

**SECOND AMENDMENT
PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
ALCOHOL DRUG CARE SERVICES, INC.
FOR FISCAL YEARS 2016-2017 THROUGH 2018-2019**

This Second Amendment to the Professional Services Agreement dated June 28, 2016 by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Alcohol Drug Care Services, Inc., a California non-profit corporation, hereinafter referred to as "CONTRACTOR," is entered into this 11 day of September 2018.

WHEREAS, COUNTY, by and through its Department of Health and Human Services – Mental Health, desired to retain a qualified professional to provide residential alcohol and drug treatment and counseling services, including, without limitation, withdrawal management, in a licensed and/or certified drug treatment program; and

WHEREAS, on June 28, 2016, COUNTY and CONTRACTOR entered into a Professional Services Agreement regarding the provision of residential alcohol and drug treatment and counseling services; and

WHEREAS, on August 15, 2017, COUNTY and CONTRACTOR amended the Professional Services Agreement to ensure compliance with State Standard Agreement No. 14-90058 between COUNTY and the California Department of Health Care Services ("DHCS"); and

WHEREAS, the parties now desire to amend the Professional Services Agreement to increase the rate of compensation for residential treatment and detoxification services provided thereunder and establish clear guidelines regarding the use of state and federal funds in order to ensure compliance with State Standard Agreement No. 17-94129 between COUNTY and DHCS.

NOW THEREFORE, the parties mutually agree as follows:

1. The Professional Services Agreement is hereby amended to delete all references to "(State Standard Agreement No. 14-90058)" and replace them with "(State Standard Agreement No. 17-94129)."
2. Section 4 – Compensation of the Professional Services Agreement is hereby amended to read as follows:

4. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for services rendered, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is Eight Hundred Eighty-Five Thousand Six Hundred Thirty Dollars (\$885,630.00). In no event shall the maximum amount paid under this Agreement exceed Two Hundred Ninety-Five Thousand Two Hundred Ten Dollars (\$295,210.00) per fiscal year for fiscal years 2016-2017, 2017-2018 and 2018-2019. CONTRACTOR agrees to perform all services required by this Agreement for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance rates are reduced or eliminated, COUNTY may, by amendment, reduce the maximum amount payable for services provided hereunder, or terminate this Agreement as provided herein.

- B. Rate of Compensation. COUNTY shall pay CONTRACTOR a flat rate of One Hundred Twenty-Five Dollars (\$125.00) per day for all residential treatment services rendered pursuant to the terms and conditions of this Agreement. COUNTY shall pay CONTRACTOR a flat rate of One Hundred Seventy-Five Dollars (\$175.00) per day for all residential detoxification services rendered pursuant to the terms and conditions of this Agreement.
- C. Provisional Treatment Rate. In the event CONTRACTOR's annual Final Cost Report prepared pursuant to the terms and conditions of this Agreement fails to justify or support the established rates set forth herein, COUNTY reserves the right to negotiate a Provisional Treatment Rate with CONTRACTOR that reflects CONTRACTOR's actual program costs. If it is determined that the cost reported by CONTRACTOR is less than the actual payments made by COUNTY, CONTRACTOR shall reimburse COUNTY for the overpayment.
- D. Additional Services. Any additional services not otherwise provided for herein, shall not be provided by CONTRACTOR, or compensated by COUNTY, without written authorization by COUNTY. All unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of CONTRACTOR. CONTRACTOR shall notify COUNTY in writing, at least six (6) weeks prior to the date upon which CONTRACTOR estimates that the maximum payable amount will be reached.
- E. Disallowance of Services. In the event services provided or claimed pursuant to the terms and conditions of this Agreement are disallowed or denied through COUNTY's utilization review, local, state or federal claims processes or local, state or federal error correction procedures, the amount of such disallowed or denied claims shall be reimbursed by CONTRACTOR through direct payment to COUNTY or adjustment of subsequent payments made hereunder.
- F. Third-Party Fees. CONTRACTOR shall return to COUNTY all third-party fees collected by CONTRACTOR for services rendered pursuant to the terms and conditions of this Agreement.
- G. Use of Funds for Promotion of Legalization of Controlled Substances. None of the funds made available to CONTRACTOR pursuant to the terms and conditions of this Agreement may be used for any activity that promotes the legalization of any drug or other substance included in Schedule I of Section 202 of the federal Controlled Substances Act.
3. Section 35(B) – Humboldt County Substance Use Disorder Agreement of the Professional Services Agreement is hereby amended to read as follows:
- B. Humboldt County Substance Use Disorder Services Agreement. CONTRACTOR agrees to comply with all provisions applicable to subcontractors in the Substance Use Disorder Services Agreement (State Standard Agreement No. 17-94129) that COUNTY has with DHCS, which are incorporated herein by reference and made a part hereof as if set forth in full. The above-referenced agreement can be obtained online at the following address: <https://humboldt.legistar.com/View.ashx?M=F&ID=5703576&GUID=70765EEF-BFFC-47AC-BFA1-E80F50299806>.

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4. The Professional Services Agreement is hereby amended to include the following provision regarding counterpart execution.

61. COUNTERPART EXECUTION:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement, and any amendments hereto.

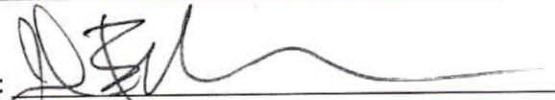
5. Except as modified herein, the Professional Services Agreement dated June 28, 2016 shall remain in full force and effect. In the event of a conflict between the provisions of this Second Amendment and the original Professional Services Agreement, or any prior amendments thereto, the provisions of this Second Amendment shall govern.

IN WITNESS WHEREOF, the parties have entered into this Second Amendment as of the first date written above.

TWO SIGNATURES ARE REQUIRED FOR CORPORATIONS:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
(2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER.

ALCOHOL DRUG CARE SERVICES, INC.:

By: 

Date: 8/23/2018


Name: John B. McManus
Title: Executive Director

By: 

Date: 8/23/2018

Name: Eileen McGee
Title: 8/23/2018 Board Secretary

COUNTY OF HUMBOLDT:

By: 
Ryan Sundberg
Chair, Humboldt County Board of Supervisors

Date: 9/11/18

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: 
Risk Management

Date: 9/5/18