH Quality Assurance Manager quarterly.

2. Client/Patient Records:

Where this contract is for services relating to the mental health or the medical needs or condition of clients or patients:

- A. HEALTH RECORDS: Contractor shall maintain adequate mental and/or medical health records of each individual client/patient which shall include a record of services provided by the various professional personnel in sufficient detail to make possible an evaluation of services, and which shall contain all necessary data as required by NCBH and State or federal regulations, including but not limited to records of client/patient interviews, progress notes, problem lists, and diagnosis. County shall be allowed to review all client/patient record(s) during site visits, or at any reasonable time. Specialized mental health services provided by Contractor shall be in accordance and as defined by the California Code of Regulation Title 9, Chapter 11, and in compliance with Nevada County's Mental Health Plan.
- B. LOCATION / OWNERSHIP OF RECORDS: If Contractor works primarily in a County facility, records shall be kept in County's facility and owned by County. If Contractor works in another facility or a school setting, the records shall be owned and kept by Contractor and upon demand by County, a copy of all original records shall be delivered to County within a reasonable time from the conclusion of this Contract.
- C. CONFIDENTIALITY: Such records and information shall be maintained in a manner and pursuant to procedures designed to protect the confidentiality of the client/patient records. Contractor agrees to maintain confidentiality of information and records as required by applicable federal, state and local laws, regulations and rules, and recognized standards of professional practice and further agrees to hold County harmless from any breach of confidentiality.

- D. RETENTION OF RECORDS: Except as provided below, Contractor shall maintain and preserve all clinical records related to this Contract for seven (7) years from the date of discharge for adult clients, and records of clients under the age of eighteen (18) at the time of treatment must be retained until either one (1) year beyond the clients eighteenth (18th) birthday or for a period of seven (7) years from the date of discharge, whichever is later. Psychologists' records involving minors must be kept until the minor's 25th birthday. Contractor shall also contractually require the maintenance of such records in the possession of any third party performing work related to this Contract for the same period of time. Such records shall be retained beyond the seven year period, if any audit involving such records is then pending, until the audit findings are resolved. The obligation to ensure the maintenance of the records beyond the initial seven year period shall arise only if County notifies Contractor of the commencement of an audit prior to the expiration of the seven year period.

To the extent Contractor is a Managed Care Organization ("MCO"), a Prepaid Inpatient Health Plan, a Prepaid Ambulatory Health Plan ("PAHP"), or a Medi-Cal services provider, Contractor shall maintain and preserve all records related to this contract for ten (10) years from the start date of this Contract, pursuant to CFR 42 438.3(u). If the client or patient is a minor, the client's or patient's health service records shall be retained for a minimum of ten (10) years from the close of the State fiscal year in which the Contract was in effect, or the date the client or patient reaches 18 years of age, whichever is longer, regardless of when services were terminated with the client. Health service records may be retained in either a written or an electronic format. Contractor shall also contractually require the maintenance of such records in the possession of any third party performing work related to this contract for the same period of time. Such records shall be retained beyond the ten (10) year period if any audit involving such records is then pending, and until the audit findings are resolved. The obligation to ensure the maintenance of the records beyond the initial ten (10) year period shall arise only if County notifies Contractor of the commencement of an audit prior to the expiration of the ten (10) year period.

- E. REPORTS: Contractor shall provide reports to County from time to time as necessary, and as reasonably requested by County. Contractor agrees to provide County with reports that may be required by County, State or Federal agencies for compliance with this Contract.
- F. COPIES OF RECORDS: Upon termination of this Contract, Contractor agrees to cooperate with client/patients, County and subsequent providers with respect to the orderly and prompt transfer of client or patient records. This Contract does not preclude Contractor from assessing reasonable charges for the expense of transferring such records if appropriate. Said charges shall be twenty-five Cents (\$0.25) per page, plus the cost of labor, not to exceed Sixteen Dollars (\$16.00) per hour or pro rata fraction thereof, for actual time required to photocopy said records.
- G. CULTURAL COMPETENCE: Contractor shall provide services pursuant to this Contract in accordance with current State statutory, regulatory and policy provisions related to cultural and linguistic competence as defined in the DHCS's most recent Information Notice(s) regarding Cultural Competence Plan Requirements ("CCPR"), that establish standards and criteria for the entire County Mental Health System, including Medi-Cal services, Mental Health Services Act ("MHSA"), and Realignment as part of working toward achieving cultural and linguistic competence. The CCPR standards and criteria as cited in California Code of Regulations, Title 9, Section 1810.410, are applicable to organizations/agencies that provide mental health services via Medi-Cal, MHSA, and/or Realignment.
- H. PATIENTS' RIGHTS: Patients' Rights shall be in compliance with Welfare and Institutions Code Division 5, Section 5325 et seq.; and California Code of Code of Regulations, Title 9, Section 862 et seq and Tile 42 CFR Section 438.100.

- I. HOURS OF OPERATION: Pursuant to Title 42 CFR, Section 438.206 (c)(1)(ii) if Contractor also serves individuals who are not Medi-Cal beneficiaries, the Contractor shall require that the hours of operation during which Contractor offers services to Medi-Cal beneficiaries are no less than and comparable to the hours of operation during which the Contractor offers services to non-Medi-Cal beneficiaries.
- J. WRITTEN MATERIALS: Contractor shall ensure that all written materials it provides or is otherwise required to make available to the client, including, but not limited to, all documents requiring signature or authorization of the client, shall be in a minimum of 12 point font, and a minimum of 18 point font for written materials required to be in large print, including but not limited to any Contractor Brochures, Consent to Treatment, etc.

3. 42 C.F.R. Laws and Regulations: MCO, Prepaid inpatient health plan (“PIHP”), PAHP

To the extent Contractor is a MCO, a PIHP, a PAHP, a Primary Care Case Manager, or a Medi-Cal Services Provider, Contractor shall comply with, and report to County any violation of or non-compliance with, the following requirements and restrictions:

- A. DEBARRED, SUSPENDED, CONTRACTORS: Pursuant to 42 C.F.R. Section 438.610, Contractor shall not knowingly have a relationship with the following:
 - a.1 An individual or entity that is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued under Executive Order No. 12549 or under guidelines implementing Executive Order No. 12549.
 - a.2 An individual or entity who is an affiliate, as defined in the Federal Acquisition Regulation at 48 CFR 2.101, of a person described in this section.
- B. EMPLOYING/CONTRACTING WITH PROVIDERS WHO ARE EXCLUDED: Pursuant to 42 C.F.R. Section 438.214(d), Contractor shall not employ or contract with providers or other individuals and entities excluded from participation in federal health care programs (as defined in section 1128B(f) of the Social Security Act) under either Section 1128, 1128A, or 1156 of the Social Security Act. FFP is not available for amounts expended for providers excluded by Medicare, Medicaid, or the State Children's Health Insurance Program, except for emergency services.

The types of relationships prohibited by this section, are as follows:

- (a) A director, officer, or partner of Contractor.
- (b) A subcontractor of Contractor, as governed by 42 CFR §438.230.
- (c) A person with beneficial ownership of 5 percent or more of Contractor’s equity.
- (d) A network provider or person with an employment, consulting, or other arrangement with Contractor for the provision of items and services that are significant and material to Contractor’s obligations under this Contract.
- (e) Contractor shall not employ or contract with, directly or indirectly, such individuals or entities for the furnishing of health care, utilization review, medical social work, administrative services, management, or provision of medical services (or the establishment of policies or provision of operational support for such services).

If County finds that Contractor is not in compliance, County:

- (a) Shall notify the Secretary of State of the noncompliance; and

- (b) May continue an existing Contract with Contractor unless the Secretary directs otherwise, which shall serve as a basis to immediately terminate this Contract; or
- (c) May not renew or otherwise extend the duration of an existing Contract with Contractor unless the Secretary provides to the State and to Congress a written statement describing compelling reasons that exist for renewing or extending the Contract despite the prohibited affiliations.
- (d) Nothing in this section shall be construed to limit or otherwise affect any remedies available to the U.S. under sections 1128, 1128A or 1128B of the Act.

Unless specifically prohibited by this Contract or by federal or state law, Contractor may delegate duties and obligations of Contractor under this contract to subcontracting entities if Contractor determines that the subcontracting entities selected are able to perform the delegated duties in an adequate manner in compliance with the requirements of this contract.

Contractor shall maintain ultimate responsibility for adhering to and otherwise fully complying with all terms and conditions of its contract with the County, notwithstanding any relationship(s) that the Mental Health Plan may have with any subcontractor.

- C. **RECOVERY OF OVERPAYMENTS:** Contractor is responsible for the refund of any overpayments and shall notify County **within 30 calendar days** when it has identified payments in excess of amounts specified for reimbursement of Medicaid services authorized under this Contract.

County shall maintain the right to suspend payments to Contractor when County determines there is a credible allegation of fraud.

Contractor shall comply with County's retention policies for the treatment of recoveries of all overpayments from Contractor, including specifically the retention policies for the treatment of recoveries of overpayments due to fraud, waste, or abuse.

- D. **REASONABLE ACCESS & ACCOMMODATIONS:** Contractor shall ensure that it provides physical access, reasonable accommodations, and accessible equipment for Medicaid enrollees with physical or mental disabilities. [42 CFR 438.206(c)(3)].

- E. **BENEFICIARY'S RIGHTS:** Contractor shall inform Medi-Cal Beneficiaries of their following rights:

- Beneficiary grievance, appeal, and fair hearing procedures and timeframes as specified in 42 CFR 438.400 through 42 CFR 438.424.
- The beneficiary's right to file grievances and appeals and the requirements and timeframes for filing.
- The availability of assistance to the beneficiary with filing grievances and appeals.
- The beneficiary's right to request a State fair hearing after Contractor has made a determination on an enrollee's appeal, which is adverse to the beneficiary.
- The beneficiary's right to request continuation of benefits that Contractor seeks to reduce or terminate during an appeal or state fair hearing filing, if filed within the allowable timeframes, although the beneficiary may be liable for the cost of any continued benefits while the appeal or state fair hearing is pending if the final decision is adverse to the beneficiary.

- F. EXCLUSION LISTS AND STATUS: Contractor and any person with an ownership or control interest or who is an agent or managing employee of Contractor agrees to routine federal and state database checks pursuant to 42 C.F.R. 455.436 to confirm Contractor's identity and determining Contractor's exclusion status.

Consistent with the requirements of 42 C.F.R. Section 455.436, the Contractor must confirm the identify and determine the exclusion status of all providers (employees and network providers) and any subcontractor, as well as any person with an ownership or control interest, or who is an agent of managing employee of the of the Mental Health Plan through routine checks of Federal and State databases. This includes the Social Security Administration's Death Master File, the National Plan and Provider Enumeration System, the Office of Inspector General's List of Excluded Individuals/Entities, the System for Award Management, as well as the Department's Medi-Cal Suspended and Ineligible Provider List.

If the Contractor finds that a party is excluded, it must promptly notify the County and take action consistent with 42 C.F.R. Section 438.610(c). The Contractor shall not certify or pay any provider with Medi-Cal funds, and any such inappropriate payments or overpayments may be subject to recovery and/or be the basis for other sanctions by the appropriate authority.

- G. SERVICE VERIFICATIONS: Pursuant to 42 C.F.R. Section 438.608(a)(5), the Contractor, and/or any subcontractor, to the extent that the subcontractor is delegated responsibility by the Contractor for coverage of services and payment of claims under this Contract, shall implement and maintain arrangements or procedures that include provisions to verify, by sampling or other methods, whether services that have been represented to have been delivered by network providers were received by enrollees and the application of such verification processes on a regular basis.

**EXHIBIT “E”
SCHEDULE OF HIPAA PROVISIONS
FOR COVERED ENTITY CONTRACTORS**

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA):
HEALTH CARE PROVIDER AGREEMENT

Contractor acknowledges that it is a “health care provider” and therefore is a Covered Entity, for purposes of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act of 2009 (“HITECH”) and therefore is directly subject to the privacy, security and breach notification requirements therein and the civil and criminal penalties and shall implement its standards.

Contractor agrees to:

1. Contractor shall comply with all applicable federal and state laws and regulations pertaining to the confidentiality of individually identifiable protected health information (PHI) or personally identifiable information (PII) including, but not limited to, requirements of the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, the California Welfare and Institutions Code regarding confidentiality of client information and records and all relevant County policies and procedures.
2. Contractor shall not use or disclose PHI or PII other than as permitted or required by law.
3. Develop and maintain a written information privacy and security program that includes the designation of Privacy and Security Officer and establishes and maintains appropriate safeguards to prevent any use or disclosure of PHI other than as provided for by this Contract and applicable law. Safeguards shall include administrative, physical, and technical safeguards appropriate to the size and complexity of Contractor’s operations and the nature and scope of its activities. Contractor will provide County with information concerning such safeguards as County may reasonably request from time to time.
4. Track disclosures and make available the information required to provide an accounting of disclosures if requested by the individual or County in accordance with 45 CFR §164.528.
5. Ensure sufficient training and utilize reasonable measures to ensure compliance with requirements of this Contract by Contractor’s workforce members who use or disclose PHI (in any form) to assist in the performance of functions or activities under this contract; and discipline such employees who intentionally violate any provisions of this Contract, including termination of employment. Workforce member training shall be documented and such documents retained for the period of this Contract and made available to County for inspection if requested.
6. Take prompt corrective action in the event of any security incident or any unauthorized use or disclosure of PHI to cure any such deficiencies and to take any action required by applicable federal and state laws and regulations.
7. Report to County any security incident or any unauthorized use or disclosure of PHI (in any form). Security incidents include attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an

information system. Contractor shall make this report by the next business day following discovery of the use, disclosure, or security incident. Any unauthorized use or disclosure or security incident shall be treated as discovered by Contractor on the first day on which such use or disclosure or security incident is known to Contractor, including any person, other than the individual committing the unauthorized use or disclosure or security incident, that is an employee, officer or other agent of Contractor, or who should reasonably have known such unauthorized activities occurred. Reports should be made by email to privacy.officer@nevadacountyca.gov or by calling (530) 265-1740

8. Make Contractor's internal practices, books, and records relating to the use and disclosure of Protected Health Information received from or created or received by Contractor on behalf of County available to County upon request. In addition, Contractor will make these items available to the Secretary of the United States Health and Human Services for purposes of determining County's or Contractor's compliance with HIPAA and its implementing regulations (in all events Contractor shall immediately notify County of any such request, and shall provide County with copies of any such materials).
9. Contractor agrees that this Contract may be amended from time to time by County if and to the extent required by the provision of 42 U.S.C. § 1171, et seq., enacted by HIPAA and regulations promulgated thereunder, in order to assure that this Contract is consistent therewith; and authorize termination of the Contract by County if County determines that Contractor has violated a material term of this Contract.
10. Ensure that Contractor will enter into "Business Associate Agreements" as required by HIPAA including provisions that the Business Associate agrees to comply with the same restrictions, conditions and terms that apply to Contractor with respect to this Contract and with applicable requirements of HIPAA and HITECH. The Business Associate Agreement must be a written contract including permissible uses and disclosures and provisions where the Business Associate agrees to implement reasonable and appropriate security measures to protect the information (PHI or ePHI) it creates, receives, maintains or transmits on behalf of Contractor or County with respect to this Contract.

EXHIBIT F INFORMATION TECHNOLOGY SECURITY

1. Notification of Data Security Incident

For purposes of this section, “Data Security Incident” is defined as unauthorized access to the Contractor’s business and/or business systems by a third party, which access could potentially expose County data or systems to unauthorized access, disclosure, or misuse. In the event of a Data Security Incident, Contractor must notify County **in writing as soon as possible and no later than 48 hours after Contractor determines a Data Security Incident has occurred**. Notice should be made to all parties referenced in the “Notices” section of the Agreement. Notice must reference this contract number. Notice under this section must include the date of incident, Contractor’s systems and/or locations which were affected, and County services or data affected. The duty to notify under this section is broad, requiring disclosure whether any impact to County data is known at the time, to enable County to take immediate protective actions of its data and cloud environments.

Failure to notify under this section is a material breach, and County may immediately terminate the Agreement for failure to comply.

2. Data Location

2.1 Contractor shall not store or transfer non-public County of Nevada data outside the United States. This prohibition includes backup data and Disaster Recovery locations. The Contractor will permit its personnel and contractors to access County of Nevada data remotely only as required to provide technical support. Remote access to data from outside the continental United States is prohibited unless expressly approved in advance and in writing by the County.

2.2 The Contractor must notify the County **in writing within 48 hours** of any location changes to Contractor’s data center(s) that will process or store County data. Notice should be made to all parties referenced in the “Notices” section of the Agreement.

3. Data Encryption

3.1 The Contractor shall encrypt all non-public County data in transit regardless of the transit mechanism.

3.2 The Contractor shall encrypt all non-public County data at rest.

3.3 Encryption algorithms shall be AES-128 or better.

4. Cybersecurity Awareness and Training

The County maintains a robust Cybersecurity Awareness and Training program intended to assist employees and contractors with maintaining current knowledge of changing cybersecurity threats and countermeasures. Any contractor that is assigned a County network account will be assigned User Awareness training and must complete it within the time period it is assigned. Training completion progress is monitored by sponsor departments and non-compliant users may have their account suspended or restricted.

The County conducts email Phish testing on a regular basis to expose account holders to the types of potential threats.

Contractor will maintain a Cybersecurity Awareness and Training program for training staff at a minimum of once a year. Contractor will maintain records of the program for review by the County when requested.

EXHIBIT G
ADDITIONAL FUNDING TERMS AND CONDITIONS
SUBSTANCE USE BLOCK GRANT

1. **FEDERAL AWARD IDENTIFICATION**: Per OMB 2 CFR 200.331 all pass-through entities must ensure that every sub-award is clearly identified to the SUBRECIPIENT as a sub-award and include the following information:
 - a. Subrecipient Name: Progress House
 - b. Project Description: Services for the recovery of alcohol/drug dependency, substance abuse prevention and treatment services to residents of Nevada County.
 - c. Subrecipient DUNS Number: TBD
 - d. Federal Funds Obligated to the Sub-recipient: \$10,107
 - e. Federal Awarding Agency: Substance Abuse and Mental Health Services Administration (SAMHSA)
 - f. Pass Through Entity: County of Nevada
 - g. Federal Award Identification Number (FAIN) : N/A
 - h. Catalog of Federal Domestic Assistance (CFDA) name: Substance Abuse Prevention & Treatment
 - i. Catalog of Federal Domestic Assistance (CFDA) number: 93.959
 - j. Contract Term: Start date: 7/1/2026 End date: 6/30/2027
 - k. Research and Development Grant: Yes No
 - l. Indirect Cost Rate: Yes No N/A-De Minimis Indirect Cost Rate

SUMMARY OF CONTRACT

Progress House, Inc.

Description of Services: Provision of residential treatment and withdrawal management services for referred clients of Nevada County.

SUMMARY OF MATERIAL TERMS

Max Annual Price: \$1,000,000

Contract Start Date: July 1, 2026 **Contract End Date:** June 30, 2027

Liquidated Damages: N/A

INSURANCE POLICIES

Commercial General Liability	(\$2,000,000)	Sexual Abuse or Molestation Liability	(\$1,000,000)
Worker’s Compensation	(Statutory Limits)	Professional Errors and Omissions	(\$1,000,000)
Automobile Liability	(\$1,000,000)	Cyber Liability	(\$1,000,000)

FUNDING

FD1589 CC40105 SC21520

LICENSES AND PREVAILING WAGES

Designate all required licenses: All licenses as required to perform professional services as contemplated under this contract.

NOTICE & IDENTIFICATION

COUNTY OF NEVADA:		CONTRACTOR:	
Nevada County Behavioral Health Department, Health and Human Services Administration		Progress House, Inc.	
Address:	500 Crown Point Circle, Suite 100	Address	2844 Coloma Street
City, St, Zip	Grass Valley, CA 95945	City, St, Zip	Placerville, CA 95672
Attn:	Kelly Miner-Gann	Attn:	Cindy Carlson
Email:	Kelly.Miner-Gann@nevadacountyca.gov	Email:	ccarlson@progresshouseinc.org
Phone:	(530) 470-2522	Phone:	(530) 344-4542

Contractor is a: (check all that apply)					EDD Worksheet Required	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Corporation:	<input type="checkbox"/>	Calif.	<input type="checkbox"/>	Other	<input type="checkbox"/>	Additional Terms & Conditions Included	
Non- Profit:	<input checked="" type="checkbox"/>	Corp.	<input checked="" type="checkbox"/>			(Grant Specific)	
Partnership:	<input type="checkbox"/>	Calif.	<input type="checkbox"/>	Other	<input type="checkbox"/>	Subrecipient	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Person:	<input type="checkbox"/>	Indiv.	<input type="checkbox"/>	DBA	<input type="checkbox"/>	Ass’n	<input type="checkbox"/>
				Other	<input type="checkbox"/>		

ATTACHMENTS

Exhibit A: Schedule of Services	Exhibit E: Schedule of HIPAA Provisions
Exhibit B: Schedule of Charges and Payments	Exhibit F: Information Technology Security
Exhibit C: Insurance Requirements	Exhibit G: Additional Funds Terms and Conditions
Exhibit D: Behavioral Health Provisions	