



ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VIRGINIA 22201

NOTICE OF AMENDMENT

TO: NATIONAL CAPITAL TREATMENT & RECOVERY (NCTR) 200 GLEBE ROAD ARLINGTON VA 22203
DATE ISSUED: MARCH 13, 2023
CONTRACT NO: 20-052-RFP-1-LW
CONTRACT TITLE: INDEPENDENCE HOUSE

THIS IS A NOTICE OF RENEWAL AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

The contract documents consist of the terms and conditions of AGREEMENT NO. 20-052-RFP-1-LW including any attachments or amendments thereto.

EFFECTIVE DATE: MARCH 1, 2023

EXPIRES: FEBRUARY 28, 2024

RENEWALS: THIS IS THE 3RD YEAR OF A POSSIBLE 5-YEAR CONTRACT, FULL-TERM ENDS FEBRUARY 28, 2026.

COMMODITY CODE(S): 16592

LIVING WAGE: Y

ATTACHMENTS:

AMENDMENT NO. 3
EXHIBIT B - CONTRACT PRICING

EMPLOYEES NOT TO BENEFIT:

NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: DEBORAH TAYLOR VENDOR TEL. NO.: (703) 841-0703X3000

EMAIL ADDRESS: DTAYLOR@NATCAPTREATMENT.ORG

COUNTY CONTACT: PENELOPE DONOVAN (DHS-BHD) COUNTY TEL. NO.: (703) 228-5018

COUNTY CONTACT EMAIL: PDONOVAN@ARLINGTONVA.US

CONTRACT AUTHORIZATION:

THE COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA

AUTHORIZED SIGNATURE: [Signature of Rebecca Kirby]

NAME: REBECCA KIRBY

TITLE: PROCUREMENT OFFICER

DATE: 3/30/2023

NATIONAL CAPITAL TREATMENT & RECOVERY

AUTHORIZED SIGNATURE: [Signature of Deborah Taylor]

NAME: Deborah Taylor

TITLE: Pres/CEO

DATE: 3/30/2023

ARLINGTON COUNTY, VIRGINIA

**AGREEMENT NO. 20-052-RFP-1-LW
AMENDMENT NO. 3**

This Amendment Number 3 is made on the date of execution by the County and amends Agreement Number 20-039-RFP (“Main Agreement”) dated March 1, 2021, between National Capital Treatment & Recovery (“Contractor”) and the County Board of Arlington County, Virginia (“County”).

The County and the Contractor agree to amend the main contract called for under the Main Agreement as follows:

1. PER SECTION 4., CONTRACT TERM, EXTEND THE CONTRACT TERM FROM MARCH 1, 2023 TO FEBRUARY 28, 2024.

2. REVISE SECTION 5., CONTRACT AMOUNT AS FOLLOWS:

This is a cost-reimbursement contract. The contract price is adjusted by \$108,131 up to a maximum of **\$330,316.00**. The Contractor will complete the Work for the total amount specified in this section (“Contract Amount”).

The County will not compensate the Contractor for any goods or services beyond those included in Exhibit A unless those additional goods or services are covered by a fully executed amendment to this Contract. The County will consider amending the contract based on changes in Medicaid and eligibility criteria/requirements.

3. REVISE EXHIBIT A, SCOPE OF WORK, SECTION II. GENERAL REQUIREMENTS AS FOLLOWS:

Process Third-Party Billing

- A. Request, document, and verify client third-party billing information upon admission. For Medicaid covered individuals, the assessment, authorization, and concurrent authorizations reviews will be completed by NCTR staff and billed to the County \$125 per admission.
- B. Bill third-party payers in accordance with requirements of applicable law and the terms of applicable third-party payer contracts for all qualified clients and services.
- C. The vendor is authorized to retain 3% from total Medicaid reimbursements collected as a reserve for third-party billing paybacks. The funds shall be reserved for the time the revenue is susceptible for payback. All payback expenses exceeding the reserve will be the sole responsibility of the vendor.
- D. Any funds not utilized for the purpose stated in point 3 within this section during the reserve period, shall be retained by the vendor.
- E. The Contractor shall invoice the County for non-Medicaid covered clients at a bed day rate calculated from the total operating expenditures incurred during the month divided by the total bed days provided to all clients. If total operating expenditures exceed Medicaid reimbursement, the county will reimburse the vendor for the excess of costs.

- F. The County will invoice the Contractor for the lodging of Medicaid clients at its facilities up to a rate of \$95.24 per bed day. The total amount invoiced shall not exceed the excess of revenues, less the amount allowable under point 3 of this section, above total operating expenditures plus the portion of total operating expenditures associated with clients not covered by Medicaid.
- G. The County and the contractor will reconcile financial accounts on a quarterly basis, for the determination of the amount invoiced per point 6 of this section.
- H. Process monthly invoices for services rendered and supporting documentation.
- I. Make and document at least 3 attempts to collect balances, ensure claim errors are fixed, communicate and following up with payers.
- J. The Contractor may bill the County only for costs not covered by third-party payers and not to exceed total operating expenditures of the program. The Contractor must submit to the County proof of denial from third-party payers.
- K. The Contractor may submit a request to update the minimum third-party payor target based on the impact of regulatory changes. Along with the request, the vendor must submit relevant statistics supporting the request.

4. REVISE EXHIBIT A, SCOPE OF WORK, SECTION II. GENERAL REQUIREMENTS, SUBSECTION F, BUDGET AND FINANCES, IN ITS ENTIRETY WITH THE FOLLOWING:

- A. Maintain a financial system that at a minimum includes:
 - i. Operation of financial management, procurement, and contracting systems that are consistent with industry standards.
 - ii. An accounting system that operates in such a way as to provide financial reporting in accordance with Generally Accepted Accounting Principles (GAAP). It will include necessary personnel and financial records and a fixed assets system. It will provide for the practice of fund accounting and will be adaptable to the needs of cost accounting.
- B. Develop and implement a plan for collection of resident rental fees in accordance with industry regulations if the resident is employed. Additionally, the Contractor must document efforts to collect the fees and reasons for unsuccessful collection.
- C. Maximize third party revenue.
- D. The County and the Contractor will develop a plan to reduce total program bed day expenditure from \$208 per bed day to at least the Medicaid reimbursement rate of \$196 per bed day by September 30, 2023, for implementation at the next renewal date.
- E. The Contractor shall be allowed an administrative fee of 21.8% of total operating expenditures for general administration and management of the program and billing third-party insurance, in accordance with Exhibit B.

5. REPLACE EXHIBIT B, CONTRACT PRICING IN ITS ENTIRETY WITH THE ATTACHED REVISED EXHIBIT B, CONTRACT PRICING.

All other terms and conditions of the Main Agreement remain in effect.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

AUTHORIZED
SIGNATURE:

DocuSigned by:
RM Kirby

NAME: Rebecca Kirby

TITLE: Purchasing Officer

DATE: 3/30/2023

NATIONAL CAPITAL TREATMENT & RECOVERY

AUTHORIZED
SIGNATURE:

DocuSigned by:
Deborah Taylor

NAME: Deborah Taylor

TITLE: Pres/CEO

DATE: 3/30/2023

EXHIBIT B
National Capital Treatment and Recovery
Independence House Budget Scenario with 14 Bed Operating Capacity
Pricing Sheet - FY 2023 Final Budget Proposal 02/27/2023

Personnel Expenditures										
Contract No. 20-052-RFP-LW	Salary	Retirement	FICA	Health	Life	Other	Amendment 3 Total Cost	Amendment 2 Total Cost	Original Bid	FTE
Director of Clinical Operations 2726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00
Nurse 2726	\$ 18,350	\$ 665	\$ 1,297	\$ 1,904	\$ 110	\$ 498	\$ 22,825	\$ 21,435	\$ 20,793	0.25
Program Manager 2726	\$ 101,210	\$ 3,667	\$ 7,156	\$ 7,617	\$ 608	\$ 1,701	\$ 121,959	\$ 114,288	\$ 111,594	1.00
UR Administrator	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00
Residential Supervisor	\$ 79,761	\$ 2,382	\$ 4,649	\$ 7,617	\$ 395	\$ 1,186	\$ 95,991	\$ 77,007	\$ 58,564	1.00
Residential Specialist 2726 1	\$ 54,255	\$ 1,966	\$ 3,836	\$ 7,617	\$ 326	\$ 1,019	\$ 69,019	\$ 64,907	\$ 62,428	1.00
Residential Specialist 2726 2	\$ 48,580	\$ 1,760	\$ 3,435	\$ 7,617	\$ 292	\$ 937	\$ 62,620	\$ 58,938	\$ 56,511	1.00
Residential Specialist 2726 6	\$ 14,502	\$ 525	\$ 1,025	\$ 2,285	\$ 87	\$ 442	\$ 18,868	\$ 17,769	\$ 17,044	0.30
Residential Specialist	\$ 15,284	\$ 554	\$ 1,081	\$ 2,285	\$ 92	\$ 454	\$ 19,749	\$ 18,591	\$ 18,021	0.30
Residential Specialist 2726 7	\$ 29,184	\$ 1,057	\$ 2,063	\$ 4,570	\$ 175	\$ 655	\$ 37,706	\$ 35,494	\$ 34,764	0.60
Residential Specialist 2726 PRN	\$ 19,595	\$ -	\$ 1,499	\$ -	\$ -	\$ -	\$ 21,094	\$ -	\$ -	0.55
Shift Differentials	\$ 6,240	\$ -	\$ 477	\$ -	\$ -	\$ -	\$ 6,717	\$ -	\$ -	-
Merit Pool	\$ 12,778	\$ 235	\$ 459	\$ -	\$ 39	\$ -	\$ 13,511	\$ 6,733	\$ -	-
Overtime	\$ 10,820	\$ -	\$ 765	\$ -	\$ -	\$ -	\$ 11,585	\$ 10,765	\$ 8,806	-
Total Personnel Expenditures	\$ 410,560	\$ 12,811	\$ 27,743	\$ 41,513	\$ 2,124	\$ 6,893	\$ 501,644	\$ 425,927	\$ 388,525	6.00
Utilization Management							\$ 13,500	\$ 27,393	\$ -	
Operating Expenditures										
Communications/ IT							\$ 1,566	\$ 1,447	\$ 1,447	
Staff Cellphone							\$ 1,070	\$ -	\$ -	
Postage							\$ -	\$ -	\$ 100	
Patient Travel							\$ 1,463	\$ -	\$ -	
Utilities							\$ -	\$ -	\$ -	
Printing							\$ -	\$ -	\$ 50	
Rent - Bldg							\$ -	\$ -	\$ -	
Rent - Equipment- Copiers							\$ 4,608	\$ 4,259	\$ 5,338	
Rent - Auto							\$ -	\$ -	\$ -	
Operating Equipment including Maintenance and usage							\$ -	\$ -	\$ 942.00	
Operating Supplies/Kitchen Supplies							\$ 1,246	\$ 1,151	\$ 150	
Office Supplies							\$ 1,754	\$ 284	\$ 727	
Household supplies							\$ 5,987	\$ 584	\$ 1,200	
Food Cost							\$ 27,833	\$ 25,724	\$ 30,000	
IT Software Expenses							\$ 4,707	\$ 4,350	\$ 4,755	
Payroll Service							\$ 1,876	\$ -	\$ -	
IT Licenses							\$ 2,599	\$ 300	\$ 300	
Recreational Supplies							\$ 174	\$ 161	\$ -	
Medical & Dental Supplies							\$ 814	\$ 131	\$ 100	
Medical - Toxicology Supplies							\$ 8,284	\$ 4,391	\$ 2,800	
Laboratories							\$ 142	\$ 131	\$ -	
Non- IT equipment Maintenance							\$ -	\$ -	\$ 200	
Insurance							\$ 11,018	\$ 6,857	\$ 10,413	
Meals and Meeting expenses							\$ 236	\$ 50	\$ 60	
Ground Maintenance							\$ 143	\$ -	\$ 100	
Administrative Costs- Contracts 1)							\$ 128,765	\$ 109,685	\$ 97,491	
Total Operating Expenditures							\$ 217,784	\$ 186,898	\$ 156,173	
Building Lodging Expenses for Medicaid Covered Clients							\$ 480,000	\$ 0	\$ 0	
Total Program Costs							\$ 1,199,428	\$ 612,825	\$ 544,698	
Total Direct Service Provision Cost							\$ 719,428	\$ 612,826	\$ 544,698	
Medicaid Payments Year 3 less clawback reserve							\$ (385,294)	\$ (385,294)	\$ (55,519)	
Estimated Patient Contribution							\$ (3,818)	\$ (5,347)	\$ (17,160)	
Total estimated amount invoiced to Arlington County							\$ 330,316	\$ 222,185	\$ 472,020	
Net Total							\$ 330,316	\$ 222,185	\$ 472,020	