

**THIRD AMENDMENT TO AGREEMENT BETWEEN
THE COUNTY OF SAN MATEO AND HORIZON SERVICES, INC.**

THIS THIRD AMENDMENT is entered into this _____ day of _____, 20_____, by and between the COUNTY OF SAN MATEO, hereinafter called "County," and Horizon Services, Inc., hereinafter called "Contractor";

WITNESSETH:

WHEREAS, on December 4, 2007, the parties hereto under Resolution 69132 entered into an Agreement, (the "Original Agreement"), for the furnishing of alcohol and drug services by Contractor to County as set forth in that Original Agreement; and

WHEREAS, on February 28, 2008, the parties amended the Original Agreement to modify language concerning priority clients; and

WHEREAS, on June 10, 2008, the Original Agreement was amended to incorporate Bay Area Network Services Network (BASN) in the amount of \$10,500; a Cost of Living Adjustment (COLA) in the amount of \$17,954, for a maximum of \$926,162; and

WHEREAS, it is now necessary and the mutual desire and intent of both parties to delete BASN funding and to incorporate \$100,000 of fixed rate funding for Adult Resource Management related services and \$616,426 in fixed rate services for FY 2009-10, and to add SACPA Fee For Services funding in the amount of \$1,232,579 for alcohol and other drug detoxification services, and SB223 funding in the amount of \$160,607 for drug testing for FY 2008-09, for a new maximum obligation of \$3,025,274, and to extend the term to January 1, 2008 through June 30, 2010.

NOW, THEREFORE, the Original Agreement is hereby amended to read as follows:

1. Section 3.A.

3. Payments

A. Maximum Amount

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein, in Exhibit A2, and in the Alcohol and Other Drug Services Policy and Procedure Manual, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B2 and attachments herein for the contract term. The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable.

The County's total fiscal obligation under this Agreement shall not exceed THREE MILLION TWENTY-FIVE THOUSAND TWO HUNDRED SEVENTY-FOUR DOLLARS (\$3,025,274). Funding shall include (a) a fixed amount, and (b) a variable amount, which shall be a portion of an aggregate amount allocated between all contractors who provide the same or similar services as those described in this Agreement. The County's total fiscal obligation for the fixed amount shall not exceed TWO HUNDRED NINETY-NINE THOUSAND TWO HUNDRED THIRTY-SIX DOLLARS (\$299,236) for FY 2007-08 (January 1, 2008-June 30, 2008), SIX HUNDRED SIXTY-SIX THOUSAND FOUR HUNDRED TWENTY-SIX DOLLARS (\$666,426) for FY 2008-09, and

SIX HUNDRED SIXTY-SIX THOUSAND FOUR HUNDRED TWENTY-SIX DOLLARS (\$666,426) for FY 2009-10.

The County's total fiscal obligation for the aggregate amount allocated between all contractors who provide the same or similar services as those described in this Agreement shall not exceed ONE MILLION THREE HUNDRED NINETY-THREE THOUSAND ONE HUNDRED EIGHTY-SIX DOLLARS (\$1,393,186) for FY 2008-09.

The Contractor acknowledges that the County has agreed to pay a "variable amount" to all contractors who provide fee for service alcohol and drug treatment and drug testing services authorized individually or collectively by a County Resolution, which shall be the Contractor's share of an aggregate amount allocated between all contractors who provide the same or similar services as those described in this Agreement.

Therefore, the funds available to pay each individual contractor are dependent upon the amount or volume of services provided by the other contractors, as authorized by County.

The aggregate amount to be allocated between all contractors who provide the same or similar services as those described in this Agreement during FY 2008-09 shall include and shall be limited to the following amounts:

ONE MILLION TWO HUNDRED THIRTY-TWO THOUSAND FIVE HUNDRED SEVENTY-NINE DOLLARS (\$1,232,579) for SACPA and SACPA OTP Funded alcohol and drug treatment and prevention services as described in Exhibits A2 for the Contract term.

ONE HUNDRED SIXTY THOUSAND SIX HUNDRED-SEVEN DOLLARS (\$160,607) for SB223 Drug Testing described in Exhibit A2.

2. Exhibit A1 – Description of Services is hereby deleted in its entirety and replaced with Exhibit A2 - Description of Services, attached hereto.
3. Exhibit B1 – Payment and Rate of Payments, is hereby replaced with Exhibit B2 – Payments and Rate of Payments, attached hereto.

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

1. The Flat Rate Agreement between the parties dated December 4, 2007, as amended by a First Amendment on February 28, 2008, and again by a Second Amendment on June 10, 2008, is amended as set forth herein.
2. This Third 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 unless expressly deleted, modified, or otherwise superseded in this Third Amendment shall continue to be binding on all parties hereto.

This Third Amendment, including any exhibits and attachments hereto, constitutes the entire understanding of the parties hereto with respect to the amendment to the parties' Original Agreement dated December 4, 2007, as amended by a First Amendment on February 28, 2008 and by a Second Amendment on June 10, 2008, and correctly states the rights, duties, and obligations of each party as of this document's date. Any understandings, promises, negotiations, or representations between the parties concerning the amendment to the Original Agreement that are not expressly stated in this document are not binding. All subsequent modifications to this Third Amendment shall not be effective unless set forth in a writing executed by both parties.

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have affixed their hands to this Third Amendment.

COUNTY OF SAN MATEO

By: _____
Mark Church, President,
Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

HORIZON SERVICES, INC.

C. Keith Lewis, Executive Director

Signature

Date: _____

**EXHIBIT A2 – DESCRIPTION OF SERVICES
HORIZON SERVICES, INC.**

Contractor will provide the following alcohol and drug treatment and recovery services at a mutually agreed upon location in San Mateo County. Contractor will coordinate Methadone Maintenance Therapy (MMT) and Methadone Detox (MD) services for clients receiving Narcotic Replacement Therapy (NRT). Priority admission will be given to San Mateo County residents meeting AOD treatment and recovery services criteria, referred by, but not limited to: SMCAOD Assessors, Behavioral Health, and Recovery Services (BHRS), Probation, Human Services Agency, San Mateo Medical Center, San Mateo County AOD treatment providers, and other licensed medical practitioners.

In providing its services and operations, Contractor will maintain compliance with requirements of the AOD Policy and Procedure Manual, including additions and revisions, which is incorporated by reference herein.

I. Flat Rate Negotiated Rate Contract (NRC)

A. Priority Populations, Modalities, and Programs

Funds must be used to serve priority population consumers.

Specifically:

1. 85% of annualized flat rate base funding must serve consumers from one or more of AOD's Priority Populations.
2. 15% of the flat rate base funding is discretionary.

Units of Service January 1, 2008 – June 30, 2010

Modalities / Priority Populations	Capacity/ Individuals Served*	Units of Service (UOS) - Staff Available Hours (SAH) Bed Days (BD)
Residential	Capacity: 14 Individuals: 2,800	# of BD: 12,845

Priority Population Funding: UOS Breakdown

Funding Type / Modality	Total Units of Service (UOS)	Priority Population (UOS)	Priority Population (UOS %)	Allowable Discretionary (UOS)	Allowable Discretionary (UOS %)
Flat Rate Base Funding Units of Service/(Residential)	12,845 (BD)	10,918 (BD)	85%	1,927 (BD)	15%
TOTAL UOS	12,845(BD)	10,918(BD)	85%	1,927 (BD)	15%

B. System-wide Improvements

Contractors are encouraged to use the NIATx process in the implementation of their Quality Improvement Plans.

1. Consumer Outcomes

- a. By March 31, 2008 Contractor will attend and participate in at least one performance and QI training provided by Alcohol and Other Drug Services (AOD).
- b. Following the training, Contractor will develop an action plan that focuses on at least one client outcome. The plan should:
 - 1) Identify the specific problem;
 - 2) Identify the root cause(s) of the problem;
 - 3) Determine the data to measure future progress;
 - 4) Design an implementation plan with milestones and timeline.

- c. Contractor is required to have a QI process in place and submit a description to AOD no later than June 30, 2008.
 - d. Contractor will provide quarterly updates on the progress and outcomes of current QI plan.
 - e. Contractor will perform two (2) Plan Do Study Act (PDSA) cycles during the contract period.
2. Alcohol and Drug Services Policy
 - a. Contractor will implement Medication Policy and Narcotic Replacement Therapy Policy by January 1, 2008.
 - b. Contractor will implement Relapse Policy by December 1, 2008.
 3. Staffing

Beginning January 1, 2008, Contractor shall provide a staff roster and annual updates including progress toward meeting the Department of Alcohol and Drug staff certification requirements. Updates shall include the following information for each staff person providing direct services:

 - a. Hire date.
 - b. Current degrees or certificates.
 - c. Progress towards certification and expected completion date.
 4. Best Practices
 - a. Contractor will identify their current practices, which align with an established best practice, by January 1, 2008,
 - b. Contractor will provide quarterly progress reports on the investigation and implementation of brief intervention strategies.
 5. Consumer Input
 - a. Consumers shall be involved in their recovery plans.
 - b. Contractor shall evaluate consumer feedback and utilize the NIATx process to improve quality services.
 - c. Contractor shall implement standardized consumer satisfaction surveys following the guidelines as identified in the policies and Procedures Manual.
 6. Continuum of Care

Contractor shall involve consumers in recovery plans that include a continuity of care plan beginning with the initial assessment focusing on the consumer's resources, issues, and strengths. The plans will be evaluated and evolve during the course of the consumers engagement with the Contractor. The plans and the modifications will be documented in consumers file. Contractor will also document referrals and linkages to other services and providers.
 7. Co-occurring Disorders
 - a. Contractor will continue participation as a Change Agent and will attend and participate in all of the activities to effect the changes necessary to maintain and enhance Co-occurring Disorders (COD) capability.
 - b. Based on Contractor self-assessment utilizing the COMPASS, Contractor will continue implementation of COMPASS action plan. Contractor will provide quarterly progress on implementation.
- C. Capacity Building**
1. Contractor shall work in partnership with AOD to identify Full Service Partnership clients.
 2. Contractor shall document capacity building efforts.
 3. Contractor shall report collaborative efforts with providers in their quarterly reports.

D. Technical Assistance Needs

AOD shall offer consultation, technical assistance, and training to assist Contractor in implementing System-wide Improvement and capacity building activities.

E. Collaborate with Adult Resource Management (ARM)

1. Coordinate with ARM on a daily basis to prioritize BHRS access to available residential beds.
2. Work collaboratively with ARM to develop and utilize referral process from County Agencies and treatment providers.
3. Work with ARM to increase clients' detoxification readiness to transfer into treatment programs
4. Work with ARM to facilitate an increase in admittance to treatment programs, and to provide appropriate continuum of care services through the County system of care.

II. Fee For Service

A. SACPA and SACPA OTP Services

In accordance with the AOD Policy and Procedure Manual, contractor will provide the following alcohol and drug treatment and recovery services for consumers referred to SACPA and SACPA OTP services:

1. Social Model Detoxification (SMD) Services.
2. Level 2 – Intensive Outpatient/Day Treatment Services (IOP).
3. SB223 drug testing.

The maximum length of stay in any level of treatment is a 90 calendar day period. An extension beyond the 90 day period may be granted only by written approval from the Alcohol and Other Drug Services (AOD) Administrator, pursuant to a Contractor's written request outlining and justifying the consumer's clinical need.

Reimbursement will be approved only for consumers who are referred through the formal referral process outlined in the AOD Policy and Procedure Manual.

B. Social Model Detoxification Services

1. Contractor will provide social model residential detoxification services for Proposition 36 (P36) clients including assessment, case planning, referrals and transfer to treatment.
2. Provide coordinated and collaborative transfer to treatment including all necessary ancillary referrals and information.
3. Complete all client treatment transfers within the Drug and Alcohol Information System For You (DAISY) data system prior to client intake appointment at the identified treatment program.

C. Intensive Outpatient Services (IOP)

1. Provide IOP Services treatment to homeless clients in the shelter system through Horizon Services Helping Addicts and Alcoholics Overcome (HAALO) program.
2. HAALO will provide a minimum of 9 hours of treatment weekly and includes both group and individual sessions.
3. HAALO will conduct random drug testing in accordance with P36 requirements.
4. Ancillary service needs will be identified and referrals will be made as needed. HAALO staff will collaborate with other service providers working with the client to provide continuity of care.
5. Contractor will conform to the minimum P36 standards as outlined in the AOD Policy and Procedures Manual.

**EXHIBIT B2 – PAYMENTS AND RATE OF PAYMENTS
HORIZON SERVICES, INC.**

I. FLAT RATE Negotiated Rate Contract (NRC)

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

A. Payments:

In full consideration of the services provided by Contractor, the maximum amount for community-based partnership services contained in Exhibit A2 is NINE HUNDRED EIGHTY-FIVE THOUSAND SIX HUNDRED SIXTY-TWO DOLLARS (\$985,662).

B. Rate of Payments:

County will pay Contractor the total contract amount in thirty (30) monthly payments in a manner as outlined in the charts below. County will pay Contractor's monthly payment within 30 days, upon timely submission of reports as outlined in the Provider Manual.

January 1, 2008 - June 30, 2008

Service	Funding Amount	Monthly amount	UOS BD or SAH	Rate	# clients to be served	Slots
NRC Adult-Residential	\$299,236	\$49,873	2,601	\$115.07	560	14
TOTAL	\$299,236			\$115.07	560	14

Summary of Funding for Priority Populations FY 2007-08 (January 1, 2008-June 30, 2008)

Funding Type	Total Funding Allocation	Priority Population Funding	Priority Population %	Allowable Discretionary Funding	Allowable Discretionary %
Annual Flat Rate	\$299,236	\$254,351	85%	\$44,885	15%
Total Funding	\$299,236	\$254,351	85%	\$44,885	15%

July 1, 2008-June 30, 2009

	Funding Amount	Monthly Amount	UOS BD or SAH	Rate	# Clients to be served	Slots
NRC Adult Residential	\$666,426	\$55,536	5122	\$130.12	1120	14
Total	\$666,426	\$55,536	5122	\$130.12	1120	14

Summary of Funding for Priority Populations FY 2008-09

Funding Type	Total Funding Allocation	Priority Population Funding	Priority Population %	Allowable Discretionary Funding	Allowable Discretionary %
Annual Flat Rate	\$666,426	\$566,462	85%	\$99,964	15%
Total Funding	\$666,426	\$566,462	85%	\$99,964	15%

July 1, 2009 – June 30, 2010

	Funding Amount	Monthly Amount	UOS BD or SH	Rate	# Clients to be served	Slots
NRC Adult Residential	\$666,426	\$55,536	5122	\$130.12	1120	14
Total	\$666,426	\$55,536	5122	\$130.12	1120	14

Summary of Funding for Priority Populations FY 2009-10

Funding Type	Total Funding Allocation	Priority Population Funding	Priority Population %	Allowable Discretionary Funding	Allowable Discretionary %
Annual Flat Rate	\$666,426	\$566,462	85%	\$99,964	15%
Total Funding	\$666,426	\$566,462	85%	\$99,964	15%

C. Required Fiscal Documentation:

1. Contractor's annual budget, and line item narrative justification covering all contracted services under this Agreement is subject to review and approval by the San Mateo County Alcohol and Other Drug Services program liaison for each fiscal year.
2. Contractor will comply with all fiscal and reporting requirements for funded services as specified in the Alcohol and Other Drug Services Provider Manual.

II. FEE FOR SERVICE:

In full consideration of the fee for services funded alcohol and drug services provided to individuals lacking the necessary resources to pay for all or part of these services themselves and are referred by the County. The maximum aggregate amount County shall be obligated to pay for services rendered under this Agreement and all other agreements approved individually or collectively by a resolution shall not exceed the amounts stated. The maximum aggregate amount for consumers referred to SACPA and SACPA OTP services contained in Exhibit A2, is ONE MILLION TWO HUNDRED THIRTY-TWO THOUSAND FIVE HUNDRED SEVENTY-NINE DOLLARS (\$1,232,579) The maximum aggregate amount for consumers who receive drug testing under SB223 funded services contained in Exhibit B2, is ONE HUNDRED SIXTY THOUSAND SIX HUNDRED-SEVEN DOLLARS (\$160,607)

The rates of payment for the services are as follows:

A. Payments:

1. These services will be paid on a Fee for Service basis only.
2. Contractor will submit invoice monthly by within 10 days of the end of the service month.
3. County will pay Contractor's monthly payment within 30 days, upon timely submission of invoice and reports, as outlined in the Alcohol and Other Drug Services Policy and Procedure Manual.

B. Rate of Payments:

In full consideration of the Detoxification services provided by Contractor pursuant to this Agreement, Contractor will be reimbursed only for services outlined in the Providers Handbook, that are provided to clients referred in writing by County.

SACPA and OTP Services

1. Social Model Detoxification Services at \$130.12 per residential detox treatment day completed within the approved treatment period.
2. Level II - Intensive Outpatient Program (IOP) at \$85.00 per treatment day completed within the approved treatment period.
3. SB223 drug testing
The rate will not exceed the actual cost of the drug screen, plus an administrative fee as specified in Contractor's/approved Drug Testing Plan. Total cost reimbursed, including the administrative fee, will not exceed \$30.00 per screen.

CONTRACTOR MONTHLY ITEMIZED BILL - Invoices must be submitted on P36 invoices, by the 10th of the month following provision of services.

C. Required Fiscal Documentation:

1. Contractor's annual budget, and line item narrative justification covering all contracted services under this Agreement is subject to review and approval by the San Mateo County Alcohol and Other Drug Services program liaison for each fiscal year.

Attachment 3 County of San Mateo Contractor's Declaration Form

I. CONTRACTOR INFORMATION

Contractor Name:	Horizon Services, Inc.	Phone:	(510)582-2100
Contact Person:	(510)582-1221	Fax:	(510)582-1221
Address:	1151 A Street Hayward, CA 94541		

II. EQUAL BENEFITS (check one or more boxes)

Contractors with contracts in excess of \$5,000 must treat spouses and domestic partners equally as to employee benefits.

- Contractor complies with the County's Equal Benefits Ordinance by:
 - offering equal benefits to employees with spouses and employees with domestic partners.
 - offering a cash equivalent payment to eligible employees in lieu of equal benefits.
- Contractor does not comply with the County's Equal Benefits Ordinance.
- Contractor is exempt from this requirement because:
 - Contractor has no employees, does not provide benefits to employees' spouses, or the contract is for \$5,000 or less.
 - Contractor is a party to a collective bargaining agreement that began on ___ (date) and expires on ___ (date), and intends to offer equal benefits when said agreement expires.

III. NON-DISCRIMINATION (check appropriate box)

- Finding(s) of discrimination have been issued against Contractor within the past year by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. Please see attached sheet of paper explaining the outcome(s) or remedy for the discrimination.
- No finding of discrimination has been issued in the past year against the Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other entity.

IV. EMPLOYEE JURY SERVICE (check one or more boxes)

Contractors with original or amended contracts in excess of \$100,000 must have and adhere to a written policy that provides its employees living in San Mateo County up to five days regular pay for actual jury service in the County.

- Contractor complies with the County's Employee Jury Service Ordinance.
- Contractor does not comply with the County's Employee Jury Service Ordinance.
- Contractor is exempt from this requirement because:
 - the contract is for \$100,000 or less.
 - Contractor is a party to a collective bargaining agreement that began on ___ (date) and expires on ___ (date), and intends to comply when the collective bargaining agreement expires.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Signature

Name

Date

Title