



**AMENDMENT NO. 1  
TO  
CONTRACT NO. MA-042-19010286  
FOR  
Drug Medi-Cal Substance Use Disorder Outpatient Services**

This Amendment (“Amendment No. 1”) to Contract No. MA-042-19010286 for Drug Medi-Cal Substance Use Disorder Outpatient Services is made and entered into on May 19, 2020 (“Effective Date”) between «NAME» (“Contractor”), with a place of business at «ADDRESS», and the County of Orange, a political subdivision of the State of California (“County”), through its Health Care Agency, with a place of business at 405 W. 5th St., Ste. 600, Santa Ana, CA 92701. Contractor and County may sometimes be referred to individually as “Party” or collectively as “Parties”.

**RECITALS**

WHEREAS, the Parties executed Contract No. MA-042-19010286 for Drug Medi-Cal Substance Use Disorder Outpatient Services, effective July 1, 2018 through June 30, 2020, in an amount not to exceed \$6,388,000, renewable for three additional one-year periods (“Contract”); and

WHEREAS, the Parties now desire to enter into this Amendment No. 1 to increase the Period Two aggregate maximum obligation, to amend specific terms and conditions in the Contract, and to renew the Contract for County to continue receiving and Contractor to continue providing the services set forth in the Contract.

NOW THEREFORE, Contractor and County agree to amend the Contract as follows:

1. The Period Two Aggregate Maximum Obligation is increased by \$606,000 from \$3,194,000 to \$3,800,000.
2. The Contract is renewed for a period of 1 year, effective July 1, 2020 through June 30, 2021, in an aggregate amount not to exceed \$4,200,000 for this renewal period, for a new total amount not to exceed \$11,194,000; on the amended terms and conditions, renewable for two additional one-year terms.
3. Page 4, Referenced Contract Provisions, section Term is deleted in its entirety and replaced with the following:

“**TERM:** July 1, 2018 through June 30, 2021  
Period One means the period from July 1, 2018 through June 30, 2019  
Period Two means the period from July 1, 2019 through June 30, 2020  
Period Three means the period from July 1, 2020 through June 30, 2021”

4. Page 4, Referenced Contract Provisions, section Aggregate Maximum Obligation is deleted in its entirety and replaced with the following:

“**Aggregate Maximum Obligation:**

Period One Aggregate Maximum Obligation: \$3,194,000  
Period Two Aggregate Maximum Obligation: \$3,800,000  
Period Three Aggregate Maximum Obligation: \$4,200,000  
TOTAL AGGREGATE MAXIMUM OBLIGATION: \$11,194,000”

5. Paragraph IV. Compliance, subparagraph B, introductory paragraph, of the Contract is deleted in its entirety and replaced with the following:

“B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or retained to provide services related to this Agreement monthly to ensure that they are not designated as Ineligible Persons, as pursuant to this Agreement. Screening shall be conducted against the General Services Administration's Excluded Parties List System or System for Award Management, the Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider List, the Social Security Administration's Death Master File at date of employment, and/or any other list or system as identified by ADMINISTRATOR.”

6. Paragraph VI. Cost Report, subparagraph A of the Contract is deleted in its entirety and replaced with the following:

“A. CONTRACTOR shall submit a separate Cost Report for Period One, Period Two, and Period Three, or for a portion thereof to COUNTY no later than forty-five (45) calendar days following the period for which they are prepared or termination of this Agreement. CONTRACTOR shall prepare the Cost Report in accordance with all applicable federal, state and COUNTY requirements, GAAP and the Special Provisions Paragraph of this Agreement. CONTRACTOR shall allocate direct and indirect costs to and between programs, cost centers, services, and funding sources in accordance with such requirements and consistent with prudent business practice, which costs and allocations shall be supported by source documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon reasonable notice.”

7. Paragraph XII. Indemnification and Insurance, subparagraph D, introductory paragraph, of the Contract is deleted in its entirety and replaced with the following:

“D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved, CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this Agreement, agrees to all of the following:”

8. Paragraph XXXIII Conflict of Interest is added to the Contract as follows:

**“XXXIII. CONFLICT OF INTEREST**

CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation shall apply to CONTRACTOR's employees, agents, and subcontractors

associated with the provision of goods and services provided under this Agreement. CONTRACTOR's efforts shall include, but not be limited to establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence COUNTY staff or elected officers in the performance of their duties."

9. Paragraph XXXIV. Dispute Resolution is added to the Contract as follows:

**"XXXIV. DISPUTE RESOLUTION**

A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Agreement is not disposed of in a reasonable period of time by CONTRACTOR and ADMINISTRATOR, such matter shall be brought to the attention of the County Purchasing Agent by way of the following process:

1. CONTRACTOR shall submit to the County Purchasing Agent a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this Agreement, unless COUNTY, on its own initiative, has already rendered such a final decision.

2. CONTRACTOR's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Agreement, CONTRACTOR shall include with the demand a written statement signed by an authorized representative indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Agreement adjustment for which CONTRACTOR believes COUNTY is liable.

B. Pending the final resolution of any dispute arising under, related to, or involving this Agreement, CONTRACTOR agrees to proceed diligently with the performance of services secured via this Agreement, including the delivery of goods and/or provision of services. CONTRACTOR's failure to proceed diligently shall be considered a material breach of this Agreement.

C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and shall be signed by a County Deputy Purchasing Agent or designee. If COUNTY fails to render a decision within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final decision adverse to CONTRACTOR's contentions.

D. This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county."

10. Paragraph XXXV. Patient's Rights is added to the Contract as follows:

**"XXXV. PATIENT'S RIGHTS**

A. CONTRACTOR shall post the current California Department of Mental Health Patients' Rights poster as well as the Orange County HCA Mental Health Plan Grievance and Appeals poster in locations readily available to Clients and staff and have Grievance and Appeal forms in the threshold languages and envelopes readily accessible to Clients to take without having to request it on the unit.

B. In addition to those process provided by ADMINISTRATOR, CONTRACTOR shall have an internal grievance processes approved by ADMINISTRATOR, to which the beneficiary shall have access.

1. CONTRACTOR's grievance process shall incorporate COUNTY's grievance, patients' rights, and/or utilization management guidelines and procedures. The patient has the right to utilize either or both grievance process simultaneously in order to resolve their dissatisfaction.

2. Title IX Rights Advocacy. This process may be initiated by a Client who registers a statutory rights violation or a denial or abuse complaint with the County Patients' Rights Office. The Patients' Rights office shall investigate the complaint, and Title IX grievance procedures shall apply, which involve ADMINISTRATOR'S Director of Behavioral Health Care and the State Patients' Rights Office.

C. The Parties agree that Clients have recourse to initiate an expression of dissatisfaction to CONTRACTOR, appeal to the County Patients' Rights Office, file a grievance, and file a Title IX complaint. The Patients' Advocate shall advise and assist the Client, investigate the cause of the grievance, and attempt to resolve the matter

D. No provision of this Agreement shall be construed as to replacing or conflicting with the duties of County Patients' Rights Office pursuant to Welfare and Institutions Code Section 5500."

This Amendment No. 1 modifies the Contract, only as expressly set forth herein. Wherever there is a conflict in the terms or conditions between this Amendment No. 1 and the Contract, the terms and conditions of this Amendment No. 1 prevail. In all other respects, the terms and conditions of the Contract, not specifically changed by this Amendment No. 1, remain in full force and effect.

**SIGNATURE PAGE FOLLOWS**

**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 1. If Contractor is a corporation, Contractor shall provide two signatures as follows: 1) the first signature must be either the Chairman of the Board, President, or any Vice President; 2) the second signature must be that of the Secretary, an Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution or by-laws demonstrating the legal authority of the signature to bind the company.

**Contractor:** «NAME»

_____	_____
Print Name	Title
_____	_____
Signature	Date

**County of Orange**, a political subdivision of the State of California

Purchasing Agent/Designee Authorized Signature:

_____	_____
Print Name	Title
_____	_____
Signature	Date

**APPROVED AS TO FORM**  
Office of the County Counsel  
Orange County, California

Brittany McLean	Deputy County Counsel
_____	_____
Print Name	Title
	4/8/2020
_____	_____
	Date