

**AMENDMENT NO. 2 TO THE CONTRACT WITH
PROGRESS HOUSE (RES. 25-211) (RES. 26-023)**

THIS AMENDMENT is executed this May 12, 2026 by and between PROGRESS HOUSE, hereinafter referred to as “Contractor” and COUNTY OF NEVADA, hereinafter referred to as “County.” Said Amendment will amend the prior Agreement between the parties entitled Professional Services Contract, executed on June 3, 2025, per Resolution 25-211, which was subsequently amended on February 10, 2026, per Resolution 26-023; and

WHEREAS, the Contractor operates for the provision of residential treatment and withdrawal management services for referred clients of Nevada County; and

WHEREAS, the parties desire to amend their Agreement to increase the contract price from \$632,000 to \$832,000 (an increase of \$200,000) and amend Exhibit “B” Schedule of Charges and Payments to reflect the increase in the maximum contract price.

NOW, THEREFORE, the parties hereto agree as follows:

1. That Amendment #2 shall be effective as of April 1, 2026.
2. That Maximum Contract Price, shall be amended to the following: \$832,000.
3. That the Schedule of Charges and Payments, Exhibit “B” is amended to the revised Exhibit “B” attached hereto and incorporated herein.
4. That in all other respects the prior agreement of the parties shall remain in full force and effect except as amended herein.

COUNTY OF NEVADA:

By: _____
Chair of the Board of Supervisors

ATTEST:

By: _____
Clerk of the Board

CONTRACTOR:

By: _____
Progress House
2844 Coloma Street
Placerville, CA 95672

EXHIBIT “B”
SCHEDULE OF CHARGES AND PAYMENTS

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 \$832,000 for the period of April 21, 2025 through June 30, 2026. 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	\$200 per day (includes \$35.65 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	\$240 per day (includes \$35.65 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	\$270 per day (includes \$35.65 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>

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.

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.