

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

**93.958 COMMUNITY MENTAL HEALTH
BLOCK GRANT (MHBG) CONTRACT**

WITH

WHATCOM COUNTY HUMAN SERVICES

CONTRACT #NORTH SOUND BHO-WHATCOM CO-MHBG-17-18

JULY 1, 2017 TO JUNE 30, 2018

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1 **93.958 COMMUNITY MENTAL HEALTH SERVICES**
2 **MHBG CONTRACT**
3
4

5 **THIS BEHAVIORAL HEALTH SERVICES CONTRACT** (the "Contract"), pursuant to Chapter 71.24 RCW
6 and all relevant and associated statutes, as amended, is made and entered into by and between the
7 NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC, (North Sound BHO) 301 Valley Mall Way,
8 Ste. 110, Mount Vernon, Washington 98273-5462 and WHATCOM COUNTY HUMAN SERVICES
9 (Contractor), 509 Girard Street, Bellingham, WA 98225.
10

11 This Contract incorporates the Contract's Exhibits to the Contract and other documents incorporated
12 by reference.
13

14 The effective date of this Contract is July 1, 2017, through June 30, 2018.
15

16 **A. DEFINITIONS**

17 The words and phrases listed below, as used in the Contract, shall each have the following
18 definitions.
19

20 Contract means this document, the General Terms and Conditions, and any Special Terms and
21 Conditions, including any Exhibits and other documents attached or incorporated by reference.
22

23 Behavioral Health Agency means an agency that is licensed by the State of Washington to
24 provide mental health and/or substance use disorder treatment and is subcontracted under
25 this contract to provide services.
26

27 Behavioral Health Administration or BHA means the DSHS Administration governing mental
28 health and substance use disorder services, and its employees and authorized agents.
29

30 BHO Advisory Board according to RCW 71.24.300 Section (4) means the behavioral health
31 advisory board appointed by each BHO, which reviews and provides comments on plans and
32 policies related to service delivery and outcomes. As per WAC 388-865-0222, the BHO must
33 promote active engagement with persons with behavioral disorders, their families, and service
34 providers by soliciting and using input to improve its services, and appoints a BHO Advisory
35 Board to fulfill this purpose.
36

37 Code of Federal Regulations (CFR) means all references in this Contract to CFR chapters or
38 sections shall include any successor, amended, or replacement regulation. The CFR may be
39 accessed at <http://www.gpoaccess.gov/cfr/index.html>.
40

41 Cost Reimbursement means the subcontractor is reimbursed for actual expenses up to the
42 maximum consideration allowed in the contract.
43

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

8 Debarment means an action taken by a federal official to exclude a person or business entity
9 from participating in transactions involving certain federal funds.
10

11 Department of Social and Health Services (DSHS) or the department or the Department means
12 DSHS of the State of Washington and its Secretary, officers, employees and authorized agents.
13

14 For Profit means of business or institution initiated or operated for the purpose of making a
15 profit.
16

17 Health and Recovery Services Administration (HRSA) means the DSHS Administration governing
18 public health care, mental health care, substance abuse services its employees and authorized
19 agents.
20

21 Housing Services means the services or activities designed to assist individuals or families in
22 locating, obtaining or retaining suitable housing. Component services or activities may include
23 tenant counseling, helping individuals and families to identify and correct substandard housing
24 conditions on behalf of individuals and families who are unable to protect their own interests
25 and assisting individuals and families to understand leases, secure utilities and make moving
26 arrangements.
27

28 Independent Peer Review means to assess the quality, appropriateness and efficiency of
29 treatment services provided in the State to individuals under the program involved.
30

31 Individual means a person who applies for, is eligible for or receives BHO authorized behavioral
32 health services from an agency licensed by the Department as a BHA. In the case of a minor,
33 the individual's parent or, if applicable, the individual's custodial parent.
34

35 Mental Health Block Grant (MHBG) means those funds granted by the Secretary of the
36 Department of Health and Human Services (DHHS), through the Center for Mental Health
37 Services (CMHS), Substance Abuse and Mental Health Services Administration (SAMHSA), to
38 states to establish or expand an organized community-based system for providing mental
39 health services for adults with Serious Mental Illness (SMI) and children with Serious Emotional
40 Disorder (SED). States must submit an application in accordance with the law for each fiscal
41 year for which they seek MHBG funds. Awarded MHBG funds must be used to carry out the
42 State plan contained within the application, to evaluate programs and services set in place
43 under the plan, and to conduct planning, administration, and educational activities related to
44 the provision of services under the plan
45

1 Performance-based means the subcontractor is compensated on attainment of specific
2 outcomes.
3

4 Personal Information means information identifiable to any person, including, but not limited
5 to, information that relates to a person's name, health, finances, education, business, use or
6 receipt of governmental services or other activities, addresses, telephone numbers, social
7 security numbers, driver license numbers, other identifying numbers, and any financial
8 identifiers.
9

10 Revised Code of Washington (RCW) means all references in this Contract to RCW chapters or
11 sections shall include any successor, amended, or replacement statute. The RCW can be
12 accessed at <http://slc.leg.wa.gov>
13

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

17 Resiliency means the personal and community qualities that enable individuals to rebound
18 from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.
19

20 Secretary means the individual appointed by the Governor, State of Washington, as the head
21 of DSHS, or his/her designee.
22

23 Serious Emotionally Disturbed (SED) means, according to Federal Register Vol. 58, No. 96, May
24 20, 1993, children from birth up to age 18 who have a diagnosable mental, behavioral, or
25 emotional disorder of sufficient duration to meet diagnostic criteria specified within DSM III-R,
26 that result in functional impairment which substantially interferes with or limits the child's role
27 or functioning in family, school, or community activities.
28

29 Serious Mental Illness (SMI) means, according to Federal Register Vol. 58, No. 96, May 20,
30 1993, persons age 18 and over who currently, or at any time during the past year, have a
31 diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic
32 criteria specified within DSM III-R, that has resulted in functional impairment which
33 substantially limits one or more major life activities.
34

35 Subcontract means a separate contract between the Contractor and an individual or entity
36 (subcontractor) to perform all or a portion of the duties and obligations that the Contractor
37 shall perform pursuant to this Contract.
38

39 Washington Administrative Code (WAC) means all references in this Contract to WAC chapters
40 or sections shall include any successor, amended, or replacement regulation. The WAC can be
41 accessed at <http://slc.leg.wa.gov>.
42

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

2
3 **1. BACKGROUND**

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

18
19 **2. MUTUAL COMMITMENTS**

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

26
27 **3. ASSIGNMENT**

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

34
35 **4. AUTHORITY**

36 Concurrent with the execution of this Contract, Contractor shall furnish North Sound BHO
37 with a copy of the explicit written authorization of their governing bodies to enter into
38 this Contract and accept the financial risk and responsibility to carry out all terms of this
39 Contract including the ability to pay for all expenses incurred during the contract period.
40 Likewise, concurrent with the execution of this Contract, North Sound BHO shall furnish
41 Contractor with a written copy of the motion, resolution, or ordinance passed by North
42 Sound BHO County Authorities Executive Committee (North Sound BHO Board)
43 authorizing North Sound BHO to execute this Contract.
44

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

2 Contractor and their 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:
7

- 8 a. Title XIX and Title XXI of the Social Security Act and Title 42 of the Code of Federal
9 Regulations.
- 10 b. All applicable Office of the Insurance Commissioner (OIC) statutes and regulations.
- 11 c. All local, State and Federal professional and facility licensing and certification
12 requirements/standards that apply to services performed under the terms of this
13 Contract.
- 14 d. Comply with the Omnibus Crime Control and Safe Streets Act of 1968; Title VI of
15 the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; title II of
16 the Americans with Disabilities Act of 1990; Title IX of the Education Amendments
17 of 1972; The Age Discrimination Act of 1975; and The Department of Justice Non-
18 Discrimination Regulations of 28 CFR Part 42, Subparts C, D, E and G and 28 CFR
19 Parts 35 and 39 (see <http://www.ojp.usdoj.gov/about/offices/ocr.htm> for
20 additional information and access to the aforementioned federal laws and
21 regulations).
- 22 e. Those specified in Title 18 RCW for professional licensing.
- 23 f. Reporting of abuse as required by RCW 26.44.030.
- 24 g. Industrial insurance coverage as required by Title 51 RCW.
- 25 h. RCW 38.52, 70.02 and 71.24.
- 26 i. WAC 388-865, 887 and 877A.
- 27 j. 42 CFR 438, including 438.58 (conflict of interest) and 438.106 (physician incentive
28 plans).
- 29 k. The State Medicaid Manual (SMM), Office of Management and Budget (OMB)
30 Circulars, the Budgeting, Accounting, and Reporting System (BARS) Manual, and
31 BARS Supplemental Mental Health Instructions.
- 32 l. Federal and State non-discrimination laws and regulations.
- 33 m. The Health Insurance Portability and Accountability Act (HIPAA), 45 CFR parts 160-
34 164.
- 35 n. DBHR-CIS Data Dictionary and its successors.
- 36 o. Federal funds must not be used for any lobbying activities.

37
38 If Contractor is in violation of a federal law or regulation and Federal Financial
39 Participation is recouped, Contractor shall reimburse the federal amount to North Sound
40 BHO within 20 days of recoupment. Upon notification from DSHS, North Sound BHO shall
41 notify Contractor in writing of changes/modifications in DSHS/DBHR policies and/or
42 contract requirement changes.
43

1 **6. COMPLIANCE WITH NORTH SOUND BHO OPERATIONAL POLICIES**

2 Contractor shall comply with all North Sound BHO operational policies that pertain to the
3 delivery of services under this Contract that are in effect when the Contract is signed or
4 that come into effect during the term of the Contract.
5

6 Along with all North Sound BHO stakeholders, Contractor will be included in the process
7 for developing relevant operational policies and procedures. North Sound BHO's policies
8 and procedures are posted on North Sound BHO's website. North Sound BHO shall notify
9 Contractor of new and revised policies, if applicable to the services provided under this
10 Contract, through its numbered memoranda. Training will be provided on policies that
11 impact providers.
12

13 North Sound BHO will make best efforts to maintain currency of policies with applicable
14 federal or state law, regulation or policy. In the event of a conflict, federal or state laws,
15 regulations or policies supersede North Sound BHO policies and procedures.
16

17 **7. CONFIDENTIALITY OF CLIENT INFORMATION**

18 The parties shall not use, publish, sell or otherwise disclose any confidential information
19 gained by reason of this Contract for any purpose that is not directly connected with the
20 performance of the services contemplated there under, except:
21

- 22 a. As provided by law, or
- 23 b. In the case of Personal Information, as provided by law or with prior written
24 consent of the person or personal representative who is subject of the Personal
25 Information.
26

27 The parties shall protect and maintain all Confidential Information gained by reason of
28 this Contract against unauthorized use, access, disclosure, modification or loss. This duty
29 requires the parties to employ reasonable security measures, which include restricting
30 access to the Confidential Information by:
31

- 32 a. Allowing access only to staff that have an authorized business requirement to view
33 the Confidential Information.
- 34 b. Physically securing any computers, documents, or other media containing the
35 Confidential Information.
36

37 To the extent allowed by law, at the end of the Contract term, or when no longer needed,
38 the parties shall return Confidential Information or certify in writing the destruction of
39 Confidential Information upon written requests by the other party.
40

41 Paper documents with Confidential Information may be recycled through a contracted
42 firm, provided the contract with the recycler specifies that the confidentiality of
43 information will be protected and the information destroyed through the recycling
44 process. Paper documents containing Confidential Information requiring special handling
45 (i.e., protected health information) must be destroyed through shredding, pulping or
46 incineration.
47

1 The compromise or potential compromise of Confidential Information must be reported
2 to North Sound BHO contact designated on this Contract within 5 business days of
3 discovery for breaches less than 500 persons' protected data and 3 business days of
4 discovery for breaches of over 500 persons' protected data. The parties must also take
5 actions to mitigate the risk of loss and comply with any notification or other requirements
6 imposed by law.
7

8 Contractor shall assure that all staff and subcontractors providing mental health services
9 under this Contract receive annual training on confidentiality policies and procedures. In
10 addition, Contractor shall assure that all staff and subcontractors providing mental health
11 services under this Contract sign an annual Oath of Confidentiality statement. Signed
12 copies of the Oath of Confidentiality shall be kept in Contractor's personnel files.
13

14 **8. CONTRACT PERFORMANCE/ENFORCEMENT**

15 North Sound BHO shall be vested with the rights of a third-party beneficiary, including the
16 "cut through" right to enforce performance should Contractor be unwilling or unable to
17 enforce action on the part of its/their subcontractor(s). In the event the Contractor
18 dissolves or otherwise discontinues operations, North Sound BHO may, at its sole option,
19 assume the right to enforce the terms and conditions of this Contract directly with
20 Contractor. Contractor shall include this clause in their contracts with their
21 subcontractors. In the event of the dissolution of Contractor, North Sound BHO's rights
22 in indemnification shall survive.
23

24 **9. COOPERATION**

25 The parties to this Contract shall cooperate in good faith to effectuate the terms and
26 conditions of this Contract.
27

28 **10. DEBARMENT CERTIFICATION**

29 Contractor, by signature to this Contract, certifies Contractor and any Owners are not
30 presently debarred, suspended, proposed for debarment, declared ineligible, or
31 voluntarily excluded by any Federal department or agency from participating in
32 transactions (Debarred) and is not listed in the Excluded Parties List System in the System
33 for Award Management (SAM) website. Contractor shall immediately notify North Sound
34 BHO if, during the term of this Contract, Contractor becomes debarred.
35

36 **11. EXECUTION, AMENDMENT AND WAIVER**

37 This Contract shall be binding on all parties only upon signature by authorized
38 representatives of each party. This Contract, or any provision, may be amended during
39 the contract period, if circumstances warrant, by a written amendment executed by all
40 relevant parties. Only North Sound BHO's Program Manager or North Sound BHO's
41 Program Manager's designee has authority to waive any provision of this Contract on
42 behalf of North Sound BHO.
43

1 **12. HEADINGS AND CAPTIONS**

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

5
6 **13. INDEMNIFICATION**

7 Contractor shall be responsible for and shall indemnify and hold North Sound BHO
8 harmless (including all costs and attorney fees) from all claims for personal injury,
9 property damage and/or disclosure of confidential information, including claims against
10 North Sound BHO for the negligent hiring, retention and/or supervision of the Contractor
11 and/or from the imposition of governmental fines or penalties resulting from the acts or
12 omissions of Contractor and its subcontractors related to the performance of this
13 contract. North Sound BHO shall be responsible and shall indemnify and hold Contractor
14 harmless (including all costs and attorney fees) from all claims for personal injury,
15 property damage and disclosure of confidential information and from the imposition of
16 governmental fines or penalties resulting from the acts or omissions of North Sound BHO.
17 Except to the extent caused by the gross negligence and/or willful misconduct of North
18 Sound BHO, Contractor, shall indemnify and hold North Sound BHO harmless from any
19 claims made by non-participating BHAs related to the provision of services under this
20 Contract. For the purposes of these indemnifications, the Parties specifically and
21 expressly waive any immunity granted under the Washington Industrial Insurance Act,
22 Title 51 RCW. This waiver has been mutually negotiated and agreed to by the Parties.
23 The provision of this section shall survive the expiration or termination of the Contract.

24
25 **14. INDEPENDENT CONTRACTOR FOR NORTH SOUND BHO**

26 The parties intend that an independent Contractor relationship be created by this
27 contract. Contractor acknowledges that Contractor is not officers, employees, or agents
28 of North Sound BHO. Contractor shall not hold Contractor or any of Contractor's
29 employees out as, nor claim status as, officers, employees, or agents of North Sound
30 BHO. Contractor shall not claim for Contractor or Contractor's employees any rights,
31 privileges, or benefits, which would accrue to an employee of North Sound BHO.
32 Contractor shall indemnify and hold North Sound BHO harmless from all obligations to
33 pay or withhold Federal or State taxes or contributions on behalf of Contractor or
34 Contractor's employees and subcontractors unless specified in this Contract.

35
36 **15. INSURANCE**

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

40

1 Contractor shall maintain Commercial General Liability Insurance (CGL). If the Contractor
2 is not a member of a risk pool, the Contractor shall carry CGL to include coverage for
3 bodily injury, property damage, and contractual liability, with the following minimum
4 limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. Any risk pool shall
5 provide coverage with the same minimum limits. Any policy (non-risk pool and risk pool)
6 shall include liability arising out of premises, operations, independent Contractors,
7 personal injury, advertising injury, and liability assumed under an insured contract.
8 Contractor shall provide evidence of such insurance to North Sound BHO within 15 days
9 of the execution of this Contract and within 15 days post renewal date thereafter. All
10 non-risk pool policies shall name North Sound BHO as a covered entity under said
11 policy(s).

12
13 **16. INTEGRATION**

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

17
18 **17. MAINTENANCE OF RECORDS**

19 During the term of this Contract and for six (6) years following termination or expiration
20 of this Contract, if any audit, claim, litigation, or other legal action involving the records is
21 started before expiration of the six (6) year period, the records shall be maintained until
22 completion and resolution of all issues arising there from or until the end of the six (6)
23 year period, whichever is later. Contractor shall maintain records sufficient to:

- 24
- 25 a. Maintain the content of all Medical Records in a manner consistent with utilization
26 control requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211.
 - 27 b. Document performance of all acts required by law, regulation, or this Contract.
 - 28 c. Substantiate Contractor statement of their organizations' structures, tax status,
29 capabilities and performance.
 - 30 d. Demonstrate accounting procedures, practices and records, which sufficiently and
31 properly document Contractor invoices to North Sound BHO and all expenditures
32 made by Contractor to perform as required by this Contract.
 - 33 e. Contractor and their subcontractors shall cooperate in all reviews including, but
34 not limited to, surveys and research conducted by North Sound BHO, DSHS, or
35 other Washington State Departments.
 - 36 f. Evaluations shall be done by inspection or other means to measure quality,
37 appropriateness and timeliness of services performed under this Contract and to
38 determine whether Contractor and their subcontractors are providing service to
39 individuals in accordance with the requirements set forth in this Contract and
40 applicable state and federal regulations as existing or hereafter amended.
- 41

1 **18. NO WAIVER OF RIGHTS**

2 A failure by either party to exercise its rights under this Contract shall not preclude that
3 party from subsequent exercise of such rights and shall not constitute a waiver of any
4 other rights under this Contract unless stated to be such in writing signed by an
5 authorized representative of the party and attached to the original Contract.
6

7 Waiver of any breach of any provision of this Contract shall not be deemed to be a waiver
8 of any subsequent breach and shall not be construed to be a modification of the terms
9 and conditions of this Contract.
10

11 **19. ONGOING SERVICES**

12 Contractor and their subcontractors shall ensure that in the event of labor disputes or job
13 actions, including work slowdowns, so called "sick outs," or other activities, within its
14 service network, uninterrupted services shall be available as required by the terms of this
15 Contract.
16

17 **20. ORDER OF PRECEDENCE**

18 In the event of an inconsistency in the terms of this Contract, or any inconsistency
19 between the terms of this Contract and any applicable statute, rule, or contract, unless
20 otherwise provided herein, the conflict shall be resolved by giving precedence in the
21 following order, to:
22

- 23 a. The applicable Medicaid 1915(b) Waiver, Provisions of Title XIX of the Social
24 Security Act and Federal regulations concerning the operations of Prepaid Inpatient
25 Health Plans.
- 26 b. State statutes and regulations concerning the operation of the community mental
27 health programs.
- 28 c. Other applicable Federal, State, or local law.
- 29 d. North Sound BHO-DSHS contract, or its successors, that covers the provision of the
30 mental health services covered under this Contract, which shall include any exhibit,
31 document, or material incorporated by reference.
- 32 e. This Contract.
33

34 **21. OVERPAYMENTS**

35 In the event Contractor fails to comply with any of the terms and conditions of this
36 Contract and that failure results in an overpayment, North Sound BHO may recover the
37 amount due DSHS, CMS, or other federal or state agency. In the case of overpayment,
38 Contractor shall cooperate in the recoupment process and return to North Sound BHO
39 the amount due upon demand.
40

1 **22. OWNERSHIP OF MATERIALS**

2 Materials created by Contractor and their subcontractors and paid for by North Sound
3 BHO as a part of this Contract shall be owned by North Sound BHO and shall be, "works
4 for hire" as defined by the U.S. Copyright Act of 1976. This material includes, but is not
5 limited to: books, computer programs, documents, films, pamphlets, reports, sound
6 reproductions, studies, surveys, tapes and/or training materials. Contractor or relevant
7 subcontractors' own material which Contractor and their subcontractors use to perform
8 this Contract, but which is not created for or paid for by North Sound BHO; however,
9 North Sound BHO and DSHS shall have a perpetual license to use this material for DSHS
10 internal purposes at no charge to DSHS.

11
12 **23. PERFORMANCE**

13 Contractor shall furnish the necessary personnel, materials and/or mental health services
14 and otherwise do all things for, or incidental to, the performance of the work set forth
15 here and as attached. Unless specifically stated, Contractor is responsible for performing
16 or ensuring all fiscal and program responsibilities required in this contract. No
17 subcontract will terminate the legal responsibility of Contractor to perform the terms of
18 this Contract.

19
20 **24. RESOLUTION OF DISPUTES**

21 The parties wish to provide for prompt, efficient, final and binding resolution of disputes
22 or controversies that may arise under this Contract and therefore establish this dispute
23 resolution procedure. All claims, disputes and other matters in question between the
24 parties arising out of, or relating to, this Contract shall be resolved exclusively by the
25 following dispute resolution procedure unless the parties mutually agree in writing
26 otherwise:

- 27
28 a. The parties shall use their best efforts to resolve issues prior to giving written
29 Notice of Dispute.
30 b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or a
31 designated representative) shall meet, confer and attempt to resolve the claim.
32 c. The terms of the resolution of all claims concluded in meetings shall be
33 memorialized in writing and signed by each party.

34
35 **Arbitration:** If the claim is not resolved within 30 days, the parties shall proceed to
36 arbitration as follows:

- 37
38 a. Demand for arbitration shall be made in writing to the other party. The parties
39 shall select one person as arbitrator.
40 b. If there is a delay of more than 10 days in the naming of any arbitrator, either party
41 can ask the presiding judge of Skagit County to name any remaining arbitrator(s).
42 c. The prevailing party shall be entitled to recover from the other party all costs and
43 expenses, including reasonable attorney fees. The arbitrators shall determine
44 which party, if any, is the prevailing party.

- d. The parties agree that the arbitrators' decision shall be binding, final and appealable to Skagit County Superior Court only as provided in Chapter 7.04A RCW.
- e. Unless the parties agree in writing otherwise, the unresolved claims in each notice of dispute shall be considered at an arbitration session which shall occur in Skagit County no later than 30 days after the close of the meeting described in paragraph (b) above.
- f. The Provisions of this section shall, with respect to any controversy or claim, survive the termination or expiration of this Contract.
- g. Nothing contained in this Contract shall be deemed to give the arbitrator the power to change any of the terms and conditions of this Contract in any way.
- h. The prevailing party in any action to compel arbitration or to enforce an arbitration award shall be awarded its costs, including attorney fees. Venue for any such action is exclusively Skagit County Superior Court.
- i. This Contract shall be governed by laws of the State of Washington, both as to interpretation and performance.

25. SEVERABILITY AND CONFORMITY

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

26. SINGLE AUDIT ACT

If Contractor or their subcontractor is a sub-recipient of Federal awards as defined by Office of Management and Budget (OMB) Circular A-133, Contractor and their subcontractors shall maintain records that identify all Federal funds received and expended. Said funds shall be identified by the appropriate OMB Catalog of Federal Domestic Assistance titles and numbers, the award names and numbers and award years, if awards are for research and development, as well as, names of the Federal agencies. Contractor and their subcontractors shall make Contractor and their subcontractors' records available for review or audit by officials of the Federal awarding agency, the General Accounting Office and DSHS. Contractor and their subcontractors shall incorporate OMB Circular A-133 audit requirements into all contracts between Contractor and their subcontractors who are sub-recipients. Contractor and their subcontractors shall comply with any future amendments to OMB Circular A-133 and any successor or replacement Circular or regulation.

If Contractor and/or their subcontractors are a sub-recipient and expend \$750,000 or more in Federal awards from any and/or all sources in any fiscal year, Contractor and applicable subcontractors shall procure and pay for a single audit for that fiscal year. Upon completion of each audit, Contractor and applicable subcontractors shall submit to North Sound BHO's Program Manager a copy of their audited financial statements.

1 For purposes of “sub-recipient” status under the rules of OMB Circular A-133 205(i)
2 Medicaid payments to a sub-recipient for providing patient care services to Medicaid
3 eligible individuals are not considered Federal awards expended under this part of the
4 rule unless a State requires the fund to be treated as Federal awards expended because
5 reimbursement is on a cost-reimbursement basis.
6

7 **27. SUBRECIPIENTS**

8 General – If the Contractor is a sub-recipient of federal awards as defined by OMB
9 Circular A-133 and this Contract, the Contractor shall:
10

- 11 a. Maintain records that identify, in its accounts, all federal awards received and
12 expended and the federal programs under which they were received, by Catalog of
13 Federal Domestic Assistance (CFDA) title and number, award number and year,
14 name of the federal agency, and name of the pass-through entity;
- 15 b. Maintain internal controls that provide reasonable assurance that the Contractor is
16 managing federal awards in compliance with laws, regulations, and provisions of
17 contracts or grant contracts that could have a material effect on each of its federal
18 programs;
- 19 c. Prepare appropriate financial statements, including a schedule of expenditures of
20 federal awards;
- 21 d. Incorporate OMB Circular A-133 audit requirements into all contracts between the
22 Contractor and its Subcontractors who are sub-recipients;
- 23 e. Comply with any future amendments to OMB Circular A-133 and any successor or
24 replacement Circular or regulation;
- 25 f. Comply with the applicable requirements of OMB Circular A-87 and any future
26 amendments to OMB Circular A-87, and any successor or replacement Circular or
27 regulation; and
- 28 g. Comply with the Omnibus Crime Control and Safe Streets Act of 1968; Title VI of
29 the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; Title II of
30 the Americans with Disabilities Act of 1990; Title IX of the Education Amendments
31 of 1972; The Age Discrimination Act of 1975; and The Department of Justice Non-
32 Discrimination Regulations, 28 CFR Part 42, Subparts C D E, and G, and 28 CFR Part
33 35 and Part 39 (see www.ojp.usdoj.gov/ocr for additional information and access
34 to the aforementioned Federal laws and regulations.)
35

36 **28. SUBCONTRACTS**

37 Contractor may subcontract services to be provided under this Contract subject to the
38 following requirements.
39

- 40 a. Contractor shall be responsible for the acts and omissions of any subcontractor.
- 41 b. Contractor must ensure that the subcontractor neither employs any person nor
42 contracts with any person or Community Mental Health Agency (CMHA) excluded
43 from participation in federal health care programs under either 42 USC 1320a-7
44 (§§1128 or 1128A Social Security Act) or debarred or suspended per this Contract’s
45 General Terms and Conditions.

- c. Contractor shall require subcontractors to comply with all applicable federal and state laws, regulations and operational policies as specified in this Contract.
- d. Contractor shall require subcontractors to comply with all applicable North Sound BHO operational policies as specified in this Contract, including travel standards and access standards.
- e. Contractor shall oversee, be accountable for and monitor all functions and responsibilities delegated to a subcontractor on an ongoing basis including formal reviews.
- f. Contractor will monitor performance of the subcontractors on an annual basis and notify North Sound BHO of any identified deficiencies or areas for improvement requiring corrective action by Contractor.
- g. Contractor shall ensure that all subcontracts are in writing and that subcontracts specify all duties, reports and responsibilities delegated under this Contract. Those written subcontracts shall:
 - i. Require subcontractors to hold all necessary licenses, certifications and/or permits as required by law for the performance of the services to be performed under this Contract.
 - ii. 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.
 - iii. Require that the subcontractor correct any areas of deficiencies in the subcontractor's performance that are identified by Contractor, North Sound BHO and/or DBHR.

29. SURVIVABILITY

The terms and conditions contained in this Contract that by their sense and context are intended to survive the expiration of this Contract 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.

30. TREATMENT OF CLIENT PROPERTY

Unless otherwise provided in this Contract, Contractor shall ensure that 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 the individual's guardian or custodian all of the individual's personal property.

1 **31. WARRANTIES**

2 The parties’ obligations are warranted and represented by each to be individually
3 binding, for the benefit of the other party. Contractor warrants and represents that it is
4 able to perform its obligations set forth in this Contract and that such obligations are
5 binding upon Contractor and other subcontractors for the benefit of North Sound BHO.
6

7 **32. CONTRACT ADMINISTRATION**

8 The Program Manager for each of the parties shall be responsible for and shall be the
9 contact person for all communications and billings regarding the performance of this
10 Contract.
11

12 The Contact for North Sound Behavioral Health Organization, LLC is:

13
14 Joe Valentine, Executive Director
15 North Sound BHO
16 301 Valley Mall Way, Ste. 110
17 Mount Vernon, WA 98273-5462
18

19 The Contact for Whatcom County is:

20
21 Anne Deacon, Manager
22 Whatcom County Human Services
23 509 Girard Street
24 Bellingham, WA 98225
25

26 Changes shall be provided to the other party in writing within 10 working days.
27

1 **C. PERFORMANCE STANDARDS**

2 In carrying out its responsibilities under this contract, Contractor shall comply with the
3 following performance standards.
4

- 5 a. Contractor shall ensure that it and any applicable subcontractors comply with
6 general limitations on the use of MHBG funds as specified in Exhibit B
- 7 b. If Contractor subcontracts for the provision of services under this contract it shall
8 maintain documentation of its oversight and monitoring of subcontractors who are
9 providing services described in this Contract, including documentation of related
10 outcomes and actual costs, and provide such documentation when requested by
11 North Sound BHO.
- 12 c. Contractor shall incorporate SAMHSA’s 10 Fundamental Components of Recovery
13 (Exhibit E) in the daily activities and interactions with individuals seeking help with
14 their recovery.
- 15 d. Contractor shall participate in annual peer reviews by individuals with expertise in
16 the field of mental health when requested by North Sound BHO/DSHS.
17

18 **1. INDEPENDENT PEER REVIEW (45 CFR 96.136)**

19 The Contractor shall participate in the statewide independent peer review process when
20 requested by North Sound BHO as outlined in Exhibit C-Independent Peer Review
21 Procedures. Contractor will be reviewed by experts in the field of Mental Health
22 Treatment to assess quality, appropriateness and efficacy of services provided to
23 individuals.
24

25 **2. BACKGROUND CHECKS (RCW 43.43.832, WAC 388-877 and 388-877B)**

26 The Contractor must ensure a criminal background check is conducted on all staff
27 members; case managers, outreach staff members, etc.; and volunteers who have
28 unsupervised access to children, adolescents, vulnerable adults, and persons who have
29 developmental disabilities.
30

31 When providing services to Youth, the Contractor must ensure requirements of WAC 388-
32 06-0170 are met.
33

34 **3. DELIVERABLES, PLANS AND REPORTS**

35 Contractor must ensure plans or reports required by this Contract, including those
36 outlined in Exhibit F, Deliverables, are provided to NORTH SOUND BHO in compliance with
37 the timelines/formats indicated.
38

39 If this Contract requires a report or other deliverable that contains information that is
40 duplicative or overlaps a requirement of another Contract between the parties Contractor
41 may provide one report or deliverable that contains the information required by both
42 Contracts.

1 **D. FINANCIAL TERMS AND CONDITIONS**

2
3 **1. GENERAL FISCAL ASSURANCES**

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

11
12 **2. FINANCIAL ACCOUNTING REQUIREMENTS**

- 13 a. Funding that supports this Contract comes from Community Mental Health
14 Services Block Grant funds, from the federal DHHS, Catalog of Federal Domestic
15 Assistance (CFDA) #93.958.
- 16 b. Contractor shall produce annual audited financial statements and make such
17 reports available to North Sound BHO upon request.
- 18 c. North Sound BHO shall pay Contractor an amount not to exceed the maximum
19 consideration specified in this Contract for the satisfactory performance of all work
20 set forth in Exhibit A Statement of Work.
- 21 d. Contractor shall submit a completed monthly invoice that includes the following
22 information:
- 23
- 24 i. Contractor shall be paid on a cost reimbursement basis for appropriate
25 program expenditures.
- 26 ii. Total charges, based on Contractor standard billing rates for the services
27 provided.
- 28
- 29 e. Contractor shall submit claims for reimbursement on Exhibit D Expenditure Report
30 Form monthly and no later than 60 days following the month in which services are
31 provided. North Sound BHO is not obligated to pay any claims submitted later than
32 60 days after the month services were provided.
- 33 f. Any MHBG Funds obligated under this Contract which are not expended by June
34 30, 2018, may not be used or carried forward in any other Contract or
35 Amendment, and lapse as of June 30, 2018.

36
37 **3. RULES COMPLIANCE**

38 Contractor shall:

- 39
- 40 a. Account for public mental health expenditures under this Contract in accordance
41 with federal circular A-133 and A-87 or other applicable circular and state
42 requirements in accordance with the BARS Manual, and BARS Supplemental
43 Instructions.

- b. Ensure State or Federal funds are not used to replace local funds from any source, which were being used to finance mental health services in the constituent county/counties in the calendar year prior to January 1, 1990. Contractor shall not use State or Federal funds to replace local funds used to administer the Involuntary Treatment Program in the constituent county/counties in the calendar year prior to January 1, 1974.
- c. Contractor shall comply with, specifically, Title V, Section 1913 where the State agrees to comply with the Public Health Service Act [42 USC 300x-1 et seq.], attached as Exhibit B, Title V - Section 1913.
- d. North Sound BHO shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Contract.
- e. North Sound BHO shall pay Contractor only for authorized services provided in accordance with this Contract. If this Contract is terminated for any reason, North Sound BHO shall pay only for services authorized and provided through the date of termination.
- f. Contractor shall not bill North Sound BHO for services performed under this contract, and North Sound BHO shall not pay Contractor, if Contractor has charged or will charge the State of Washington or any other party under any other contract or contract for the same services.

4. USES AND USE RESTRICTIONS

The 93.958 MHBG for Community Mental Health Services funding may not be used to provide inpatient services; to make cash payments to intended recipients of health services; to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility or purchase major medical equipment; to satisfy any requirement for the expenditure of nonfederal funds as a condition for the receipt of Federal funds; or to provide financial assistance to any entity other than a public or nonprofit private entity.

Contractor shall not use MHBG Funds for the following:

- a. Services and programs that are covered under the capitation rate for Medicaid-covered services to Medicaid enrollees.
- b. Inpatient mental health services.
- c. Construction and/or renovation.
- d. Capital assets or the accumulation of operating reserve accounts.
- e. Equipment costs over \$5,000.
- f. Cash payments to Individuals.
- g. State match for other federal funds.

Target Population:

Benefits	Services	Use MHBG	Use Medicaid
Individual is <i>not</i> a Medicaid recipient	Any type	Yes	No
Individual <i>is</i> a Medicaid recipient	Allowed under Medicaid	No	Yes
Individual <i>is</i> a Medicaid recipient	Not allowed under Medicaid	Yes	No

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

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3 **1. OVERSIGHT AUTHORITY**

4 North Sound BHO, DSHS, Office of the State Auditor, DHHS, Centers for Medicare and
5 Medicaid Services (CMS), the Comptroller General, or any of their duly-authorized
6 representatives (i.e., External Quality Review Organizations [EQRO]), have the authority
7 to conduct announced and unannounced: a) surveys, b) audits, c) reviews of compliance
8 with licensing and certification requirements and compliance with this Contract, d) audits
9 regarding the quality, appropriateness and timeliness of mental health services of
10 Contractor and subcontractors and e) audits and inspections of financial records of
11 Contractor and subcontractors. Contractor shall notify North Sound BHO when an entity
12 other than North Sound BHO performs any audit described above related to any activity
13 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 to ensure that Contractor has
17 the clinical, administrative and fiscal structures to enable them to perform in accordance
18 with the terms of the contract. Such reviews may include, but are not limited to,
19 encounter data validation, utilization reviews, clinical record reviews and review of
20 administrative structures, fiscal management and contract compliance. Reviews may
21 include desk reviews, requiring Contractor to submit requested information. North
22 Sound BHO will also review any activities delegated under this contract to Contractor.

23
24 Findings, as a result of North Sound BHO conducted reviews, may result in remedial
25 action as outlined below. Federal and State agencies may impose remedial action or
26 financial penalties either directly upon Contractor or through North Sound BHO.
27 Contractor shall comply with the terms of such remedial action and be responsible for the
28 payment of financial penalties.

29
30 **2. REMEDIAL ACTION**

31 North Sound BHO may require Contractor to plan and execute corrective action.
32 Corrective action plans (CAP) developed by Contractor must be submitted for approval to
33 North Sound BHO within 30 calendar days of notification. CAP allowed for corrective
34 action depending upon the nature of the situation as determined by North Sound BHO.

35
36 a. CAP must include:

- 37
38 i. A brief description of the finding.
39 ii. Specific actions to be taken, a timetable, a description of the monitoring to
40 be performed, the steps taken and responsible individuals that will reflect
41 the resolution of the situation.
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- 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 is 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.
 - iv. Reject the plan.

- d. Contractor agrees that North Sound BHO may initiate remedial action as outlined in subsection below if North Sound BHO determines any of the following situations exist:
 - i. A problem exists that negatively impacts enrollees.
 - ii. Contractor has failed to perform any of the mental health services required in this Contract, including delegated functions, which includes the failure to maintain the required capacity as specified by North Sound BHO to ensure that enrollees receive medically necessary services.
 - 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 mental 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 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 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. PAYMENT WITHHOLD

Up to two (2) percent of the monthly payment will be withheld upon the request of North Sound BHO's Program Manager if a required report or deliverable under this contract is due and has not been received by North Sound BHO, including required financial reports and data transmissions.

Payment will be withheld until the required report or deliverable has been delivered and meets the requirements specified by North Sound BHO.

4. INDIVIDUALS SERVICED BY MEDICAID AND OTHER MENTAL HEALTH PROGRAM ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT

Although DSHS and the Contractor mutually recognize that services under this Contract may be provided by the Contractor to individuals receiving services under the Medicaid program, and chapters 71.05, 71.24, and 71.34 RCW, it is not the intention of either DSHS or the Contractor that such individuals, or any other persons, occupy the position of intended third-party beneficiaries of the obligations assumed by either party to this Contract.

5. ADDITIONAL FINANCIAL PENALTIES – DBHR IMPOSED SANCTIONS

Financial penalties imposed by DBHR or other regulatory agency due to the action or inaction of 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.

6. 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, North Sound BHO may terminate this Contract, subject to re-negotiations.

7. TERMINATION FOR CONVENIENCE

Except as otherwise provided in this Contract, a party may terminate their portion of this Contract upon 30 days written notification by certified mail to the other party. The effective date of termination shall be the thirtieth day after receipt of written notification to the other party or the last day of the calendar month in which the thirtieth day occurs, whichever is later.

8. TERMINATION FOR DEFAULT

North Sound BHO's Program Manager may terminate this Contract for default, in whole or in part, by written notice to Contractor if North Sound BHO or DSHS has a reasonable basis to believe that Contractor has or have:

- a. Failed to meet or maintain any requirement for contracting with DSHS.
- b. Failed to perform under any provision of this Contract.
- c. Violated any law, regulation, rule, or ordinance applicable to the services provided under this Contract.
- d. Otherwise breached any provision or condition of this Contract.

Before North Sound BHO's Program Manager may terminate this Contract for default, in whole or in part, North Sound BHO shall provide Contractor with written notice of Contractor's noncompliance with this Contract which notice shall provide Contractor a reasonable time period to correct its/their noncompliance. If Contractor has or has not corrected its/their noncompliance within the period of time specified in the written notice of noncompliance, North Sound BHO Program Manager may then terminate this Contract, in whole or in part for default without such written notice and without opportunity for correction if North Sound BHO and/or DSHS has a reasonable basis to believe that:

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

Contractor may terminate this Contract in whole or in part, by written notice to North Sound BHO, if Contractor has a reasonable basis to believe that North Sound BHO has:

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

9. TERMINATION PROCEDURE

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

- a. Contractor and any applicable subcontractors shall cease to perform any services required by this Contract as of the effective date of termination and shall comply with all reasonable instructions contained in the notice of termination which are related to the transfer of clients, distribution of property and termination of services. Each party shall be responsible only for its performance in accordance with the terms of this Contract rendered prior to the effective date of termination. Contractor and any applicable subcontractors shall assist in the orderly transfer/transition of the individuals served under this Contract. Contractor and any applicable subcontractors shall promptly supply all information necessary for the reimbursement of any outstanding claims.

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- b. Contractor and any applicable subcontractors shall immediately deliver to North Sound BHO's Program Manager or to his/her successor, all DSHS and North Sound BHO assets (property) in Contractor's and any applicable subcontractor's possession and any property produced under this Contract. Contractor and any applicable subcontractors grants North Sound BHO and DSHS the right to enter upon Contractor's and any applicable subcontractor's premises for the sole purpose of recovering any North Sound BHO or DSHS property that Contractor and any applicable subcontractors fails to return within 10 working days of termination of this Contract. Upon failure to return North Sound BHO and/or DSHS property within 10 working days of the termination of this Contract, Contractor and any applicable subcontractors shall be charged with all reasonable costs of recovery, including transportation and attorney's fees. Contractor and any applicable subcontractors shall protect and preserve any property of North Sound BHO and/or DSHS that is in the possession of Contractor and any applicable subcontractors pending return to North Sound BHO and/or DSHS.
- c. North Sound BHO shall be liable for and shall pay for only those services authorized and provided through the date of termination. North Sound BHO may pay an amount agreed to by the parties for partially completed work and services, if work products are useful to or usable by North Sound BHO. Should either party terminate the contract, Contractor shall be responsible to provide all mental health services through the end of the month for which they will invoice North Sound BHO.

1 **THIS CONTRACT**, consisting of 29 Pages, plus Exhibits, is executed by the persons signing below who
2 warrant that they have the authority to execute this Contract.

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NORTH SOUND BHO

WHATCOM COUNTY

10 Joe Valentine Date
11 Executive Director

Regina Delahunt Date
Director