

SECOND AMENDMENT TO THE FEE-FOR-SERVICE AGREEMENT WITH
ASIAN AMERICAN RECOVERY SERVICES
FOR ALCOHOL AND DRUG TREATMENT SERVICES

THIS AGREEMENT, entered into this _____ day of _____, 2002,
by and between the COUNTY OF SAN MATEO (hereinafter called "County") and ASIAN
AMERICAN RECOVERY SERVICES (hereinafter called "Contractor").

WITNESSETH

WHEREAS, on August 7, 2001, the parties hereto entered into a fee-for-service
agreement for the furnishing of certain services by Contractor to County as set forth in that
Agreement; and

WHEREAS, on February 26, 2002, the parties hereto entered into a first amendment to
the fee-for-service agreement; and

WHEREAS, it is now the mutual desire and intent of the parties hereto to further amend
and clarify that Agreement:

**CHANGE #1: Amend Section 1 of the body of the Agreement to add reference to new
Exhibit C as follows:**

1. Exhibits and Attachments

Exhibit C: Substance Abuse and Crime Prevention Act (SACPA)/Proposition 36
Alcohol and Drug Treatment Services and Rates of Payment for Those
Services

**CHANGE #2: Amend Section 3 of the body of the Agreement to amend paragraph B.1.,
and to add paragraphs B.2. and B.3. as follows:**

- 1) ONE HUNDRED FIFTY-NINE THOUSAND AND FIVE HUNDRED
DOLLARS (\$159,500) for Drug Court alcohol and drug treatment services
described in Exhibit A for the contract term.
- 2) ONE MILLION THREE HUNDRED FORTY-THREE THOUSAND NINE
HUNDRED THIRTEEN DOLLARS (\$1,343,913) for SACPA/Proposition 36
alcohol and drug treatment services described in Exhibit C for the period May 1,
2002 through June 30, 2002.
- 3) ONE HUNDRED FORTY-NINE THOUSAND ONE HUNDRED SEVENTY-
NINE DOLLARS (\$149,179) For SB223 drug testing services described in
Exhibit C for the period May 1, 2002 through June 30, 2002.

CHANGE #3: Amend Section IV. A. in Exhibit A to read as follows:

- A. ONE HUNDRED EIGHT THOUSAND FIVE HUNDRED DOLLARS (\$108,500) for CDCI funded treatment services.

CHANGE #4: Add Exhibit C as follows:

EXHIBIT C

**Substance Abuse and Crime Prevention Act (SACPA)/Proposition 36 Funded
Alcohol and Drug Treatment Services
ASIAN AMERICAN RECOVERY SERVICES
May 1, 2002 through June 30, 2002**

These alcohol and drug treatment services are funded through State SACPA/ Proposition 36 funds designated specifically to serve individuals who have plead guilty to an offense, and are referred to alcohol and drug treatment services by the SACPA/Proposition 36 Team. Contractor will comply with Title 9, Division 4, Chapter 2.5 of the California Code of Regulations, and OMB Circulars A-87 and A-122. Contractor will possess and maintain the appropriate licensure and/or certification required to provide the services described below. No services will be provided until the appropriate licensure and/or certification has been obtained.

Contractor will admit individuals, hereinafter referred to as "program participants", who are referred by SACPA/Proposition Team to these services. The length of treatment will vary according to the specific need of each program participant. Contractor will provide the following services at mutually agreed upon location(s) in San Mateo County to individuals who are deemed eligible for SACPA/Proposition 36 funded services:

I. SACPA/PROPOSITION 36 FUNDED ALCOHOL AND DRUG TREATMENT SERVICES:

A. SACPA/Proposition 36 Start-up Activities:

Contractor's start-up activities and expenses will comply with the Office of Management and Budget (OMB) Circular A-122, "Cost Principles for Non-Profit Organizations". Contractor will provide the following start-up activities necessary to provide SACPA/Proposition 36 funded services, in accordance with Contractor's approved start-up budget:

1. Purchase appropriate furnishings for group set-up including carpeting for counseling areas, chairs, and other necessary furnishings, lockable storage cabinets, computer workstation, and filing cabinet.

B. SACPA/Proposition 36 Outpatient Alcohol and Drug Treatment Services:

Contractor's basic outpatient alcohol and drug treatment services must be consistent with the State Alcohol and Drug Program (ADP) Certification Standards, and must meet the standards outlined in the American Society of Addiction Medicine (ASAM) Patient Placement Criteria for the Treatment of

Substance-Related Disorders. Contractor's basic outpatient services will be culturally and language appropriate for individuals who are Filipino or Pacific Islander. Contractor's basic outpatient services will include:

1. Intake and assessment (utilizing the Addiction Severity Index [ASI]), urine screening, recovery planning, aftercare planning, follow-up at 3-months and 9-months for each program participant, and follow-up with Probation/Parole as required.
2. Contractor's basic outpatient treatment plan will include a minimum of 6 months of treatment, including 4 individual counseling and 8 group counseling sessions per month, per program participant (e.g., a monthly treatment episode).
3. Curriculum will include: education workshops on topics such as drug and alcohol education, parenting skills and health issues, relapse prevention therapy groups, referrals to community resources, home visits, family assessment and service referrals.
4. Access to ancillary services which may include: legal support, vocational and job training, HIV/AIDS testing and education, health/mental health care, ESL/GED literacy assistance and supportive education, job search, Healthy Start programs, and recreational, family and community activities.
5. Aftercare planning and services will be provided for 6 months following completion of treatment program. Aftercare services will include:
 - a. Two hours of relapse prevention services each month including: on-going program activities and support groups, home visits and referrals to follow-up programs.

C. SACPA/Proposition 36 Intensive Outpatient Alcohol and Drug Treatment Services:

Contractor's basic outpatient alcohol and drug treatment services must be consistent with the State Alcohol and Drug Program (ADP) Certification Standards, and must meet the standards outlined in the American Society of Addiction Medicine (ASAM) Patient Placement Criteria for the Treatment of Substance-Related Disorders. Contractor's basic outpatient services will be culturally and language appropriate for individuals who are Filipino or Pacific Islander. Contractor's basic intensive outpatient services will include:

1. Intake and assessment (utilizing the Addiction Severity Index [ASI]), urine screening, recovery planning, aftercare planning, follow-up at 3-months

and 9-months for each program participant, and follow-up with Probation/Parole as required.

2. Contractor's basic outpatient treatment plan will include a minimum of 6 months of treatment, including 4 individual counseling and 12 group counseling sessions per month, per program participant (e.g., a monthly treatment episode).
3. Curriculum will include: education workshops on topics such as drug and alcohol education, parenting skills and health issues, relapse prevention therapy groups, referrals to community resources, home visits, family assessment and service referrals.
4. Access to ancillary services which may include: legal support, vocational and job training, HIV/AIDS testing and education, health/mental health care, ESL/GED literacy assistance and supportive education, job search, Healthy Start programs, and recreational, family and community activities.
5. Aftercare planning and services will be provided for 6 months following completion of treatment program. Aftercare services will include:
 - a. Two hours of relapse prevention services each month including: on-going program activities and support groups, home visits and referrals to appropriate follow-up programs.

II. SACPA/PROPOSITION 36 REFERRAL AND REIMBURSEMENT PROVISIONS:

- A. Contractor will be reimbursed only for the actual services provided to SACPA/Proposition 36 program participants who are referred with a written referral and the Addiction Severity Index (ASI) completed by an Alcohol and Drug Services Social Worker (in conjunction with the SACPA/Proposition 36 Team). Reimbursements will not be approved for any program participant treated who was not part of this formal referral process
- B. Reimbursements will not be approved retroactively (i.e. program participant admitted before a written referral/approval and ASI). If a SACPA/ Proposition 36 program participant needs to be transferred during the course of their care to a different program, due to clinical reasons, the treating provider must submit a transfer request to the Alcohol and Drug Services Social Worker who will approve or disapprove the transfer of the program participant. At the discretion of the Alcohol and Drug Services Social Worker, the program participant may need to be reassessed by the Alcohol and Drug Social Worker.

- C. All payments under this Agreement must directly support services specified in this Agreement.

III. SACPA/PROPOSITION 36 FUNDED ALCOHOL AND DRUG TREATMENT SERVICES PAYMENT RATES:

In full consideration of the SACPA/Proposition 36 funded alcohol and drug treatment services provided to individuals referred by the County, who lack the necessary resources to pay for all, or part, of these services themselves, the aggregate amount County shall be obligated to pay for services rendered under this Agreement and all other Agreements approved collectively by single resolution, shall not exceed ONE MILLION THREE HUNDRED FORTY-THREE THOUSAND NINE HUNDRED THIRTEEN DOLLARS (\$1,343,913). County payment to Contractor shall be consistent with Alcohol and Drug Program (ADP) Bulletin No. 01-17. County shall pay Contractor in the manner described below:

A. Start-up Payment Rates:

Of the \$1,343,913, County shall pay this Contractor a maximum of FIFTEEN THOUSAND THREE HUNDRED FORTY-FOUR DOLLARS (\$15,344) for outpatient alcohol and drug treatment services start-up costs in accordance with the approved start-up budget, for start-up activities outlined above. Payment shall be based on actual costs and shall be made upon approval of this agreement and review and approval of itemized statement including receipts for start-up costs, by the Alcohol and Drug Services Manager, or her designee.

B. SACPA/Proposition 36 funded Outpatient Service Payment Rates:

1. County shall pay Contractor at the rate of:
 - a. \$45.10 per staff hour for both outpatient and intensive outpatient treatment services.
2. A separate billing and record keeping system will be kept by Contractor for those program participants receiving these SACPA/Proposition 36 alcohol and drug treatment services.
3. Contractor's monthly itemized bill will include the following:
 - a. Name of program participant receiving SACPA/ Proposition 36 funded services, modality (outpatient and intensive outpatient), and the name of the referring SACPA/Proposition 36 team member.
 - b. Dates services were provided, and the number of individual counseling hours provided, broken down by program participant.
 - c. Number of group counseling hours provided, by program participant.

- d. Number of staff available hours provided for alcohol and drug treatment services each month, by modality.
- e. Total amount of the bill for each month, by modality.
- f. Contractor will submit itemized bill and invoice statement by the tenth (10) day of the month following the month services were provided. Bills and invoices will be submitted to the Alcohol and Drug Services office for approval and processing for payment.

IV. PAYMENT DEFINITIONS BY MODALITY:

- A. Outpatient and intensive outpatient will be billed by staff hour. Staff hour is defined as available staff hour.

V. DRUG TESTING:

- A. Contractor is eligible for reimbursement through SB 223 for substance abuse testing/urinalysis and other related costs for substance abuse testing of program participants in the SACPA/Proposition 36 funded programs. SB223 services must be provided in accordance with the requirements of Division 10.9 of the Health and Safety Code for the Substance Abuse Treatment and Testing Accountability (SATTa) program, and the revised County Plan for SACPA/Proposition 36 services.
 - 1. Drug testing typically means any procedure or protocol used to analyze body fluids or human tissue to determine whether a program participant is, or has recently been, using alcohol and/or other drugs. Drug testing methods may include, but not be limited to, a urine test, a blood test, saliva test, and breath alcohol test.
 - 2. Guidelines for drug testing:
 - a. Drug testing must be used as a treatment tool.
 - b. Drug testing results shall be given no greater weight than other aspects of the program participant's individual treatment program.
 - c. Drug testing shall be conducted in conjunction with treatment to enhance the effectiveness of the program participant's treatment program and help the program participant achieve success.
 - d. Drug testing results shall not be used as the basis for the imposition of new criminal charges.
 - e. A single drug test shall not be the sole basis for:

- 1) determining unamenability to treatment, or
 - 2) revoking probation pursuant to Penal Code 1210.1(e)(3)(c).
- f. Drug testing shall reflect the clinical needs of the program participant, based upon the individual's severity of abuse, progress in treatment and/or relapse potential, as determined by the counselor or counseling team.
- g. Drug testing may be conducted on either a random basis or a regularly scheduled basis throughout the length of the program.
3. SB223 Funded Drug Testing Services Payment Rates:
In full consideration of the SB223 funded drug testing services provided to individuals participating in the SACPA/Proposition 36 alcohol and drug treatment services, the aggregate amount County shall be obligated to pay for the services rendered under this Agreement and all other Agreements approved collectively by single resolution, shall not exceed ONE HUNDRED FORTY-NINE THOUSAND ONE HUNDRED SEVENTY-NINE DOLLARS (\$149,179). County shall pay Contractor in the manner described below:
 - a. County shall pay Contractor at a rate not to exceed THIRTY DOLLARS (\$30.00) per drug test and related costs. Contractor shall bill for actual costs only.
 - b. Contractor's monthly itemized bill will include the following:
 - 1) Name of program participant receiving SB223 drug testing services and dates of drug testing provided.
 - 2) Total number of staff available hours provided for each month.
 - 3) Total amount of the bill for testing services for each month.
 - c. Contractor will submit itemized bill and invoice statement by the tenth (10) day of the month following the month services were provided. Bills and invoices will be submitted to the Alcohol and Drug Services office for approval and processing for payment.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that:

1. The Agreement of August 7, 2001 and the first amendment of February 26, 2002, be amended accordingly.

2. This Amendment is hereby incorporated and made a part of the original Agreement and subject to all provisions therein.
3. All provisions of the original Agreement, and subsequent Amendments, including references to audit and fiscal management requirements otherwise amended hereinabove, shall be binding on all parties hereto.
4. All provisions of the original Agreement, including all monitoring and evaluation requirements, shall be applicable to all amendments herein.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES that the Agreement of August 7, 2001, and the first amendment of February 26, 2002, be amended accordingly.

IN WITNESS, WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hand on the day and year first above written.

COUNTY OF SAN MATEO

By: _____
Jerry Hill, President
Board of Supervisors, County of San Mateo

Date: _____

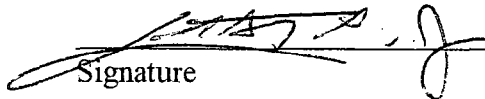
ATTEST:

Clerk of Said Board

Date: _____

ASIAN AMERICAN RECOVERY SERVICES

By: Leonardo A. Tacata, Jr., Associate Director
Name, Title - please print


Signature

Date: April 17, 2002
Contractor's Tax I.D. No. 94-3007538

COUNTY OF SAN MATEO
Departmental Correspondence

Date: December 18, 2001

TO: Priscilla Harris-Morse, Risk Manager

FROM: Jane Marks, Alcohol and Drug Services
Fax: 802-6440; Phone: 802-6418; Pony: HSA202PE

SUBJECT: Contract Insurance Approval

CONTRACTOR: Asian American Recovery Services


DOES CONTRACTOR TRAVEL? Yes

DUTIES: Provides nonresidential alcohol and drug treatment services.

INSURANCE COVERAGE:	Amount	Approve	Waive	Modify
Comprehensive Liability	<u>\$3M</u>	<u>✓</u>	<u> </u>	<u> </u>
<u>X</u> Additional Insured				
Automobile Liability	<u>\$1M</u>	<u>✓</u>	<u> </u>	<u> </u>
Professional Liability	<u>\$3M</u>	<u>✓</u>	<u> </u>	<u> </u>
Workers' Compensation	<u>Statutory</u>	<u>✓</u>	<u> </u>	<u> </u>
<u> </u> No employees				

Remarks/Comments:

Signature:



Risk Management

Insform.wp

MAR. 14. 2002 10:19AM

ASIAN AMERICAN RECOVERY SERVICES

AGGREGATE CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)

2/15/02

PRODUCER

ERNEST BLOOMFIELD & ASSOCIATES
REHABILITATION & RECOVERY INSURANCE AGENCY, INC.
22 BATTERY STREET, SUITE 503
SAN FRANCISCO, CA. 94111

THIS CERTIFICATE IS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A PHILADELPHIA INSURANCE COMPANIES
COMPANY B STATE COMPENSATION INSURANCE FUND
COMPANY C HARTFORD FIRE INSURANCE COMPANY
COMPANY D

INSURED

ASIAN AMERICAN RECOVERY SERVICES INC.
965 MISSION STREET, SUITE 325
SAN FRANCISCO, CA. 94103

COVERAGE

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN SELECTED BY THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES, LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT <input checked="" type="checkbox"/> PROFESSIONAL LIABILITY	PHPK 012 737	09-20-01	09-20-02	GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPROP AGG \$ 3,000,000 PERSONAL & ADV INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 100,000 MED EXP (Any one person) \$ 5,000
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	PHPK 012 737	09-20-01	09-20-02	COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY \$ EACH ACCIDENT \$ AGGREGATE \$
	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE <input type="checkbox"/> INCL <input type="checkbox"/> EXCL	1662925-02 EVIDENCE ONLY	01-27-02	01-27-03	<input checked="" type="checkbox"/> STATUTORY LIMITS EACH ACCIDENT \$ 1,000,000 DISEASE - POLICY LIMIT \$ 1,000,000 DISEASE - EACH EMPLOYEE \$ 1,000,000
A	EMPLOYEE DISHONESTY	PHPK 012 737	09-20-01	09-20-02	\$250,000 - PRIMARY COVERAGE
C	EMPLOYEE DISHONESTY	57 BDD AG2548	01-05-02	01-05-03	\$357,000 - EXCESS OF PRIMARY

DESCRIPTION OF OPERATIONS/LOCATION/VEHICLES/SPECIAL ITEMS

SUBJECT TO 10 DAY NOTICE OF CANCELLATION FOR NON-PAYMENT OF PREMIUM. THE CERTIFICATE HOLDER, ITS OFFICERS, AGENTS AND EMPLOYEES ARE NAMED AS ADDITIONAL INSURED AS THEIR INTERESTS MAY APPEAR

CERTIFICATE HOLDER

CITY & COUNTY OF SAN MATEO

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY ON ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ERNEST BLOOMFIELD