

SECOND AMENDMENT TO THE AGREEMENT BETWEEN THE COUNTY OF VENTURA AND AEGIS TREATMENT CENTERS, LLC

This "Second Amendment" to the Agreement for Drug Medi-Cal Organized Delivery System Substance Use Disorder Services, which became effective July 1, 2023, is made and entered into by and between the **COUNTY OF VENTURA**, acting through its Ventura County Behavioral Health, a primary service provider, hereinafter referred to as "COUNTY," and **AEGIS TREATMENT CENTERS, LLC**, hereinafter referred to as "CONTRACTOR."

NOW, THEREFORE, the parties hereby agree that effective June 4, 2024 the Agreement is amended as follows:

- I. Section 3 (PAYMENT) of the Agreement is revised to read as follows:
 3. **PAYMENT:** The maximum contract amount shall not exceed **\$7,800,000**. COUNTY agrees to compensate CONTRACTOR for allowable and necessary net costs, not to exceed the maximum reimbursable amount in accordance with Exhibit "B" (PAYMENT TERMS), and ATTACHMENT A of EXHIBIT "B" (NARCOTIC TREATMENT SERVICES SERVICE RATES AND PROVIDER SERVICE RATES).
- II. Exhibit "B" (PAYMENT TERMS) of the Agreement is deleted and replaced with the new Exhibit "B" (PAYMENT TERMS) attached hereto.
- III. Attachment A to Exhibit "B" (NARCOTIC TREATMENT SERVICES SERVICE RATES AND PROVIDER SERVICE RATES AND PROCEDURE CODE REPORTS) of the agreement is deleted and replaced with new Attachment A to Exhibit "B" (NARCOTIC TREATMENT SERVICES SERVICE RATES AND PROVIDER SERVICE RATES AND PROCEDURE CODE REPORTS), attached hereto.
- IV. Except for the modifications described herein, all other terms and conditions of the Agreement, as amended, shall remain in effect.
- V. This Second Amendment may be executed in counterparts, each of which shall constitute an original, and all of which taken together shall constitute one and the same instrument.
- VI. The parties hereto agree that this Second Amendment may be transmitted and signed by electronic or digital means by either/any or both/all parties and that such signatures shall have the same force and effect as original signatures, in accordance with California Government Code Section 16.5 and California Civil Code Section 1633.7.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Second Amendment through their duly authorized representatives as of the last date written below.

AEGIS TREATMENT CENTERS, LLC

COUNTY OF VENTURA

By Will Dorris
Authorized Signature
Will Dorris, CFO
Printed Name and Title
6/11/2024
Date

By Dr. Loretta Denning
Authorized Signature
Dr. Loretta Denning, DrPH, MS
Interim BH Director
Printed Name and Title
6-13-2024
Date

Tax Identification Number

Secretary of State Entity Number

By _____
Authorized Signature

Printed Name and Title

Date

* If a corporation, this Second Amendment must be signed by two specific corporate officers.

The first signature must be either the (1) Chief Executive Officer, (2) Chairman of the Board, (3) President, or any (4) Vice President.

The second signature must be the (a) Secretary, an (b) Assistant Secretary, the (c) Chief Financial Officer or Treasurer, or any (d) Assistant Treasurer.

In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signatory to bind the company for this Agreement.

EXHIBIT "B"

PAYMENT TERMS

AEGIS TREATMENT CENTERS, LLC

July 1, 2023 through June 30, 2024 as amended June 4, 2024

- A. COUNTY shall pay CONTRACTOR in accordance with the terms and conditions set forth in this Exhibit "B" and Attachment A to Exhibit "B" for CONTRACTOR's satisfactory performance or provision of the services and work described in Exhibit "A". Except as expressly provided in this Agreement, the maximum total sum of all payments made by COUNTY to CONTRACTOR for the services and work performed or provided under this Agreement for the service period of July 1, 2023 through June 30, 2024, shall not exceed \$7,800,000. This not to exceed amount is not a guaranteed sum but shall be paid only for services actually rendered. Any unspent fiscal year appropriation does not roll over and is not available for services provided in subsequent years. The funding sources for this Agreement could include DMC-ODS FFP, 2011 Realignment and State General Fund.
- B. CONTRACTOR shall use Current Procedural Terminology (CPT) or Healthcare Common Procedure Coding System (HCPCS) codes, as provided in the DHCS Billing Manual available at <https://www.dhcs.ca.gov/services/MH/Pages/MedCCC-Library.aspx>, as from time to time amended. CONTRACTOR will review the DHCS Billing Manual periodically to ensure CONTRACTOR is aware of any changes and utilizing the information from the most current version of the manual. If applicable, CONTRACTOR shall enter claims data into the COUNTY's Billing and Transactional Database System within the timeframes established by COUNTY.
- C. CONTRACTOR shall bill COUNTY monthly in arrears by invoice using CONTRACTOR's own letterhead or format and include a signed Certification of Claims form (Exhibit "K"), delivered units of service with appropriate documentation, and a copy of the DATAR report. When applicable, a printout from COUNTY's Billing and Transactional Database System of billable services will be required to be submitted with CONTRACTOR's invoice. If COUNTY encounters any issues with the implementation of COUNTY's Billing and Transactional Database System that impede the invoicing process, COUNTY will reimburse CONTRACTOR 1/12th of the Agreement's maximum contract amount for the services specified in this Exhibit "B," until the issue is resolved, as determined by COUNTY. If this payment methodology is used, COUNTY will complete a reconciliation of the units of service and rates against the payments made to CONTRACTOR to identify any over or under payments. COUNTY is entitled to recover, and CONTRACTOR shall remit any amount overpaid to CONTRACTOR within forty-five (45) days of any COUNTY completed reconciliation. COUNTY will remit any additional payments required to the CONTRACTOR upon any COUNTY completed reconciliation.

All invoices submitted shall clearly reflect all required information regarding the services for which invoices are made, in the form and content specified by COUNTY. CONTRACTOR shall submit delivered units of service with appropriate documentation, along with the invoice for reimbursement. No service that has been or will be reimbursed by any other revenue source can be invoiced by CONTRACTOR. Invoices for reimbursement shall be completed by CONTRACTOR, and dated, and forwarded to COUNTY within ten (10) working days after the close of the month in which services were rendered. Incomplete or incorrect invoices shall be returned to

CONTRACTOR for correction and resubmittal and will result in payment delay. Late invoices will also result in payment delays. Following receipt of a complete and correct monthly invoice and approval by COUNTY, CONTRACTOR shall then be paid within forty-five (45) working days of submission of a valid invoice to the COUNTY.

- D. **TIMELY BILLING.** If applicable, CONTRACTOR shall generate a monthly Timely Billing Report that has been reviewed by CONTRACTOR's Chief Financial Officer, Controller, or highest-ranking accounting officer. CONTRACTOR's accounting officer's signature on the report indicates that timeliness related to billing will be managed to achieve an average of three business days or less from the time of service to the date of entry in COUNTY's Billing and Transactional Database System. The signed Timely Billing Report must be attached with the monthly invoice and submitted to COUNTY. CONTRACTOR shall ensure that all data is entered in a timely manner in order to produce the most accurate reports.
- E. Payment shall be made in arrears upon the submission of approved invoices to COUNTY. Monthly payments for claimed services shall be based on the units of time assigned to each CPT or HCPCS code or Narcotic Treatment Services type multiplied by the service rates in Attachment A of Exhibit "B." COUNTY's payments to CONTRACTOR for performance of claimed services are provisional and subject to adjustment until the completion of all reconciliation activities. COUNTY's adjustments to provisional payments for claimed services shall be based on the terms, conditions, and limitations of this Agreement or the reasons for recoupment set forth in Section 82, Audit of Services, Subsections D and E. All payments and claimed expenses shall be subject to audit and reconciliation. COUNTY agrees to pay CONTRACTOR approved services rendered, less any services that are disallowed for any reason by the COUNTY Quality Assurance Division. CONTRACTOR shall be liable for any expenses incurred by CONTRACTOR in excess of the contract maximum. In no event shall the maximum amount payable hereunder exceed the maximum contract amount under this Agreement, as specified in Section A of Exhibit "B."
- F. CONTRACTOR has submitted to COUNTY for its review and consideration a budget that contains estimated staffing which is applicable under this Agreement. COUNTY will use this information as an ongoing monitoring guide and will also include in COUNTY monitoring the measure of productivity, service level expectation, and the ability to achieve outcomes as specified in this Agreement.
- G. **DMC-ODS reimbursement provision:** For DMC-ODS eligible services, COUNTY acknowledges its responsibility to pay CONTRACTOR with respect to services provided to DMC-ODS beneficiaries under this Agreement, CONTRACTOR shall comply with Drug Medi-Cal State Plan and DMC-ODS Waiver requirements. The DMC-ODS reimbursement is composed of FFP, State Funds Realignment, and Local Matching Funds (County Resources). COUNTY requests that CONTRACTOR maximize services under this Agreement utilizing DMC-ODS funding as applicable. CONTRACTOR must accept as payment in full the amounts paid by COUNTY in accordance with this Agreement. CONTRACTOR may not demand any additional payment from DHCS, client, or other third-party payers.
- H. 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.

- I. 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.
- J. It is expressly understood and agreed between the parties hereto that COUNTY shall make no payment and has no obligation to make payment to CONTRACTOR unless the services provided by CONTRACTOR hereunder were authorized by DIRECTOR or his or her designee prior to performance thereof.
- K. CONTRACTOR or subcontractor of CONTRACTOR shall not submit a claim to, or demand or otherwise collect reimbursement from, the beneficiary or persons acting on behalf of the beneficiary for any SUD or related administrative services provided under this contract, except to collect other health insurance coverage, share of cost, and co-payments (CCR, tit 9 Section 1810.365(a)).
- L. CONTRACTOR shall not charge any clients or third-party payers any fee for service unless directed to do so by the Director at the time the client is referred for services. When directed to charge for services, CONTRACTOR shall use the uniform billing and collection guidelines prescribed by DHCS.
- M. CONTRACTOR or subcontractor of CONTRACTOR shall not hold beneficiaries liable for debts in the event that the COUNTY becomes insolvent; for costs of covered services for which the State does not pay the COUNTY; for costs of covered services for which the State or the COUNTY does not pay the COUNTY's network providers; for costs of covered services provided under a contract, referral or other arrangement rather than from the COUNTY; or for payment of subsequent screening and treatment needed to diagnose the specific condition of or stabilize a beneficiary. 42 CFR 438.106 and Cal Code Regs Title 9 1810.365(c).
- N. CONTRACTOR agrees to hold harmless both the State of California and beneficiaries in the event the COUNTY cannot or does not pay for services performed by the CONTRACTOR pursuant to this contract.
- O. This Agreement shall be subject to any restrictions, limitations, and/or conditions imposed by County or state or federal funding sources that may in any way affect the fiscal provisions of or funding for this Agreement. This Agreement is also contingent upon sufficient funds being made available by COUNTY or state or federal funding sources for the term of the Agreement. If the federal or state governments reduce financial participation in the Medi-Cal program, COUNTY agrees to meet with CONTRACTOR to discuss renegotiating the services required by this Agreement.
- P. COUNTY will not remit payment for services to any entity or financial institution that is located outside of the United States of America. CONTRACTOR certifies, by executing this Agreement, that it and its subcontractors are located (and, where CONTRACTOR and/or its subcontractors are corporations, incorporated) in the United States of America.
- Q. COUNTY will not remit payment for services furnished to an excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the DHCS or COUNTY failed to suspend payments during an investigation of a credible allegation of fraud (42 U.S.C. section 1396b(i)(2)).

- R. In accordance with 42 C.F.R. 438.608(a)(8) and 42 C.F.R. part 455.23, in cases where there is a credible allegation of fraud for which an investigation is pending under the Medicaid program against CONTRACTOR or their network provider, COUNTY shall suspend all payments to CONTRACTOR, unless there is good cause not to suspend payments or to suspend payment only in part.
- S. COUNTY will not remit payment for any item or service furnished under this Agreement: (1) by CONTRACTOR or any individual or entity during any period when CONTRACTOR, the individual, or entity is excluded from participation under the Social Security Act, sections 1128, 1128A, 1156 or 1842(j)(2), (2) that is provided by any individual, entity, at the medical direction or on the prescription of a physician, during the period when the individual, entity, or physician is excluded from participation under titles V, XVIII, or XX or pursuant to sections 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act and when the person furnishing such items or service knew, or had reason to know, of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person), (3) if the State has failed to suspend payments during any period when there is a pending investigation of a credible allegation of fraud against the individual, entity, or physician, unless the State determines there is good cause not suspend such payments, or (4) in respect to any amount expended for which funds may not be used under the Assisted Suicide Funding Restriction Act (ASFRA) of 1997.
- T. Investigations and Confidentiality of Administrative Actions. If CONTRACTOR is under investigation by DHCS or any other state, local, or federal law enforcement agency for fraud or abuse, DHCS may temporarily suspend CONTRACTOR from the DMC program, pursuant to W&I Code Section 14043.36(a). Information about CONTRACTOR's administrative sanction status is confidential until such time as the action is either completed or resolved. DHCS may also issue a payment suspension to a provider pursuant to W&I Code Section 14107.11 and Code of Federal Regulations, Title 42, Section 455.23. COUNTY is to withhold payments to a DMC provider during the time a payment suspension is in effect. COUNTY has executed a Confidentiality Agreement with DHCS which permits DHCS to communicate with COUNTY concerning subcontractor providers that are subject to administrative sanction.
- U. In the event that CONTRACTOR fails to comply with any provision of this Agreement, including the timely submission of any and all reports, records, documents, or any other information as required by County, State, and appropriate Federal agencies regarding CONTRACTOR's activities and operations as they relate to CONTRACTOR's performance of this Agreement, COUNTY shall withhold payment until such noncompliance has been corrected.
- V. CONTRACTOR hereby acknowledges that all claims for payment for services rendered shall be in accordance with Exhibit "K" (Certification of Claims for Payment for Services Rendered), attached hereto and made a part hereof by this reference.
- W. Notwithstanding any other provision of this Agreement, DMC-ODS services provided hereunder by CONTRACTOR, shall comply with and be compensated in accordance with all applicable Federal, State, and COUNTY laws, regulations, requirements, and any amendments or changes thereto, including but not limited to, DHCS D/MC Title 9, Chapter 11, the State DHCS Cost Reporting Data Collection Manual, Title 19 of the Social Security Act, Title 22 of the California Code of Regulations, Section 51516, and policy letters issued by the DHCS, regulations and requirements as specified by

DHCS. It is understood that such services will subsequently be billed by COUNTY for DMC-ODS FFP reimbursement and State match when applicable.

- X. CONTRACTOR shall ensure that all services provided under this Agreement which are eligible for DMC-ODS FFP reimbursement shall be reported to COUNTY in accordance with COUNTY reporting timelines, instructions, and formats. COUNTY in its sole discretion may withhold payment to CONTRACTOR if CONTRACTOR does not comply with such reporting timelines, instructions, and formats as required by COUNTY. COUNTY shall be responsible for billing the appropriate entity for reimbursement of the DMC-ODS services provided and reported by CONTRACTOR to COUNTY.
- Y. CONTRACTOR understands and agrees that all DMC-ODS FFP revenue generated by the services provided by CONTRACTOR under this Agreement shall be reimbursed to COUNTY.
- Z. Notwithstanding any other provision of this Agreement, in no event shall COUNTY be liable or responsible to CONTRACTOR for any payment for any disallowed DMC-ODS services provided hereunder, which are the result of CONTRACTOR's sole negligence in providing DMC-ODS services under this Agreement. CONTRACTOR shall be required to fully reimburse COUNTY for any payment by COUNTY to CONTRACTOR that is subsequently disallowed through Federal, State, county or any other entity audit(s) or review(s) including any services that are disallowed for any reason by the VCBH Quality Assurance Division.
- AA. Claims deemed unallowable shall be subject to recoupment or recovery by COUNTY.
- BB. CONTRACTOR shall not bill beneficiaries for covered services under a contractual, referral, or other arrangement with COUNTY in excess of the amount that would be owed by the individual if the COUNTY had directly provided the services (42 U.S.C 1396u-2(b)(6)(C)).
- CC. Any cost sharing imposed on beneficiaries shall be in accordance with 447.50 through 447.82 of Code of Federal Regulations Chapter 42.
- DD. If CONTRACTOR is a non-profit organization or entity, and receives SABG funding under this Agreement, then CONTRACTOR shall comply with the financial management standards contained in 45 CFR Section 75.302(b)(1) through (4) and (b)(7), and 45 CFR Section 96.30.
- EE. COUNTY and CONTRACTOR agree to meet on an ongoing basis to negotiate concerns related to this Agreement, including but not limited to treatment coordination, service utilization and outcomes, documentation and reporting requirements.

ATTACHMENT A of EXHIBIT "B"

NARCOTIC TREATMENT SERVICES SERVICE RATES AND PROVIDER SERVICE RATES

AEGIS TREATMENT CENTERS, LLC

July 1, 2023 through June 30, 2024 as amended June 4, 2024

- A. In consideration of the services specified in EXHIBIT "A" PROGRAM DESCRIPTION, performed in a manner acceptable to COUNTY, COUNTY shall pay CONTRACTOR monthly, in arrears, only for approved NTP services provided hereunder to Ventura County clients, referred by COUNTY, at the agreed upon rates specified below in Table 1: Provider Service Rates. Table 1 lists the hourly rates and types of CONTRACTOR's providers that are authorized to provide services under this Agreement.

Table 1. Narcotic Treatment Services Rates			
Narcotic Treatment Services	Non-Perinatal Unit Rate	Perinatal Unit Rate	Contract Max
Methadone Daily	\$18.29	\$28.81	
Buprenorphine-Naloxone Combo Film Daily	\$32.20	\$36.63	
Buprenorphine - Naloxone Combo Tablets Daily	\$31.24	\$39.87	
Buprenorphine Mono Daily	\$30.76	\$39.43	
Disulfiram Daily	\$10.51	\$10.67	
Buprenorphine Injectable (Sublocade) Monthly	\$2,036.95	\$2,036.95	
Naltrexone Injectable (Vivitrol) Monthly	\$2,002.42	\$2,002.42	
Counseling Services			
Licensed Physicians	\$1,022.13	\$1,022.13	
LPHAs (MFT LCSW LPCC)/ Intern or Waivered LPHAs (MFT LCSW LPCC)	\$266.01	\$266.01	
Alcohol and Drug Counselors	\$220.65	\$220.65	
FY23-24 Contract Maximum			\$7,800,000

**AEGIS TREATMENT CENTERS, LLC, AUTHORIZATION RESOLUTION FOR
DELEGATIONS OF AUTHORITY TO EXECUTE DM/C, STATE, COUNTY,
MANAGED CARE ORGANIZATION CONTRACTS**

I, Michael Lawler, certify that I am a Manager of the above named Limited Liability Company ("Company") organized under the laws of Delaware, and registered to conduct business in the state of California, and that Aegis Treatment Centers, LLC, ("ATC") does hereby dispense with the formality of a meeting and by written consent adopt the following preambles and resolutions:

WHEREAS, it is in the best interest of the Company to designate authorized representatives to execute DM/C, State, County, Managed Care Organization contracts on behalf of the Company, be it:

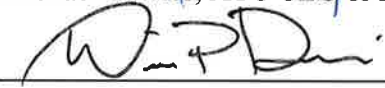
RESOLVED, that this Company hereby authorizes the following individuals to execute such contract on behalf of the Company:

Michael Lawler	Chief Executive Officer & President
William Dorris	Vice President, Secretary and Chief Financial Officer
Kelly Priegnitz	Chief Legal and Compliance Officer

This written consent shall be filed in the minute book of the Company and shall be part of the records of the Company as of the 1st Day of May 2024.



Michael Lawler, ATC CEO & President, Manager



William Dorris, ATC Vice President, Secretary, &
CFO

**CERTIFICATE OF SECRETARY RESOLUTIONS
OF AEGIS TREATMENT CENTERS, LLC**

I, the undersigned, certify that:

1. I am duly appointed and acting Secretary of Aegis Treatment Centers, LLC, a Delaware Limited Liability Company ("the Company"); and
2. The foregoing **WRITTEN CONSENT** is a complete and correct copy of the Resolution of this Company effective as of the 1st Day of May 2024, and such Resolution is in full force and effective as of the date set forth below.

IN WITNESS WHEREOF, I have subscribed my name as of this 1st Day of May 2024.

A handwritten signature in black ink, appearing to read 'W. Dorris', is written over a horizontal line.

William Dorris, Vice President, Secretary, &
CFO