

**NORTH SOUND
BEHAVIORAL HEALTH ORGANIZATION, LLC
(North Sound BHO)**

**CONTRACT
FOR THE
PROVISION OF
MEDICAID COVERED
BEHAVIORAL HEALTH SERVICES**

WITH

**THERAPEUTIC HEALTH SERVICES
(THS)**

CONTRACT #NORTH SOUND BHO-THERAPEUTIC-MEDICAID-16-18

APRIL 1, 2016 TO MARCH 31, 2018

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44

- A. DEFINITIONS..... 7**
- B. PERFORMANCE STANDARDS**
 - 1. General Operating Standards 19
 - 2. Outpatient Initial Authorization and Continued Service Authorization 20
 - 3. Outpatient Services and Medication Management..... 21
 - 4. Specialized Outpatient/Residential Approval and Authorization..... 21
 - 5. Medical Necessity 22
 - 6. Second Opinion 22
 - 7. Quality Clinical Care, Timely Access, Intake Evaluations and Individualized Resiliency
Recovery Service Plans 22
 - 8. Transition Youth..... 26
 - 9. American Society of Addictive Medicine (ASAM)..... 26
 - 10. Epsdt Requirements..... 27
 - 11. Allied System Coordination..... 27
 - 12. Primary Care Coordination 27
 - 13. Substance Use Disorder (SUD) Service Transition 27
 - 14. Crisis Services Coordination and Cooperation..... 27
 - 15. Grievance, Appeal and Fair Hearing Processes..... 27
 - 16. Local Responsiveness and Communications..... 28
 - 17. Quality Review Team (QRT) 29
 - 18. Critical Incidents..... 29
 - 19. Performance Projects..... 29
 - 20. Confidentiality..... 30
 - 21. Individual Rights..... 30
 - 22. Outcome Measures..... 31
 - 23. Evidence-Based Practices..... 31
 - 24. Trauma-Informed Care 31
 - 25. Quality Management/Strategy 32
 - 26. Coordination of Care Among Outpatient Providers 32
 - 27. Coordination with Tribal Authorities 33
- C. CONTRACTOR RESPONSIBILITIES**
 - 1. Behavioral Health Agency (BHA)/Community Mental Health Agency (CMHA)..... 34
 - 2. Capacity..... 34
 - 3. Access Standards..... 35
 - 4. Distance Standards 36
 - 5. Rural Access 36
 - 6. Staff Competency and Training..... 36
 - 7. Cultural Considerations..... 36
 - 9. Residential Services..... 38
 - 10. Resource and Utilization Management Activities..... 38

1 **TABLE OF CONTENTS - cont.**
2
3 11. Management Information System..... 38
4 12. Medicaid Eligibility 39
5 13. North Sound BHO and DBHR Review Activities 39
6 14. Deliverables, Plans and Reports..... 39
7 15. Business Associates Agreement..... 39
8
9 **D. FINANCIAL TERMS AND CONDITIONS**
10 1. General Fiscal Assurances 40
11 2. Financial Accounting Requirements 40
12 3. Financial Reporting 40
13 4. County Funding 41
14 5. Rules Compliance 41
15 6. Liability for Payment and the Pursuit of Third Party Revenue 41
16 7. Fraud and Abuse 42
17
18 **E. OVERSIGHT, REMEDIES AND TERMINATION**
19 1. Oversight Authority..... 43
20 2. Remedial Action 43
21 3. Additional Financial Penalties – DBHR Imposed Sanctions 45
22 4. Termination Due to Change in Funding..... 45
23 5. Termination Due to Change in 1915(B) Behavioral Health Services Waiver 45
24 6. Termination for Convenience 45
25 7. Termination for Default 46
26 8. Termination Procedure..... 47
27 9. Notice Requirements 48
28
29 **F. GENERAL TERMS AND CONDITIONS FOR CONTRACTOR**
30 1. Background 49
31 2. Mutual Commitments..... 49
32 3. Assignment..... 49
33 4. Authority 49
34 5. Compliance with Applicable Laws, Regulations and Operational Policies 50
35 6. Compliance with North Sound BHO Operational Policies 51
36 7. Confidentiality of Personal Information 53
37 8. Contract Performance/Enforcement 54
38 9. Cooperation 54
39 10. Debarment Certification 54
40 11. Excluded Parties 54
41 12. Declaration that Clients Under the Medicaid and Other Behavioral Health Programs are not
42 Third-Party Beneficiaries Under this Contract 56
43 13. Execution, Amendment and Waiver 56
44 14. Headings and Captions..... 56

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

TABLE OF CONTENTS - cont.

15. Indemnification 56

16. Independent Contractor for North Sound BHO 57

17. Insurance..... 57

18. Integration..... 57

19. Maintenance of Records 57

20. No Waiver of Rights 58

21. Ongoing Services 58

22. Order of Precedence 58

23. Overpayments..... 59

24. Ownership of Materials 59

25. Performance..... 59

26. Resolution of Disputes 59

27. Severability and Conformity 60

28. Single Audit Act 60

29. Subcontracts 61

30. Survivability..... 62

31. Treatment of Client Property..... 62

32. Warranties..... 62

33. Contract Administration 63

EXHIBITS

- 1
- 2
- 3
- 4 Exhibit A – Scope of Work
- 5
- 6 Exhibit B – Culturally and Linguistically Appropriate Services (CLAS)
- 7
- 8 Exhibit C – Data Security Requirements
- 9
- 10 Exhibit D – Mission Statement
- 11
- 12 Exhibit E – Program Integrity
- 13
- 14 Exhibit F – DSHS Admin Policy No. 7.21
- 15
- 16 Exhibit G – DSHS Admin Policy No. 7.01
- 17
- 18 Exhibit H – DSHS Admin Policy No. 7.20
- 19
- 20 Exhibit I - Access to Care Standards
- 21
- 22 Exhibit J – Core Values and Principles
- 23
- 24 Exhibit K – Contract Document links
- 25
- 26 Exhibit L – DBHR-Contract link
- 27
- 28 Exhibit M – Deliverables
- 29
- 30 Exhibit N – Business Associate Agreement
- 31
- 32 Exhibit O – Revenue and Expenditure Certification Report
- 33
- 34 Exhibit P – Ombuds Services
- 35
- 36 Exhibit Q – Budget
- 37
- 38 Exhibit R – SAMHSA’S 10 Components of Recovery
- 39
- 40 Exhibit S – *Exhibit Intentionally Withdrawn*
- 41
- 42 Exhibit T – Disclosure of or Change in Ownership and Control Interest Form
- 43
- 44 Exhibit U – Management Information System

1
2
3
4
5
6
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**CONTRACT FOR THE PROVISION
OF
MEDICAID COVERED
BEHAVIORAL HEALTH SERVICES**

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THIS BEHAVIORAL HEALTH SERVICES CONTRACT (the “Contract”), pursuant to Chapter 71.24 RCW and all relevant and associated statutes, as amended, is made and entered into by and between the NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC (a governmental limited liability company pursuant to Chapter 70.24 RCW) (North Sound BHO) 301 Valley Mall Way, Suite 110, Mount Vernon, WA 98273 and THERAPEUTIC HEALTH SERVICES (THERAPEUTIC), a Washington Behavioral Health Agency (Contractor), 1116 Summit Ave., Seattle, WA 98101.

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I. RECITALS

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WHEREAS, Island County, San Juan County, Snohomish County, Skagit County and Whatcom County (the “County Authorities”), as defined by RCW 71.24.025 (10), entered into a Joint County Authority BHO Interlocal Operating Agreement to cooperatively provide a community health program and regional system of care, with the collective goal of consolidating administration, reducing administrative layering and reducing administrative costs, consistent with the State of Washington’s legislative policy as set forth in Chapter 71.24 RCW (“Operating Agreement”) and;

34
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38

WHEREAS, North Sound BHO is a governmental limited liability company formed by an operating agreement entered into by the foregoing five (5) County Authorities in response to a request for a detailed plan and to contract with the State of Washington to operate as a regional support network until April 1, 2016, and as a behavioral health organization as of April 1, 2016, as provided for in RCW 71.24.100 and Chapter 25.15 RCW.

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WHEREAS, the Operating Agreement provides a means for each County Authority to share in the cost of behavioral health services, for payment of services and for the audit of funds, as provided for in RCW 71.24.100 and provides for the joint supervision and operation of services and facilities, as provided for in RCW 71.24.110.

WHEREAS, North Sound BHO anticipates increased need for behavioral health services in the community and recognizes the need for expansion of services and strengthening of cooperation among service providers to meet this challenge and;

WHEREAS, North Sound BHO is engaged in the administration of services described on Exhibit A (Scope of work);

WHEREAS, Contractor is engaged in the provision of mental health and Substance Use Disorder (SUD) services within Snohomish County (“Counties”) and;

1 Accountability means responsibility of Contractor for achieving defined outcomes, goals and contract
2 obligations.
3

4 Act means the Social Security Act.
5

6 Action means in the case of a Prepaid Inpatient Health Plan (PIHP) service:
7

- 8 1. Denial or limited authorization of a requested service, including the type or level of service
9 and any service denial based on Access to Care;
- 10 2. Reduction, suspension, or termination of a previously authorized service;
- 11 3. Denial in whole or in part, of payment for a service;
- 12 4. Failure to provide services in a timely manner, as defined by the state;
- 13 5. Failure of a PIHP to act within the timeframes provided in section 42 CFR 438.408(b), WAC
14 388-877A-0420 and 388-877A-0450.
15

16 Administrative Costs means costs for the general operation of the public behavioral health system.
17 These activities cannot be identified with specific direct services or direct services support function as
18 defined in the Budget, Accounting and Reporting System (BARS) supplemental instructions.
19

20 Advance Directive means a written document in which a principal makes a declaration of instructions
21 or preferences or appoints an agent to make decisions on behalf of the principal regarding the
22 principal's behavioral health treatment, or both and that is consistent with the provisions of
23 Washington's Behavioral Health Advance Directive statute.
24

25 Allied Systems means state or local services which provide individuals with assistance to reduce the
26 impact of disabilities, functional impairments, or skill deficits and which promote stable community
27 living.
28

29 American Society of Addiction Medicine (ASAM)
30

31 Annual Revenue means all revenue received by the PIHP pursuant to the Contract for July of any year
32 through June of the next year.
33

34 Appeal means a request for review of an action as "action" is defined above.
35

36 Appropriate means the extent to which a particular procedure, treatment, or service is clearly
37 indicated, not excessive, adequate in quantity and provided in the setting best suited to the needs of
38 the recipient.
39

40 Arbitration means the process by which the parties to a dispute submit their differences to the
41 judgment of an impartial person or group appointed by mutual consent or statutory provision.
42

43 ASAM Criteria is used to evaluate an individual's need for treatment along six dimensions after
44 systematically evaluating the severity and diagnosis of an individual and then utilize a fixed
45 combination rule to determine which levels of care a substance using individual will respond to with
46 the greatest success. ASAM also includes recommended duration of substance use disorder
47 treatment.
48

1 Assessment means diagnostic services provided by a Chemical Dependency Professional (CDP) or CDP
2 trainee under CDP supervision to determine an Individual's involvement with alcohol and other drugs
3 (see WAC 388-877B-0500 for a detailed description of assessment requirements).
4

5 Authorized Representative means an individual appointed by an enrollee, or authorized under State
6 or other applicable law, to act on behalf of an enrollee or other party involved in an Appeal or
7 Grievance. If the enrollee gives written permission, the Authorized Representative may include a
8 behavioral health practitioner working on behalf of the Individual.
9

10 Behavioral Health Agency (BHA) means an agency that is licensed by the State of Washington to
11 provide mental health and/or SUD treatment and is subcontracted under this Contract to provide
12 services.
13

14 Behavioral Health Organization (BHO) means a county authority or group of county authorities or
15 other entity recognized by the Secretary that contracts for mental health services and SUD treatment
16 services within a defined Regional Service Area.
17

18 Capitation Payment means a payment the Department of Social and Health Services (DSHS) makes
19 monthly to a PIHP on behalf of each recipient enrolled under a contract for the provision of
20 behavioral health services under the State Medicaid Plan. DBHR makes the payment regardless of
21 whether the particular recipient receives the services during the period covered by the payment.
22

23 Case Management means assistance to a recipient, family, or significant other to obtain, maintain, or
24 develop appropriate resources.
25

26 Center for Medicare and Medicaid Services (CMS) the US federal agency which administers Medicare,
27 Medicaid and the Children's Health Insurance Program.
28

29 Chemical Dependency Professional (CDP) means an individual working toward the education and
30 experience requirements for certification as a chemical dependency professional and who has been
31 credentialed as a Chemical Dependency Professional Trainee (CDPT).
32

33 CDPT means an individual working toward the education and experience requirements for
34 certification as a CDP and who has been credentialed as a CDPT.
35

36 Child means a person under 18 years of age. For persons eligible for the Medicaid program, child
37 means a person who is under 21 years of age.
38

39 Children's Long-Term Inpatient Program (CLIP) means the state appointed authority for policy and
40 clinical decision-making regarding admission to and discharge from state-funded beds in CLIP.
41

42 Child Study and Treatment Center (CSTD) is DSHS's child psychiatric hospital.
43

1 Code of Federal Regulations (CFR) means all references in this Contract to CFR chapters or sections
2 shall include any successor, amended, or replacement regulation.
3

4 Community Mental Health Agency (CMHA) means CMHA that is licensed by the State of Washington
5 to provide mental health services and subcontracted to provide mental health services covered under
6 this Contract.
7

8 Community Support Services is all community-based, outpatient services as defined in RCW
9 71.24.025(8) and WAC 388-865 and 388-877.
10

11 Confidential Information means information that is exempt from disclosure to the public or other
12 unauthorized persons under Chapter 42.56 RCW or other federal or state laws. Confidential
13 information includes, but is not limited to, personal information.
14

15 Contract means this document, the General Terms and Conditions and Special Terms and Conditions,
16 including any Exhibits and other documents attached or incorporated by reference.
17

18 Coordinated Quality Improvement Program (CQIP) the purpose of CQIP is to improve the quality of
19 health care services by identifying and preventing health care malpractice under RCW 43.70.510.
20

21 Corrective Action/Compliance Review is when findings from a North Sound BHO/DBHR review or
22 other monitoring efforts or audits show that there are apparent violations of this Contract,
23 Contractor shall implement corrective action within specified timeframes determined by North Sound
24 BHO/DBHR/Department's other auditors.
25

26 Corrective Action Plan (CAP) is a written plan specifying what Contractor is required to do to be in
27 compliance. This includes required improvements and a time line for such action(s) to be
28 accomplished.
29

30 Crisis may be self-defined or a situation where an individual is acutely behaviorally ill, or experiencing
31 serious disruption in cognitive, volitional, psychosocial and/or neurophysiologic functioning.
32

33 Crisis Plan is a blueprint for action in the case of an individual (or child/family) who is experiencing
34 imminent or substantial risk of harm to self/others or who is at risk of decompensating that could
35 lead to future use of psychiatric inpatient services. Plans are developed in collaboration with the
36 individual and natural supports.
37

38 Crisis Stabilization Services provided to Medicaid-enrolled individuals who are experiencing a
39 behavioral health crisis.
40

41 Crisis Services means a face-to-face evaluation and treatment of mental health emergencies and
42 crises to non-enrolled, as well as, enrolled individuals experiencing a crisis as defined by the WAC.
43 Crisis services shall be available on a 24-hour basis with the goal of stabilizing the person in crisis and
44 providing immediate or short-term treatment and support in the least restrictive environment
45 available. Crisis services may be provided prior to an intake evaluation/assessment.
46

1 Cross-System Team meetings and consultations is participation and involvement with systems
2 beyond the mental health system, which are also providing services to a behavioral health consumer,
3 to assure communication and integrated, coordinated treatment planning and provision.
4

5 Cultural Competence means a set of congruent behaviors, attitudes and policies that come together
6 in a system or agency and enable that system or agency to work effectively in cross-cultural
7 situations. A culturally competent system of care acknowledges and incorporates at all levels the
8 importance of language and culture, assessment of cross-cultural relations, knowledge and
9 acceptance of dynamics of cultural differences, expansion of cultural knowledge and adaptation of
10 services to meet culturally unique needs.

11
12 Data means information that is disclosed or exchanged as described by the Contract.
13

14 Day for the purposes of this Contract means calendar days unless otherwise indicated in the Contract.
15

16 Debarment means an action taken by a federal official to exclude a person or business entity from
17 participating in transactions involving certain federal funds.
18

19 Denial means the decision by the PIHP to refuse authorization of covered Medicaid behavioral health
20 services that have been requested by an enrollee or a provider on behalf of an eligible Medicaid
21 enrollee. It is also a denial if an intake or assessment is not provided upon request by a Medicaid
22 enrollee.
23

24 Discharge is (1) related to the end of an inpatient psychiatric hospital stay; (2) occurs when an eligible
25 individual has completed an episode of care (or active service) and is no longer receiving services (i.e.,
26 closed).
27

28 Discharge Planning (Hospital) is the processes of developing a care regimen for an individual leaving
29 inpatient care, including appropriate timing and follow-up appointments and treatment.
30

31 Discharge Planning (Services) is the process of developing a care regimen and community integration
32 plan for a behavioral health recipient leaving clinical care including appropriate residential
33 treatment/housing supports, utilizing natural supports and community support services prior to the
34 recipient leaving outpatient care.
35

36 Diversion means to redirect an individual from being placed in a restrictive setting (i.e., Jail, inpatient
37 services) to clinically appropriate less restrictive alternative(s).
38

39 Early Periodic Screening Diagnosis and Treatment (EPSDT) is the program under Title XIX of the Social
40 Security Act as amended for children/youth who have not reached their 21st birthday.
41

42 Emergent Care means services provided for a person, that, if not provided, would likely result in the
43 need for crisis intervention or hospital evaluation due to concerns of potential danger to self, others,
44 or grave disability according to RCW 71.05.

1 Emerging Best-Practice or Promising-Practice means a practice that presents, based on preliminary
2 information, potential for becoming a research-based or consensus-based practice and is effective for
3 the population.

4
5 Enrollee means a Medicaid recipient who is currently enrolled in a PIHP.

6
7 Evaluation and Treatment (E&T) Facility means a facility which can provide directly, or by direct
8 arrangement with other public or private agencies, emergency evaluation and treatment, outpatient
9 care and timely and appropriate inpatient care to persons suffering from a mental disorder and which
10 is certified as such by DSHS.

11
12 Evidence-Based Practice means a program or practice that has had multiple sites random controlled
13 trials across heterogeneous population demonstrating that the program or practice is effective for
14 the population.

15
16 Expedited Appeal Process allows an enrollee, in certain circumstances, to file an Appeal that will be
17 reviewed more quickly than a standard Appeal.

18
19 Fair Hearing means a grievance hearing before Washington State Office of Administrative Hearings.

20
21 Family means:

- 22
23 1. For adults, those the individual defines as family (i.e., guardians, siblings, caregivers and
24 significant others);
25 2. For children, a child's biological parents, adoptive parents, foster parents, guardians, legal
26 custodians authorized pursuant to Title 26 RCW; a relative with whom a child has been placed
27 by DSHS or Tribe.

28
29 Fraud means an intentional deception or misrepresentation made by a person with the knowledge
30 that the deception could result in some unauthorized benefit to self or some other person. It
31 includes any act that constitutes fraud under applicable Federal or State law.

32
33 Full-Time Equivalent (FTE) is the term used to define number of full-time staff. One FTE shall be
34 defined as 40 hours' work per week.

35
36 Geographic Area is North Sound BHO's Service Area consisting of the following geographic areas:

- 37
38 1. Island County
39 2. San Juan County
40 3. Skagit County
41 4. Snohomish County
42 5. Whatcom County
43

1 Grievance System means the process through a BHO in which an individual applying for eligibility or
2 receiving behavioral health services may express dissatisfaction about services. The grievance system
3 must be established by the BHO and must meet the requirements of 42 CFR 438 subpart F and
4 include:

- 5
- 6 1. A Grievance Process;
- 7 2. Access to the Departments Administrative Fair Hearing process;
- 8
- 9 a. Grievance means any expression of dissatisfaction made by or on behalf of an individual
10 and referred to the agency or BHO, as applicable, for resolution.
- 11 b. Grievance Process is one of the processes included in the grievance system that allows an
12 individual to express concern or dissatisfaction about a behavioral health service.
- 13

14 Health Insurance Portability and Accountability Act (HIPAA) of 1996 is codified in 42 USC §1320(d)
15 et.seq. and CFR Parts 160, 162 and 164.

16

17 Individual means a person who has applied for, is eligible for, or receives BHO-authorized behavioral
18 health services from an agency licensed by the Department as a BHA. In the case of a minor, the
19 individual’s parent or, if applicable, the individual’s custodial parent.

20

21 Individual Choice means the individual/child/families are guaranteed an opportunity to choose freely
22 among treatment options and support services (based on identified needs) and to be full partners in
23 the treatment process. “Choice” supports the notion that to the degree possible,
24 individuals/children/families need to play a key role in designing their own service/support
25 “packages”, including involvement of natural supports and culturally specific services.

26

27 Individual Using Intravenous Drugs means a person who has used a needle to illicitly inject drugs one
28 or more times.

29

30 Involuntary Treatment Includes all services and administrative functions required for the evaluation
31 for involuntary detention or involuntary treatment of individuals in accordance with RCW 71.05,
32 71.24.300 and 71.34.

33

34 Involuntary Treatment Act - Substance Use Disorder (ITA-SUD) allows for Individuals to be committed
35 by a court order to an approved treatment program for a limited period of time. Involuntary civil
36 commitments are meant to provide for the treatment of Individuals with a substance use disorder
37 and who may be either gravely disabled or pose a danger to themselves or others and who refuse or
38 are unable to enter treatment on their own. Individuals can be committed for a period of 60 days
39 unless sooner discharged if it has been determined that the likelihood of harm no longer exists or
40 treatment is no longer adequate or appropriate per ASAM criteria, or incapacity no longer exists. A
41 petition for recommitment can be filed for an additional period of up to 90 days (RCW 70.96A.140).

42

1 Large Rural Area means areas with a population density of less than 20 people per square mile.
2
3 Level of Care Guidelines means the criteria the BHO uses in determining the scope, duration and
4 intensity of services to be provided.
5
6 Local Funds Eligible for Match means sources of revenue that are eligible to be used as federal match
7 are broad based taxes at the county or other local taxing authority level that are spent and have been
8 certified by the local authority as public funds for behavioral health services allowable under this
9 Contract. Funds used for federal match under this Contract may not be used as match for any other
10 federal program. It can be local funds that have not been previously matched with federal funds at
11 any point. Local funds do not include donations.
12
13 Low-Income Individual means an Individual whose gross household monthly income is at or below
14 220% of the Federal Poverty Guidelines.
15
16 Medicaid Funds means funds provided by CMS Authority under Title XIX program of the Social
17 Security Act.
18
19 Medicaid Waiver is a waiver granted by the Secretary of DSHS to requirements of 42 USC 1396a for
20 the purpose of permitting DSHS/DBHR to operate a capitated managed care system to provide
21 services to enrolled recipients of the Medicaid program. Under 42 USC 1396n, the Secretary is
22 authorized to grant such waivers to the extent he/she finds proposed improvements or specified
23 practices in the provision of services under Medicaid to be cost-effective, efficient and consistent
24 with objectives of the Medicaid program.
25
26 Medical Necessity or Medically Necessary means a requested service which is reasonably calculated
27 to prevent, diagnose, correct, cure, alleviate or prevent the worsening of conditions in the recipient
28 that; endanger life, cause pain and suffering, result in illness or infirmity, threaten to cause or
29 aggravate a handicap, or cause physical deformity or malfunction and there is no other equally
30 effective, more conservative, or substantially less costly course of treatment available or suitable for
31 the person requesting service. "Course of treatment" may include mere observation or, where
32 appropriate no treatment at all.
33
34 Mental Disorder as defined in RCW 71.34.020(12) for children and RCW 71.05.020(2) for adults.
35
36 Office of Management and Budget (OMB) Circular A-133 means audits of States, Local Governments
37 and Non-Profit Organizations.
38
39 Opiate Substitution Treatment Services (OST) means provision of treatment services and medication
40 management (methadone, etc.) to individuals addicted to opiates.
41
42 Outcome means the results of a service period of treatment. The extents to which services are
43 provided to individuals experiencing emotional and behavioral disorders have a positive or negative
44 effect on their well-being, circumstances and capacity for self-management and recovery.

1 Outreach means a behavioral health service where individuals with mental illness and/or SUD are
2 contacted in their place of residence or in non-traditional settings for the purpose of:

- 3
4 1. Improving their behavioral health, health, or social functioning; or
5 2. Increasing their utilization of human services and resources.

6
7 There are two basic approaches to outreach:

- 8
9 1. Mobile (going to an individual/family); and
10 2. Peer/Drop-in centers (i.e., shelters, clubhouses, kitchens, clothing banks).

11
12 Regardless of the approach, the outreach process has five important components:

- 13
14 1. Locating individuals in need of services;
15 2. Engaging individuals into service;
16 3. Assessing their needs;
17 4. Linking individuals to an appropriate level of support services; and
18 5. Providing follow-up services.

19
20 Personal Information means information identifiable to any person including, but not limited to,
21 information that relates to a person's name, health, finances, education, business use or receipt of
22 governmental services or other activities, addresses, telephone numbers, social security numbers,
23 driver license numbers, other identifying numbers and any financial identifiers.

24
25 Post Stabilization Services means covered services, related to an emergency medical condition that
26 are provided after an enrollee is stabilized in order to maintain the stabilized condition, or, under the
27 circumstances described in 42 CFR 438.114€ to improve or resolve the enrollee's condition.

28
29 Pregnant and Postpartum Women and Women with Dependent Children (PPW) means:

- 30
31 1. Women who are pregnant;
32 2. Women who are postpartum during the first year after pregnancy completion regardless of
33 the outcome of the pregnancy or placement of children;
34 3. Women who are parenting children under the age of six (6), including those attempting to
35 gain custody of children supervised by the Department of Social and Health Services, Division
36 of Children and Family Services (DCFS).

37
38 Prepaid Inpatient Health Plan (PIHP) means an entity that provides or arranges for:

- 39
40 1. Behavioral health services to enrollees under contract with the state on the basis of prepaid
41 capitation payments, or other payment arrangements that don't use state plan payment
42 rates;
43 2. Provides, arranges for, or otherwise has responsibility for the provision of any inpatient
44 hospital or institutional services for its enrollees; or
45 3. Does not have a comprehensive risk contract.

46

1 Publish means an officially sanctioned document provided by North Sound BHO/DSHS Internet or
2 Intranet websites for downloading, reading, or printing. Contractor shall be notified in writing or by
3 e-mail when a document meets these criteria.
4

5 Quality Assurance means a focus on compliance to minimum requirements (i.e., rules, regulations
6 and contract terms), as well as, reasonably expected levels of performance, quality and practice.
7

8 Quality Improvement means a focus on activities to improve performance above minimum
9 standards/reasonably expected levels of performance, quality and practice.
10

11 Quality Strategy means an overarching system and/or process whereby quality assurance and quality
12 improvement activities are incorporated and infused into all aspects of an organization's or system's
13 operations.
14

15 Recovery means the processes by which people are able to live, work, learn and participate fully in
16 their communities.
17

18 Reduction means the decision by a PIHP to decrease a previously authorized covered Medicaid
19 behavioral health service described in the Level of Care Guidelines. The clinical decision by a
20 BHA/CMHA to decrease or change a covered service in an Individualized Service Plan (ISP) is not a
21 reduction.
22

23 Region is known as North Sound Behavioral Health Organization (North Sound BHO). This region is
24 comprised of five counties: Island, San Juan, Skagit, Snohomish and Whatcom.
25

26 Rehabilitation means to restore to customary activity through education, skill building and therapy.
27 Increase independence and ability to participate in life meaning activities.
28

29 Request for Service means the point in time when services are sought or applied for through a
30 telephone call, walk-in, or written request for services from an enrollee or the person authorized to
31 consent to treatment for that enrollee.
32

33 Reserve Accounts means an allocation of fund balance at the BHO set aside for a specific purpose by
34 the BHO governing County Authorities Executive Committee or local legislative authority.
35

- 36 1. Operating Reserve – Funds designated from behavioral health revenue sources that are set
37 aside into an operating reserve account by official action of the BHO's governing body.
38 Operating reserve funds may only be set aside to maintain adequate cash flow for the
39 provision of behavioral health services.
40 2. Inpatient-Risk Reserve – Funds designated from behavioral health revenue sources to pay for
41 future inpatient hospital claims.
42

43 Residential Services are defined in WAC 388-865 and/or 388-877A-0430, 388.877B North Sound BHO
44 Standards of Care and Clinical Eligibility Manual and North Sound BHO Policies and Procedures.

1 Resilience means the personal and community qualities that enable individuals to rebound from
2 adversity, trauma, tragedy, threats, or other stresses and to live productive lives.
3

4 Risk means the possibility that Contractor may incur a loss because the cost of providing services may
5 exceed the premium payments made by North Sound BHO to Contractor for services covered under
6 this Contract (42 CFR 434.2).
7

8 Routine Services means non-emergent and non-urgent services are offered within 14 calendar days
9 to individuals authorized to receive services as defined in the access to care standards. Routine
10 services are designed to alleviate symptoms, to stabilize, sustain and facilitate progress toward
11 behavioral health.
12

13 Subcontract means a separate Contract between Contractor and an individual or entity
14 (“subcontractor”) to perform all or a portion of the duties and obligations that Contractor shall
15 perform pursuant to this Contract.
16

17 Substance Use Disorder (SUD) means a problematic pattern of alcohol/drug use leading to clinically
18 significant impairment or distress as categorized in the DSM 5.
19

20 Substance Use Disorder Treatment Agency (SUDTA) means an Agency that is licensed by the State of
21 Washington to provide Substance Use Disorder Treatment Services and subcontracted to provide
22 services covered under this Contract.
23

24 Suspension means the decision by a PIHP or formal designee, to temporarily stop previously
25 authorized Medicaid covered behavioral health services described in their Level of Care Guidelines.
26 The clinical decision of a BHA/CMHA to temporarily stop or change a covered service in the
27 Individualized Resiliency/Recovery Plan (IRP) is not a suspension.
28

29 Termination means the decision by a PIHP or their formal designee, to stop previously authorized
30 covered by Medicaid behavioral health services described in their Level of Care Guidelines. The
31 clinical decision by a BHA/CMHA to stop or change a covered service in the ISP is not a termination.
32

33 Title 42 is the CFR Public Health Service.
34

35 Title XIX is grants with states for Medical Assistance Program.
36

37 Title XIX Eligible Month means a calendar month in which an individual is eligible for the Title XIX
38 program for any part of the month.
39

40 Title XXI is the State Children’s Health Insurance Program.
41

42 Transition Youth means anyone age 16-21.
43

- 1 Underserved means persons who are minorities, children, elderly, disabled and low-income (see WAC
2 388-865-0150).
3
- 4 Urban Area means areas that have a population density of at least 500 people per square mile.
5
- 6 Urgent Care means a service to be provided to persons approaching a behavioral health crisis. If
7 services are not received within 24 hours of the request, the person's situation is likely to deteriorate
8 to the point that emergent care is necessary.
9
- 10 Utilization Management Services means to provide independent utilization management process that
11 monitors provider network to ensure services provided are sufficient, but not excessive, which are
12 predicated on the individual needs of the recipient with respect to that person's age, culture,
13 language and abilities.
14
- 15 Youth means a person age 10-17.
16
- 17 Young Adult means a person from age 18-20.
18

1 **B. PERFORMANCE STANDARDS**

2 Contractor must ensure the provision or the purchase of medically necessary behavioral health
3 services for all enrollees in accordance with Contractor’s obligations under this Contract.
4 Implementation of changes in the Medicaid State Plan must be completed no later than 30 days
5 following CMS approval of the State Plan.
6

7 **1. GENERAL OPERATING STANDARDS**

- 8 a. Contractor must provide medically necessary behavioral health services as defined in
9 Outpatient Service Modalities outlined in Exhibit A of this Contract, the Medicaid
10 State Plan and as defined in the 1915(b) Waiver, or its successor. If Contractor is
11 unable to provide the services covered under this Contract, the services must be
12 purchased in a timely manner. Contractor must continue to pay for medically
13 necessary behavioral health services outside the Service Area until Contractor is able
14 to provide them within the Service Area.
- 15 b. Contractor must ensure that enrollees and enrollees’ families participate in planning
16 activities and participate in the implementation and evaluation of Contractor’s
17 clinical functions. Contractor must be able to demonstrate how this requirement is
18 implemented.
- 19 c. Contractor must submit to an annual, external, independent review of the quality
20 outcomes, timeliness of and access to the services covered under each contract. In
21 addition, Contractor and Contractor’s Subcontractors must work with the External
22 Quality Review Organization (EQRO) Contractor set forth by DSHS to schedule a time
23 for the monitoring review that works for both parties.
- 24 d. North Sound BHO may, in consultation with DSHS and other stakeholders, specify
25 required performance measures and topics for performance improvement projects.
26 These projects must be reviewed and approved by DBHR and the EQRO.
- 27 e. Contractor must ensure Apple Health enrollees are not referred to an Apple Health
28 managed care plan if the enrollee is determined to be eligible for services based on
29 medical necessity and the ACS.
- 30 f. Contractor must maintain a written Advance Directive policy and procedure that
31 respects individuals' advance directives for psychiatric and substance use disorder
32 care.
- 33 g. Contractor must ensure plans or reports required by this Contract, including those
34 outlined in Exhibit M, Deliverables, are provided to North Sound BHO in compliance
35 with the timelines/formats indicated.
- 36 h. Contractor must participate in North Sound BHO/DBHR offered training when
37 requested, including training on the implementation of Evidence-Based Practices,
38 Emerging and Promising Practices.
- 39 i. Contractor shall encourage and promote Dignity and Respect throughout the system
40 of care.
- 41 j. Contractor must ensure staff is familiar with SAMHSA’s 10 Components of Recovery
42 as outlined in Exhibit R.
43

- k. Contractor shall provide customer service that is friendly, flexible, proactive and responsive to individuals, families and stakeholders. Contractor shall provide a toll free number. A local telephone number may also be provided for those individuals within the local calling area
- l. Contractor shall consult with North Sound BHO on substance use disorder practice guideline during the contract period and shall adopt and implement the practice guidelines, including training impacted staff on the use of the guidelines. In addition, Contractor participating in the implementation of a consistent Child and Family Team (CFT) protocol under the timelines and guidance published by DSHS.
- m. Contractor shall make best efforts to provide written or oral notification within 15 business days of termination of a CDP/CDPT to enrollees currently open for services who had received a service from the affected CDP/CDPT in the previous 60 days. Notification must be verifiable in the individual record at the BHA/CMHA.
- n. Contractor must ensure benefits are provided in accordance with North Sound BHO's policies.
- o. Contractor shall collaborate with North Sound BHO on development and implementation of Performance Improvement Projects (PIP) and Performance Measures during the term of this Contract.
- p. Covered mental health services for individuals who meet medical necessity and ACS.
- q. Contractor shall notify individuals in writing of changes in service, Medical Health Care Provider (MHCP) denials and/or changes, or termination in services in accordance with North Sound BHO policies and procedures.
- r. Contractor shall collaboratively participate in North Sound BHO's regional coordination meetings, which currently include North Sound BHO's Ad Hoc Regional Integrated Provider, North Sound BHO's Quality Management Oversight Committee (QMOC), Regional ICRS Committee, subcommittees and work groups of these committees as necessary.
- s. Contractor shall obtain written consent from the individual/family, in the event a picture or personal story will be used.
- t. Contractor may refuse to provide, reimburse for, or provide coverage of certain services based on moral religious grounds. If the Contractor chooses to refuse any services or coverage on moral or religious grounds it must provide a list of those services to enrollees. If the Contractor establishes any new policy regarding a moral or religious objection to any service or coverage it must notify 30 days prior to enacting the policy and all of its enrollees within 90 days of adopting or enacting the policy. Any policy not expressly conveyed to North Sound BHO prior to the start date of this contract must be classified as "new."

2. OUTPATIENT INITIAL AUTHORIZATION AND CONTINUED SERVICE AUTHORIZATION

In accordance with North Sound BHO's operating policies, Contractor shall:

- a. Implement operational policies, procedures and protocols that are consistent with North Sound BHO's operating policies and assure that they are consistently implemented;

- b. When an individual meets ASAM criteria and ACS, Exhibit I, they are authorized for outpatient services by North Sound BHO;
- c. North Sound BHO shall notify Contractor in writing or through the Consumer Information System (CIS) of those authorized to receive Contractor services and will provide a contact person(s) for purposes of North Sound BHO service authorization. Contractor shall appoint a contact person to receive authorization notification;
- d. If an expedited assessment is needed, it will be provided as rapidly as is medically necessary in accordance with North Sound BHO's Authorization and Assessments for Ongoing Services Policy and Procedure;
- e. If Contractor believes medical necessity and ASAM/ACS are not met, Contractor will send North Sound BHO clinical information necessary to allow North Sound BHO to make a determination of clinical eligibility;
- f. If an individual is determined by North Sound BHO to not meet clinical eligibility requirements, North Sound BHO shall notify the individual of the decision with a Notice of Determination and/or Notice of Action and his/her rights to file a grievance.

3. OUTPATIENT SERVICES AND MEDICATION MANAGEMENT

In accordance with North Sound BHO's operating policies, Contractor shall:

- a. Provide the full range of outpatient behavioral health services described in Exhibit I. Outpatient Service Modalities, services must be available and provided based on the ACS, the individual's needs and medical necessity, per the policies and procedures.
- b. Medical Necessity for Substance Use Disorder Treatment Services is based on the presence of a DSM 5 Substance related diagnosis and application of the ASAM criteria following an assessment.
- c. Utilize Flex Funding in the amount specified in Exhibit Q and in accordance to North Sound BHO Policy and Procedure.
- d. Submit a utilization plan for the use of flex funds; said plan shall be submitted on or before June 1, 2016.

4. SPECIALIZED OUTPATIENT/RESIDENTIAL APPROVAL AND AUTHORIZATION

In accordance with North Sound BHO's operating policies:

- a. Authorization and payment for specialty out-of-network services will be authorized and paid for by Contractor. With the exception of out-of-network residential and/or services that exceed North Sound BHO Fee for Service standard rates, in these instances, Contractor shall have pre-approval from North Sound BHO Care Coordinator prior into entering into an agreement for out-of-network specialty services.
- b. North Sound BHO shall authorize and pay for specialty out-of-network services outside the State of Washington and in other limited situations authorized by North Sound BHO. The arrangement and monitoring of all said services will be the responsibility of Contractor. Contractor shall coordinate and provide updates to North Sound BHO upon request.

1 **5. MEDICAL NECESSITY**

2 Contractor shall make the determination of medical necessity.

3
4 Contractor must make a determination of eligibility for mental health and/or SUD services
5 for an initial authorization of routine services based on medical necessity.

6
7 Medical necessity for mental health services is based on the presence of a covered DSM 5
8 behavioral health diagnosis and application of the behavioral health ACS following the
9 initiation of the intake evaluation.

10
11 Medical necessity for SUD Treatment Services is based on the presence of a DSM 5
12 substance related diagnosis and application of the ASAM criteria following an assessment.

13
14 **6. SECOND OPINION**

15 Contractor shall ensure enrolled individuals have the right to a second opinion in
16 accordance with North Sound BHO's Policy and Procedure. Contractor shall develop
17 specific written procedures consistent with North Sound BHO's Second Opinion policy and
18 notify North Sound BHO of any individual seeking a second opinion. Contractor shall be
19 responsible for arranging and monitoring all second opinion services under this Contract.

20
21 **7. QUALITY CLINICAL CARE, TIMELY ACCESS, INTAKE EVALUATIONS AND INDIVIDUALIZED
22 RESILIENCY RECOVERY SERVICE PLANS**

23 Contractor must provide age, linguistic and culturally competent community behavioral
24 health services of Individuals for whom services are medically necessary and clinically
25 appropriate in compliance with CFR 42, CFR 42 Part 2, CFR 438, DBHR's Federal Mental
26 Health and SUD Waiver and Medicaid (Title XIX) State Plan.

27
28 In addition to requirements listed elsewhere in the contract and in North Sound BHO
29 Policy and Procedures, Contractor shall:

- 30
31 a. Provide Medicaid individuals access to services upon request and ensure they are
32 not placed on waiting lists nor refused any authorized services provided under this
33 Contract;
- 34 b. Contractor must not refer an Apple Health enrollee to the enrollee's Apple Health
35 managed care plan for mental health services if the enrollee is determined to be
36 eligible based on medical necessity and the ACS that now includes qualifying
37 substance use diagnoses and ASAM criteria.
- 38 c. Not discriminate against enrolled individuals who are considered difficult to serve -
39 examples include: a refusal to treat an individual because the individual is deemed
40 too dangerous, because housing is not available in the community, or that a
41 particular type of residential placement is not currently available;

- 1 d. If Contractor is unable to provide the services covered under this Contract, the
2 services must be purchased within 28 days for an enrolled individual with an
3 identified need. Contractor must continue to pay for medically necessary behavioral
4 health services outside the service area until Contractor is able to provide them
5 within its service area, with the exception of specialized out-of-network services
6 identified in section B.4 and North Sound BHO Policy and Procedure.
- 7 e. Ensure medically necessary crisis services are not contingent upon full completion of
8 an intake evaluation;
- 9 f. Not arbitrarily deny or reduce the amount, duration, or scope of a required service
10 solely because of the diagnosis, type of illness, or condition;
- 11 g. Ensure:
- 12
- 13 i. Enrollees have access to the following benefits based on the Medicaid State
14 Plan Services prior to an intake evaluation:
- 15
- 16 a) Crisis Services;
- 17 b) Freestanding Evaluation and Treatment;
- 18 c) Stabilization;
- 19 d) Rehabilitation Case Management as defined in the Medicaid State Plan.
- 20
- 21 ii. Contractor must at a minimum offer a substance use disorder assessment by
22 a CDP/CDPT within 10 business days of an enrollee request;
- 23 iii. Maintain the ability to provide an intake evaluation in the individual's
24 residence, including adult family homes, assisted living facilities or skilled
25 nursing facilities, including to individuals being discharged from a state
26 hospital or evaluation and treatment facilities to such placements when the
27 individual requires an on-site service due to medical needs or lack of
28 transportation;
- 29 iv. Co-Occurring Screening and Assessment initiated and completed in
30 compliance with North Sound BHO's Co-occurring Screening and Assessment
31 policy and procedure;
- 32 v. Routine behavioral health services are offered to occur within 14 calendar
33 days of a determination of medical necessity. The time from request for
34 services to first routine appointment must not exceed 28 calendar days
35 unless the BHA/CMHA documents a reason for the delay;
- 36 vi. When services occur in the BHA/CMHA's office, wait time does not exceed
37 one hour beyond the time of the scheduled appointment;
- 38 vii. An appointment is offered to each individual for a face-to-face contact within
39 seven days of discharge from a substance use disorder residential facility;
- 40 viii. Data/reports will be available to substantiate compliance with the above
41 requirements as requested by North Sound BHO;
- 42 ix. Each Medicaid individual (including parents/foster parents,
43 assigned/appointed guardians of children and youth) is able to choose a
44 participating BHA/CMHA;

- 1 x. Children/foster children receive continuity of care (i.e., same case manager
2 and/or therapist) including transition planning when changes in residential
3 placements occur (i.e., in and out of home care, community placements
4 including outside of Service Area) as requested by and negotiated with a
5 Children’s Administration social worker. In situations where the individual
6 has been placed outside of the Service Area, Contractor is not required to
7 take services to the new community and any necessary transportation of the
8 individual is not the responsibility of Contractor. Transportation and service
9 delivery may be negotiated with the Children’s Administration social worker;
- 10 xi. Emergency requirements are met in accordance with 42 CFR;
- 11 xii. Prior authorization is not required for emergency services.
- 12
- 13 h. Access Services – In accordance with WAC 388-865-0415 and 388-877-0420, CFR 42,
14 CCFR 42 Part 2, FR 438, Federal 1915 (b) Mental Health and SUD Waiver and
15 Medicaid (XIX) State Plan. Other provisions Title XIX of the Social Security Act, RCW
16 70.96A, 70.96B, 70.02, 71.05, 71.24 and 71.34.
- 17 i. Contractor must document and otherwise ensure eligible individuals have access to
18 age and culturally competent services when and where those services are needed.
19 They must:
- 20
- 21 i. Identify and reduce barriers to people getting the services where and when
22 they need them;
- 23 ii. Comply with the Americans with Disabilities Act (ADA) and Washington State
24 Anti-discrimination Act, chapter 49.60 RCW;
- 25 iii. Ensure services are timely, appropriate and sensitive to the age, culture,
26 language, gender and physical condition of the individual;
- 27 iv. Ensure all service delivery settings meet the requirements of WAC 388-877B
28 and 246-337 and are delivered by professionals practicing within the scope of
29 the licensure or certification as required in the State Plan;
- 30 v. Provide alternative service delivery models to make services available to
31 underserved persons as defined in WAC 388-865-0150 and 388-877-420;
- 32 vi. Provide access to telecommunication devices or services and certified
33 interpreters for deaf or hearing-impaired individuals and limited English
34 proficient individuals. Contractor shall maintain a log of interpreter and
35 written translation requests.
- 36 vii. Bring services to the individual or locate services at sites where
37 transportation is available to individuals;
- 38 viii. Ensure compliance with all state and federal nondiscrimination laws, rules
39 and plans.
- 40

- 1 j. Individual Recovery Service Plan (IRSP) – In accordance with WAC 388-877-620 and
2 North Sound BHO policies, Contractor must provide individuals with a plan herein
3 referenced IRSP that meets the individual’s unique needs. Individualized and
4 tailored care is a planning process that may be used to develop a person-centered
5 and strength-based plan. The IRSP must:
6
7 i. Be developed collaboratively with the individual and other people identified
8 by the individual within 30 days of starting community support services. The
9 IRSP should be in language and terminology that is understandable to the
10 individual and their family and include goals that are measurable.
11 ii. Be actively involved in the development of their plans, advance directives for
12 psychiatric and SUD care and crisis plans;
13 iii. At a minimum, treatment goals must include the words of the individual
14 receiving services and documentation must be included in the clinical record,
15 as part of the 180-day progress review, describing how the individual sees
16 their progress. Contractor must be able to demonstrate how this
17 requirement is implemented and monitored.
18 iv. Identify medical concerns and plans to address them;
19 v. Address age, cultural, or disability issues of the individual;
20 vi. Include measurable goals for progress toward rehabilitation, recovery and
21 reintegration into the mainstream of social, employment and educational
22 choices, involving other systems when appropriate;
23 vii. Address the overall identified needs of the individual, including those that are
24 best met by another service delivery system, such as education, primary
25 medical care, child welfare, drug and alcohol, developmental disabilities,
26 aging and adult services, corrections and juvenile justice, as appropriate.
27 Contractor must ensure there is coordination with the other service delivery
28 systems responsible to meeting the identified needs.
29 viii. Demonstrate the provider has worked with the individual and others at the
30 individual's request to determine his/her needs in the following life domains:
31
32 a) Housing;
33 b) Food;
34 c) Income;
35 d) Health and dental care;
36 e) Transportation;
37 f) Work, school, or other daily activities;
38 g) Social life; and
39 h) Referral services and assistance in obtaining supportive services
40 appropriate to treatment, such as SUD.

- k. Document review by the person developing the IRSP and the individual. The plan must be completed or approved by a professional appropriately credentialed or qualified to provide mental health and/or SUD service. If the person developing the plan is not qualified as required per WAC 388-865-405(5) and 388-877-0620 and is not supervised by credentialed and/or qualified professional then there must be documentation of a consultation with the appropriate professional.
- l. Document review and update at least every 180 days or more often at the request of the individual.

8. TRANSITION YOUTH

Contractor shall maintain a process for addressing the needs of transition youth. The process must contain or address:

- a. A comprehensive transition plan linked across systems that identify goals, objectives, strategies, supports and outcomes;
- b. Individual behavioral health needs in the context of transition youth, which include supported transition to meaningful employment, post-secondary education, technical training, housing, community supports, natural supports and cross-system coordination with other system providers;
- c. For transition youth who require continued services in the adult behavioral health system, Contractor must identify transitional services that allow for consistent and coordinated services and supports for young people and their parents.
- d. Developmentally and culturally appropriate adult services that are relevant to the individual or population.

9. AMERICAN SOCIETY OF ADDICTIVE MEDICINE (ASAM)

Contractor shall comply with North Sound BHO's policy and procedure on ASAM criteria.

ASAM criteria for initial authorizations, continuing stay and discharge for SUD services.

ASAM levels of care for outpatient and residential services include the following:

- a. Level 1 – Outpatient Services;
- b. Level 2.1 – Intensive Outpatient Services;
- c. Level 3.1 – Clinically Managed, Low Intensity Residential Services;
- d. Level 3.3 – Clinically Managed, Population Specific, High Intensity, Residential Services (this level of care not designated for adolescent populations);
- e. Level 3.5 – Clinically Managed, Medium Intensity Residential Services.

ASAM levels of care for Withdrawal Management (WM – Detoxification Service) include the following:

- a. Level 1 – WM - Ambulatory withdrawal management without extended onsite monitoring;
- b. Level 3.2 – WM - Clinically managed Residential Withdrawal Management (Acute and Sub-Acute Certification).

1 **10. EPSDT REQUIREMENTS**

2 Contractor shall comply with North Sound BHO policy on EPSDT requirements.

3
4 Contractor shall ensure children with multiple service needs who meet the requirements
5 of EPSDT shall receive services that comply with North Sound BHO EPSDT policy and
6 procedure.

7
8 Contractor must respond to referrals from primary medical care providers in accordance
9 with North Sound BHO Policy and Procedure.

10
11 **11. ALLIED SYSTEM COORDINATION**

12 Contractor must comply with and at the request of North Sound BHO participate in the
13 identification and development of Allied System Coordination plans. The coordination
14 plans are intended to enable coordination of services and appropriate management of
15 care for individuals.

16
17 Contractor shall comply with published directives from DBHR when North Sound BHO,
18 Contractor, or its subcontractors are unable to resolve local disputes with other service
19 systems (Healthy Options, other DSHS administrations as provided by DBHR) regarding
20 service or cost responsibilities.

21
22 **12. PRIMARY CARE COORDINATION**

23 Contractor must ensure individuals who do not have a Primary Care Provider (PCP) or
24 those with complex medical needs, who have no assigned PCP, are assisted in obtaining a
25 PCP. For individuals who already have a PCP, Contractor must coordinate care as needed.
26 Contractor must also ensure coordination for those with complex medical needs is tracked
27 through the treatment plan and progress notes.

28
29 **13. SUBSTANCE USE DISORDER (SUD) SERVICE TRANSITION**

30 Contractor shall ensure all individuals in SUD services remain in a course of treatment that
31 began prior to April 1, 2016, for up to 60 days or based on ASAM criteria as follows:

- 32
33 a. The course of treatment is complete; or
34 b. Contractor evaluates the individual and determines services are no longer necessary;
35 or
36 c. Contractor determines a different course of treatment is indicated.

37
38 **14. CRISIS SERVICES COORDINATION AND COOPERATION**

39 Contractor shall coordinate and cooperate with providers in North Sound BHO's crisis
40 service network to ensure the continuity of care.

41
42 **15. GRIEVANCE, APPEAL AND FAIR HEARING PROCESSES**

43 Contractor must implement grievance, appeal and fair hearing processes that are in
44 conformance with North Sound BHO policies and procedures.

1 Contractor and its subcontractors shall abide by North Sound BHO grievance, appeal and
2 fair hearing determinations.

3
4 In addition Contractor shall:

- 5
6 a. Implement a grievance process that complies with 42 CFR §438.Subpart F, 42 CFR
7 438.405 (a)(1), WAC 388-865 and 388-877A-0410-0460 or any successors;
8 b. Coordinate with North Sound BHO grievance process and Ombuds Services;
9 c. Provide assistance to clients filing a grievance;
10 d. Provide access to interpreter services and toll free numbers with adequate TTY/TTD
11 and interpreter capability;
12 e. Incorporate concerns from grievances into BHA/CMHA services without identifying
13 individual clients.
14

15 **16. LOCAL RESPONSIVENESS AND COMMUNICATIONS**

16 Contractor shall cooperate with North Sound BHO and the Counties in the Service Area to
17 provide a locally responsive delivery system.

18
19 Contractor shall provide enrollees with referral sources information and education about
20 the referral process, service availability, service population, common symptoms of mental
21 illness and SUD. Contractor shall post and make known consumer rights and
22 responsibilities including grievance, appeal and fair hearing procedures and the availability
23 of Ombuds services in a conspicuous manner with accessible placement.
24

25 Contractor will maintain written policies and procedures in accordance with North Sound
26 BHO policies on enrollee communications and ensure the provision of enrollee
27 information complies with all requirements of 42 CFR §438.100, §438.6(i)(30) or any
28 successors and is provided in the following prevalent languages: Cambodian, Chinese,
29 Korean, Laotian, Russian, Somali, Spanish and Vietnamese. Information on how to access
30 the translated information must be provided prior to conducting the intake evaluation.
31

32 Contractor shall be able to demonstrate its notification mechanisms are effective.

33
34 Contractor shall post, in a conspicuous place, a translated copy of the consumer rights as
35 listed in the Behavioral Health Benefits Booklet in each of the DSHS prevalent languages.
36 Access to translated copies may be downloaded at:
37 [https://www.dshs.wa.gov/bha/division-behavioral-health-and-recovery/behavioral-](https://www.dshs.wa.gov/bha/division-behavioral-health-and-recovery/behavioral-health-benefits-book)
38 [health-benefits-book](https://www.dshs.wa.gov/bha/division-behavioral-health-and-recovery/behavioral-health-benefits-book).
39

40 Contractor will post the DBHR Benefits Booklet for Medicaid enrollees and will distribute
41 copies at first request for services. Contractor will ensure that enrollees are informed of
42 their right to request oral interpretation in any language and will provide oral
43 interpretation in any language when requested by an enrollee.
44

1 Additionally, Contractor will provide:
2

- 3 a. General rights to the enrollee as specified in WAC 388-865-0410, 388-877-0600 and 42
4 CFR §438.100 or their successors;
5 b. Information about benefits and authorization requirements;
6 c. Information to enrollees, which clearly explains how the enrollee can request and be
7 provided written materials in alternate formats. Information explaining to the enrollee
8 how to access these materials must be provided prior to an intake evaluation.
9 d. Upon an enrollee's request:
10
11 i. Identification of individual MHCP who are not accepting new enrollees;
12 ii. BHA/CMHA licensure, certification and accreditation status;
13 iii. Information that includes, but is not limited to: education, licensure and Board
14 certification and/or re-certification of MHP's and MHCP's.

15
16 **17. QUALITY REVIEW TEAM (QRT)**

17 North Sound BHO will establish and maintain a QRT that is independent as set forth in
18 WAC 388-865-0282.

19
20 QRT will include current individuals served by the behavioral health system, past
21 recipients, or family members.

22
23 The team will work with North Sound BHO to identify areas in the system of care for
24 evaluation and/or improvement. Contractor must cooperate with quality review activities
25 and provide access to their facilities, personnel and records.

26
27 **18. CRITICAL INCIDENTS**

28 Contractor and its subcontractors shall comply with North Sound BHO's Critical Incident
29 Reporting Policy and Procedure and any successor regarding critical incidents.

30
31 **19. PERFORMANCE PROJECTS**

32 It is North Sound BHO's expectation that we will meet or exceed all appropriate statewide
33 Performance Improvement Projects (PIP) and Performance Measures (PM). Contractor
34 shall collaborate with the North Sound BHO in identifying and implementing interventions
35 to meet or exceed all measures.
36

1 **20. CONFIDENTIALITY**

2 Contractor shall not use, publish, transfer, sell, or otherwise disclose any confidential
3 information gained by reason of this Contract for any purpose that is not directly
4 connected with the performance of the services contemplated there under, except:

- 5
- 6 a. As provided in North Sound BHO Policy and Procedure ;or
 - 7 b. As provided by law.
 - 8 c. In the case of personal information, as provided by law or with the prior written
9 consent of the individual or personal representative of the person who is the subject
10 of the personal information;
 - 11 d. Contractor shall protect and maintain all confidential information gained by reason
12 of this Contract against unauthorized use, access, disclosure, modification, or loss.
13 This duty requires the parties to employ reasonable security measures, which include
14 restricting access to the confidential information by:
 - 15 i. Allowing access only to staff that have an authorized business requirement to
16 view the confidential information;
 - 17 ii. Physically securing any computers, documents, or other media containing the
18 confidential information.

19

20

21 To the extent allowed by law, at the end of the Contract term, or when no longer needed,
22 the parties shall return Confidential Information or certify in writing the destruction of
23 confidential information upon written request by the other party.

24

25 Paper documents with confidential information may be recycled through a contracted
26 firm, provided the contract with the recycler specifies that the confidentiality of
27 information will be protected and the information destroyed through the recycling
28 process. Paper documents containing confidential information requiring special handling
29 (i.e., Protected Health Information) must be destroyed through shredding, pulping, or
30 incineration.

31

32 The compromise or potential compromise of confidential information must be reported to
33 North Sound BHO’s Deputy Director within 5 business days of discovery for breaches of
34 less than 500 persons’ protected data and 3 business days of discovery for breaches of
35 over 500 persons’ protected data. The parties must also take actions to mitigate the risk
36 of loss and comply with any notification or other requirements imposed by law.

37

38 **21. INDIVIDUAL RIGHTS**

39 Contractor must comply with North Sound BHO Policy and Procedure and any applicable
40 Federal and State Laws that pertain to Individual Rights and Protections, 42 CFR, RCW
41 71.24 and WAC 388-877. Contractor must ensure staff takes rights into account when
42 furnishing services to individuals. Any change to applicable laws must be implemented
43 within 90 calendar days of the effective date of change or as required by law.
44

1 **22. OUTCOME MEASURES**

2 Contractor shall collaborate with North Sound BHO on identifying and incorporating
3 outcome measurement tools used to measure an individual or group of individual’s
4 recovery and improved wellness.

5
6 Contractor shall participate in committees and/or workgroups to determine the target
7 population and the measurement tool or tools to be implemented in the region during this
8 contract cycle.

9
10 **23. EVIDENCE-BASED PRACTICES**

11 Contractor will participate with North Sound BHO/DSHS to increase the use of research
12 and evidence-based practices, with a particular focus on increasing these practices for
13 children and youth receiving behavioral health treatment services as identified through
14 legislative mandates. This includes:

- 15
16 a. Participation in North Sound BHO and/or DBHR state-sponsored training in the
17 Trauma-Focused Cognitive Behavioral Therapy (TF-CBT/CBT) and CBT-Plus (TF-
18 CBT/CBT+) evidence/research-based practices. Contractor is expected to maintain a
19 workforce trained in TF-CBT/CBT+ sufficient to implement the practice within the
20 North Sound Region. At a minimum, the following percentages of the children/youth
21 enrolled in treatment services will receive an evidence/research based practice by
22 the following dates. Contractor will work with North Sound BHO in tracking
23 evidence-based and research-based practices identified by the Washington State
24 Institute of Public Policy (WSIPP) and report the services as specified in DBHR’s
25 Service Encounter Reporting Instructions (SERI).
26 b. Participation in state-sponsored efforts to ensure the sites offering the TF-CBT/CBT+
27 evidence/research-based practices are operated as trauma-informed systems of
28 care;
29 c. Participation in regional efforts to identify and promote evidence/research-based
30 practices for adults.

31
32 **24. TRAUMA-INFORMED CARE**

33 A majority of the individuals in behavioral health services have experienced some form of
34 trauma in their history. North Sound BHO, in collaboration with regional Contractors, shall
35 create a trauma-informed system of care.

36
37 Contractor and North Sound BHO shall address the following over the course of this
38 Contract:

- 39
40 a. Develop/implement an organizational assessment tool;
41 b. Develop/implement a trauma screening tool;
42 c. Provide and participate in trauma-informed trainings.
43

1 **25. QUALITY MANAGEMENT/STRATEGY**

2 Contractor shall participate with North Sound BHO in the implementation, updates and
3 evaluation of DBHR quality strategy located on DBHR website that is hereby incorporated
4 by reference.
5

6 Contractor shall comply with North Sound BHO Quality Management (QM)/Strategy Plan,
7 or any successor, incorporated herein as Exhibit K.
8

9 Contractor shall ensure its QM activities comply with all applicable law and standards
10 including, but not limited to: WAC 388-865-0280-0425, 388-877-400,410 and North Sound
11 BHO’s QM Plan, North Sound BHO Policies and Procedures; or their successors. In
12 addition:
13

- 14 a. Contractor shall maintain an ongoing, planned, systematic, organization wide QM
15 process to design, measure, analyze and improve its performance, including
16 identification of innovations or best practice.
- 17 b. Contractor QM plan and process, which shall be reviewed and updated by provider
18 as needed but, at a minimum, every six (6)months, will be audited by North Sound
19 BHO.
- 20 c. Contractor shall ensure Quality Assurance and Quality Improvement data is
21 analyzed, reported and acted upon. This shall be demonstrated by written records
22 maintained by Contractor.
23

24 Contractor shall present to North Sound BHO a QM report, in order to facilitate North
25 Sound BHO's determination of the effectiveness of the overall regional system of care,
26 upon request. This report shall be in a mutually agreed format and document the results
27 of Contractor’s QM plan activities and:
28

- 29 a. Identify areas of efficiency and effectiveness of system operations and the quality of
30 care for individuals and/or families;
- 31 b. Identify areas of deficiency with plans to achieve expected improvement;
- 32 c. Status of implementation of all North Sound BHO approved corrective action plans.
33

34 **26. COORDINATION OF CARE AMONG OUTPATIENT PROVIDERS**

35 Contractor shall comply with North Sound BHO policy on care coordination. Contractor
36 shall procure and maintain written Memorandums of Understanding (MOU), when
37 necessary, with outpatient provider(s) to ensure an individual receives medically necessary
38 services.
39

40 At a minimum, MOU must state the primary agency and methods of communication
41 between agencies to ensure the individual is receiving coordinated care and monitoring.
42

43 MOU will clarify that if Contractor and the provider disagree about the medical necessity
44 of the outpatient modality, the matter will be brought to North Sound BHO for resolution
45 and North Sound BHO will make the final decision.

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27. COORDINATION WITH TRIBAL AUTHORITIES

If an enrollee is a Tribal Member of a Washington Tribe and is referred to or presents for non-crisis services and the enrollee or their legal representative consents, efforts must be made to notify the Tribal Authority or North Sound BHO to assist in treatment planning and service provision for the enrollee. If the enrollee chooses to be served only by the Tribal Behavioral Health Service, Contractor will ensure the enrollee is referred to the appropriate Tribal Behavioral Health service provider.

1 **C. CONTRACTOR RESPONSIBILITIES**

2 Contractor shall have responsibility for the performance and responsibilities under this Contract.
3 Contractor shall include community and county input into planning and access to services.
4 Contractor shall be held fully responsible for the contractual obligations and performance of its
5 subcontractors. In the performance of these functions, Contractor shall maintain written
6 documentation verifying that each specific responsibility under this Contract has been performed.
7

8 **1. BEHAVIORAL HEALTH AGENCY (BHA)/COMMUNITY MENTAL HEALTH AGENCY (CMHA)**

- 9 a. Contractor meets the licensing requirements of WAC 388-865, 388-877; 388-877A,
10 388-877B and licensure has not been denied, revoked and/or suspended.
- 11 b. Contractor ensures it is an effective, efficient, adequate and accessible BHA/CMHA
12 that is licensed/certified, monitored and capable of providing contracted services
13 and able to demonstrate its ability to carry out the functions required by this
14 Contract.
- 15 c. Contractor shall cooperate with North Sound BHO's strategic plan and efforts to
16 ensure a sufficient number, mix and geographic distribution of community
17 behavioral health services, including MHCP/CDP/CDPT's to meet the needs of the
18 anticipated number of enrollees in the Service Area and provide:
19
- 20 i. Access to an intake evaluation by an MHP and/or CDP/CDPT.
 - 21 ii. An age-appropriate range of medically necessary behavioral health services
22 as identified in the Medicaid state plan and 1915(b) Medicaid Waiver.
 - 23 iii. A geographic distribution and mix that allows for the access and travel
24 standards, described below, to be met.
25

26 **2. CAPACITY**

- 27 a. Contractor must notify North Sound BHO in writing of any proposed change in
28 capacity. North Sound BHO must approve any change that results in reduced
29 capacity.
30
- 31 i. A reduction in capacity is defined as the point in time when Contractor is not
32 able to meet all the access standards as defined in this Contract. Events that
33 may affect capacity include: closing of a facility in any geographic area, a
34 decrease in the state plan services currently available, decrease in the number
35 or frequency of services, employee strike or other work stoppage related to
36 union activities, or any change that may result in Contractor being unable to
37 provide services for those enrollees who are covered by this Contract.
 - 38 ii. Submit a report to North Sound BHO by June 1, 2016, with current capacity and
39 submission biannually thereafter. Contractor shall notify North Sound BHO 30
40 days prior to implementation and/or public notice when Contractor adds,
41 changes locations, or closes a facility and when the number of staff
42 type/specialty changes at any BHA/CMHA facility by 5 staff or more. The report
43 shall identify each Contractor facility location/address and the number of FTE
44 individuals providing direct services that are employed or contracted at each
45 location by type/WAC specialty and staff with specialized training/expertise in
46 North Sound BHO identified treatments.

- 1 iii. The termination or addition of a subcontract that provides behavioral health
- 2 services is considered a significant change. Contractor must notify North Sound
- 3 BHO 30 days in advance of public written notice to enrollees before Contractor
- 4 terminates any of its subcontracts with entities that provide direct service.
- 5 iv. Contractor must ensure the provision of written notification within 15 days to
- 6 enrollees receiving services from the subcontractor upon written notification of
- 7 termination by either party.
- 8 v. If either party must terminate a subcontract in less than 30 days, Contractor
- 9 must notify North Sound BHO as soon as there is a determination to terminate
- 10 the subcontract and in advance of public notice.
- 11 vi. If an event identified in section C.2 occurs, Contractor must submit a plan to
- 12 North Sound BHO for enrollees and services that includes at least the following:
- 13
- 14 a) Notification to Ombuds services;
- 15 b) Crisis services plan;
- 16 c) Client notification plan;
- 17 d) Plan for provision of uninterrupted services;
- 18 e) Any information released to the media.
- 19
- 20 b. Contractor shall demonstrate its performance of this function by the maintenance of
- 21 written records that show routine review and discussion of capacity issues by
- 22 Contractor staff.
- 23

24 **3. ACCESS STANDARDS**

25 Ensure enrollees can access medically necessary behavioral health services upon request

26 that do not exceed the access standards below.

27

- 28 a. A request for behavioral health services is defined as a point in time in which
- 29 behavioral health services are sought or applied for through a telephone call, walk-
- 30 in, or written request for behavioral health services.
- 31 b. Urgent and emergent medically necessary behavioral health services (i.e., crisis or
- 32 stabilization behavioral health services) may be accessed without full completion
- 33 of intake evaluations and/or other screening and assessment process.
- 34 c. Contractor shall demonstrate its performance of this function by the maintenance
- 35 of written records that show routine review and discussion of access standard
- 36 issues by Contractor staff.
- 37

38 Contractor must ensure:

- 39
- 40 a. Urgent care occurs within 24 hours of the request for behavioral health services
- 41 from any source;
- 42 b. Emergent mental health care occurs within two (2) hours of the request for mental
- 43 health services from any source;
- 44

1 **4. DISTANCE STANDARDS**

2 Contractor shall coordinate with North Sound BHO to ensure travel standards are within
3 the requirements set out in North Sound BHO Policy.
4

5 **5. RURAL ACCESS**

6 Contractor shall collaborate with North Sound BHO on increasing access to services in
7 underserved areas of the region. Contractor will identify partnerships and collaborations
8 in the rural communities to promote integration and expand service availability.
9

10 Contractor shall provide the address of service for each encounter submitted through
11 North Sound BHO's Consumer Information System (CIS).
12

13 **6. STAFF COMPETENCY AND TRAINING**

14 Contractor and its subcontractors shall comply with North Sound BHO credentialing
15 policies and procedures and shall ensure all staff is qualified for the position they hold and
16 have at a minimum, the education, experience and skills to perform their job
17 requirements, per WAC 388-865, 388-877-500-530 including any required licenses or
18 certifications.
19

20 Contractor shall require a criminal history background check pursuant to 42 CFR 455.450,
21 RCW 43.43.830-832; 834 and 43.20A.710 and WAC 388-877-0500 to be completed for all
22 current employees, volunteers and subcontractors and a criminal history background
23 check shall be initiated for all prospective employees, volunteers and subcontractors who
24 may have unsupervised access to children, people with developmental disabilities, or
25 vulnerable adults.
26

27 Contractor shall collaborate with North Sound BHO to implement, maintain and revise the
28 Regional Training Plan or any successor, incorporated as Exhibit K.
29

30 Contractor must participate in training when requested by North Sound BHO/DBHR.
31 Requests for North Sound BHO/DBHR to allow an exception to participation in required
32 training must be in writing and include a plan for how the required information will be
33 provided to appropriate Contractor/subcontractor staff.
34

35 **7. CULTURAL CONSIDERATIONS**

36 Contractor must participate in and cooperate with North Sound BHO efforts to promote
37 the National Standards for Culturally and Linguistically Appropriate Services (CLAS) in
38 Health and Health Care (Exhibit B). Contractor will provide effective, equitable,
39 understandable and respectful quality care and services that are responsive to diverse
40 cultural health beliefs and practices, preferred languages, health literacy and other
41 communication needs (42 CFR 483.206(c)(2)).
42

1 At a minimum, the Contractor must:
2

- 3 a. Offer and provide language assistance services, including bilingual staff and
4 interpreter services, at no cost to each individual with limited English proficiency at
5 all points of contact, in a timely manner during all hours of operation (CLAS
6 Standard 4);
- 7 b. Offer language assistance to individuals who have limited English proficiency
8 and/or other communication needs, at no cost to them, to facilitate timely access
9 to all health care and services (CLAS Standard 5);
- 10 c. Inform all individuals of the availability of language assistance services clearly and
11 in the preferred language, verbally and in writing (CLAS Standard 6);
- 12 d. Ensure the competency of individuals providing language assistance, recognizing
13 that the use of untrained individuals and/or minors as interpreters should be
14 avoided (CLAS Standard 7);
- 15 e. Provide easy-to-understand print and multimedia materials and signage in the
16 languages commonly used by the populations in the service area, presented in an
17 easily understood format (CLAS 8);
- 18 f. Establish culturally and linguistically appropriate goals in collaboration with North
19 Sound BHO (CLAS Standard 9);
- 20 g. Conduct ongoing assessments of the agency's CLAS-related activities and integrate
21 CLAS-related measures into measurement and continuous quality improvement
22 activities in collaboration with North Sound BHO (CLAS Standard 10).
23

24 Contractor must post a translated copy of the following documents in each of the DSHS-
25 prevalent languages (Cambodian, Chinese, Korean, Laotian, Russian, Somali, Spanish,
26 Vietnamese, Arabic, Amharic, Punjabi, and Ukrainian).
27

- 28 a. The Washington Medicaid Behavioral Health Benefits Booklet's section entitled
29 "Your Rights as a Person Receiving Medicaid Behavioral Health Services," and
- 30 b. Statement of Individual Participant Rights, as detailed in WAC 388-877-0600(1).
- 31 c. Contractor must post a multilingual notice in each of the DSHS prevalent
32 languages, which advises enrollees that information is available in other languages
33 and how to access this information.
- 34 d. Contractor must provide written translations of all written information including,
35 at a minimum, applications for services, consent forms and Notices of Action in
36 each of the DSHS-prevalent languages that are spoken by five percent (5%) or more
37 of the population of the State of Washington; based on the most recent U.S.
38 Census. DSHS has determined based on this criteria that Spanish is the currently
39 required language. Contractor must provide availability of translated documents
40 at all times for distribution.
- 41 e. Contractor must provide copies of the generally available materials including, at a
42 minimum, applications for services, consent forms and Notices of Action in
43 alternative formats that take into consideration the needs of those who have
44 limited vision or impaired reading proficiency.
- 45 f. Contractor and affiliated service providers must maintain a log of all enrollee
46 requests for interpreter services, or translated written material.

1 **8. CONTINUITY OF CARE**

2 For continuity of care, Contractor must assign individuals to clinicians who are anticipated
3 to provide services to the individual through the authorization period.

4
5 Contractor must ensure that for enrollees who have a suspected or identified physical
6 health care problem the following must occur:

- 7
8 a. Appropriate referrals are made to a physical health care provider and coordinate
9 with any managed care organization serving the individual.
10 b. The individualized service plan identifies medical concerns and addresses them.
11

12 **9. RESIDENTIAL SERVICES**

13 In accordance with North Sound BHO Policies and Procedures, Contractor shall ensure:

- 14
15 a. Timely access to Behavioral Health Outpatient Services or Intensive Outpatient
16 Treatment when it is determined to be medically necessary to meet individual
17 needs. Behavioral Health Outpatient Services are provided principally under this
18 Contract and/or with state funding, if resources allow;
19 b. The use of ASAM criteria for initial authorizations, continuing stay and discharge
20 for SUD outpatient and/or residential services;
21 c. Active promotion of access and choice in safe and affordable independent housing;
22 d. When resources and utilization processes indicate a need to develop additional
23 capacity, Contractor shall collaborate with North Sound BHO;
24 e. Performance of this function by the maintenance of written records that show
25 routine review and discussion of residential service capacity issues by Contractor
26 staff;
27 f. Individuals cannot be required to relinquish custody of minor children in order to
28 access residential SUD treatment services.
29

30 **10. RESOURCE AND UTILIZATION MANAGEMENT ACTIVITIES**

31 Contractor shall conduct resource and utilization management activities as requested by
32 North Sound BHO to support North Sound BHO's resource and utilization management
33 programs, after review and discussion between Contractor and North Sound BHO to
34 ensure such activities are reasonable and cost-effective. Such activities will include
35 planning and reporting in a manner that will allow North Sound BHO to ensure its resource
36 and over- and under-utilization management obligations are met.
37

38 **11. MANAGEMENT INFORMATION SYSTEM**

39 Contractor shall ensure the existence and operation of an electronic health record (EHR)
40 that is compatible with North Sound BHO's CIS and has the capability to transmit data
41 timely and accurately. Contractor shall develop and maintain an information system in
42 compliance with Exhibit C and Exhibit U, incorporated herein.
43

1 North Sound BHO will require Contractor to provide a Business Continuity and Disaster
2 Recovery Plan (BCDRP) that ensures timely reinstatement of CIS following total loss of the
3 primary system or a substantial loss of functionality. Contractor must submit to North
4 Sound BHO the most recent version of the BCDRP within 30 calendar days of execution of
5 this Contract and within 30 calendar days of Contractor updating their BCDRP.
6

7 **12. MEDICAID ELIGIBILITY**

8 Contractor shall verify an individual's Medicaid monthly. For individuals not currently
9 enrolled in Medicaid, Contractor shall refer individuals to the designated in-person assister
10 agency in their service area. Contractor shall act in accordance with North Sound BHO
11 policy on eligibility verification herein incorporated by reference.
12

13 **13. NORTH SOUND BHO AND DBHR REVIEW ACTIVITIES**

14 Contractor shall ensure that remedial actions required as a result of North Sound
15 BHO/DBHR review activities, as discussed in the Oversight, Remedies and Termination
16 section, are reported and acted upon. This shall be demonstrated by written records
17 maintained by Contractor.
18

19 **14. DELIVERABLES, PLANS AND REPORTS**

20 Contractor must ensure plans or reports required by this Contract, including those
21 outlined in Exhibit M, Deliverables, are provided to North Sound BHO in compliance with
22 the timelines/formats indicated.
23

24 If this Contract requires a report or other deliverable that contains information that is
25 duplicative or overlaps a requirement of another Contract between the parties Contractor
26 may provide one report or deliverable that contains the information required by both
27 Contracts.
28

29 **15. BUSINESS ASSOCIATES AGREEMENT**

30 Contractor shall abide by the provisions of North Sound BHO's and Contractor's Business
31 Associates Agreement, Exhibit N.
32

1 **D. FINANCIAL TERMS AND CONDITIONS**

2
3 **1. GENERAL FISCAL ASSURANCES**

4 Contractor shall comply with all applicable laws and standards, including Generally Accepted
5 Accounting Principles and maintain, at a minimum, a financial management system that is a
6 viable, single, integrated system with sufficient sophistication and capability to effectively
7 and efficiently process, track and manage all fiscal matters and transactions. The parties'
8 respective fiscal obligations and rights set forth in this Article E shall continue after
9 termination of this Contract until such time as the financial matters between the parties
10 resulting from this Contract are completed.

11
12 **2. FINANCIAL ACCOUNTING REQUIREMENTS**

13 Contractor shall:

- 14
- 15 a. Limit Administration costs to no more than 15% of the annual revenue supporting the
16 public behavioral health system operated by Contractor. Administration costs shall be
17 measured on a fiscal year basis and based on the information reported in the Revenue
18 and Expenditure Reports (Exhibit O) and reviewed by North Sound BHO;
 - 19 b. Establish and maintain operating reserves at prudent levels sufficient to ensure
20 Contractor has the ability to pay for all expenses incurred during this Contract period,
21 including those whose disposition occurs after the Contract has been terminated and
22 to cover the risk of financial loss resulting in the event the cost of providing services
23 pursuant to this Contract exceeds the revenues derived there from;
 - 24 c. Ensure all North Sound BHO funds, including interest earned provided pursuant to this
25 Contract, are used to support the public behavioral health system within the Service
26 Area;
 - 27 d. Ensure that under no circumstances are individuals charged for any covered services,
28 including those out-of-network services purchased on their behalf;
 - 29 e. Produce annual audited financial statements upon completion and make such reports
30 available to North Sound BHO upon request.

31
32 **3. FINANCIAL REPORTING**

33 Contractor shall provide the following reports to North Sound BHO:

- 34
- 35 a. Report Contractor and subcontract revenue and expenditure information to North
36 Sound BHO on a biannual basis. Reports must comply with the provisions in the BARS
37 Supplemental Instructions for Behavioral Health Services promulgated by the
38 Washington State Auditor's Office. Reports are due within 30 days of the quarter end
39 (quarters ending in December and June of each year).
 - 40 b. Contractor shall participate in North Sound BHO/DBHR Unit Cost Surveys and Actuarial
41 Studies, when required by North Sound BHO/DBHR.
- 42

1 **4. COUNTY FUNDING**

2 Funds received by Contractor from any one or more of the Service Area Counties may not be
3 used to provide Medicaid covered services to Medicaid enrollees.
4

5 **5. RULES COMPLIANCE**

6 Contractor shall ensure Medicaid enrollees are not held liable for any of the following:
7

- 8 a. Covered behavioral health services, including those purchased on behalf of the
9 enrollee.
- 10 b. Covered behavioral health services provided to the enrollee for which:
 - 11 i. State does not pay Contractor.
 - 12 ii. Contractor does not pay MHCP/ BHA/CMHA that furnishes the services under a
13 contract, referral, or other arrangement, to the extent that those payments are
14 in excess of the amount the enrollee would owe if Contractor provided the
15 services directly.
 - 16 iii. Submit the amount spent throughout the Service Area on specific items at the
17 request of North Sound BHO, CMS, the legislature, or DSHS in the timeframe
18 specified.
 - 19 iv. Account for public behavioral health expenditures under this Contract in
20 accordance with federal circular A-133, A-122, A-87 and state requirements in
21 accordance with BARS Manual and BARS Supplemental Instructions or any
22 successor.
 - 23 v. Limit administration costs incurred by Contractor and all subcontractors to no
24 more than 15% of the consideration provided under this contract in any state
25 fiscal year. Administration costs must be measured on a state fiscal year basis
26 according to the reported information submitted by Contractor in its Revenue
27 Certification Report (Exhibit O) and reviewed by North Sound BHO.
28

29
30 **6. LIABILITY FOR PAYMENT AND THE PURSUIT OF THIRD PARTY REVENUE**

31 Contractor shall be responsible for developing financial processes that enable them to
32 reasonably ensure all third-party resources available to enrollees are identified and pursued
33 in accordance with the reasonable collection practices, which Contractor applies to all other
34 payers for services covered under this Contract. Ensure a process is in place to demonstrate
35 all third-party resources are identified and pursued in accordance with Medicaid being the
36 payer of last resort. North Sound BHO shall actively provide Contractor support in the
37 pursuit of third-party payments for all services including crisis services.
38

39 Contractor shall maintain necessary records to document all third-party resources and
40 report to North Sound BHO on a biennial basis or upon the request of North Sound BHO, the
41 amount of such third-party resources collected for all service recipients during the quarter,
42 by source of payment.

1 **7. FRAUD AND ABUSE**

2 Contractor shall develop and implement administrative and management policy and
3 procedures that are designed to guard against fraud and abuse including:

- 4
- 5 a. Comporting with Exhibit E of this Contract;
 - 6 b. Mandatory compliance plan;
 - 7 c. Designation of a compliance officer or compliance committee that is accountable to
8 Contractor;
 - 9 d. Effective ongoing training and education for compliance officer and Contractor staff;
 - 10 e. Effective lines of communication between compliance officer, employees and
11 subcontractors;
 - 12 f. Enforcement of standards through well-publicized disciplinary guidelines;
 - 13 g. Provision of internal monitoring and auditing;
 - 14 h. Provision for prompt response to detected offenses and for development of corrective
15 action initiatives;
 - 16 i. Participation by Contractor and any subcontractors in Medicaid fraud and abuse
17 training conducted by Washington State Attorney General’s Medicaid Fraud Unit;
 - 18 j. Written policies, procedures and standards of conduct that articulates Contractor’s
19 commitment to comply with all applicable Federal and State standards.
- 20

21 Report fraud/abuse information to North Sound BHO as soon as it is discovered, including
22 the source of the grievance, party complained against, nature of fraud or abuse,
23 approximate dollars involved and legal and administrative disposition of the case.

24

25 Grievances and reports should be directed to the contact listed below.

26

27 Compliance Officer
28 301 Valley Mall Way, Suite 110
29 Mount Vernon, WA 98273-5462
30 360.416.7013
31 1.800.684.3555
32 compliance_officer@northsoundbho.org

33

1 **E. OVERSIGHT, REMEDIES AND TERMINATION**

2
3 **1. OVERSIGHT AUTHORITY**

4 North Sound BHO, DSHS, Office of the State Auditor, the Department of Health and Human
5 Services (DHHS), CMS, the Comptroller General, or any of their duly-authorized
6 representatives (i.e., EQRO) have the authority to conduct announced and unannounced: a)
7 surveys; b) audits; c) reviews of compliance with licensing and certification requirements
8 and compliance with this Contract; d) audits regarding the quality, appropriateness and
9 timeliness of behavioral health services of Contractor and subcontractors; and e) audits and
10 inspections of financial records of Contractor and subcontractors.

11
12 Contractor shall notify North Sound BHO when an entity other than North Sound BHO
13 performs any audit described above related to any activity contained in this Contract.

14
15 In addition, North Sound BHO will conduct reviews in accordance with its oversight of
16 resource, utilization and quality management, as well as, ensure Contractor has the clinical,
17 administrative and fiscal structures to enable them to perform in accordance with the terms
18 of the contract. Such reviews may include, but are not limited to, encounter data validation,
19 utilization reviews, clinical record reviews, program integrity, administrative structures
20 reviews, fiscal management and contract compliance. Reviews may include desk reviews,
21 requiring Contractor to submit requested information. North Sound BHO will also review
22 any activities delegated under this contract to Contractor.

23
24 Contractor shall cooperate with and allow access to North Sound Regional Ombuds in order
25 to conduct surveys and review activities in accordance with the terms of this contract and in
26 accordance with Exhibit P. Contractor shall cooperate with Community Action of Skagit
27 County in resolving any disputes that arise in the provision of North Sound Regional Ombuds
28 services.

29
30 Findings as a result of North Sound BHO conducted reviews may result in remedial action as
31 outlined below. Federal and State agencies may impose remedial action or financial
32 penalties either directly upon Contractor or through North Sound BHO. Contractor shall
33 comply with the terms of such remedial action and be responsible for the payment of
34 financial penalties.

35
36 **2. REMEDIAL ACTION**

37 North Sound BHO may require Contractor to plan and execute corrective action. Corrective
38 Action Plans (CAP) developed by Contractor must be submitted for approval to North Sound
39 BHO within 30 calendar days of notification. CAP must be provided in a format acceptable
40 to North Sound BHO. North Sound BHO may extend or reduce the time allowed for
41 corrective action depending upon the nature of the situation as determined by North Sound
42 BHO.
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- a. CAP must include:
 - i. A brief description of the finding; and
 - ii. Specific actions to be taken, a timetable, a description of the monitoring to be performed, the steps taken and responsible individuals that will reflect the resolution of the situation.

- b. CAP may:

Require modification of any policies or procedures by Contractor relating to the fulfillment of its obligations pursuant to this Contract.

- c. CAP are subject to approval by North Sound BHO, which may:
 - i. Accept the plan as submitted;
 - ii. Accept the plan with specified modifications;
 - iii. Request a modified plan; or
 - iv. Reject the plan.

- d. Contractor agrees North Sound BHO may initiate remedial action as outlined in subsection (e) below if North Sound BHO determines any of the following situations exist, except for instances described in subsection (d) (i), and if corrective actions have not been completed within the timetable acceptable to North Sound BHO.
 - i. If a problem exists that poses a threat to the health or safety of any person or poses a threat of property damage/an incident has occurred that resulted in injury or death to any person/resulted in damage to property.
 - ii. Contractor has failed to perform any of the behavioral health services required in this Contract, which includes the failure to maintain the required capacity as specified by North Sound BHO to ensure that enrolled individuals receive medically necessary services, including delegated functions; *except*, that no remedial action pursuant to subsection (e) hereof shall be taken if such failure to maintain required capacity is due to any interruption in, or depletion of, the available amount of money to Contractor as described in Exhibit Q of this contract for purposes of performing services to enrollees as described in Section B of this contract; however, in such an instance, North Sound BHO may terminate all or part of this contract on as little as 30 days written notice.
 - iii. Contractor has failed to develop, produce and/or deliver to North Sound BHO any of the statements, reports, data, data corrections, accountings, claims and/or documentation described herein, in compliance with all the provisions of this Contract.
 - iv. Contractor has failed to perform any administrative function required under this Contract, including delegated functions. For the purposes of this section, “administrative function” is defined as any obligation other than the actual provision of behavioral health services.

- v. Contractor has failed to implement corrective action required by the state and within North Sound BHO prescribed timeframes.
- e. North Sound BHO may impose any of the following remedial actions in response to findings of situations as outlined above.
 - i. Withhold one percent (1%) of the next monthly payment and each monthly payment thereafter until the corrective action has achieved resolution. North Sound BHO, at its sole discretion, may return a portion or all of any payments withheld once satisfactory resolution has been achieved.
 - ii. Compound withholdings identified above by an additional one-half of one percent (1/2 of 1%) for each successive month during which the remedial situation has not been resolved;
 - iii. Revoke delegation of any function delegated under this contract;
 - iv. Deny any incentive payment to which Contractor might otherwise have been entitled under this Contract or any other arrangement by which DBHR provides incentives;
 - v. Termination for Default, as outlined in this Contract.

3. ADDITIONAL FINANCIAL PENALTIES – DBHR IMPOSED SANCTIONS

Financial penalties imposed by DBHR or other regulatory agency due to the action or inaction of a Contractor may be paid by North Sound BHO on behalf of Contractor and the amount will be withheld from North Sound BHO’s payments to Contractor.

4. TERMINATION DUE TO CHANGE IN FUNDING

In the event funding from State, Federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Contract and prior to its normal completion, either party may terminate this Contract subject to re-negotiations.

5. TERMINATION DUE TO CHANGE IN 1915(B) BEHAVIORAL HEALTH SERVICES WAIVER

In the event changes to the terms of 1915(b) (Medicaid) Behavioral Health Services Waiver render this Contract invalid in any way after the effective date of this Contract and prior to its normal completion, either party may terminate this Contract subject to re-negotiation, if applicable, under those new special terms and conditions.

6. TERMINATION FOR CONVENIENCE

Except, as otherwise provided in this Contract, North Sound BHO may terminate this Contract in whole or in part for convenience by giving Contractor at least 30 calendar days’ written notice to Contractor’s Program Administrator (or his/her successor) listed on the last page of this Contract . Contractor may terminate this Contract for convenience by giving North Sound BHO at least 30 calendar days’ written notice addressed to North Sound BHO’s Program Administrator (or his/her successor) listed on the last page of this Contract.

1 **7. TERMINATION FOR DEFAULT**

2 North Sound BHO’s Program Administrator may terminate this Contract for default, in whole
3 or in part, by written notice to Contractor if North Sound BHO or DSHS has a reasonable
4 basis to believe that Contractor has:

- 5
- 6 a. Failed to meet or maintain any requirement for contracting with North Sound BHO;
- 7 b. Failed to perform under any provision of this Contract;
- 8 c. Violated any law, regulation, rule, or ordinance applicable to the services provided
9 under this Contract; or
- 10 d. Otherwise breached any provision or condition of this Contract.

11
12 Before the Program Administrator may terminate this Contract for default, North Sound
13 BHO shall provide Contractor with written notice of Contractor’s noncompliance with this
14 Contract and provide Contractor a reasonable opportunity to correct noncompliance. If
15 Contractor does not correct the noncompliance within the period of time specified in the
16 written notice of noncompliance, the Program Administrator may then terminate this
17 Contract. The Program Administrator may terminate this Contract for default without such
18 written notice and without opportunity for correction if North Sound BHO has a reasonable
19 basis to believe that a client’s health or safety is in jeopardy and/or:

- 20
- 21 a. Contractor has violated any law, regulation, rule, or ordinance applicable to services
22 provided under this Contract.
- 23 b. Continuance of this Contract with Contractor poses a material risk of injury or harm to
24 any person.

25
26 Contractor may terminate this Contract in whole or in part, by written notice to North
27 Sound BHO in accordance with Section 7 above, if Contractor has a reasonable basis to
28 believe that North Sound BHO has:

- 29
- 30 a. Failed to meet or maintain any requirement for contracting with Contractor;
- 31 b. Failed to perform under any provision of this Contract;
- 32 c. Violated any law, regulation, rule, or ordinance applicable to work performed under
33 this Contract; or
- 34 d. Otherwise breached any provision or condition of this Contract.
- 35

1 **8. TERMINATION PROCEDURE**

2 The following provisions shall survive and be binding on the parties in the event this
3 Contract is terminated:

- 4
- 5 a. Contractor and any applicable subcontractors shall cease to perform any services
6 required by this Contract as of the effective date of termination and shall comply with
7 all reasonable instructions contained in the notice of termination which are related to
8 the transfer of clients, distribution of property and termination of services. Each party
9 shall be responsible only for its performance in accordance with the terms of this
10 Contract rendered prior to the effective date of termination. Contractor and any
11 applicable subcontractors shall assist in the orderly transfer/transition of the
12 individuals served under this Contract. Contractor and any applicable subcontractors
13 shall promptly supply all information necessary for the reimbursement of any
14 outstanding Medicaid claims.
- 15 b. Contractor and any applicable subcontractors shall immediately deliver to North Sound
16 BHO’s Program Administrator (or his/her successor), all DSHS and North Sound BHO
17 assets (property) in Contractor and any applicable subcontractor’s possession and any
18 property produced under this Contract. Contractor and any applicable subcontractors
19 grants North Sound BHO/DSHS the right to enter upon Contractor and any applicable
20 subcontractors premises for the sole purpose of recovering any North Sound
21 BHO/DSHS property that Contractor and any applicable subcontractors fails to return
22 within 10 business days of termination of this Contract. Upon failure to return North
23 Sound BHO/DSHS property within 10 business days of the termination of this Contract,
24 Contractor and any applicable subcontractors shall be charged with all reasonable
25 costs of recovery, including transportation and attorney’s fees. Contractor and any
26 applicable subcontractors shall protect and preserve any property of North Sound
27 BHO/DSHS that is in the possession of Contractor and any applicable subcontractors
28 pending return to North Sound BHO/DSHS.
- 29 c. North Sound BHO shall be liable for and shall pay for only those services authorized
30 and provided through the date of termination. North Sound BHO may pay an amount
31 agreed to by the parties for partially completed work and services, if work products are
32 useful to or usable by North Sound BHO.
- 33 d. If the Program Administrator terminates this Contract for default, North Sound BHO
34 may withhold a sum from the final payment to Contractor that North Sound BHO
35 determines is necessary to protect North Sound BHO against loss or additional liability
36 occasioned by the alleged default. North Sound BHO shall be entitled to all remedies
37 available by law, in equity, or under this Contract. If it is later determined that
38 Contractor was not in default, or if Contractor terminated this Contract for default,
39 Contractor shall be entitled to all remedies available by law, in equity, or under this
40 Contract.

- 1 e. Should the contract be terminated by either party, North Sound BHO will require the
2 spend-down of all remaining reserves and fund balances within the termination
3 period. Funds will be deducted from the final months' payments until reserves and
4 fund balances are spent. Should the contract be terminated by either party,
5 Contractor shall be responsible to provide all behavioral health services through the
6 end of the month for which they have received payment.
7

8 **9. NOTICE REQUIREMENTS**

9 Either party to this Contract must provide 180 days' notice of any issue that may cause the
10 party to voluntarily terminate, refuse to renew, or refuse to sign a mandatory amendment
11 to this Contract.
12

- 13 a. If Contractor at any time decides it shall no longer be a Contractor with North Sound
14 BHO for any reason, Contractor must provide North Sound BHO Program
15 Administrator (or his/her successor) listed on the last page of this Contract with
16 written notice at least 90 days prior to the effective date of termination and work with
17 North Sound BHO to develop a mutually agreed upon transition plan with the
18 collaborative goal of minimizing the disruption of services. The transition plan shall
19 address all issues leading to the transition of individuals in service and of all
20 items/requirements of Contractor that extend beyond the termination of services.
21 b. North Sound BHO must provide Contractor's Program Administrator (or his/her
22 successor) listed on the last page of this Contract with written notice at least 90 days
23 prior if North Sound BHO decides to voluntarily terminate, refuses to renew, or refuses
24 to sign a mandatory amendment to this Contract. Contractor shall work with North
25 Sound BHO to develop a mutually agreed upon transition plan with the collaborative
26 goal of minimizing the disruption of services.
27

28 If Contractor terminates this Contract or will not be entering into any subsequent Contracts,
29 North Sound BHO shall require at least 180 days' written notice prior to the end of the
30 contract if a decision is made not to enter into a subsequent Contract. Any funds not spent
31 for the provision of services under this Contract shall be returned to North Sound BHO
32 within 60 days of the last day this Contract is in effect.
33

1 **F. GENERAL TERMS AND CONDITIONS FOR CONTRACTOR**

2
3 **1. BACKGROUND**

4 North Sound BHO is an entity formed by inter-local agreement between Island, San Juan,
5 Skagit, Snohomish and Whatcom Counties, each county authority is recognized by the
6 Secretary of DSHS (Secretary). These counties entered into an inter-local agreement to
7 allow North Sound BHO to contract with the Secretary pursuant to RCW 71.24.025(13), to
8 operate a single managed system of services for persons with behavioral illness living in
9 the service area covered by Island, San Juan, Skagit, Snohomish and Whatcom Counties
10 (Service Area). North Sound BHO is party to an interagency agreement with the Secretary,
11 pursuant to which North Sound BHO has agreed to provide integrated community support,
12 crisis response and inpatient management services to people needing such services in its
13 Service Area. North Sound BHO, through this Contract, is subcontracting with Contractor
14 for the provision of specific behavioral health services as required by the agreement with
15 the Secretary. Contractor, by signing this Contract, attests that it is willing and able to
16 provide such services in the Service Area.

17
18 **2. MUTUAL COMMITMENTS**

19 The parties to this Contract are mutually committed to the development of an efficient,
20 cost effective, integrated, person-centered, age specific recovery and resilience model
21 approach to the delivery of quality community behavioral health services. To that end, the
22 parties are mutually committed to maximizing the availability of resources to provide
23 needed behavioral health services in the Service Area, maximizing the portion of those
24 resources used for the provision of direct services and minimizing duplication of effort.

25
26 **3. ASSIGNMENT**

27 Except as otherwise provided within this Contract, this Contract may not be assigned,
28 delegated, or transferred by Contractor without the express written consent of North
29 Sound BHO and any attempt to transfer or assign this Contract without such consent shall
30 be void. The terms "assigned", "delegated", or "transferred" shall include change of
31 business structure to a limited liability company of any Contractor Member or Affiliate
32 Agency.

33
34 **4. AUTHORITY**

35 Concurrent with the execution of this Contract, Contractor shall furnish North Sound BHO
36 with a copy of the explicit written authorization of its governing body to enter into this
37 Contract and accept the financial risk and responsibility to carry out all terms of this
38 Contract including the ability to pay for all expenses incurred during the contract period.
39 Likewise, concurrent with the execution of this Contract, North Sound BHO shall furnish
40 Contractor with a written copy of the motion, resolution, or ordinance passed by North
41 Sound BHO's County Authorities Executive Committee authorizing North Sound BHO to
42 execute this Contract.

1 **5. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND OPERATIONAL POLICIES**

2 Contractor and its subcontractors shall comply with all applicable federal and state
3 statutes, regulations and operational policies whether or not a specific citation is
4 identified in various sections of this Contract and all amendments thereto that are in
5 effect when the Contract is signed, or that come into effect during the term of the
6 Contract, which may include, but are not limited to, the following (Federal/State Law):
7

- 8 a. Title XIX and Title XXI of the Social Security Act and Title 42 CFR;
9 b. All applicable Office of the Insurance Commissioner (OIC) statutes and regulations;
10 c. All local, State and Federal professional and facility licensing and certification
11 requirements/standards that apply to services performed under the terms of this
12 Contract;
13 d. All applicable standards, orders, or requirements issued under Section 306 of the Clean
14 Air Act (42 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368), Executive
15 Order 11738 and Environmental Protection Agency (EPA) regulations (40 CFR Part 15),
16 which prohibit the use of facilities included on the EPA List of Violating Facilities. Any
17 violations shall be reported to DSHS, DHHS and the EPA.
18 e. Any applicable mandatory standards and policies relating to energy efficiency, which
19 are contained in the State Energy Conservation Plan, issued in compliance with the
20 federal Energy Policy and Conservation Act;
21 f. Those specified for laboratory services in the Clinical Laboratory Improvement
22 Amendments (CLIA);
23 g. Those specified in Title 18 RCW for professional licensing;
24 h. Reporting of abuse as required by RCW 26.44.030;
25 i. Industrial insurance coverage as required by Title 51 RCW;
26 j. RCW 38.52, 70.02, 71.05, 71.24 and 71.34;
27 k. WAC 388-865 and 388-877 388-877A and 388-877B;
28 l. Contractor must ensure it does not: a) operate any physician incentive plan as
29 described in 42 CFR §422.208; and b) does not Contract with any subcontractor
30 operating such a plan.
31 m. State of Washington Medicaid State Plan and 1915(b) Medicaid Behavioral Health
32 Waiver or their successors, which documents are incorporated by reference;
33 n. DBHR Quality Strategy;
34 o. State of Washington behavioral health system mission statement, value statement and
35 guiding principles for the system, attached hereto as Exhibit D;
36 p. State Medicaid Manual (SMM), OMB Circulars, BARS Manual and BARS Supplemental
37 Behavioral Health Instructions;
38 q. Any applicable federal and state laws that pertain to Medicaid enrollee or consumer
39 rights. Contractor shall ensure that its staff takes those rights into account when
40 furnishing services to individuals.
41 r. DSHS Administrative policies, to the extent that they are applicable to this contract,
42 which are attached as Exhibits F, G and H;

- s. 42 USC 1320a-7 and 1320a-7b (Section 1128 and 1128(b) of the Social Security Act), which prohibits making payments directly or indirectly to physicians or other providers as an inducement to reduce or limit behavioral health services provided to individuals;
- t. Any policies and procedures developed by DSHS/Health Care Authority which governs the spend-down of client assets;
- u. Contractor and any subcontractors must comply with 42-USC 1396u-2 and must not knowingly have a director, officer, partner, or person with a beneficial ownership of more than 5% of Contractor, BHA/CMHA or subcontractor's equity, or an employee, Contractor, or consultant who is significant or material to the provision of services under this Contract, who has been, or is affiliated with someone who has been, debarred, suspended, or otherwise excluded by any federal agency.
- v. Federal and State non-discrimination laws and regulations;
- w. HIPAA (45 CFR parts 160-164);
- x. DBHR-CIS Data Dictionary and its successors;
- y. Federal funds must not be used for any lobbying activities.

If Contractor is in violation of a federal law or regulation and Federal Financial Participation is recouped from North Sound BHO, Contractor shall reimburse the federal amount to North Sound BHO within 20 days of such recoupment.

Upon notification from DSHS, North Sound BHO shall notify Contractor in writing of changes/modifications in CMS policies and DSHS/DBHR contract requirement (Exhibit L) changes.

6. COMPLIANCE WITH NORTH SOUND BHO OPERATIONAL POLICIES

Contractor shall comply with all North Sound BHO operational policies that pertain to the delivery of services under this Contract that are in effect when the Contract is signed or that come into effect during the term of the Contract. North Sound BHO policies shall not exceed those required by federal and state requirements or to implement continuous quality improvement efforts determined by the Integrated QM Process as approved by North Sound BHO's County Authorities Executive Committee. All proposed new policies shall specifically reference the federal or state requirements they implement and shall be limited to such requirements. North Sound BHO shall notify Contractor of any proposed change in federal or state requirements affecting this Contract immediately upon North Sound BHO receiving knowledge of such change. Such policies shall include, but are not limited to:

- a. North Sound BHO Core Values and Principles (Exhibit J) provide a framework of principles for the regional system and Contractor shall take these principles into account when providing services under this Contract.

- b. Contractor and its subcontractors must recognize the unique social/legal status of Indian nations as required by both the Supremacy and Indian Commerce Clauses of the United States Constitution; federal treaties; executive orders; Indian Citizens Act of 1924 statutes; and state and federal court decisions; or any Memorandum of Agreement or MOU signed by State of Washington and a federally recognized tribe shall maintain compliance with Exhibit G, DSHS Admin. Policy No. 7.01 American Indian Policy or any successor pursuant to the Centennial Accord between Washington State government and Washington Tribes; and maintain compliance with North Sound BHO Tribal Coordination of Implementation of Service Plan, or any successor, incorporated as Exhibit G.
- c. North Sound BHO's Strategic Plan;
- d. North Sound BHO's clinical policies and procedures, including crisis services policies;
- e. North Sound BHO's medical records documentation and data reporting policies and procedures;
- f. North Sound BHO's quality management/strategy plan;
- g. North Sound BHO's consumer rights policies and procedures, including, grievance, appeal and fair hearing policies;
- h. Any other policies designated by North Sound BHO as applicable to Contractor.

Along with all North Sound BHO stakeholders, Contractor will be included in the process for developing relevant operational policies and procedures. North Sound BHO's Policies and Procedures are posted on North Sound BHO's website as indicated on Exhibit K. North Sound BHO shall notify Contractor of new and revised policies through its Numbered Memoranda. Training will be provided on policies that impact providers, upon request.

In the event there is disagreement between North Sound BHO and Contractor in an operational committee regarding a proposed new policy or modification to a current policy, the following process will apply. North Sound BHO will provide a summary of the regulatory requirement or other rationale for the proposed policy or policy modification. Contractor will provide an analysis of its objection to the proposed policy or policy modification within 30 days from the receipt of North Sound BHO's summary. If the objection is primarily due to increased cost, Contractor will provide substantiation of the additional costs and, if possible, an alternative to achieving the policy goal in a less costly manner. The proposed policy or policy modification will be discussed at the next Regional Management Council. If resolution is not obtained, the proposed policy or policy modification will be discussed at the next Quality Management Oversight Committee (QMOC) meeting. If resolution is not obtained, the proposed policy or policy modification will be discussed at the next North Sound BHO's County Authorities Executive Committee meeting.

North Sound BHO will make best efforts to maintain currency of policies with applicable Federal or State laws, regulations, or policies. In the event of a conflict, Federal or State Laws or policies supersede North Sound BHO policies and procedures and requirements of this contract.

1 **7. CONFIDENTIALITY OF PERSONAL INFORMATION**

2 Contractor shall protect all personal information, records and data from unauthorized
3 disclosure in accordance with 42 CFR §431.300 through §431.307, RCWs 70.02, 71.05,
4 71.34 and for individuals receiving SUD services, in accordance with 42 CFR Part 2 and
5 RCW 70.96A. Contractor shall have a process in place to ensure all components of its
6 provider network and system understand and comply with confidentiality requirements
7 for publicly funded behavioral health services. Pursuant to 42 CFR §431.301 and
8 §431.302, personal information concerning applicants and recipients may be disclosed for
9 purposes directly connected with the administration of this Contract and the State
10 Medicaid Plan. Such purposes include, but are not limited to:

- 11
- 12 a. Establishing eligibility;
- 13 b. Determining the amount of medical assistance;
- 14 c. Providing services for recipients;
- 15 d. Conducting or assisting in investigation, prosecution, or civil or criminal proceeding
16 related to the administration of the plan;
- 17 e. Ensuring compliance with Federal and State laws, regulations and with terms and
18 requirements of this Contract; and/or
- 19 f. Improving quality.
- 20

21 Contractor shall comply with all confidentiality requirements of HIPAA (45 CFR 160 and
22 164).

23
24 Contractor shall have a process in place to ensure all components of its BHA/CMHA and
25 system understand and comply with confidentiality requirements for publicly funded
26 behavioral health services.

27
28 Contractor shall ensure access to the information is restricted to persons or agency
29 representatives who are subject to standards of confidentiality that are comparable to
30 those of North Sound BHO and DSHS.

31
32 The parties acknowledge that coordination, planning, screening and referral require the
33 sharing of information among the various treatment providers. Disclosure of information
34 to verify eligibility, determine the amount of assistance and provide medically necessary
35 behavioral health services are all “purposes directly connected with the administration of
36 the Contract” and are all appropriate justifications for sharing information.

37
38 Contractor shall ensure all staff and subcontractors providing services under this Contract
39 receive annual training on confidentiality policies and procedures. In addition, Contractor
40 shall ensure all staff and subcontractors providing services under this Contract sign an
41 annual Oath of Confidentiality statement. Signed copies of the Oath of Confidentiality
42 shall be kept in Contractor’s personnel files.

1 **8. CONTRACT PERFORMANCE/ENFORCEMENT**

2 North Sound BHO shall be vested with the rights of a third-party beneficiary, including the
3 "cut through" right to enforce performance should Contractor be unwilling or unable to
4 enforce action on the part of its subcontractor(s). In the event Contractor dissolves or
5 otherwise discontinues operations, North Sound BHO may, at its sole option, assume the
6 right to enforce the terms and conditions of this Contract directly with subcontractors;
7 provided North Sound BHO keeps Contractor reasonably informed concerning such
8 enforcement. Contractor shall include this clause in its contracts with its subcontractors.
9 In the event of the dissolution of Contractor, North Sound BHO's rights in indemnification
10 shall survive.

11
12 **9. COOPERATION**

13 The parties to this Contract shall cooperate in good faith to effectuate the terms and
14 conditions of this Contract.

15
16 **10. DEBARMENT CERTIFICATION**

17 Contractor, by signature to this Contract, certifies Contractor and any owners are not
18 presently debarred, suspended, proposed for debarment, declared ineligible, or
19 voluntarily excluded by any Federal department or agency from participating in
20 transactions (Debarred) and is not listed in the Excluded Parties List System in the System
21 for Award Management (SAM) website. Contractor shall immediately notify North Sound
22 BHO if, during the term of this Contract, Contractor becomes debarred.

23
24 **11. EXCLUDED PARTIES**

25 Contractor is prohibited from paying with funds received under this Contract for goods
26 and services furnished, ordered, or prescribed by excluded individuals and entities (Social
27 Security Act (SSA) section 1903(i)(2) of the Act; 42 CFR 455.104, 455.106 and
28 1001.1901(b)).

29
30 Contractor shall monitor for excluded individuals and entities as outlined in Exhibit E by:

- 31
32 a. Screening Contractor and subcontractor's employees and individuals and entities
33 with an ownership or control interest for excluded individuals and entities prior to
34 entering into a contractual or other relationship where the individual or entity would
35 benefit directly or indirectly from funds received under this Contract;
36 b. Screening monthly newly added Contractor and subcontractor's employees,
37 individuals and entities with an ownership or control interest for excluded individuals
38 and entities that would benefit directly or indirectly from funds received under this
39 Contract;
40 c. Screening monthly Contractor and subcontractor's employees, individuals and
41 entities with an ownership or control interest that would benefit from funds received
42 under this Contract for newly added excluded individuals and entities.
43

1 Report to North Sound BHO:
2

- 3 a. Any excluded individuals and entities discovered in the screening within 10 business
4 days;
5 b. Any payments made by Contractor that directly or indirectly benefit excluded
6 individuals and entities and the recovery of such payments;
7 c. Any actions taken by Contractor to terminate relationships with Contractor and
8 subcontractor's employees and individuals with an ownership or control interest
9 discovered in the screening;
10 d. Any Contractor and subcontractor's employees and individuals with an ownership or
11 control interest convicted of any criminal or civil offense described in SSA section
12 1128 with 10 business days of Contractor becoming aware of the conviction;
13 e. Any subcontractor terminated for cause within 10 business days of the effective date
14 of termination to include full details of the reason for termination;
15 f. Any Contractor and subcontractor's individuals and entities with an ownership or
16 control interest.
17

18 Contractor must provide a list with details of ownership and control no later than 30 days
19 from the date of ratification in comport with Exhibit T herein incorporated by reference.
20 Contractor shall keep the list up-to-date thereafter.
21

22 Contractor will not make any payments for goods or services that directly or indirectly
23 benefit any excluded individual or entity. Contractor will immediately recover any
24 payments for goods and services that benefit excluded individuals and entities that it
25 discovers.
26

27 Contractor will immediately terminate any employment, contractual and control
28 relationships with an excluded individual and entity that it discovers.
29

30 Civil monetary penalties may be imposed against Contractor if it employs or enters into a
31 contract with an excluded individual or entity to provide goods or services to enrollees
32 (SSA section 1128A(a)(6) and 42 CFR 1003.102(a)(2)).
33

34 An individual or entity is considered to have an ownership or control interest if they have
35 direct or indirect ownership of five (5) percent or more, or are a managing employee (i.e.,
36 a general manager, business manager, administrator, or director) who exercises
37 operational or managerial control or who directly or indirectly conducts day-to-day
38 operations (SSA section 1126(b), 42 CFR 455.104(a) and 1001.1001(a)(1)).
39

40 In addition, if North Sound BHO/DSHS notifies Contractor that an individual or entity is
41 excluded from participation by DSHS in BHO's, Contractor shall terminate all beneficial,
42 employment, contractual and control relationships with the excluded individual or entity
43 immediately (WAC 388-502-0030 and 388-877-0500).
44

1 The list of excluded individuals will be found at: <http://exclusions.oig.hhs.gov/>

2
3 SSA section 1128 will be found at: http://www.ssa.gov/OP_Home/ssact/title11/1128.htm

4
5 **12. DECLARATION THAT CLIENTS UNDER THE MEDICAID AND OTHER BEHAVIORAL HEALTH**
6 **PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT**

7 Although North Sound BHO, Contractor and subcontractors mutually recognize services
8 under this Contract may be provided by Contractor and subcontractors to clients under
9 the Medicaid program, RCW 71.05 and 71.34 and the Community Behavioral Health
10 Services Act, RCW 71.24, it is not the intention of either North Sound BHO or Contractor,
11 that such individuals, or any other persons, occupy the position of intended third-party
12 beneficiaries of the obligations assumed by either party to this Contract. Such third-
13 parties shall have no right to enforce this Contract.
14

15 **13. EXECUTION, AMENDMENT AND WAIVER**

16 This Contract shall be binding on all parties only upon signature by authorized
17 representatives of each party. This Contract or any provision may be amended during the
18 contract period, if circumstances warrant, by a written amendment executed by all
19 parties. Only North Sound BHO's Program Administrator or designee has authority to
20 waive any provision of this Contract on behalf of North Sound BHO.
21

22 **14. HEADINGS AND CAPTIONS**

23 The headings and captions used in this Contract are for reference and convenience only
24 and in no way define, limit, or decide the scope or intent of any provisions or sections of
25 this Contract.
26

27 **15. INDEMNIFICATION**

28 Contractor shall be responsible for and shall indemnify and hold North Sound BHO
29 harmless (including all costs and attorney fees) from all claims for personal injury,
30 property damage and/or disclosure of confidential information, including claims against
31 North Sound BHO for the negligent hiring, retention and/or supervision of Contractor
32 and/or from the imposition of governmental fines or penalties resulting from the acts or
33 omissions of Contractor and its subcontractors related to the performance of this
34 contract. North Sound BHO shall be responsible and shall indemnify and hold Contractor
35 harmless (including all costs and attorney fees) from all claims for personal injury,
36 property damage and disclosure of confidential information and from the imposition of
37 governmental fines or penalties resulting from the acts or omissions of North Sound BHO.
38 Except to the extent caused by the gross negligence and/or willful misconduct of North
39 Sound BHO, Contractor, shall indemnify and hold North Sound BHO harmless from any
40 claims made by non-participating BHA's related to the provision of services under this
41 Contract. For the purposes of these indemnifications, the Parties specifically and expressly
42 waive any immunity granted under the Washington Industrial Insurance Act, Title 51 RCW.
43 This waiver has been mutually negotiated and agreed to by the Parties. The provision of
44 this section shall survive the expiration or termination of the Contract.

1 **16. INDEPENDENT CONTRACTOR FOR NORTH SOUND BHO**

2 The parties intend an independent contractor relationship be created by this contract.
3 Contractor acknowledges that Contractor, its employees, or subcontractors are not
4 officers, employees, or agents of North Sound BHO. Contractor shall not hold Contractor,
5 Contractor’s employees and subcontractors out as, nor claim status as, officers,
6 employees, or agents of North Sound BHO. Contractor shall not claim for Contractor,
7 Contractor’s employees, or subcontractors any rights, privileges, or benefits which would
8 accrue to an employee of North Sound BHO. Contractor shall indemnify and hold North
9 Sound BHO harmless from all obligations to pay or withhold Federal or State taxes or
10 contributions on behalf of Contractor, Contractor’s employees and subcontractors unless
11 specified in this Contract.
12

13 **17. INSURANCE**

14 North Sound BHO certifies it is a member of Washington Governmental Entity Pool for all
15 exposure to tort liability, general liability, property damage liability and vehicle liability, if
16 applicable, as provided by RCW 43.19.
17

18 Contractor shall maintain Commercial General Liability Insurance (CGLI). If Contractor is
19 not a member of a risk pool, Contractor shall carry CGLI to include coverage for bodily
20 injury, property damage and contractual liability, with the following minimum limits: Each
21 Occurrence - \$1,000,000; General Aggregate - \$2,000,000; shall include liability arising out
22 of premises, operations, independent contractors, personal injury, advertising injury and
23 liability assumed under an insured contract. Contractor shall provide evidence of such
24 insurance to North Sound BHO within 15 days of execution of this Contract and 15 days
25 post renewal date thereafter. All non-risk pool policies shall name North Sound BHO as a
26 covered entity under said policy(s).
27

28 **18. INTEGRATION**

29 This Contract, including Exhibits contains all the terms and conditions agreed upon by the
30 parties. No other understandings, oral or otherwise, regarding the subject matter of this
31 Contract shall be deemed to exist or to bind any of the parties hereto.
32

33 **19. MAINTENANCE OF RECORDS**

34 During the term of this Contract and for six (6) years following termination or expiration of
35 this Contract, or if any audit, claim, litigation, or other legal action involving the records
36 set forth below is started before expiration of the six (6) year period, the records shall be
37 maintained until completion and resolution of all issues arising there from or until the end
38 of the six (6) year period, whichever is later. Contractor shall maintain records sufficient
39 to:
40

- 41 a. Maintain the content of all Medical Records in a manner consistent with utilization
- 42 control requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211;
- 43 b. Document performance of all acts required by law, regulation, or this Contract;
- 44 c. Substantiate Contractor statement of its organizations’ structures, tax status,
- 45 capabilities and performance;

- d. Demonstrate accounting procedures, practices and records, which sufficiently and properly document Contractor invoices to North Sound BHO and all expenditures made by Contractor to perform as required by this Contract;
- e. Cooperate in all reviews including, but not limited to, surveys and research conducted by North Sound BHO, DSHS, or other Washington State Departments.
- f. Evaluate by inspection or other means to measure quality, appropriateness and timeliness of services performed under this Contract and to determine whether Contractor and its subcontractors are providing service to individuals in accordance with the requirements set forth in this Contract and applicable state and federal regulations as existing or hereafter amended.

20. NO WAIVER OF RIGHTS

A failure by either party to exercise its rights under this Contract shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Contract unless stated to be in writing signed by an authorized representative of the party and attached to the original Contract.

Waiver of any breach of any provision of this Contract shall not be deemed to be a waiver of any subsequent breach and shall not be construed to be a modification of the terms and conditions of this Contract.

21. ONGOING SERVICES

Contractor and its subcontractors shall ensure that in the event of labor disputes or job actions, including work slowdowns, such as “sick outs”, or other activities within its service BHA/CMHA network, uninterrupted services shall be available as required by the terms of this Contract.

22. ORDER OF PRECEDENCE

In the event of an inconsistency in the terms of this Contract or any inconsistency between the terms of this Contract and any applicable statute, rule, or contract, unless otherwise provided herein, the conflict shall be resolved by giving precedence in the following order, to:

- a. The applicable Medicaid 1915(b) Waiver, Provisions of Title XIX of the Social Security Act and Federal regulations concerning the operations of PIHP;
- b. State statutes and regulations concerning the operation of the community behavioral health programs;
- c. Federal and State Law;
- d. North Sound BHO-DSHS Contract or its successors, that covers the provision of the behavioral health services covered under this Contract, which shall include any exhibit, document, or material incorporated by reference. North Sound BHO shall promptly notify Contractor of any amendment to North Sound BHO-DSHS Contract which affects any term or condition herein.
- e. This Contract.

1 **23. OVERPAYMENTS**

2 In the event Contractor fails to comply with any of the terms and conditions of this
3 Contract and that failure results in an overpayment, North Sound BHO may recover the
4 amount due DSHS, CMS, or other federal or state agency subject to dispute resolution as
5 set forth in the contract. In the case of overpayment, Contractor shall cooperate in the
6 recoupment process and return to North Sound BHO the amount due upon demand.
7

8 **24. OWNERSHIP OF MATERIALS**

9 Materials created by Contractor and its subcontractors and paid for by North Sound BHO
10 as a part of this Contract shall be owned by North Sound BHO and shall be, "works for
11 hire" as defined by the U.S. Copyright Act of 1976. This material includes, but is not
12 limited to: books, computer programs, documents, films, pamphlets, reports, sound
13 reproductions, studies, surveys, tapes and/or training materials. Material which
14 Contractor and its subcontractors use to perform this Contract but which is not created for
15 or paid for by North Sound BHO is owned by Contractor or relevant subcontractors;
16 however, North Sound BHO and DSHS shall have a perpetual license to use this material
17 for DSHS internal purposes at no charge to DSHS, provided that such license shall be
18 limited to the extent which the Contractor has a right to grant such a license.
19

20 **25. PERFORMANCE**

21 Contractor shall furnish the necessary personnel, materials/behavioral health services and
22 otherwise do all things for, or incidental to, the performance of the work set forth here
23 and as attached. Unless specifically stated, Contractor is responsible for performing or
24 ensuring all fiscal and program responsibilities required in this contract. No subcontract
25 will terminate the legal responsibility of Contractor to perform the terms of this Contract.
26

27 **26. RESOLUTION OF DISPUTES**

28 The parties wish to provide for prompt, efficient, final and binding resolution of disputes
29 and controversies that may arise under this Contract; therefore establish this dispute
30 resolution procedure. All claims, disputes and other matters in question between the
31 parties arising out of, or relating to, this Contract shall be resolved exclusively by the
32 following dispute resolution procedure unless the parties mutually agree in writing
33 otherwise:
34

- 35 a. The parties shall use their best efforts to resolve issues prior to giving written Notice
36 of Dispute.
- 37 b. Within 10 business days of receipt of the written Notice of Dispute, the parties (or a
38 designated representative) shall together or, if both parties agree, with a mediator
39 meet, confer and attempt to resolve the claim within 5 business days.
- 40 c. The terms of the resolution of all claims concluded in meetings shall be memorialized
41 in writing and signed by each party.

1 **Arbitration:** If the claim is not resolved within 30 days, the parties shall proceed to
2 arbitration as follows:
3

- 4 a. Demand for arbitration shall be made in writing to the other party. The parties shall
5 select one (1) person as arbitrator.
- 6 b. If there is a delay of more than 10 days in the naming of the arbitrator, either party
7 can ask the presiding judge of Skagit County to name the arbitrator.
- 8 c. The prevailing party shall be entitled to recover from the other party all costs and
9 expenses, including reasonable attorney fees. The arbitrator shall determine which
10 party, if any, is the prevailing party.
- 11 d. The parties agree the arbitrator's decision shall be binding, final and enforceable
12 subject to timely appeal to Skagit County Superior Court only as provided in Chapter
13 7.04A RCW.
- 14 e. Unless the parties agree in writing otherwise, the unresolved claims in each notice of
15 dispute shall be considered at an arbitration session which shall occur in Skagit
16 County no later than 30 days after the close of the meeting described in paragraph
17 (b) above.
- 18 f. The Provisions of this section shall, with respect to any controversy or claim, survive
19 the termination or expiration of this Contract.
- 20 g. Nothing contained in this Contract shall be deemed to give the arbitrator the power
21 to change any of the terms and conditions of this Contract in any way.
- 22 h. The prevailing party in any action to compel arbitration or to enforce an arbitration
23 award shall be awarded its costs, including attorney fees. Venue for any such action
24 is exclusively Skagit County Superior Court.
- 25 i. This Contract shall be governed by laws of the State of Washington, both as to
26 interpretation and performance.
27

28 **27. SEVERABILITY AND CONFORMITY**

29 The provisions of this Contract are severable. If any provision of this Contract, including
30 any provision of any document incorporated by reference is held invalid by any court, that
31 invalidity shall not affect the other provisions of this Contract and the invalid provision
32 shall be considered modified to conform to existing law.
33

34 **28. SINGLE AUDIT ACT**

35 If Contractor or its subcontractor is a sub-recipient of Federal awards as defined by OMB
36 Circular A-133, Contractor and its subcontractors shall maintain records that identify all
37 Federal funds received and expended. Such funds shall be identified by the appropriate
38 OMB Catalog of Federal Domestic Assistance titles and numbers, award names and
39 numbers, award years, if awards are for research and development, as well as names of
40 the Federal agencies. Contractor and its subcontractors shall make Contractor and its
41 subcontractor's records available for review or audit by officials of the Federal awarding
42 agency, the General Accounting Office and DSHS. Contractor and its subcontractors shall
43 incorporate OMB Circular A-133 audit requirements into all contracts between Contractor
44 and its subcontractors who are sub-recipients. Contractor and its subcontractors shall
45 comply with any future amendments to OMB Circular A-133 and any successor or
46 replacement Circular or regulation.

1 If Contractor or its subcontractors are a sub-recipient and expends \$500,000 or more in
2 Federal awards from any/all sources in any fiscal year, Contractor and applicable
3 subcontractors shall procure and pay for a single or program-specific audit for that fiscal
4 year. Upon completion of each audit, Contractor and applicable subcontractors shall
5 submit to North Sound BHO's Program Administrator the data collection form and
6 reporting package specified in OMB Circular A-133, reports required by the program-
7 specific audit guide, if applicable and a copy of any management letters issued by the
8 auditor.
9

10 For purposes of "sub-recipient" status under the rules of OMB Circular A-133 205(i)
11 Medicaid payments to a sub-recipient for providing patient care services to Medicaid
12 eligible individuals are not considered Federal awards expended under this part of the rule
13 unless a State requires the fund to be treated as Federal awards expended because
14 reimbursement is on a cost-reimbursement basis.
15

16 **29. SUBCONTRACTS**

17 Contractor may subcontract services to be provided under this Contract subject to the
18 following requirements:
19

- 20 a. Contractor shall be responsible for the acts and omissions of any subcontractor.
- 21 b. Contractor must ensure the subcontractor neither employs any person nor contracts
22 with any person or BHA/CMHA excluded from participation in federal health care
23 programs under either 42 USC 1320a-7 (§§1128 or 1128A Social Security Act) or
24 debarred or suspended per this Contract's General Terms and Conditions.
- 25 c. Contractor shall require subcontractors to comply with all applicable federal and
26 state laws, regulations and operational policies as specified in this Contract.
- 27 d. Contractor shall require subcontractors to comply with all applicable North Sound
28 BHO operational policies as specified in this Contract, including ACS, Exhibit I,
29 distance standards and access standards.
- 30 e. Subcontracts for the provision of behavioral health services must require
31 subcontractors to provide individuals access to translated information and
32 interpreter services.
- 33 f. Contractor shall ensure a process is in place to demonstrate all third-party resources
34 are identified and pursued.
- 35 g. Contractor shall oversee, be accountable for and monitor all functions and
36 responsibilities delegated to a subcontractor for conformance with any applicable
37 statement of work in this Contract on an ongoing basis including written reviews.
- 38 h. Contractor will monitor performance of the subcontractors on an annual basis and
39 notify North Sound BHO of any identified deficiencies or areas for improvement
40 requiring corrective action by Contractor.
- 41 i. Contractor shall ensure all subcontracts are in writing and are made available, in the
42 requested format, upon request to DBHR. Subcontracts must specify all duties,
43 reports and responsibilities delegated under this Contract and require adherence
44 with all federal/state laws that are applicable to the subcontractor. Those written
45 subcontracts shall:

- i. Require subcontractors to hold all necessary licenses, certifications/permits as required by law for the performance of the services to be performed under this Contract;
- ii. Require subcontractors to notify Contractor in the event of a change in status of any required license or certification.
- iii. Include clear means to revoke delegation, impose corrective action, or take other remedial actions if the subcontractor fails to comply with the terms of the subcontract.
- iv. Require the subcontractor correct any areas of deficiencies in the subcontractor's performance that are identified by Contractor, North Sound BHO/DBHR.
- v. Require best efforts to provide written or oral notification within 15 business days of termination of a MHCP to individuals currently open for services who had received a service from the affected MHCP in the previous 60 days. Notification must be verifiable in the client medical record at the subcontractor.

30. SURVIVABILITY

The terms and conditions contained in this Contract by their sense and context are intended to survive the expiration of this Contract and shall so survive. Surviving terms include, but are not limited to: Financial Terms and Conditions, Single Audit Act, Order of Precedence, Contract Performance and Enforcement, Confidentiality of Client Information, Resolution of Disputes, Indemnification, Oversight Authority, Maintenance of Records, Ownership of Materials, Contract Administration Warranties and Survivability.

31. TREATMENT OF CLIENT PROPERTY

Unless otherwise provided in this Contract, Contractor shall ensure any adult individual receiving services from Contractor under this Contract has unrestricted access to the individual's personal property. Contractor shall not interfere with any adult individual's ownership, possession, or use of the individual's property unless clinically indicated. Contractor shall provide individuals under age 18 with reasonable access to their personal property that is appropriate to the individual's age, development and needs. Upon termination of this Contract, Contractor shall immediately release to the individual and/or guardian or custodian all of the individual's personal property.

32. WARRANTIES

The parties' obligations are warranted and represented by each to be individually binding, for the benefit of the other party. Contractor warrants and represents they are able to perform their obligations set forth in this Contract and such obligations are binding upon Contractor and other subcontractors for the benefit of North Sound BHO.

1 **33. CONTRACT ADMINISTRATION**

2 The Program Administrator for each of the parties shall be responsible for and shall be the
3 contact person for all communications and billings regarding the performance of this
4 Contract.
5

6 The Program Administrator for North Sound Behavioral Health Organization, LLC is:

7 Joe Valentine
8 Executive Director
9 North Sound BHO
10 301 Valley Mall Way, Suite 110
11 Mount Vernon, WA 98273-5462
12

13 The Program Administrator for Contractor is:

14 Norman O. Johnson
15 CEO
16 Therapeutic Health Services
17 1116 Summit Ave.
18 Seattle, WA 98101
19

20 Changes shall be provided to the other party in writing within 10 business days.
21

1 **THIS CONTRACT**, consisting of 64 Pages, plus Exhibits, is executed by the persons signing below who
2 warrant that they have the authority to execute this Contract.
3

4

5

6 **NORTH SOUND BEHAVIORAL HEALTH**
7 **ORGANIZATION, LLC**

8

9

10

11

12 _____
Joe Valentine Date
Executive Director

_____ Date
Norman O. Johnson
CEO