

EXHIBIT B

TERMS AND CONDITIONS OF PAYMENT

TYPE OF CONTRACT: FEE FOR SERVICE

Contractor will be paid on a daily fee-for service-bed-day-rate based on utilization by individuals referred by Probation and/or Behavioral Health and Recovery Services. Reimbursement is provided at the point of admission and ends at discharge from housing.

The Department projects that financial assistance to eligible individuals may range from 100% assistance initially to decreasing amounts of financial assistance as individuals become more self-sufficient in the community (obtain job, etc.) Projected costs are \$620-\$1,550/month per individual, dependent upon the SLE's resident bed to room ratio level of services and provided at the SLE site.

The following is a standardized funding schedule for all individuals who are determined to need financial support, unless specific individual agreements are made with the Probation Department and/or Behavioral Health and Recovery Services:

Probation and BHRS: Substance Use Services

- Month 1: One-time \$300 Administration Fee
- Months 1-4: County pays 100%, no client co-pay (not to exceed \$1,550/month)
- Months 5-8: County pays 75%, client co-pay 25% (not to exceed \$1162.50/month)
- Months 9-12: County pays 50%, client co-pay 50% (not to exceed \$775/month)

Projected Units and Rates of Service are:

Projected Units of Service	Unit Description
Units @ \$300	One-time Administration Fee
Units @ \$40-\$50 per Day	Day 1 through Day 122
Units @ \$30-\$37.50 per Day	Day 123 through Day 244
Units @ \$20-\$25 per Day	Day 245 through Day 365

Continued Funding After Managed Care Plan Coverage

For continued stays for residents who have accessed six (6) months of Sober Living/Recovery Residence housing paid through a Managed Care Plan, the step schedule is as follows, unless specific individual agreements are made with Behavioral Health and Recovery Services:

- Months 1-2 (Step 2): County pays 75%, client co-pay 25% (not to exceed \$1162.50/month)
- Months 3-6 (Step 3): County pays 50%, client co-pay 50% (not to exceed \$775/month)

Projected Units and Rates of Service are:

Projected Units of Service	Unit Description
Units @ \$30-\$37.50 per Day	Day 1 through Day 61
Units @ \$20-\$25 per Day	Day 62 through Day 188

Claims Submission and Re-Submission

1. Contractor shall submit invoices and applicable supporting documentation, and enter claims data into the County's billing and transactional database system by the 10th of the month for services delivered the preceding month.
2. Claims shall be complete and accurate and must include all required information regarding the claimed services.
3. Claims for final payment must be submitted within thirty (30) days of the expiration date of this Agreement. Payment of claims due may be withheld pending receipt of documents required by this contract.

Reimbursement

1. Contractor will be paid on a monthly basis, following the submission of an invoice (submitted through County's billing and transactional database system, as applicable, and on a template provided and/or agreed to by the County) for services delivered to the County's satisfaction. Contractor will be reimbursed the negotiated unit of service rate for all approved claims. Final settlement will be the total of approved claims times the negotiated Fee for Service rate, up to the contract maximum.
2. Contractor will be reimbursed on a Net 30 basis.
3. Unless otherwise noted in the contract, services provided and reimbursed under this contract are only for Marin County Medi-Cal beneficiaries and low-income (< 138% FPL) uninsured Marin residents.

Monitoring and Reporting

1. Contractor is subject to annual fiscal monitoring by the County or County's qualified designee.
2. At mid-year, or as requested by the County, Contractor shall submit supporting documentation (e.g. copy of General Ledger, report of expenses from financial system) for actual costs, as applicable, to the Marin County Division of Behavioral Health and Recovery Services for management information and planning purposes.
3. Annual Cost Reports, as applicable, and all supporting documentation must be submitted within sixty (60) days of the expiration date of this Agreement. The Cost Report shall be based on actual costs.
4. 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.
5. 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.

Contractor Prohibited from Redirection of Contracted Funds [If Applicable]

1. Contractor may not redirect or transfer funds from one funded program to another funded program under which Contractor provides services pursuant to this Agreement except through a duly executed amendment to this Agreement.
2. Contractor may not charge services delivered to an eligible client under one funded program to another funded program unless the client is also eligible for services under the second funded program.

Financial Audit Report Requirements for Pass-Through Entities

1. 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.
2. 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.
3. 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.
4. 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.

Additional Substance Use Prevention and Treatment Block Grant (SUBG) Funding Requirements

1. Prior to expending SUBG Block Grant funding, every reasonable effort should be made to, including the establishment of systems for eligibility determination, billing, and collection: (1) Collect reimbursement of the costs of providing such services to persons who are entitled to insurance benefits under the Social Security Act, including programs under Title XVIII and Title XIX, any State compensation program, any other public assistance program for medical expenses, any grant program, any private health insurance, or any other benefit program; and (2) Secure from patient or clients payments for services in accordance with their ability to pay.
2. In accordance with Title 45 Code of Federal Regulations, Part 96, Section 96.137, SAPT Block Grant funding is the “payment of last resort” for services for Pregnant and Parenting Women, Tuberculosis, and HIV.
3. SUBG may not be used to pay for a service that is reimbursable by Medi-Cal.
4. SUBG may not be used on the following activities:
 - a. Provide inpatient services.
 - b. Make cash payments to intended recipients of health services.
 - c. Purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment
 - d. Satisfy any requirement for the expenditure of SUBG funds as a condition for the
 - e. receipt of federal funds.
 - f. Provide financial assistance to any entity other than a public or nonprofit private entity.

- g. Pay the salary of an individual through a grant or other extramural mechanism at a rate in excess of level II of the Executive Salary Schedule for the award year: see http://grants.nih.gov/grants/policy/salcap_summary.htm.
- h. Purchase treatment services in penal or correctional institutions of the State of California.
- i. Supplant state funding of programs to prevent and treat substance Use and related activities.
- j. Carry out any program prohibited by 42 USC 300x-21 and 42 USC 300ee-5 such that none of the funds provided under this Act or an amendment made by this Act shall be used to provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the United States Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug Use and the risk that the public will become infected with the etiologic agent for acquired immune deficiency syndrome.