



CONTRACT AMENDMENT BHSC

DSHS CONTRACT NUMBER:
1669-57896

Amendment No. 05

This Contract Amendment is between the State of Washington Department of Social and Health Services (DSHS) and the Contractor identified below.

Program Contract Number
[Click here to enter text.](#)
Contractor Contract Number

CONTRACTOR NAME		CONTRACTOR doing business as (DBA)	
North Sound Behavioral Health Organization, LLC		North Sound Behavioral Health Organization	
CONTRACTOR ADDRESS		WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI)	DSHS INDEX NUMBER
301 Valley Mall Way Ste 110 Mount Vernon, WA 98273-5462		603-583-336	1553
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR FAX	CONTRACTOR E-MAIL ADDRESS
Joe Valentine	(360) 416-7013	(360) 416-7017	joe_valentine@northsoundbho.org

DSHS ADMINISTRATION Behavioral Health Administration	DSHS DIVISION Division of Behavioral Health and Recovery	DSHS CONTRACT CODE 1685LS-69
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DSHS CONTACT NAME AND TITLE Melinda Trujillo Program Manager	DSHS CONTACT ADDRESS Sky Valley CSO 19705 SR 2 Monroe, WA 98272
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DSHS CONTACT TELEPHONE (360)805-8362	DSHS CONTACT FAX (360) 794-1334	DSHS CONTACT E-MAIL ADDRESS melinda.trujillo@dshs.wa.gov
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IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT? No	CFDA NUMBERS
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AMENDMENT START DATE 07/01/2017	CONTRACT END DATE 06/30/2019
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PRIOR MAXIMUM CONTRACT AMOUNT \$25,740,447.00	AMOUNT OF INCREASE OR DECREASE \$5,030,355.00	TOTAL MAXIMUM CONTRACT AMOUNT \$30,770,802.00
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REASON FOR AMENDMENT;
CHANGE OR CORRECT CONTRACT TERMS OR SOW, SEE PAGE TWO

ATTACHMENTS. When the box below is marked with an X, the following Exhibits are attached and are incorporated into this Contract Amendment by reference:
 Additional Exhibits (specify): Exhibit F; Exhibit H; Exhibit I

This Contract Amendment, including all Exhibits and other documents incorporated by reference, contains all of the terms and conditions agreed upon by the parties as changes to the original Contract. No other understandings or representations, oral or otherwise, regarding the subject matter of this Contract Amendment shall be deemed to exist or bind the parties. All other terms and conditions of the original Contract remain in full force and effect. The parties signing below warrant that they have read and understand this Contract Amendment, and have authority to enter into this Contract Amendment.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE Joe Valentine, Executive Director	DATE SIGNED
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DSHS SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
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This Contract between the State of Washington Department of Social and Health Services (DSHS) and the Contractor is extended to September 30, 2017 and additionally amended as follows:

SECTION 2. DEFINITIONS.

Subsection 2.1 is amended to read:

“Administrative Hearing” means a proceeding before an administrative law judge to review decision of a Behavioral Health Organization (BHO) to deny or limit authorization of a requested non-Medicaid service communicated on a Notice of Determination, as defined below.

Subsection 2.46 is deleted.

Subsection 2.52 is amended to read:

“Grievance System” means the processes through a BHO in which an individual applying for, eligible for, or receiving behavioral health services may express dissatisfaction about services. The grievance system must be established by the BHO and meet the requirements of 388-877-0654, 388-877-0655, 388-877-0660, and 388-877-0675.

For the purposes of accessing the Grievance System, the definition of Individual also includes the following if another person is acting on the Individual’s behalf:

- In the case of a minor, the individual's parent or, if applicable, the individual's custodial parent;
- The Individual’s legal guardian; or
- The Individual’s representative if the Individual gives written permission.

Subsection 2.69 is amended to read:

“Notice of Determination” means a written notice that must be provided to the Individuals, his or her authorized representative, and the requesting provider to inform them that services, available per the BHO’s policy and procedures, have not been authorized, and the reason for this determination. A Notice of Determination must contain the following:

- The reason for denial or offering of alternative services;
- A description of alternative services, if available, and
- The right to request an administrative hearing, how to request a hearing, and the timeframes for requesting a hearing as identified in WAC 388-877-0675.

SECTION 4. PAYMENT AND FISCAL MANAGEMENT.

Subsection 4.8.4. is amended to read:

DSHS will bill the Contractor quarterly for State Hospital Patient Days of Care exceeding the Contractor’s daily allocation of State Hospital beds. DSHS will assess reimbursement amounts on

the Contractor based on the quarterly net census overage. DSHS will process and send bills two months after the last day of each quarter the Contractor exceeds its allocation. The Contractor has thirty (30) calendar days from receipt of the reimbursement bill to pay the assessed costs or receive payment based on the following methodology:

Subsection 4.13.1.3. is deleted.

Subsection 4.14.2. is amended to read:

DMA funds may be used for the development, implementation, maintenance, and evaluation of programs that support intervention and treatment/recovery support services for middle school and high school aged students.

New subsection 4.15 is added.

State Enhanced Supplemental Payment for IMD related costs:

4.15.1. State enhanced supplemental payments shall be provided to assist the BHO in offsetting the costs of providing services for Medicaid clients admitted to a facility classified as institutions of mental diseases (IMDS) for more than 15 days in a calendar month.

4.15.2. If a BHO receives funding through the enhanced payment above and beyond the incurred costs of providing the aforementioned services for Medicaid clients the BHO may use the remainder of these funds to provide other services not covered by the Medicaid program

SECTION 5. QUALITY OF CARE.

Subsection 5.5 WAC citation is updated to WAC 388-865-0266

SECTION 6. UTILIZATION MANAGEMENT.

Subsection 6.13.2.3. is amended to read:

The Contractor must have an agreement with HCS or its designee that establishes the procedures and processes related to shared clients.

SECTION 7. GRIEVANCE SYSTEM.

Section 7 is deleted and replaced in its entirety with the following:

7. Grievance System

7.1 The Contractor must have a Grievance System that complies with the requirements of WAC 388-877-0654, 388-877-0655, 388-877-0660, and 388-877-0675.

7.1.1 The Contractor must have policies and procedures addressing the grievance process, which

comply with the requirements of this Agreement. These must be provided to DSHS upon the department's request. If requested, DSHS will approve, in writing, all Grievance policies and procedures and related Notices to Individuals regarding the Grievance System.

- 7.1.2 An Individual applying for, eligible for, or receiving behavioral health services authorized by a BHO, the Individual's representative, or the Individual's legal guardian may access the BHO's Grievance System to express concern about their rights, services, or treatment.
- 7.1.3 Individuals may also use the free and confidential Ombuds services (see WAC 388-865-0262) through the BHO that contracts with the BHA at which they receive behavioral health services. Ombuds services are provided independent of BHOs and agency service providers, and are offered to Individuals at any time to help them with resolving issues or problems at the lowest possible level during the Grievance Process.

7.2 Grievance Process. The Contractor must ensure its Grievance Process complies with the following:

- 7.2.1 The Grievance Process may be used by an Individual or his or her representative to express dissatisfaction in person, orally, or in writing about any matter regarding non-Medicaid services, including: the BHA providing the behavioral health services; or the Contractor;
- 7.2.2 The Ombuds serving the Contractor or BHA may assist the Individual in resolving the Grievance at the lowest possible level;
- 7.2.3 An Individual may choose to file a Grievance with the Contractor or with the BHA, subject to the following:
 - 7.2.3.1 Filing a Grievance with a BHA. If the Individual first files a Grievance with the BHA and the Individual is not satisfied with the BHA's written decision on the Grievance, or if the Individual does not receive a copy of that decision from the BHA within the timelines established this Agreement, the Individual may then choose to file the Grievance with the Contractor. The Contractor's written decision on the grievance is the final decision. The grievance cannot progress to an administrative hearing.
 - 7.2.3.2 Filing a Grievance with the Contractor. If the Individual first files a Grievance with the Contractor (and not the BHA), and the Individual is not satisfied with the Contractor's written decision on the Grievance, the Individual cannot file the same Grievance with the BHA. The Contractor's written decision on the grievance is the final decision. The grievance cannot progress to an administrative hearing.
 - 7.2.3.3 There is no time limit to filing a grievance.
- 7.2.4 When an Individual files a Grievance, the Contractor or BHA receiving the Grievance must:
 - 7.2.4.1 Acknowledge the receipt of the Grievance in writing within five (5) business days;
 - 7.2.4.2 Investigate the Grievance;
 - 7.2.4.3 At the Individual's request, give the Individual reasonable assistance in taking any procedural steps;
 - 7.2.4.4 Inform the Individual about Ombuds services and how to access these services; and

- 7.2.4.5 Send the Individual who filed the Grievance written notification describing the decision as expeditiously as the Individual's health condition requires, but no later than ninety (90) calendar days from the date the Grievance was filed.

7.2.5 The Contractor or BHA receiving the Grievance must ensure the following:

- 7.2.5.1 That other people, if the Individual chooses, are allowed to participate in the Grievance process;
- 7.2.5.2 The Individual's right to have currently authorized behavioral health services continued pending resolution of the Grievance;
- 7.2.5.3 That a Grievance is resolved even if the Individual is no longer receiving behavioral health services;
- 7.2.5.4 That the persons who make decisions on a Grievance:
 - 7.2.5.4.1 Were not involved in any previous level of review or decision-making nor a subordinate of any person who reviewed or decided on a previous level of the grievance; and
 - 7.2.5.4.2 Are MHPs or CDPs who have appropriate clinical expertise if the Grievance involves clinical issues.
 - 7.2.5.4.3 Consider all comments, documents, records, and other information submitted by the Individual or the Individual's representative regardless of whether the information was considered in the initial review.
- 7.2.5.5 That the Individual and, if applicable, the Individual's representative receive written notification containing the decision within ninety (90) calendar days from the date a Grievance is received by the Contractor or BHA. This timeframe can be extended up to an additional fourteen (14) calendar days:
 - 7.2.5.5.1 If requested by the Individual or the Individual's representative; or
 - 7.2.5.5.2 By the Contractor or BHA when additional information is needed and the Contractor can demonstrate to DSHS upon the department's request that it needs additional information and that the added time is in the Individual's interest.
- 7.2.5.6 That written notification includes:
 - 7.2.5.6.1 The decision on the Grievance;
 - 7.2.5.6.2 The reason for the decision and the date the decision was made; and
 - 7.2.5.6.3 Is in an easily understood format following WAC 388-877-0660.

7.2.6 That full records of all Grievances and materials received or compiled in the course of processing and attempting to resolve the Grievance are maintained and:

- 7.2.6.1 Kept for a period no less than ten (10) years after the completion of the Grievance process;

- 7.2.6.2 Made available to DSHS upon request as part of the state Quality Strategy;
- 7.2.6.3 Kept in confidential files separate from the Individual's clinical record;
- 7.2.6.4 Not disclosed without the Individual's written permission, except to DSHS or as necessary to resolve the Grievance; and
- 7.2.6.5 Are accurately maintained and contain, at a minimum, all the following information:
 - A general description of the reason for the grievance;
 - (ii) The date received;
 - (iii) The date of each review or, if applicable, review meeting;
 - (iv) Resolution at each level of the grievance, if applicable;
 - (v) Date of resolution at each level, if applicable; and
 - (vi) Name of the Individual for whom the grievance was filed.

7.3 Notice of Determination. The Contractor must provide a written Notice of Determination, to the Individual or his or her authorized representative, when denying or limiting an authorization of an available non-Medicaid service. The Contractor must also provide a written Notice of Determination to the requesting provider for any decision to deny a service authorization request, or to authorize a service in an amount, duration, or scope that is less than requested.

7.3.1 A Notice of Determination must contain the following:

- 7.3.1.1 The reason for the denial or offering of alternative services;
- 7.3.1.2 A description of alternative services, if available, and
- 7.3.1.3 The right to request an administrative hearing, how to request a hearing, and the timeframes for requesting a hearing as identified in WAC 388-877-0675.

7.5 Continuation of Services.

7.5.1 During the Grievance Process the Contractor must continue the Individual's authorized services if all of the following conditions are met:

- 7.5.1.1 Resources are available for the services, as determined by the Contractor's policies for determination of available resources;
- 7.5.1.2 The Grievance involves the termination, suspension, or reduction of a previously authorized course of treatment;
- 7.5.1.3 The services were provided by an authorized BHA;
- 7.5.1.4 The Individual requests a continuation of services;

7.5.1.5 The Individual is currently receiving services at the time of the request.

7.5.2 The Contractor is not obligated to continue non-Medicaid services pending the result of an administrative hearing when available resources are exhausted, since services cannot be authorized without funding regardless of medical necessity.

7.6 Recordkeeping and Reporting Requirements.

7.6.1 The Contractor must maintain full records of all Grievances and materials received or compiled in the course of processing and attempting to resolve the Grievance are maintained and: .

7.6.1.1 Kept for a period no less than ten (10) years after the completion of the Grievance Process;

7.6.1.2 Made available to DSHS upon request as part of the State Quality Strategy;

7.6.1.3 Kept in confidential files separate from the Individual's clinical record;

7.6.1.4 Not disclosed without the Individual's written permission, except to DSHS or as necessary to resolve the Grievance; and

7.6.1.5 Are accurately maintained and contain, at a minimum, all the following information:

- A general description of the reason for the grievance;
- (ii) The date received;
- (iii) The date of each review or, if applicable, review meeting;
- (iv) Resolution at each level of the grievance, if applicable;
- (v) Date of resolution at each level, if applicable; and
- (vi) Name of the Individual for whom the grievance was filed.

7.6.2 The Contractor must incorporate the results of Grievances and address any trends in its quality improvement plan.

7.6.3 The Contractor must submit Individual-level quarterly grievance reports for children/youth referred to WISe in a format required by DSHS that contains at least the following:

7.6.3.1 Individual's full name;

7.6.3.2 Date of birth;

7.6.3.3 P1 or the Behavioral Health Data Store identifier; and

7.6.3.4 Date and type of Grievance ().

7.6.4 The Contractor must submit quarterly aggregate reports for all non-WISe referral Grievances in a format provided by DSHS and accompanied by a brief report identifying trends and plans

for improvement.

7.6.5 Quarterly Grievance reports are due as follows:

Quarterly Grievance Report Schedule	
Period Covered	Due Date
July 1 – September 30, 2017	October 31, 2017
October 1 – December 31, 2017	January 31, 2018
January 1 – March 31, 2018	April 30, 2018
April 1 – June 30, 2018	July 30, 2018

7.6.6 Reports that do not meet the Grievance System reporting requirements will be returned to the Contractor for correction. Corrected reports must be resubmitted to DSHS within thirty (30) calendar days.

SECTION 8. SUBCONTRACTS.

Subsection 8.2.4. WAC citation is updated to WAC 388-865-0268.

Subsection 8.4.10. WAC citation is updated to WAC 388-865-0268.

SECTION 9. INDIVIDUAL RIGHTS AND PROTECTIONS.

Subsection 9.5. WAC reference is updated to WAC 388-865-0262

SECTION 12. REPORTING REQUIREMENTS.

Subsection 12.3.3.1.2. the term “or a sexually violent offender” is deleted.

Subsection 12.3.3.2.2. is deleted.

Subsection 12.6.1.2. is amended to read:

The Contractor must meet the identified capacity targets outlined in Exhibit H. Projected WISE Capacity Expansion.

Subsection 12.6.2.2 is amended to read:

The number of youth enrolled in WISE each month during the reporting cycle.

SECTION 13. SERVICES.

Subsection 13.2.4. is amended to read:

The Contractor must incorporate the statewide [Designated Mental Health Professionals \(DMHP\) Protocols](#) listed on the DBHR intranet into the practice of Designated Mental Health Professionals.

All current DMHPs in the contractor's service area must successfully completed the Designated Crisis Responder training conducted by DBHR prior to providing involuntary Treatment Act Services under RCW 71.05 and RCW 71.34.

Subsection 13.2.11.2. is amended to read:

CLIP Inpatient Care Coordination. The Contractor will ensure that a CANS screen is completed within the last ninety (90) days prior to the actual admission date to a CLIP facility and provide a CANS Full within 30 days post-discharge from a CLIP facility for all Medicaid or Medicaid eligible voluntary enrollees

Subsection 13.2.11.2.3. is amended to read:

The Contractor will notify the CLIP facility if they cannot attend the meeting or become aware that the family cannot attend the scheduled meeting. The Contractor will demonstrate consistent involvement and participation in care coordination activities including participating in scheduled meetings. If the level of participation by the BHO or designee appears insufficient to the CLIP Administration, requests for additional resources may be made to the BHO's management by DBHR to ensure proper care coordination services. If the level of participation continues to be an issue, a corrective action plan may be recommended by DBHR.

Subsection 13.4.1.6.2. WAC citation is updated to WAC 388-877-0200.

SECTION 14. COMMUNITY COORDINATION.

Subsection 14.1.4.8. is deleted and replaced with the following:

In the event of a disaster or emergency, provide information and preliminary disaster response plans as requested by DSHS.

SECTION 16. SPECIAL PROJECTS.

Subsection 16.1.1.4. is deleted.

Subsection 16.2.1. is amended by adding the following term:

The plan must include a process of coordination for disaster response with each tribe within the BHO's service area.

Subsection 16.3.5. is deleted.

Subsection 16.9. is amended to read:

CJTA for Treatment in the Jail. Criminal Justice Treatment Account (CJTA) funds may be used, in a limited capacity, to provide substance use disorder (SUD) assessments, engagement, referral, transition planning and outpatient treatment services in jail. If CJTA funds are utilized for these purposes:

Subsection 16.3.9.1. is deleted.

Subsection 16.9.4. is amended to read:

The Contractor may provide up to eight (8) sessions per individual, the sessions may include:

New Subsection 16.9.5. is added:

BHOs may submit project plans that exceeds the 8 session jail limit on CJTA funding. The plans will be reviewed annually, and must include information on how the innovative jail programs will address the following:

- Assessments
- Need for MAT access while incarcerated, as well as counseling
- Re-entry care coordination with community-based substance use disorder treatment agencies, MAT prescribers, and allied primary care behavioral health services.
- Naloxone kits for individuals with opiate use disorders upon release.

All other terms and conditions of this Contract remain in full force and effect.

Exhibit F: Funding
7/1/2017 – 9/30/2017
 Amendment 5

North Sound
July 2017 – September 2017

North Sound	Per month	Total
Non-Medicaid State	\$1,316,815	\$3,950,445
Juvenile Drug Court	\$10,908	\$32,724
Dedicated Marijuana Acct (DMA)	\$48,441	\$145,323
Criminal Justice Tx Acct (CJTA)	\$67,198	\$201,594
State Drug Court (CJTA)	\$7,189	\$21,567
Jail Services	\$31,897	\$95,691
Expanded Community Svcs (ECS)	\$15,625	\$46,875
Prog for Assertive Community Tx (PACT)	\$28,958	\$86,874
Additional PACT	\$0	\$0
ITA 180-Day Commitment Hearings	\$0	\$0
Detention Decision Review	\$6,003	\$18,009
Assisted Outpatient Treatment	\$20,625	\$61,875
5480 - ITA Non-Medicaid	\$39,726	\$119,178
Single Bed Certification	\$58,400	\$175,200
Total	\$1,651,785	\$4,955,355
Quarterly payments HARPS		\$75,000
Total North Sound	\$1,651,785	\$5,030,355

State Only Enhanced Payment Rate	\$ 1.04
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Reserves

Inpatient & Risk Reserves		Operating Reserves
MINIMUM	MAXIMUM	MAXIMUM
5.8%	9.3%	16.8%

Projected WISE Capacity Expansion

BHO:	FY 2018			
	START OF Q1 [Jul. 2017]	START OF Q2 [Oct. 2017]	START OF Q3 [Jan. 2018]	START OF Q4 [Apr. 2018]
<i>North Central WA BHO</i>	70	70	90	90
<i>Great Rivers BHO</i>	130	130	200	200
<i>Greater Columbia BHO</i>	310	310	420	420
<i>King Co. BHO</i>	450	450	530	530
<i>North Sound BHO</i>	350	350	460	460
<i>Optum Pierce BHO</i>	300	300	350	350
<i>Salish BHO</i>	120	120	190	190
<i>Spokane County Regional BHO</i>	260	260	410	410
<i>Thurston-Mason BHO</i>	200	200	200	200

ITA Court Cost Charge Rates

County	ITA Court Cost
Benton County	\$375
Clallam County	\$0
Franklin County	\$445
Jefferson County	\$0
Kitsap County	\$0
Pierce County	\$1,124
Skagit County	\$950
Snohomish County	\$680
Whatcom County	\$439
Yakima County	\$480

Information for counties not listed has not yet been received.