

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

**BEHAVIORAL HEALTH STATE CONTRACT
(BHSC)**

WITH

AMERICAN BEHAVIORAL HEALTH SYSTEMS

CONTRACT #NORTH SOUND BHO-ABHS-BHSC-18

JANUARY 1, 2018 TO DECEMBER 31, 2018

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**CONTRACT FOR THE PROVISION
OF
STATE FUNDED
BEHAVIORAL HEALTH SERVICES**

THIS BEHAVIORAL HEALTH SERVICES CONTRACT (the “Contract”), pursuant to RCW Chapter 71.24 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 RCW Chapter 70.24 (North Sound BHO) 301 Valley Mall Way, Suite 110, Mount Vernon, WA 98273 and AMERICAN BEHAVIORAL HEALTH SYSTEMS, a Washington Behavioral Health Agency (Contractor), PO BOX 141160, Spokane Valley, WA 99214-1106.

I. RECITALS

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 Contract 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 RCW Chapter 71.24 (Operating Agreement); and

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.

WHEREAS, the Operation 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 (Statement of Work);

1 **WHEREAS**, Contractor is engaged in the provision of behavioral health and substance use
2 disorder (SUD) services within Snohomish, Skagit, Whatcom, Island and San Juan Counties (Counties);
3 and

4
5 **WHEREAS**, North Sound BHO desires that Contractor provide, market, distribute and
6 otherwise do all things necessary to deliver Services in the Counties;

7
8 **WHEREAS**, the parties to this agreement desire to promote the continuity of care for
9 individuals, avoid service disruption, assure the provision of SUD services and strengthen the regional
10 service network; and

11
12 **WHEREAS**, the parties also wish to enter into a Business Associate Agreement to ensure
13 compliance with the Privacy and Security Rules of the Health Insurance Portability and Accountability
14 Act of 1996 (“HIPAA Privacy and Security Rules”) (45 CFR Parts 160 and 164); now, therefore.

15
16 **THE PARTIES AGREE AS FOLLOWS:**

17
18 **II. CONTRACT**

19
20 This Contract incorporates the Exhibits to the Contract and other documents incorporated by
21 reference.

22
23 The effective date of this Contract is January 1, 2018, through December 31, 2018.

24
25 **A. DEFINITIONS**

26
27 Abuse means provider practices that are inconsistent with sound fiscal, business, or medical practices
28 and result in an unnecessary cost to the Medicaid program, or reimbursement for services that are
29 not medically necessary or fail to meet professionally recognized standards for health care.

30
31 Access refers to the initial request for services and initial screening and related response time
32 requirements (as defined in the Clinical Eligibility and Care Standards section of North Sound BHO
33 contract).

34
35 Accessibility means the extent to which an eligible recipient can obtain available services.
36 Accessibility includes both the ability to contact the organization and availability of providers and
37 services.

38
39 Accountability means responsibility of Contractor for achieving defined outcomes, goals and contract
40 obligations.

41

1 Action means in the case of a Prepaid Inpatient Health Plan (PIHP) service:
2

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

10
11 Administrative Costs means costs for the general operation of the public behavioral health system.
12 These activities cannot be identified with specific direct services or direct services support function as
13 defined in the Budget, Accounting and Reporting System (BARS) supplemental instructions.
14

15 Advance Directive means a written document in which a principal makes a declaration of instructions
16 or preferences, or appoints an agent to make decisions on behalf of the principal regarding their
17 behavioral health treatment, or both and is consistent with the provisions of Washington’s Behavioral
18 Health Advance Directive statute.
19

20 Allied Systems means state or local services which provide individuals with assistance to reduce the
21 impact of disabilities, functional impairments, or skill deficits and promote stable community living.
22

23 American Society of Addiction Medicine (ASAM)
24

25 Ancillary Crisis Services means costs associated with providing medically necessary crisis services
26 which cannot be covered under the Medicaid State Plan including, but not limited to, the cost of
27 room and board for individuals in hospital diversion beds.
28

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

32 Appeal means a request for review of an action as “action” is defined above.
33

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

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

41 ASAM Criteria is used to evaluate an individual’s need for treatment along six (6) dimensions after
42 systematically evaluating the severity and diagnosis of an individual and then utilize a fixed
43 combination rule to determine which levels of care a substance using individual will respond to with
44 the greatest success. ASAM also includes recommended duration of SUD treatment.

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 Assisted Outpatient Treatment (AOT) means an order for Less Restrictive Alternate Treatment for up
6 to 90 days from the date of judgement. AOT shall not order inpatient treatment.
7

8 Authorized Representative means an individual appointed by an Enrollee, or authorized under State
9 or other applicable law, to act on behalf of an Enrollee or other party involved in an Appeal or
10 Grievance. If the Enrollee gives written permission, the Authorized Representative may include a
11 behavioral health practitioner working on behalf of the Individual.
12

13 Behavioral Health Advisory Council (BHAC) also referred to as “The Council” includes Individuals with
14 behavioral health disorders, providers, advocates, government representatives and other private and
15 public entities. The membership represents that state’s population with respect to race, ethnicity,
16 disability and age, as well as urban and rural areas.
17

18 Behavioral Health Agency (BHA) means a Behavioral Health Agency that is licensed by the State of
19 Washington to provide behavioral health and/or SUD treatment and is subcontracted under this
20 Contract to provide services.
21

22 Behavioral Health Organization (BHO) means a county authority or group of county authorities or
23 other entity recognized by the Secretary that contracts for behavioral health services and SUD
24 treatment services within a defined Regional Service Area.
25

26 Behavioral Health Organization Managed Care Plan is the entity that operates the prepaid inpatient
27 health plan (PIHP) for Medicaid behavioral health services, the North Sound Behavioral Health
28 Organization LLC.
29

30 Case Management means assistance to a recipient, family or significant other to obtain, maintain, or
31 develop appropriate resources.
32

33 Census Alert means notification provided to the BHO of near-full census at the State psychiatric
34 hospital. This may include notification of changes in hospital admission criteria.
35

36 Certified means the status given by the department to SUD, behavioral health and pathological
37 gambling program-specific services.
38

39 Chemical Dependency Professional (CDP) means an individual with the education and experience
40 requirements for certification as a chemical dependency professional, and who has been licensed by
41 the state.
42

1 Chemical Dependency Professional Trainee (CDPT) means an individual working toward the education
2 and experience requirements for certification as a CDP, and who has been credentialed as a CDPT.

3
4 Child means a person under age 13.

5
6 Children’s Long-Term Inpatient Program (CLIP) means the State appointed authority for policy and
7 clinical decision-making regarding admission to and discharge from State-funded beds in CLIP (Child
8 Study and Treatment Center, Pearl Street Center, McGraw Center, Tamarack Center and Martin
9 Center).

10
11 Child Study and Treatment Center (CSTD) is Department of Social and Health Services (DSHS) child
12 psychiatric hospital.

13
14 Code of Federal Regulations (CFR) means all references in this Contract to CFR chapters or sections
15 shall include any successor, amended, or replacement regulation.

16
17 Community Mental Health Agency (CMHA) means an agency that is licensed by the State of
18 Washington to provide behavioral health services and Subcontracted to provide behavioral health
19 services covered under this Contract.

20
21 Community Support Services means services authorized, planned and coordinated through resource
22 management services including at a minimum, assessment, diagnosis, emergency crisis intervention
23 available 24 hours, 7 days a week, prescreening determinations for persons who are mentally ill being
24 considered for placement in nursing homes as required by federal law, screening for patients being
25 considered for admission to residential services, diagnosis and treatment for children who are
26 mentally or severely emotionally disturbed discovered under screening through the federal Title XIX
27 early and periodic screening, diagnosis, and treatment (EPSDT) program, investigation, legal and
28 other nonresidential services under RCW Chapter 71.05, case management services, psychiatric
29 treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant
30 patient information between service providers, recovery.

31
32 Confidential Information means information that is exempt from disclosure to the public or other
33 unauthorized persons under RCW Chapter 42.56 or other federal or state laws. Confidential
34 information includes, but is not limited to, personal information.

35
36 Consultation means the clinical review and development of recommendations regarding the job
37 responsibilities, activities, or decisions of clinical staff, contracted employees, volunteers, or students
38 by persons with appropriate knowledge and experience to make recommendations.

39
40 Contract means this document, the General Terms and Conditions and Special Terms and Conditions,
41 including any Exhibits and other documents attached or incorporated by reference.

42

1 Contractor means an independent Contractor, its employees, agents and Subcontractors.

2
3 Coordinated Quality Improvement Program (CQIP) the purpose of CQIP is to improve the quality of
4 health care services by identifying and preventing health care malpractice under RCW 43.70.510.

5
6 Corrective Action/Compliance Review is when findings from North Sound BHO/DBHR review, other
7 monitoring efforts, or audits show there are apparent violations of this Contract. Contractor shall
8 implement corrective action within specified timeframes determined by North Sound BHO/DBHR or
9 other auditors.

10
11 Corrective Action Plan (CAP) is a written plan specifying what Contractor is required to do to be in
12 compliance. This includes required improvements and a timeline for such action(s) to be
13 accomplished.

14
15 Criminal Justice Treatment Account (CJTA) means per RCW 70.96A.350, the account created by
16 Washington State that may be expended solely for: SUD treatment and treatment support services
17 for offenders with a SUD.

18
19 Crisis may be self-defined or a situation where an individual is acutely mentally ill, or experiencing
20 serious disruption in cognitive, volitional, psychosocial and/or neurophysiological functioning.

21
22 Crisis Plan is a blueprint for action in the case of an individual (or child/family) that is experiencing
23 imminent or substantial risk of harm to self/others or at risk of decompensation that could lead to
24 future use of psychiatric inpatient services. Plans are developed in collaboration with the individual
25 and natural supports. An adequate crisis plan reflects a blend of formal and informal supports and is
26 amended as frequently as needed to be a meaningful resource. Crisis plans with updated information
27 must be documented as an individual completes an episode of care and becomes “inactive” or
28 “closed”.

29
30 Crisis Services means a face-to-face evaluation and treatment of behavioral health emergencies and
31 crises to non-enrolled, as well as, enrolled individuals experiencing a crisis as defined by the WAC.
32 Crisis services shall be available on a 24-hour basis with the goal of stabilizing the person in crisis and
33 providing immediate or short-term treatment and support in the least restrictive environment
34 available. Crisis services may be provided prior to an intake evaluation/assessment.

35
36 Cultural Competence means a set of congruent behaviors, attitudes and policies that come together
37 in a system or agency and enable that system or agency to work effectively in cross-cultural
38 situations. A culturally competent system of care acknowledges and incorporates at all levels the
39 importance of language and culture, assessment of cross-cultural relations, knowledge and
40 acceptance of dynamics of cultural differences, expansion of cultural knowledge and adaptation of
41 services to meet culturally unique needs.

42
43 Data means information that is disclosed or exchanged as described by the Contract.

44

1 Date of First Contact means the date individual contacts an agency by any means (walk-in, telephone
2 call, referral through a physician, counselor or CDP, etc.) to request a service when the date for the
3 service is scheduled at the time of contract.

4
5 Day for purposes of this Contract means calendar day unless otherwise specified.

6
7 Debarment means an action taken by a federal official to exclude a person or business entity from
8 participating in transactions involving certain federal funds.

9
10 Deliverable means any written information required for submission to North Sound BHO to satisfy the
11 work requirements of this Contract and that are due by a particular date or on a regularly occurring
12 schedule.

13
14 Denial means the decision by the PIHP to refuse authorization of covered Medicaid behavioral health
15 services that have been requested by an enrollee or a provider on behalf of an eligible Medicaid
16 Enrollee. It is also a denial if an intake or assessment is not provided upon request by a Medicaid
17 Enrollee.

18
19 Designated Chemical Dependency Specialist means a person designated by the Behavioral Health
20 Organization (BHO) of by the county alcoholism and other drug addiction program coordinator
21 designated by the BHO to perform the commitment duties described in RCW 70.96A. 140 and
22 qualified to do so by meeting standards adopted by the department.

23
24 Direct Care Staff means persons employed by CMHA's whose primary responsibility is providing direct
25 treatment and support to people with behavioral illness or whose primary responsibility is providing
26 direct support to such staff in areas such as scheduling, intake, reception, records-keeping and
27 facilities maintenance.

28
29 Discharge is (1) related to the end of an inpatient psychiatric hospital stay; (2) occurs when an eligible
30 individual has completed an episode of care (or active service) and is no longer receiving services (i.e.,
31 closed).

32
33 Discharge Planning (Hospital) is the process of developing a care regimen for a patient leaving
34 inpatient care including appropriate timing and follow-up examinations and treatment. A
35 collaborative event, focusing on the development of a regimen of care, designed to support
36 treatment success through the utilization of natural supports and community resources. This
37 planning phase is critical to success, in both the inpatient and outpatient arenas and needs to begin
38 immediately following intake.

39
40 Discharge Planning (Services) is the process of developing a care regimen and community integration
41 plan for a behavioral health recipient leaving clinical care including appropriate residential
42 treatment/housing supports, utilizing natural supports and community support services prior to the
43 recipient leaving outpatient care.

44

1 Diversion means to redirect an individual from being placed in a restrictive setting (i.e., jail, inpatient
2 services) to clinically appropriate less restrictive alternative(s).

3
4 Early Periodic Screening Diagnosis and Treatment (EPSDT) is the program under Title XIX of the Social
5 Security Act as amended for children/youth who have not reached their 21st birthday.

6
7 Emergent Care means services provided for a person, that, if not provided, would likely result in the
8 need for crisis intervention or hospital evaluation due to concerns of potential danger to self, others,
9 or grave disability according to RCW 71.05.

10
11 Emerging Best Practice or Promising Practice means a practice that presents, based on preliminary
12 information, potential for becoming a research-based or consensus-based practice.

13
14 Enrollee means a Medicaid recipient who is currently enrolled in a PIHP.

15
16 Evaluation and Treatment (E&T) Facility means a facility which can provide directly, or by direct
17 arrangement with other public or private agencies, emergency E&T, outpatient care, timely and
18 appropriate inpatient care to persons suffering from a behavioral health disorder and is certified as
19 such by DSHS.

20
21 Evidence-based Practice means a program or practice that has had multiple sites and random
22 controlled trials across heterogeneous populations demonstrating the program or practice is effective
23 for the population.

24
25 Fair Hearing means a hearing before Washington State Office of Administrative Hearings.

26
27 Family means:

- 28
29 1. For adults, those the individual defines as family (i.e., guardians, siblings, caregivers and
30 significant others);
31 2. For children, a child's biological parents, adoptive parents, foster parents, guardian, or legal
32 custodian authorized pursuant to RCW Title 26, a relative with whom a child has been
33 placed by DSHS or Tribe.

34
35 Fraud means an intentional deception or misrepresentation made by a person with the knowledge
36 the deception could result in some unauthorized benefit to self or some other person. It includes any
37 act that constitutes fraud under applicable Federal or State law.

38
39 Full-Time Equivalent (FTE) is the term used to define number of full-time staff. One FTE shall be
40 defined as 40 hours' work per week.

41

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

- 2
- 3 1. Island County
- 4 2. San Juan County
- 5 3. Skagit County
- 6 4. Snohomish County
- 7 5. Whatcom County
- 8

9 Global Appraisal of Individual Needs - Short Screener (GAIN-SS) means a tool used for conducting an
10 integrated comprehensive screening of SUD and behavioral health issues.

11

12 Grievance means an expression of dissatisfaction about any matter other than an action. Possible
13 subjects for Grievances include, but are not limited to, the quality of care or services provided, and
14 aspects of interpersonal relationships such as rudeness of a provider or employee, or failure to
15 respect the Enrollee's rights (42 CFR 438.400(b)).

16

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

- 20
- 21 1. A Grievance Process;
- 22 2. Access to the Departments Administrative Fair Hearing process:
 - 23
 - 24 a. Grievance means any expression of dissatisfaction made by or on behalf of an
25 individual and referred to the agency or behavioral health organization (BHO), as
26 applicable, for resolution.
 - 27 b. Grievance Process is one of the processes included in the grievance system that
28 allows an individual to express concern or dissatisfaction about a behavioral health
29 service.
 - 30

31 Health Insurance Portability and Accountability Act (HIPAA) of 1996 is codified in 42 USC §1320(d)
32 et.seq. and 45 CFR Parts 160, 162 and 164.

33

34 In Need of Assisted Outpatient Treatment means that an Individual, as the result of a behavioral
35 health disorder, meets the criteria for an Assisted Outpatient Treatment order as per the criteria in
36 RCW 71.05.020(21).

37

38 Individual means a person who applies for, is eligible for, or receives BHO-authorized behavioral
39 health services from an agency listed by the Department as a BHA. In the case of a minor, the
40 Individual's parent or, if applicable, the individual's custodial parent.

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

6
7 Individual Using Intravenous Drugs means a person who has used a needle to illicitly inject drugs one
8 or more times.

9
10 Individual Voice means indicators of ownership in and involvement with planning his/her own
11 supports and services. In individualized plans, voice is best indicated by the use of self-identified
12 goals.

13
14 In-Residence Census (IRC) means the in-residence census of all voluntary and involuntary individuals,
15 regardless of where in the State hospital they are housed. Individuals who are committed to the
16 State hospital under RCW 10.77 are not included in the IRC. Individuals who are committed by
17 municipal or district court judges after failed competency restoration are considered committed
18 under RCW 10.77 until a petition for 90-day civil commitment under RCW 71.05 has been filed in
19 court.

20
21 Involuntary Treatment Act - Substance Use Disorder (ITA-SUD) allows for Individuals to be committed
22 by a court order to an approved treatment program for a limited period of time. Involuntary civil
23 commitments are meant to provide for the treatment of Individuals with a SUD and who may be
24 either gravely disabled or pose a danger to themselves or others, and who refuse, or are unable to
25 enter treatment on their own. Individuals can be committed for a period of 60 days unless sooner
26 discharged if it has been determined that the likelihood of harm no longer exists or treatment is no
27 longer adequate or appropriate per ASAM criteria, or incapacity no longer exists. A petition for
28 recommitment can be filed for an additional period of up to 90 days (RCW 70.96A.140).

29
30 Juvenile Drug Court means a court that has special calendars or dockets designed to achieve a
31 reduction in recidivism and substance abuse among nonviolent, substance abusing felony and non-
32 felony juvenile offenders by increasing their likelihood for successful rehabilitation through early,
33 continuous, and intense judicially supervised treatment; mandatory periodic drug testing; and the use
34 of appropriate sanctions and other rehabilitation services.

35
36 Large Rural Area means areas with a population density of less than 20 people per square mile.

37
38 Level of Care Guidelines means the criteria the BHO uses in determining the scope, duration and
39 intensity of services to be provided.

40
41 Less Restrictive Alternative Treatment describes the minimum services that all individuals who are
42 under a less restrictive order must be offered as per RCW 71.05.585.

1 Local Funds Eligible for Match means sources of revenue that are eligible to be used as Federal match
2 are broad based taxes at the county or other local taxing authority level that are spent and have been
3 certified by the local authority as public funds for behavioral health services allowable under this
4 Contract. Funds used for Federal match under this Contract may not be used as match for any other
5 Federal program. It can be local funds that have not been previously matched with Federal funds at
6 any point. Local funds do not include donations.
7

8 Low-Income Individual means an Individual whose gross household monthly income is at or below
9 220% of the Federal Poverty Guidelines.
10

11 Management information system (MIS) is a system that provides information needed to manage
12 organizations effectively.
13

14 Medical Necessity or Medically Necessary means a requested service which is reasonably calculated
15 to prevent, diagnose, correct, cure, alleviate or prevent the worsening of conditions in the recipient
16 that; endanger life, cause pain and suffering, result in illness or infirmity, threaten to cause or
17 aggravate a handicap, cause physical deformity or malfunction and there is no other equally effective,
18 more conservative, or substantially less costly course of treatment available or suitable for the person
19 requesting service. "Course of treatment" may include mere observation or, where appropriate, no
20 treatment at all.
21

22 Mental Disorder as defined in RCW 71.34.020(12) for children and RCW 71.05.020(2) for adults.
23

24 Mental Health Care Provider (MHCP) means the individual with primary responsibility for
25 implementing an individualized plan for behavioral health rehabilitation services. Minimum
26 qualifications are B.A. level in a related field or A.A. level with two (2) years' experience in the
27 behavioral health or related fields.
28

29 2 CFR 200.330 means subrecipient and subcontractor determinations.
30

31 2 CFR 200.501 means audits of States, local governments and non-profit organizations.
32

33 Opiate Substitution Treatment Services (OST) means provision of treatment services and medication
34 management to individuals addicted to opiates.
35

36 Outcome means the results of a service period of treatment. The extents to which services are
37 provided to individuals experiencing emotional and behavioral disorders have a positive or negative
38 effect on their well-being, circumstances and capacity for self-management and recovery.
39

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 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 (5) 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 Performance Indicator(s) means system level information on the types of service to individuals, the
21 duration and intensity of services, staffing patterns and fiscal viability.

22

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

27

28 Post Stabilization Services means covered services, related to an emergency medical condition that
29 are provided after an Individual is stabilized in order to maintain the stabilized condition, or, under
30 the circumstances described in 42 CFR 438.114(e) to improve or resolve the Individual's condition.

31

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

- 33
- 34 1. Women who are pregnant;
- 35 2. Women who are postpartum during the first year after pregnancy completion regardless of
36 the outcome of the pregnancy or placement of children;
- 37 3. Women who are parenting children under the age of six (6), including those attempting to
38 gain custody of children supervised by DSHS, Division of Children and Family Services (DCFS).
- 39

1 Prepaid Inpatient Health Plan (PIHP) means an entity that provides or arranges for:
2

- 3 1. Behavioral health services to enrollees under contract with the state on the basis of prepaid
4 capitation payments, or other payment arrangements that don't use state plan payment
5 rates;
- 6 2. Provides, arranges for, or otherwise has responsibility for the provision of any inpatient
7 hospital or institutional services for its enrollees; or
- 8 3. Does not have a comprehensive risk contract.
9

10 Publish means an officially sanctioned document provided by North Sound BHO/DSHS Internet or
11 Intranet websites for downloading, reading, or printing. Contractor shall be notified in writing or by
12 e-mail when a document meets these criteria.
13

14 Quality Assurance means a focus on compliance to minimum requirements (i.e., rules, regulations
15 and contract terms), as well as, reasonably expected levels of performance, quality and practice.
16

17 Quality Improvement means a focus on activities to improve performance above minimum
18 standards/reasonably expected levels of performance, quality and practice.
19

20 Quality Management/Strategy means an overarching system and/or process whereby quality
21 assurance and quality improvement activities are incorporated and infused into all aspects of an
22 organization's or system's operations.
23

24 Recovery means the processes by which people are able to live, work, learn and participate fully in
25 their communities.
26

27 Reduction means the decision by a PIHP to decrease a previously authorized covered Medicaid
28 behavioral health service described in the Level of Care Guidelines. The clinical decision by a
29 BHA/CMHA to decrease or change a covered service in an Individualized Service Plan (ISP) is not a
30 reduction.
31

32 Region is known as North Sound BHO. This region is comprised of five counties: Island, San Juan,
33 Skagit, Snohomish and Whatcom.
34

35 Rehabilitation means to restore to customary activity through education, skill building and therapy.
36 Increase independence and ability to participate in life meaning activities.
37

38 Reserve Accounts means an allocation of fund balance at the BHO set aside for a specific purpose by
39 the North Sound BHO County Authorities Executive Committee or local legislative authority.
40

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

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

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

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

10
11 Screening means initial face-to-face or telephone interview to assess immediate behavioral health
12 needs of a client for referral and/or treatment per Healthcare Procedural Coding System (HCPCS).
13 Depending upon level of need, a full multi-axial assessment frequently follows screening.

14
15 Subcontract means any written Contract between Contractor and subcontractor or between
16 Contractor, subcontractor and another subcontractor to provide services or activities otherwise
17 performed under this Contract.

18
19 Subcontractor means an individual or entity performing all or part of the services under this Contract
20 under a separate contract with Contractor or its subcontractors.

21
22 Substance Use Disorder (SUD) means a problematic pattern of alcohol/drug use leading to clinically
23 significant impairment or distress as categorized in the DSM 5.

24
25 Substance Use Disorder Treatment Agency (SUDTA) means an Agency that is licensed by the State of
26 Washington to provide SUD Treatment Services and subcontracted to provide services covered under
27 this Contract.

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

33
34 Termination means the decision by a PIHP or their formal designee, to stop previously authorized
35 covered by Medicaid behavioral health services described in their Level of Care Guidelines. The
36 clinical decision by a CMHA to stop or change a covered service in the ISP is not a termination.

37
38 Title 42 is the CFR Public Health Service.

39
40 Title XIX is grants with states for Medical Assistance Program.

41
42 Title XIX Eligible Month means a calendar month in which an individual is eligible for the Title XIX
43 program for any part of the month.

1 Title XXI is the State Children’s Health Insurance Program.
2
3 Transition Youth means a person age 17-20.
4
5 Tribal Behavioral Health Program means a behavioral health program that is overseen by a Federally
6 Recognized Tribe within Washington State, or overseen by a Recognized American Indian
7 Organization within Washington State.
8
9 Tribal Coordination of Implementation of Service Plan (formerly 7.01 Plan) is North Sound BHO’s
10 County Authorities Executive Committee approved plan, which outlines North Sound BHO’s
11 commitment to planning and service delivery for American Indian governments and communities.
12
13 Underserved means persons who are minorities, children, elderly, disabled and low-income (see WAC
14 388-865-0150).
15
16 Urban Area means areas that have a population density of at least 500 people per square mile.
17
18 Urgent Care means a service to be provided to persons approaching a behavioral health crisis. If
19 services are not received within 24 hours of the request, the person’s situation is likely to deteriorate
20 to the point that emergent care is necessary.
21
22 Utilization Management Services means to provide independent utilization management process that
23 monitors provider network to ensure services provided are sufficient, but not excessive, which are
24 predicated on the individual needs of the recipient with respect to that person’s age, culture,
25 language and abilities.
26
27 Waiver means a document by which DSHS/DBHR requests sections of the Social Security ACT be
28 waived in order to operate a capitated managed-care system to provide services to enrolled
29 recipients. Section 1915(b) of the Act, authorizes the Secretary to waive the requirements of sections
30 1902 of the Act to the extent he or she finds proposed improvements or specified practices in the
31 provision of services under Medicaid to be cost-effective, efficient and consistent with the objectives
32 of the Medicaid program.
33
34 Young Adult means a person age 18-20.
35
36 Youth means a person age 13-16.

1 **B. PERFORMANCE STANDARDS**

2
3 **1. GENERAL OPERATING STANDARDS**

- 4 a. Contractor must ensure that individuals and individuals' families participate in
5 planning activities and participate in the implementation and evaluation of
6 Contractor's clinical functions. Contractors must demonstrate how this
7 requirement is implemented.
- 8 b. Contractor must maintain a written Advance Directive policy and procedure that
9 respects individuals' advance directives for psychiatric and SUD care. Policy and
10 procedures must comply with North Sound BHO's Advance Directive policy and
11 procedure or use North Sound BHO's policy.
- 12 c. Contractor must participate in North Sound BHO and DBHR offered training,
13 consultation and program development when requested, including training on
14 the implementation of Evidence-based Practices, Emerging and Promising
15 Practices.
- 16 d. Contractor shall encourage and promote Dignity and Respect throughout the
17 system of care.
- 18 e. Contractor shall ensure staff incorporates SAMHSA's 10 Components of
19 Recovery, Exhibit R in service delivery.
- 20 f. Contractor shall incorporate Washington State Behavioral Health System
21 Principles and Core Practice Model as guidelines for providing care to children,
22 youth and their families as referenced in Exhibit S.
- 23 g. Contractor shall consult with North Sound BHO on the review of a minimum of
24 two (2) practice guidelines during the contract period and shall adopt and
25 implement the practice guidelines including training impacted staff on the use of
26 the guidelines. In addition, Contractor shall participate in the implementation of
27 a consistent Child and Family Team (CFT) protocol under the timelines and
28 guidance published by DSHS.
- 29 h. Contractor shall make best efforts to provide written or oral notification within
30 15 working days of termination of a MHCP to individuals currently open for
31 services who had received a service from the affected MHCP in the previous 60
32 days. Notification must be verifiable in the medical record at the CMHA.
- 33 i. Contractor must ensure benefits are provided in accordance with North Sound
34 BHO's policies and procedures and are not arbitrarily denied or reduced (i.e.,
35 amount, duration, or scope of a required service) based solely upon the
36 diagnosis, type of behavioral health illness, or the enrollee's behavioral health
37 condition.
- 38 j. Contractor shall provide Customer Service that is friendly, flexible, proactive and
39 responsive to individuals, families and stakeholders. Contractor shall provide a
40 toll-free number for individuals. A local telephone number may also be provided
41 for those individuals within the local calling area.
- 42 k. Contractor shall notify individuals in writing of changes in service, MHCP
43 denials/changes or termination in services in accordance with North Sound BHO
44 policies and procedures.

- 1 l. Contractor shall ensure representative payee services are available for those who
2 need them. When Contractor performs representative payee services, it shall
3 charge no more than the maximum fee allowed by Social Security regulation and
4 shall ensure payee functions are independent from and do not have conflicts of
5 interest with clinical service functions. Contractor shall maintain a list of the
6 names and addresses of all known payee services available in the North Sound
7 region and shall ensure that before initiation of payee services, Contractor will
8 provide individual with the list. The form used by Contractor to enroll the
9 individual in payee services shall require the individual to acknowledge receipt of
10 the list.
- 11 m. Contractor shall collaboratively participate in North Sound BHO’s regional
12 coordination meetings, which currently include North Sound BHO Ad Hoc
13 Regional Integrated Provider, North Sound BHO Quality Management Oversight
14 Committee (QMOC), Regional ICRS Committee and subcommittees and work
15 groups of these committees as necessary.
- 16 n. Contractor shall obtain written consent from an individual in the event a picture
17 or personal story will be used.

18
19 **2. LOCUS/CALOCUS LEVEL OF CARE UTILIZATION SYSTEM**

20 Contractor shall comply with North Sound BHO policy and procedure on
21 LOCUS/CALOCUS.

22
23 Contractor shall ensure all children, adolescents and adults eligible for services are given
24 a complete clinical assessment using LOCUS/CALOCUS tool.

25
26 Contractor shall comply with their North Sound BHO approved LOCUS/CALOCUS Training
27 Plan and strategies identified in efforts toward Inter-rater reliability. Data on Inter-rater
28 reliability shall be submitted to North Sound BHO on a biannual basis. Contractor shall
29 participate in efforts toward regional Inter-rater reliability standards, when requested.

30
31 Contractor shall complete LOCUS/CALOCUS on individuals at levels one (1) and two (2)
32 annually and for level three (3) and above every six (6) months/when there is a
33 significant life change.

34
35 **3. CO-OCCURRING DISORDER SCREENING AND ASSESSMENT**

36 Contractor must maintain the implementation of the integrated, comprehensive
37 screening and assessment process for SUD and mental disorders as required by RCW
38 70.96C.010. Failure to maintain the Screening and Assessment process will result in
39 remedial actions up to and including financial penalties as described in the Remedial
40 Actions section of this Contract.

41
42 The GAIN-SS screening Contractor must attempt to screen all Individuals aged 13 and
43 above through the use of DBHR-provided GAIN-SS during:
44

- 1 a. All new intakes;
- 2 b. The provision of each crisis episode of care including ITA investigations services,
- 3 except when:
- 4
- 5 i. The service results in a referral assessment.
- 6 ii. The service results in an involuntary detention under RCW 71.05, 71.34,
- 7 or 70.96B.
- 8 iii. The contact is by telephone only.;
- 9 iv. The professional conducting the crisis intervention or ITA investigation
- 10 has information that the Individual completed a GAIN-SS screening within
- 11 the previous 12 months.
- 12
- 13 c. GAIN-SS screening must be completed as self-reported by the Individual and
- 14 signed by that Individual on the DBHR-GAIN-SS form. If the Individual refuses to
- 15 complete the GAIN-SS screening or if the clinician determines the Individual is
- 16 unable to complete the screening for any reason this must be documented on
- 17 the DBHR-GAIN-SS form.
- 18 d. The results of the GAIN-SS screening, including refusals and anywhere the
- 19 Individual was unable to complete, must be reported to DBHR through the
- 20 Behavioral Health Data Store.
- 21 e. Contractor must complete a co-occurring mental health and SUD assessment
- 22 consistent with training provided by DBHR and outlined in SAMHSA Publication
- 23 Substance Abuse Treatment For Persons With Co-Occurring Disorders, A
- 24 Treatment Improvement Protocol TIP 42, to determine a quadrant placement for
- 25 the Individual when the Individual scores a two (2) or higher on either of the first
- 26 two scales (ID Screen & ED Screen) and two (2) or higher on the third (SD Screen).
- 27
- 28 i. The assessment is required during the next outpatient treatment planning
- 29 review following the screening and as part of the initial evaluation at free-
- 30 standing, non-hospital, evaluation and treatment facilities.
- 31 ii. The quadrant placements are defined as:
- 32
- 33 1) Less severe mental health disorder/less severe SUD;
- 34 2) More severe mental health disorder/less severe SUD;
- 35 3) Less severe mental health disorder/more severe SUD;
- 36 4) More severe mental health disorder/more severe SUD;
- 37

38 DBHR provided Global Appraisal of Individual Needs – Short Screener (GAIN-SS) during:

- 39
- 40 a. All new intakes;
- 41 b. The provision of each crisis episode of care including ITA investigations services,
- 42 except when:
- 43

- i. Service results in a referral for an intake assessment.
- ii. Service results in an involuntary detention under RCW 71.05 or 71.34.
- iii. Contact is by telephone only.
- iv. Professional conducting the crisis intervention or ITA investigation has information the individual completed a GAIN-SS screening within the previous 12 months.

4. MEDICAL NECESSITY AND SECOND OPINION

Contractor shall make the determination of medical necessity. Contractor shall ensure individuals have the right to a second opinion in accordance with North Sound BHO's policy and procedure. Contractor shall develop specific written procedures consistent with North Sound BHO's policy or use North Sound BHO's policy and notify North Sound BHO of any individual seeking a second opinion. Contractor shall be responsible for arranging and monitoring all second opinion services under this Contract.

5. OUTPATIENT INITIAL AUTHORIZATION and CONTINUED SERVICE AUTHORIZATION

In accordance with North Sound BHO's operating policies:

- a. When an individual meets the criteria set out in policy and procedure and within available resources they will be authorized for limited outpatient services by North Sound BHO.
- b. North Sound BHO shall notify Contractor in writing of those authorized to receive Contractor services and will provide contact person(s) for purposes of North Sound BHO service authorization. Contractor shall appoint a contact person to receive authorization notification.
- c. 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.
- d. If Contractor believes criteria are not met, Contractor will send North Sound BHO clinical information necessary to allow North Sound BHO to make determination of clinical eligibility.
- e. 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 his/her rights to file a grievance.

6. SPECIALIZED OUTPATIENT/RESIDENTIAL CONTINUED SERVICE APPROVAL AND CONTINUED SERVICE AUTHORIZATION

In accordance with North Sound BHO's operating policies:

- a. Authorization for Program for Assertive Community Treatment (PACT) shall be the responsibility of the Team Leader and North Sound BHO; any dispute will be mediated by North Sound BHO's Medical Director.

- 1 b. Authorization for specialty out-of-network services will be authorized and paid
2 for by Contractor. North Sound BHO shall authorize and pay for specialty out of
3 network services outside the State of Washington and in other limited situations
4 authorized by North Sound BHO. The arrangement and monitoring of all said
5 services will be the responsibility of Contractor. Contractor shall coordinate and
6 provide updates to North Sound BHO upon request.
7

8 **7. INTENSIVE OUTPATIENT TREATMENT-ADULT**

9 Authorization and payment for specialty out-of-network services will be authorized and
10 paid for by Contractor. With the exception of out-of-network residential and/or services
11 that exceed North Sound BHO Fee for Service standard rates, in these instances,
12 Contractor shall have pre-approval from North Sound BHO Care Coordinator prior into
13 entering into a Contract for out-of-network specialty services.
14

15 North Sound BHO shall authorize and pay for specialty out-of-network services outside
16 the State of Washington and in other limited situations authorized by North Sound BHO.
17 The arrangement and monitoring of all said services will be the responsibility of
18 Contractor. Contractor shall coordinate and provide updates to North Sound BHO upon
19 request.
20

21 **8. QUALITY CLINICAL CARE, TIMELY ACCESS, INTAKE EVALUATIONS AND INDIVIDUALIZED**
22 **RESILIENCY/RECOVERY SERVICE PLANS (IRSP)**

23 In addition to requirements listed elsewhere in the contract, North Sound BHO policy
24 and procedures and within available resources, Contractor shall:
25

- 26 a. Provide individuals access to services based on the individual's needs and
27 medical necessity within available resources per North Sound BHO's policies and
28 procedures;
29 b. Ensure medically necessary services are not contingent upon full completion of
30 intake evaluations;
31 c. Ensure:
32 i. A face-to-face intake assessment by a Mental Health Professional (MHP)
33 is offered within 10 working days of the completed request for services.
34 ii. Contractor must at a minimum offer a SUD assessment by a CDP/CDPT
35 within 10 business days of an Enrollee request.
36 iii. Contractor must not refer a Washington Apple Health Enrollee to the
37 Enrollee's Apple Health managed care plan for mental health services if
38 the Enrollee is determined to be eligible based on medical necessity and
39 the Access to Care Standards that now include qualifying substance use
40 diagnoses and the ASAM Criteria.
41
42

- iv. The ability to provide an intake evaluation and provide services to individuals in their residence, including adult family homes, assisted living facilities, or skilled nursing facilities, including individuals being discharged from a State hospital or E&T facilities to such placements when the individual requires an on-site service due to medical needs or lack of transportation.
 - v. Co-occurring screening and assessment is initiated and completed in compliance with North Sound BHO Co-occurring Screening and Assessment Policy and Procedure.
 - vi. Routine behavioral health services are offered to occur within 14 calendar days of a determination of eligibility. An extension is possible on request by the individual. A total of 28 calendar days from the initial request for services until the first routine appointment is offered is the expected period of time.
 - vii. Emergent care occurs within two (2) hours.
 - viii. Urgent care occurs within 24 hours from the request for services.
 - ix. When services occur in BHA/CMHA's office, wait time does not exceed one (1) hour beyond the time of the scheduled appointment.
 - x. An appointment is offered to each individual for a face-to-face contact within seven (7) days of discharge from community inpatient care.
 - xi. Data/reports will be available to substantiate compliance with the above requirements as requested by North Sound BHO.
- d. Ensure prior authorization is not required for emergency services;
- e. Access to services in accordance with WAC 388-865-0415 and 388-877-0420, Contractor must document and otherwise ensure eligible individuals have access to age and culturally competent services when and where those services are needed. They must:
- i. Identify and reduce barriers to people getting the services where and when they need them;
 - ii. Comply with Americans with Disabilities Act (ADA) and Washington State Antidiscrimination Act, chapter 49.60 RCW;
 - iii. Ensure services are timely, appropriate and sensitive to the age, culture, language, gender and physical condition of the individual;
 - iv. Provide alternative service delivery models to make services available to underserved persons as defined in WAC 388-865-0150 and 388-877-0420;
 - v. Provide access to telecommunication devices or services and certified interpreters for deaf or hearing-impaired individuals and limited English proficient individuals;
 - vi. Bring services to the individual or locate services at sites where transportation is available to individuals; and
 - vii. Ensure compliance with all Federal and State nondiscrimination laws, rules and plans.

1 f. IRSP – In accordance with WAC 388-865-0425 and 388-877-620, Contractor must
2 provide individuals with a plan, herein referenced IRSP that meets the
3 individual’s unique needs. Individualized and tailored care is a planning process
4 that may be used to develop a person-centered, strength-based, IRSP. The IRSP
5 must:
6

- 7 i. Be developed collaboratively with the individual and other people
8 identified by the individual within 30 days of starting community support
9 services. The IRSP should be in language and terminology that is
10 understandable to individuals and their family and include goals that are
11 measurable.
- 12 ii. Be actively involved in the development of their individualized IRSP,
13 advance directives for psychiatric care and crisis plans
- 14 iii. At a minimum, treatment goals must include the words of the individual
15 receiving services and documentation must be included in the clinical
16 record, as part of the 180-day progress review, describing how the
17 individual sees their progress. Contractor must be able to demonstrate
18 how this requirement is implemented and monitored.
- 19 iv. Identify medical concerns and plans to address them.
- 20 v. Address age, cultural, or disability issues of the individual.
- 21 vi. Include measurable goals for progress toward rehabilitation, recovery and
22 reintegration into the mainstream of social, employment and educational
23 choices involving other systems when appropriate.
- 24 vii. Address the overall identified needs of the individual, including those that
25 are best met by another service delivery system, such as education,
26 primary medical care, child welfare, drug and alcohol, developmental
27 disabilities, aging and adult services, corrections and juvenile justice as
28 appropriate. Contractor must ensure there is coordination with the other
29 service delivery systems responsible to meeting the identified needs.
- 30 viii. Demonstrate the provider has worked with the individual and others at
31 the individual's request to determine needs in the following life domains:
32

- 33 1) Housing;
- 34 2) Food;
- 35 3) Income;
- 36 4) Health and dental care;
- 37 5) Transportation;
- 38 6) Work, school, or other daily activities;
- 39 7) Social life; and
- 40 8) Referral services and assistance in obtaining supportive services
41 appropriate to treatment, such as substance abuse.
42

- g. Document review by person developing the plan and the individual. If the person developing the plan is not a Mental Health Professional (MHP), the plan must also document review by an MHP. If the person developing the plan is not a Mental Health Specialist (MHS) required per WAC 388-865-405(5) and 388-877-0620, there must also be documented consultation with the appropriate MHS.
- h. Document review and update at least every 180 days or more often at the request of the individual.
- i. In the case of children:
 - i. The IRSP must be integrated with individual education plan from the education system whenever possible. When not possible, documentation must demonstrate attempts of integration and communication with the education system.
 - ii. If the child is under three, the plan must be integrated with the Individualized Family Service Plan (IFSP) if this exists, consistent with Title 20, Section 1436.

9. TRANSITION AGE YOUTH

Contractor shall maintain a process for addressing the needs of transition age youth (ages 17-20). 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 a transition age 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. Youth who require continued services in the adult behavioral health system and 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.

10. ALLIED SYSTEMS COORDINATION

Contractor must comply with and at the request of North Sound BHO participate in the identification and development of Allied System Coordination plans. North Sound BHO's coordination plans with allied systems includes, but is not limited to, Western State Hospital (WSH), Children's Administration (CA), Aging and Disabilities Services Administration (ADSA), Department of Alcohol and Substance Abuse (DASA), Criminal Justice System, Educational Service District (ESD), Federally Qualified Health Centers (FQHC), Juvenile Rehabilitation Administration (JRA), Community Integration Assistance Program (CIAP), Healthy Options Plans, Community Health Centers and Department of Vocational Rehabilitation (DVR). The coordination plans are intended to enable coordination of services and appropriate management of care for individuals.

1 Contractor shall comply with published directives from DBHR when North Sound BHO,
2 Contractor, or its subcontractors are unable to resolve local disputes with other service
3 systems (Apple Health, other DSHS administrations as provided by DBHR) regarding
4 service or cost responsibilities.
5

6 **11. PRIMARY CARE COORDINATION**

7 Contractor must ensure that individuals with complex medical needs, who have no
8 assigned Primary Care Provider (PCP), are assisted in obtaining a PCP. For individuals
9 who already have a PCP, Contractor must coordinate care as needed. Contractor must
10 also ensure that coordination for those with complex medical needs is tracked through
11 the treatment plan and progress notes.
12

13 **12. SUBSTANCE USE DISORDER SERVICE TRANSITION**

14 Contractor shall ensure all individuals in SUD services remain in a course of treatment
15 that began prior to April 1, 2016 for up to 60 days or based on ASAM criteria as follows:
16

- 17 a. The course of treatment is complete; or
- 18 b. Contractor evaluates the individual and determines that services are no longer
19 necessary; or
- 20 c. Contractor determines that a different course of treatment is indicated.
21

22 **13. CRISIS SERVICES COORDINATION AND COOPERATION**

23 Contractor shall coordinate and cooperate with providers in North Sound BHO's crisis
24 service network to ensure the continuity of care.
25

26 Contractor shall develop protocols in collaboration with regional crisis service providers
27 and North Sound BHO to utilize the Wraparound Team in the prevention and
28 intervention with children/adolescents and families being served by a Wraparound
29 team.
30

31 **14. DISASTER RESPONSE**

32 Contractor must participate in all disaster preparedness activities and respond to
33 emergency/disaster events (i.e., natural disasters, acts of terrorism) when requested by
34 DBHR. Contractor must:
35

- 36 a. Attend DBHR sponsored training regarding the role of the public behavioral
37 health system in disaster preparedness and response;
- 38 b. Participate in local emergency/disaster planning activities when county
39 Emergency Operation Centers and local public health jurisdictions request
40 collaboration;
- 41 c. Provide disaster outreach as defined in Section A, Definition of Terms;
- 42 d. Conduct post-disaster outreach to determine the need for disaster related crisis
43 counseling and assess the availability of local resources in meeting those needs;

- e. Provide the name and contact information to North Sound BHO for person(s) coordinating Contractor's disaster/emergency preparedness and response upon request;
- f. Provide information and preliminary disaster response plans to North Sound BHO within seven (7) days of a disaster/emergency or upon request;
- g. Partner in disaster preparedness and response activities with North Sound BHO, DBHR and other DSHS entities, State Emergency Management Division, Federal Emergency Management Agency, American Red Cross and other volunteer organizations. This must include:
 - i. Participation when requested in local and regional disaster planning and preparedness activities.
 - ii. Coordination of disaster outreach activities following an event.

15. CONFIDENTIALITY

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

- a. As provided in North Sound BHO policy and procedure; or
- b. As provided by law;
- c. In the case of personal information, as provided by law or with the prior written consent of the person or personal representative of the person who is the subject of the personal information.

Contractor shall protect and maintain all confidential information gained by reason of this Contract against unauthorized use, access, disclosure, modification, or loss. This duty requires the parties to employ reasonable security measures, which include restricting access to the confidential information by:

- a. Allowing access only to staff that have an authorized business requirement to view confidential information;
- b. Physically securing any computers, documents, or other media containing confidential information.

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

Paper documents with confidential information may be recycled through a contracted firm, provided the contract with the recycler specifies the confidentiality of information will be protected and the information destroyed through the recycling process. Paper documents containing confidential information requiring special handling (i.e., protected health information) must be destroyed through shredding, pulping, or incineration.

1 The compromise or potential compromise of confidential information must be reported
2 to North Sound BHO's Privacy Officer within 5 business days of discovery for breaches of
3 less than 500 persons' protected data and 3 business days of discovery for breaches of
4 over 500 persons' protected data. The parties must also take actions to mitigate the risk
5 of loss and comply with any notification or other requirements imposed by law.
6

7 **16. GRIEVANCE, APPEAL AND FAIR HEARING PROCESSES**

8 Contractor must implement grievance, appeal and fair hearing processes that are in
9 conformance with North Sound BHO policies and procedures.
10

11 Contractor and its subcontractors shall abide by North Sound BHO grievance, appeal and
12 fair hearing determinations. Contractor shall be responsible for paying 100% of all
13 medical director and/or attorney fees incurred by North Sound BHO when an individual
14 goes directly to a fair hearing without utilizing North Sound BHO's grievance processes
15 and when the ruling favors the individual, in accordance with North Sound BHO policies
16 and procedures. In addition, Contractor shall:
17

- 18 a. Implement a grievance process that complies with WAC 388-877A-
19 0420,0440,0450, 388-877-0605 or any successors;
- 20 b. Coordinate with North Sound BHO grievance process and Ombuds Services;
- 21 c. Provide access to interpreter services and toll-free numbers with adequate
22 TTY/TTD and interpreter capability;
- 23 d. Provide assistance to individuals filing a grievance; and
- 24 e. Incorporate concerns from grievances into Contractor services without
25 identifying individuals.
26

27 **17. OMBUDS**

28 Contractor must provide a behavioral health Ombuds as described in WAC 388-865-0250
29 and RCW 71.24. An entity or Subcontractor independent of the BHO Administration
30 must employ the Ombuds and provide for the following:
31

- 32 a. Separation of personnel functions (e.g. hiring, salary and benefits determination,
33 supervision, accountability and performance evaluations);
- 34 b. Independent decision making to include all investigation activities, findings,
35 recommendations and reports.
36

37 **18. INFORMATION REQUIREMENTS**

38 Contractor must provide information to Individuals consistent with WAC 388-877-0650.
39 Contractor must maintain written policy and procedures addressing all information
40 requirements, and must:
41

- 42 a. Provide interpreter services for Individuals who speak a primary language other
43 than English for all interactions between the Individual and Contractor including,
44 but not limited to, customer service, all appointments for any covered service,
45 crisis services and all steps necessary to file a Grievance or Fair Hearing;

- b. Post a multilingual notice in each of the DSHS-prevalent languages, which advises Enrollees that information is available in other languages and how to access this information in each of the DSHS prevalent languages: Cambodian, Chinese, Korean, Laotian, Russian, Somali, Spanish, Vietnamese, Arabic, Amharic, Punjabi, and Ukrainian.
- c. Post a translated copy of the Statement of Individual Participant rights, as detailed in WAC 388-877-0600(1) in each of the DSHS-prevalent languages;
- d. Provide materials in English if the Individual’s primary language is other than English but the Individual can understand English and is willing to receive the materials in English. The individual’s consent to receiving information and materials in English must be documented in the client record.
- e. Provide for Individuals whose primary language is not translated, the requirement may be met by providing the information through audio or video recording in the Individual’s primary language, having an interpreter read the materials in the Individual’s primary language or providing materials in an alternative format that is acceptable to the Individual. If one of these methods is used it must be documented in the client record.
- f. Ensure MHCP’s and CDP/CDPT’s have an effective mechanism to communicate with Individuals with sensory impairments;
- g. Contractor must post a translated copy of the Individual rights as provided by DBHR in each of the DSHS-prevalent languages;
- h. Upon an Individual’s request, Contractor must provide:
 - i. BHA licensure, certification and accreditation status.
 - ii. Information that includes but is not limited to, education, licensure and Board certification or re-certification or registration of MHP’s, MHCPs and CDP/CDPTs.

19. LOCAL RESPONSIVENESS AND COMMUNICATIONS

Contractor shall cooperate with North Sound BHO and Counties in the service area to provide a locally responsive delivery system. Contractor shall provide individuals with referral sources information and education about the referral process, service availability, service population; common symptoms of mental illness and substance use and shall post and make known individual’s rights and responsibilities including grievance, appeal and fair hearing procedures and availability of Ombuds services.

Contractor shall have written policy and procedures that comply with North Sound BHO’s policies on individual’s rights and address the following:

- a. Individual behavioral health rights applicable to non-Medicaid individuals as defined in WAC 388-865-0410 and 388-877-0600;
- b. Oral interpretation services provided free of charge to the individual;
- c. Information that states written materials are available when requested in alternate formats. These materials must be available and easily understood by individuals.

1 Contractor shall post, in a conspicuous place, a translated copy of the individual's rights
2 as listed in the Behavioral Health Benefits Booklet in each of DSHS's prevalent languages.
3 Access to translated copies may be downloaded at:
4 <http://www.dshs.wa.gov/dbhr/pubs.shtml#dbhr>
5

6 **20. CRITICAL INCIDENTS**

7 Contractor and its subcontractors shall comply with North Sound BHO's Critical Incident
8 Reporting Policy and Procedure and any successor regarding critical incidents.
9

10 **21. PERFORMANCE PROJECTS**

11 It is North Sound BHO's expectation that we will meet or exceed all appropriate
12 statewide Performance Improvement Projects (PIP) and Performance Measures (PM).
13 Contractor shall collaborate with the North Sound BHO in identifying and implementing
14 interventions to meet or exceed all measures.
15

16 **22. OUTCOME MEASURES**

17 Contractor shall collaborate with North Sound BHO on identifying and incorporating
18 outcome measurement tools used to measure an individual or group of individual's
19 recovery and improved wellness.
20

21 Contractor shall participate in meetings/workgroups to determine the target population
22 and measurement tool or tools to be used in the region during this contract cycle.
23

24 **23. EVIDENCE-BASED PRACTICES**

25 Contractor will participate with North Sound BHO/DSHS to increase the use of research
26 and evidence-based practices, with particular focus on increasing these practices for
27 children and youth as identified through legislative mandates. This includes:
28

- 29 a. Participation in State-sponsored training in the Trauma-Focused Cognitive
30 Behavioral Therapy (TF-CBT/CBT) and CBT-Plus (TF-CBT/CBT+) evidence-based
31 practices including those for which State subsidy of training costs is not available.
32 Contractor is expected to maintain a workforce trained in TF-CBT/CBT+ sufficient
33 to implement the practice in at least one site within Contractor's service area.
- 34 b. Participation in State-sponsored efforts to ensure that the sites offering the TF-
35 CBT/CBT+ evidence-based practice are operated as trauma-informed systems of
36 care.
- 37 c. Tracking Evidence-Based and research-based practices following guidelines
38 published by the Washington State Institute of Public Policy (WSIPP).
39

40 **24. TRAUMA-INFORMED CARE**

41 A majority of the individuals in behavioral health services have experienced some form
42 of trauma in their history. North Sound BHO, in collaboration with regional Contractors,
43 shall create a trauma-informed system of care.
44

1 Contractor and North Sound BHO shall address the following during the course of this
2 Contract:

- 3
- 4 a. Develop/implement an organizational assessment tool;
- 5 b. Develop/implement a trauma screening tool; and
- 6 c. Provide and participate in regional trauma-informed trainings.
- 7

8 **25. QUALITY MANAGEMENT/STRATEGY**

9 Contractor shall participate with North Sound BHO in the implementation, updates and
10 evaluation of DBHR Quality Strategy located on DBHR website that is hereby
11 incorporated by reference.

12
13 Contractor shall comply with North Sound BHO's QM/Strategy Plan or any successor
14 incorporated herein as Exhibit K.

15
16 Contractor shall ensure its QM activities comply with all applicable law and standards
17 including, but not limited to: WAC 388-865-0280, -0425 and North Sound BHO QM Plan,
18 North Sound BHO Clinical Policies and Procedures or their successors. In addition:

- 19
- 20 a. Contractor shall maintain an ongoing, planned, systematic, organization-wide
21 quality management process to design, measure, analyze and improve its
22 performance, including identification of innovations or best practice.
- 23 b. Contractor quality management plan and process, which shall be reviewed and
24 updated by provider as needed but, at a minimum, every six (6) months, will be
25 audited by North Sound BHO.
- 26 c. Contractor shall ensure Quality Assurance and Quality Improvement data is
27 analyzed, reported and acted upon by its members and affiliates. This shall be
28 demonstrated by written records maintained by Contractor.
- 29

30 Contractor shall present to North Sound BHO in six (6) month cycles, ending April 30th
31 and October 31st, a QM report integrating all QM program activities and data, in order to
32 facilitate North Sound BHO's determination of the effectiveness of the overall regional
33 system of care. This report shall be in a mutually agreed format, due 35 days after the
34 end of the six (6) month cycle, and document the results of Contractor QM plan activities
35 and:

- 36
- 37 a. Identify areas of efficiency and effectiveness of system operations and the
38 quality of care for individuals;
- 39 b. Identify areas of deficiency with plans to achieve expected improvement; and
- 40 c. Status of implementation of all North Sound BHO approved corrective action
41 plans.
- 42

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

2 Contractor shall comply with North Sound BHO policy on care coordination. Contractor
3 shall procure and maintain written Memorandums of Understanding (MOU), when
4 necessary, with outpatient provider(s) to ensure an individual receives medically
5 necessary services.
6

7 At a minimum, the MOU must State the primary agency and methods of communication
8 between agencies to ensure the individual is receiving coordinated care and monitoring.
9

10 MOU will clarify if Contractor and provider disagree about the medical necessity of the
11 outpatient modality, the matter will be brought to North Sound BHO for resolution and
12 North Sound BHO will make the final decision.
13

14 **27. COORDINATION with tribal authorities**

15 If an enrollee is a Tribal Member of a Washington Tribe and is referred to or presents for
16 non-crisis services and the enrollee or their legal representative consents, efforts must
17 be made to notify the Tribal Authority or Recognized American Indians Organizations
18 (RAIO) to assist in treatment planning and service provision for the enrollee. If the
19 enrollee chooses to be served only by Tribal Behavioral Health Services, Contractor will
20 ensure the enrollee is referred to the appropriate Tribal Behavioral Health Service
21 Provider
22

23 **28. DEVELOPMENTAL DISABILITIES ADMINISTRATION (DDA) ENROLLED INDIVIDUALS**

24 Contractor and its subcontractors must respond to requests to provide information and
25 staff to participate in meetings as a part of monitoring reviews for individuals enrolled
26 with DDA, formerly hospitalized at WSH or ESH, currently living in the community.
27

1 **C. CONTRACTOR RESPONSIBILITIES**

2 Contractor shall have responsibility for the performance of this Contract.

3
4 Contractor shall include community and county input into planning and access to services.

5
6 Contractor shall be held fully responsible for the contractual obligations and performance of its
7 subcontractors. In the performance of these functions, Contractor shall maintain written
8 documentation that verifies each specific responsibility under this Contract has been
9 performed.

10
11 **1. BEHAVIORAL HEALTH AGENCY (BHA)**

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

29
30 **2. CAPACITY**

31 Contractor must notify North Sound BHO in writing of any proposed change in capacity.
32 North Sound BHO must approve any change that results in reduced capacity.

- 33
- 34 a. A reduction in capacity is defined as the point in time when Contractor is not able
35 to meet all the access standards as defined in this Contract. Events that may
36 affect capacity include: closing of a facility in any geographic area, decrease in
37 the State plan services currently available, decrease in the number or frequency
38 of services, employee strike or other work stoppage related to union activities, or
39 any change that may result in Contractor being unable to provide services for
40 those enrollees who are covered by this Contract.
- 41 b. Submit a report to North Sound BHO by February 1, 2018, or within 30 days of
42 ratification, with current capacity and submission biannually thereafter.
43 Contractor shall notify North Sound BHO 30 days prior to implementation/public
44 notice when Contractor adds, changes location, or closes a facility and when the

1 number of staff type/specialty changes at any CMHA facility by 5 staff or more.
2 The report shall identify each Contractor facility location/address, number and
3 FTE of individuals providing direct services that are employed or contracted at
4 each location by type/WAC specialty and staff with specialized training/expertise
5 in North Sound BHO identified treatments.

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

30 **3. ACCESS STANDARDS**

- 31 a. Ensure individuals can access medically necessary behavioral health services
32 upon request that do not exceed the access standards specified in North Sound
33 BHO policies. A request for behavioral health services is defined as a point in
34 time in which behavioral health services are sought or applied for through a
35 telephone call, walk-in, or written request for behavioral health services.
- 36 b. Urgent and emergent medically necessary behavioral health services (i.e., crisis
37 behavioral health services, stabilization behavioral health services) may be
38 accessed without full completion of intake evaluations/other screening and
39 assessment processes. Contractor must ensure:
 - 40 i. Urgent care occurs within 24 hours of the request for behavioral health
41 services from any source;
 - 42 ii. Emergent behavioral health care occurs within two (2) hours of the
43 request for behavioral health services from any source.

- c. Contractor shall demonstrate its performance of this function by maintenance of written records that show routine review and discussion of access standard issues by Contractor staff.
- d. Special Populations – Contractor must ensure that Individuals who self-identify as having specialized cultural, ethnic, linguistic, disability, or age-related needs have those needs addressed.

4. DISTANCE STANDARDS

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

5. RURAL ACCESS

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

Contractor shall enter the address of service for each encounter submitted through North Sound BHO’s Consumer Information System (CIS).

6. STAFF COMPETENCY AND TRAINING

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

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

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

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

1 **7. PEER EMPLOYMENT**

2 North Sound BHO is promoting the increase of Peer counselor/parent partner
3 employment throughout the North Sound Region. Peer Counselors with lived
4 experience have the ability to provide a unique perspective and holistic approach to
5 recovery. Their experience in managing symptoms and expertise in recovery strategies
6 will provide individuals an opportunity to benefit from their experience.
7

8 As part of the regional strategy of increasing Peer support throughout the region,
9 Contractor shall work in partnership with North Sound BHO in the development of a
10 Peer workforce. North Sound BHO shall sponsor ongoing Peer Counselor training and
11 continued education opportunities for Certified Peer Counselors. Contractor shall work
12 with North Sound BHO to identify needs within the workforce and identify individuals
13 that are work ready and interested in becoming a Certified Peer Counselor.
14

15 Contractor shall actively promote Peer counselor training in coordination with North
16 Sound BHO. Contractor shall offer pre-employment opportunities, such as volunteering,
17 internships, on site observation and formal/informal introductory meetings with
18 prospective Peer Counselors.
19

20 Contractor shall work with North Sound BHO to increase regional Peer service
21 encounters by 2% over the contract period.
22

23 **8. PEER SUPPORT/CENTER**

24 Contractor shall provide a safe, supportive and welcoming recovery oriented community
25 where adults with mental illness can:
26

- 27 a. Gain confidence and learn social and vocational skills;
- 28 b. Pursue their own recovery in collaboration with Peers, advocates, staff, friends
29 and neighbors; and
- 30 c. Educate the broader community and raise awareness about mental illness
31 rehabilitative Peer Center settings to individuals, regardless of Medicaid
32 eligibility.
33

34 Contractor shall ensure the Peer Center offers Peer run groups (Co-occurring groups,
35 Wellness Recovery Action Plan (WRAP) groups, men's and women's programs, and any
36 other that members/participants desire). Other social activities shall also be offered.
37

38 At a minimum, the following shall be available to members/participants:
39

- 40 a. Maintain a daily log identifying unduplicated members/participants, including
41 number of daily visits and submit to North Sound BHO as requested;
- 42 b. Provide Peer Services delivered by Certified Peer Counselors/non-Certified Peer
43 advocates;
- 44 c. Promote socialization, recovery, self-advocacy, development of natural supports
45 and maintenance of community living skills;
- 46 d. Gear services toward members or participants with severe and persistent mental
47 illness;

- e. Offer staff training quarterly on topics identified and requested by staff, including Peer Counselors and Advocates;
- f. Administer quarterly survey questionnaire during peak hours of operation in order to survey as many Peer participants as possible;
- g. Ensure 60% of FTE positions are Peer Counselors/Advocates;
- h. Offer evening hours, unless Advisory Board and participants choose not to include evening hours in the operation; ensure documentation verifying the decision process;
- i. Involve Peers in all aspects of center operation; document and verify involvement;
- j. Offer employment/education groups to include, but not limited to, benefit counseling, accessing benefits and job clubs;
- k. Provide computers for use by participants/members;
- l. Ensure community stakeholder participation on Advisory Board, stakeholders providing in-house presentations and Peers conducting outreach to stakeholders;
- m. Actively recruit community business representatives to the Advisory Board; and
- n. Develop and implement a sustainable financial development plan.

Contractor shall design the Peer Center to facilitate recovery, be supportive.

Develop and implement a sustainable financial development plan.

9. RESOURCE AND UTILIZATION MANAGEMENT ACTIVITIES

Contractor shall conduct resource and utilization management activities as requested by North Sound BHO after discussion between Contractor and North Sound BHO to ensure that such activities are reasonable and cost-effective. Such activities will include planning and reporting in a manner that will allow North Sound BHO to ensure that its over and under-utilization management obligations are met.

10. MANAGEMENT INFORMATION SYSTEM

Contractor shall:

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

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

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11. MEDICAID ELIGIBILITY

Contractor shall verify an individual’s Medicaid eligibility at each appointment. For individuals not currently enrolled in Medicaid, Contractor shall refer individuals to the designated in-person assistor agency in their catchment area. Contractor shall act in accordance with North Sound BHO policy on eligibility verification herein incorporated by reference.

12. NORTH SOUND BHO AND DBHR REVIEW ACTIVITIES

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

13. DELIVERABLES, PLANS AND REPORTS

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

If this Contract requires a report or other Deliverable that contains information that is duplicative or overlaps a requirement of another Contract between the parties, Contractor may provide one (1) report or Deliverable that contains the information required by both Contracts.

14. BUSINESS ASSOCIATES AGREEMENT

Contractor shall abide by the provisions of North Sound BHO’s and Contractor’s Business Associates Agreement, Exhibit N.

1 **D. FINANCIAL TERMS AND CONDITIONS**

2
3 **1. GENERAL FISCAL ASSURANCES**

4 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 Contractor shall:

- 14
- 15 a. Limit Administration costs to no more than 15% of the annual revenue
16 supporting the public behavioral health system operated by Contractor.
17 Administration costs shall be measured on a fiscal year basis and based on the
18 information reported in the Revenue and Expenditure reports and reviewed by
19 North Sound BHO.
 - 20 b. Establish and maintain operating reserves at prudent levels sufficient to ensure
21 Contractor has the ability to pay for all expenses incurred during this Contract
22 period, including those whose disposition occurs after the Contract has been
23 terminated and to cover the risk of financial loss resulting in the event the cost of
24 providing services pursuant to this Contract exceeds the revenues derived
25 therefrom;
 - 26 c. Ensure all funds, including interest earned, provided pursuant to this Contract
27 are used to support the public behavioral health system within the service area;
 - 28 d. Reimburse within 60 calendar days subcontractors and any crisis service
29 providers accessed by individuals while out-of-the-state;
 - 30 e. Produce annual audited financial statements upon completion and make such
31 reports available to North Sound BHO upon request.
- 32

33 **3. FINANCIAL REPORTING**

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

- 35
- 36 a. Report Contractor and subcontract revenue and expenditure information to
37 North Sound BHO on a biannual basis. Reports must comply with the provisions
38 in the BARS Supplemental Instructions for Behavioral Health Services
39 promulgated by Washington State Auditor's Office. Reports are due within 30
40 days of the quarter end (quarters ending in December and June of each year).
 - 41 b. Contractor shall participate in North Sound BHO/DBHR Unit Cost Surveys and
42 Actuarial Studies, when required by North Sound BHO/DBHR.
- 43

1 **4. COUNTY FUNDING**

2 Funds received by Contractor from any one or more of the service area counties
3 specifically for the purpose of providing services to individual county programs during
4 the term of this Contract are not intended to reduce or supplant funds provided under
5 this Contract. County funds shall be used as additional funds in furnishing those
6 additional local services for which such county funds were provided.
7

8 **5. RULES COMPLIANCE**

9 Contractor shall:

- 10
- 11 a. Have a sliding fee scale which is posted and accessible to staff and service
12 recipients and does not require payment from service recipients with income
13 levels equal to or below the grant standards for the general assistance program
14 of the State of Washington;
 - 15 b. Submit the amount spent throughout the service area on specific items at the
16 request of North Sound BHO, Centers for Medicare and Medicaid Services (CMS),
17 legislature, or DSHS in the timeframe specified;
 - 18 c. Account for public behavioral health expenditures under this Contract in
19 accordance with 2 CFR 200 and State requirements in accordance with BARS
20 Manual and BARS Supplemental Instructions or any successor;
 - 21 d. Limit administration costs incurred by Contractor and all subcontractors to no
22 more than 15% of the consideration provided under this contract in any State
23 fiscal year. Administration costs must be measured on a State fiscal year basis
24 according to the reported information submitted by Contractor in its Revenue
25 and Expenditure reports (Exhibit O) and reviewed by North Sound BHO.
26

27 **6. LIABILITY FOR PAYMENT AND THE PURSUIT OF THIRD-PARTY REVENUE**

28 Contractor shall be responsible for developing financial processes that enable them to
29 reasonably ensure all third-party resources available to individuals are identified and
30 pursued in accordance with the reasonable collection practices which Contractor's apply
31 to all other payers for services covered under this Contract. North Sound BHO shall
32 actively provide Contractor support in the pursuit of third-party payments for all services
33 including crisis services.
34

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

1 **7. FRAUD AND ABUSE**

2 Fraud means an intentional deception or misrepresentation made by a person with the
3 knowledge that the deception could result in some unauthorized benefit to himself or
4 some other person and includes any act that constitutes fraud under applicable Federal
5 or State law. Abuse means provider actions that are inconsistent with sound fiscal,
6 business, or medical practices and result in an unnecessary cost to the Medicaid
7 program or reimbursement for services that are not Medically Necessary or fail to meet
8 professionally recognized standards for health care. Contractor shall do the following to
9 guard against Fraud and Abuse:

- 10
- 11 a. Create and maintain a mandatory compliance plan that includes provisions to
 - 12 educate staff and providers of the False Claims Act (31 U.S.C. 3729-3733) and
 - 13 whistle blower protection;
 - 14 b. Develop written policies, procedures and standards of conduct that articulates
 - 15 Contractor’s commitment to comply with all applicable Federal and State
 - 16 standards;
 - 17 c. Designate a compliance officer and a compliance committee that is accountable
 - 18 to senior management;
 - 19 d. Provide effective ongoing training and education for the compliance officer,
 - 20 Contractor staff, and selected staff of the BHAs;
 - 21 e. Facilitate effective communication between the compliance officer, Contractor’s
 - 22 employees, and Contractor’s network of BHAs;
 - 23 f. Enforce standards through well-publicized disciplinary guidelines;
 - 24 g. Conduct internal monitoring and auditing;
 - 25 h. Respond promptly to detected offense and develop corrective action initiatives;
 - 26 i. Report fraud and/or abuse information to North Sound BHO as soon as it is
 - 27 discovered, including the source of the grievance, the involved BHA, nature of
 - 28 fraud or abuse grievance, approximate dollars involved and the legal and
 - 29 administrative disposition of the case.

30

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

32

33 Compliance Officer
34 301 Valley Mall Way, Suite 110
35 Mount. Vernon, WA 98273-5462
36 360.416.7013
37 1.800.684.3555
38 Compliance_officer@northsoundbho.org

39

40 **8. INDIVIDUAL RIGHTS AND PROTECTIONS**

41 Contractor and subcontractors must comply with any applicable Federal and State laws
42 that pertain to individual rights and require that its staff takes those rights into account
43 when furnishing services to Individuals. Any changes to applicable law must be
44 implemented within 90 calendar days of the effective date of the change.

1 Contractor must require that MHPs, MHCPs and CDP/CDPTs acting within the lawful
2 scope of their practice, and not prohibit or restrict from advising or advocating on behalf
3 of an Enrollee with respect to:
4

- 5 a. The Individual's behavioral health status;
- 6 b. Receiving all information regarding behavioral health treatment options including
7 any alternative or self-administered treatment, in a Culturally Competent
8 manner;
- 9 c. Any information the Enrollee needs in order to decide among all relevant
10 behavioral health treatment options;
- 11 d. Receiving information about the risks, benefits and consequences of behavioral
12 health treatment (including the option of no behavioral health treatment.);
- 13 e. The Individual's right to participate in decisions regarding his or her behavioral
14 health care, including the right to refuse behavioral health treatment and the
15 express preferences about future treatment decisions;
- 16 f. The Individual's right to be treated with respect and with due consideration for
17 his or her dignity and privacy;
- 18 g. The Individual's right to be free from any form of restraint or seclusion used as a
19 means of coercion, discipline, convenience, or retaliation, the Enrollee's right to
20 request and receive a copy of his or her medical records and to request that they
21 be amended or corrected, as specified in 45 CFR 164
- 22 h. Individual's right to be free to exercise his or her rights and to ensure that to do
23 so does not adversely affect the way the BHO, BHA, CDP/CDPT or MHCP treats
24 the Individual;
- 25 i. Contractor must provide or purchase age and linguistically, and Culturally
26 Competent behavioral health services for Individuals.
- 27 j. Individual service plans must be developed in compliance with WAC 388-877-
28 0620.
- 29 k. Contractor must require that Individuals are included in the development of their
30 individualized service plans, advance directives for psychiatric and substance use
31 disorder care and crisis plans.
32
 - 33 i. This must include but not be limited to children and their families (e.g.
34 caregivers and significant others, parents, foster parents,
35 assigned/appointed guardians, siblings).
 - 36 ii. At a minimum, treatment goals must include the words of the Individual
37 receiving services and documentation must be included in the clinical
38 record, as part of the 180-day progress review, describing how the
39 Individual sees progress.

40
41 **9. QUALITY REVIEW TEAM (QRT)**

42 North Sound BHO will establish and maintain a Quality Review Team that is independent
43 as set forth in WAC 388-865-0282. The Quality Review Team will include current
44 individuals served by the behavioral health system, past recipients or family members.

1 The team will work with North Sound BHO to identify areas in the system of care for
2 evaluation and/or improvement. Contractor must cooperate with Quality Review
3 Activities and provide access to their facilities, personnel, and records.
4

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
5 Human Services (DHHS), CMS, the Comptroller General, or any of their duly-authorized
6 representatives (i.e., External Quality Review Organizations), have the authority to
7 conduct announced and unannounced: a) surveys; b) audits; c) reviews of compliance
8 with licensing and certification requirements and compliance with this Contract; d)
9 audits regarding the quality, appropriateness and timeliness of behavioral health
10 services of Contractor and subcontractors; and e) audits and inspections of financial
11 records of Contractor and subcontractors. Contractor shall notify North Sound BHO
12 when an entity other than North Sound BHO performs any audit described above related
13 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
17 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, administrative
20 structures reviews, fiscal management and contract compliance. Reviews may include
21 desk reviews, requiring Contractor to submit requested information. North Sound BHO
22 will also review any activities delegated under this contract to Contractor.

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

28
29 Findings as a result of North Sound BHO conducted reviews may result in remedial
30 action as outlined below. Federal and State agencies may impose remedial action or
31 financial penalties either directly upon Contractor or through North Sound BHO.
32 Contractor shall comply with the terms of such remedial action and be responsible for
33 the payment of financial penalties.

34
35 **2. REMEDIAL ACTION**

36 North Sound BHO may require Contractor to plan and execute corrective action.
37 Corrective action plans (CAP) developed by Contractor must be submitted for approval
38 to North Sound BHO within 30 calendar days of notification. CAP must be provided in a
39 format acceptable to North Sound BHO. North Sound BHO may extend or reduce the
40 time allowed for corrective action depending upon the nature of the situation as
41 determined by North Sound BHO.
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- a. CAP must include:
 - i. A brief description of the finding;
 - ii. Specific actions to be taken, timetable, description of the monitoring to be performed, 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 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; or
 - iv. Reject the plan.
- d. Contractor agrees North Sound BHO may initiate remedial action with or without a CAP as outlined in subsection below if North Sound BHO determines any of the following situations exist:
 - i. A problem exists that poses a threat to the health or safety of any person or poses a threat of property damage/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 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/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.

1 e. North Sound BHO may impose any of the following remedial actions in response
2 to findings of situations as outlined above:
3

- 4 i. Withhold one percent (1%) of the next monthly payment and each
5 monthly payment thereafter until the corrective action has achieved
6 resolution. North Sound BHO, at its sole discretion, may return a portion
7 or all of any payments withheld once satisfactory resolution has been
8 achieved.
- 9 ii. Compound withholdings identified above by an additional one-half of one
10 percent (1/2 of 1%) for each successive month during which the remedial
11 situation has not been resolved;
- 12 iii. Revoke delegation of any function delegated under this contract;
- 13 iv. Deny any incentive payment to which Contractor might otherwise have
14 been entitled under this Contract or any other arrangement by which
15 DBHR provides incentives; or
- 16 v. Termination for Default, as outlined in this Contract.
17

18 **3. ADDITIONAL FINANCIAL PENALTIES – DBHR IMPOSED SANCTIONS**

19 Financial penalties imposed by DBHR or other regulatory agency due to the action or
20 inaction of Contractor may be paid by North Sound BHO on behalf of Contractor and the
21 amount will be withheld from North Sound BHO's payments to Contractor.
22

23 **4. TERMINATION DUE TO CHANGE IN FUNDING**

24 In the event funding from State, Federal, or other sources is withdrawn, reduced, or
25 limited in any way after the effective date of this Contract and prior to its normal
26 completion, either party may terminate this Contract subject to re-negotiations.
27

28 **5. TERMINATION FOR CONVENIENCE**

29 Except, as otherwise provided in this Contract, North Sound BHO may terminate this
30 Contract in whole or in part for convenience by giving Contractor at least 30 calendar
31 days' written notice. Contractor may terminate this Contract for convenience by giving
32 North Sound BHO at least 30 calendar days' written notice addressed to North Sound
33 BHO's Program Administrator or his/her successor listed on the last page of this
34 Contract.
35

36 **6. TERMINATION FOR DEFAULT**

37 North Sound BHO's Program Administrator may terminate this Contract for default, in
38 whole or in part, by written notice to Contractor if North Sound BHO or DSHS has a
39 reasonable basis to believe that Contractor has:
40

- 41 a. Failed to meet or maintain any requirement for contracting with North Sound
42 BHO;
- 43 b. Failed to perform under any provision of this Contract;
- 44 c. Violated any law, regulation, rule, or ordinance applicable to the services
45 provided under this Contract; and/or
- 46 d. Otherwise breached any provision or condition of this Contract.

1 Before the Program Administrator may terminate this Contract for default, North Sound
2 BHO shall provide Contractor with written notice of non-compliance with this Contract
3 and provide Contractor a reasonable opportunity to correct non-compliance. If
4 Contractor does not correct non-compliance within the period of time specified in the
5 written notice of non-compliance, the Program Administrator may then terminate this
6 Contract. The Program Administrator may terminate this Contract for default without
7 such written notice and without opportunity for correction if North Sound BHO has a
8 reasonable basis to believe an individual's health or safety is in jeopardy and/or:
9

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

14
15 Contractor may terminate this Contract in whole or in part, by written notice to North
16 Sound BHO, if Contractor has a reasonable basis to believe North Sound BHO has:
17

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

23 24 **7. TERMINATION PROCEDURE**

25 The following provisions shall survive and be binding on the parties in the event this
26 Contract is terminated:
27

- 28 a. Contractor and any applicable subcontractors shall cease to perform any services
29 required by this Contract as of the effective date of termination and shall comply
30 with all reasonable instructions contained in the notice of termination which are
31 related to the transfer of individuals, distribution of property and termination of
32 services. Each party shall be responsible only for its performance in accordance
33 with the terms of this Contract rendered prior to the effective date of
34 termination. Contractor and any applicable subcontractors shall assist in the
35 orderly transfer/transition of the individuals served under this Contract.
36 Contractor and any applicable subcontractors shall promptly supply all
37 information necessary for the reimbursement of any outstanding Medicaid
38 claims.
- 39 b. Contractor and any applicable subcontractors shall immediately deliver to North
40 Sound BHO's Program Administrator or his/her successor, all North Sound
41 BHO/DSHS assets (property) in Contractor and any applicable subcontractor's
42 possession and any property produced under this Contract. Contractor and any
43 applicable subcontractors grant North Sound BHO/DSHS the right to enter upon

1 Contractor and any applicable subcontractor's premises for the sole purpose of
2 recovering any North Sound BHO/DSHS property Contractor and any applicable
3 subcontractors fail to return within 10 working days of termination of this
4 Contract. Upon failure to return North Sound BHO/DSHS property within 10
5 working days of the termination of this Contract, Contractor and any applicable
6 subcontractors shall be charged with all reasonable costs of recovery, including
7 transportation and attorney's fees. Contractor and any applicable
8 subcontractors shall protect and preserve any property of North Sound
9 BHO/DSHS that is in the possession of Contractor and any applicable
10 subcontractors pending return to North Sound BHO/DSHS.

- 11 c. North Sound BHO shall be liable for and shall pay for only those services
12 authorized and provided through the date of termination. North Sound BHO may
13 pay an amount agreed to by the parties for partially completed work and
14 services, if work products are useful to or usable by North Sound BHO.
- 15 d. If the Program Administrator terminates this Contract for default, North Sound
16 BHO may withhold a sum from the final payment to Contractor that North Sound
17 BHO determines is necessary to protect North Sound BHO against loss or
18 additional liability occasioned by the alleged default. North Sound BHO shall be
19 entitled to all remedies available at law, in equity, or under this Contract. If it is
20 later determined Contractor was not in default, or if Contractor terminated this
21 Contract for default, Contractor shall be entitled to all remedies available at law,
22 in equity, or under this Contract.
- 23 e. If Contractor terminates this Contract, North Sound BHO will require the spend-
24 down of all remaining State fund reserves and fund balance within the
25 termination period. State funds shall be deducted from the final months'
26 payments until reserves and fund balances are spent.

27 28 **8. NOTICE REQUIREMENTS**

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

- 32
33 a. If Contractor at any time decides it shall no longer be a Contractor with North
34 Sound BHO for any reason, Contractor must provide North Sound BHO's Program
35 Administrator or his/her successor listed on the last page of this Contract with
36 written notice at least 90 days prior to the effective date of termination and work
37 with North Sound BHO to develop a mutually agreed upon transition plan with
38 the collaborative goal of minimizing the disruption of services. The transition
39 plan shall address all issues leading to the transition of individuals in service and
40 all items/requirements of Contractor that extend beyond the termination of
41 services.

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- b. North Sound BHO must provide Contractor’s Program Administrator or his/her successor listed on the last page of this Contract with written notice at least 90 days prior if North Sound BHO decides to voluntarily terminate, refuses to renew, or refuses to sign a mandatory amendment to this Contract. Contractor shall work with North Sound BHO to develop a mutually agreed upon transition plan with the collaborative goal of minimizing the disruption of services.

If Contractor terminates this Contract or will not be entering into any subsequent Contracts, North Sound BHO shall require at least 90 days’ notice prior to the end of the contract if a decision is made not to enter into a subsequent Contract. Any funds not spent for the provision of services under this Contract shall be returned to North Sound BHO within 60 days of the last day this Contract is in effect.

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

2
3 **1. BACKGROUND**

4 North Sound BHO is an entity formed by Interlocal 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 Contract to
7 allow North Sound BHO to contract with the Secretary pursuant to RCW 71.24.025(13),
8 to operate a single managed system of services for persons with behavioral illness living
9 in the service area covered by Island, San Juan, Skagit, Snohomish and Whatcom
10 Counties. North Sound BHO is party to an inter-agency Contract with the Secretary,
11 pursuant to which North Sound BHO has agreed to provide integrated community
12 support, crisis response and inpatient management services to people needing such
13 services in its service area. North Sound BHO, through this Contract, is subcontracting
14 with Contractor for the provision of specific behavioral health services as required by the
15 Contract with the Secretary. Contractor, by signing this Contract, attests it is willing and
16 able to 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 resilience and recovery model
21 approach to the delivery of quality community behavioral health services. To that end,
22 the parties are mutually committed to maximizing the availability of resources to
23 provide needed behavioral health services in the service area, maximizing the portion of
24 those resources used for the provision of direct services and minimizing duplication of
25 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
32 of 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
37 BHO with a copy of the explicit written authorization of its governing body 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’s Board authorizing North Sound BHO to execute this Contract.
43

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 come into effect during the term of the Contract
6 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
10 regulations;
- 11 c. All local, Federal and State professional and facility licensing and certification
12 requirements/standards that apply to services performed under the terms of this
13 Contract;
- 14 d. All applicable standards, orders, or requirements issued under Section 306 of the
15 Clean Air Act (42 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368),
16 Executive Order 11738 and Environmental Protection Agency (EPA) regulations
17 (40 CFR Part 15), which prohibit the use of facilities included on the EPA List of
18 Violating Facilities. Any violations shall be reported to DSHS, DHHS and the EPA.
- 19 e. Any applicable mandatory standards and policies relating to energy efficiency,
20 which are contained in the State Energy Conservation Plan, issued in compliance
21 with the Federal Energy Policy and Conservation Act;
- 22 f. Those specified for laboratory services in the Clinical Laboratory Improvement
23 Amendments (CLIA);
- 24 g. Those specified in RCW Title 18 for professional licensing;
- 25 h. Reporting of abuse as required by RCW 26.44.030;
- 26 i. Industrial insurance coverage as required by RCW Title 51;
- 27 j. RCW 38.52, 70.02, 71.05, 71.24, and 71.34;
- 28 k. WAC 388-865 and 388-877 and 388-877A;
- 29 l. 42 CFR 438, including 438.58 (conflict of interest) and 438.106 (physician
30 incentive plans);
- 31 m. State of Washington Medicaid State Plan and 1915(b) Medicaid Behavioral
32 Health Waiver or their successors which documents are incorporated by
33 reference;
- 34 n. DBHR Quality Strategy;
- 35 o. State of Washington behavioral health system mission statement, value
36 statement and guiding principles for the system, attached hereto as Exhibit D;
- 37 p. State Medicaid Manual (SMM), Federal statutes, BARS Manual and BARS
38 Supplemental Behavioral Health Instructions;
- 39 q. Any applicable Federal and State laws that pertain to Medicaid enrollee or
40 individual rights. Contractor shall ensure its staff takes those rights into account
41 when furnishing services to individuals.
- 42 r. DSHS Administrative policies, to the extent they are applicable to this contract
43 are attached as Exhibits F, G and H;
- 44

- 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 an individual's 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, 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 come into effect during the term of the Contract. North Sound BHO policies shall not exceed that required to implement 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 not limited to:

- a. North Sound BHO's Core Values and Principles attached hereto as 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 Federal and State court decisions, or any Memorandum of Contract or MOU signed by State of Washington and Federally recognized tribe or recognized organization; 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 7.01 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 QM/Strategy Plan;
- g. North Sound BHO's individual 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 a 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:

- a. North Sound BHO will provide a summary of the regulatory requirement or other rationale for the proposed policy or policy modification.
- b. 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.
- c. The proposed policy or policy modification will be discussed at the next Regional Management Council.
- d. If resolution is not obtained, the proposed policy or policy modification will be discussed at the next QMOC meeting.
- e. If resolution is not obtained, the proposed policy or policy modification will be discussed at the next North Sound BHO County Authorities Executive Committee meeting.

1 North Sound BHO will make best efforts to maintain currency of policies with applicable
2 Federal or State laws, regulations, or policies. In the event of a conflict, Federal or State
3 laws or policies supersede North Sound BHO policies and procedures and requirements
4 of this contract.
5

6 **7. CONFIDENTIALITY OF PERSONAL INFORMATION**

7 Contractor must protect all Personal Information, records and data from unauthorized
8 disclosure in accordance with 42 CFR §431.300 through §431.307, RCWs 70.02, 71.05,
9 71.34 and for individuals receiving SUD services, in accordance with 42 CFR Part 2 and
10 RCW 70.96A. Contractor shall have a process in place to ensure that all components of
11 its provider network and system understand and comply with confidentiality
12 requirements for publicly funded behavioral health services. Pursuant to 42 CFR
13 §431.301 and §431.302, personal information concerning applicants and recipients may
14 be disclosed for purposes directly connected with the administration of this Contract.
15 Such purposes include, but are not limited to:

- 16
- 17 a. Establishing eligibility;
- 18 b. Determining the amount of medical assistance;
- 19 c. Providing services for recipients;
- 20 d. Conducting or assisting in investigation, prosecution, or civil or criminal
21 proceeding related to the administration of the State Medicaid Plan;
- 22 e. Assuring compliance with Federal and State laws and regulations and with terms
23 and requirements of this Contract; and/or
- 24 f. Improving quality.
- 25

26 Contractor shall comply with all confidentiality requirements of HIPAA (45 CFR 160 and
27 164).

28

29 Contractor shall have a process in place to ensure all components of its CMHA and
30 system understand and comply with confidentiality requirements for publicly funded
31 behavioral health services.

32

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

36

37 The parties acknowledge coordination, planning, screening and referral require the
38 sharing of information among the various treatment providers. Disclosure of
39 information to verify eligibility, determine the amount of assistance and provide
40 medically necessary behavioral health services are all “purposes directly connected with
41 the administration of the Contract” and are all appropriate justifications for sharing
42 information.
43

1 Contractor shall ensure all staff and subcontractors providing services under this
2 Contract receive annual training on confidentiality policies and procedures. In addition,
3 Contractor shall ensure all staff and subcontractors providing services under this
4 Contract sign an annual Oath of Confidentiality statement. Signed copies of the Oath of
5 Confidentiality shall be kept in Contractor's personnel files.
6

7 **8. CONTRACT PERFORMANCE/ENFORCEMENT**

8 North Sound BHO shall be vested with the rights of a third-party beneficiary including
9 the "cut through" right to enforce performance should Contractor be unwilling or unable
10 to enforce action on the part of its subcontractor(s). In the event Contractor dissolves or
11 otherwise discontinues operations, North Sound BHO may, at its sole option, assume the
12 right to enforce the terms and conditions of this Contract directly with subcontractors;
13 provided, North Sound BHO keeps Contractor reasonably informed concerning such
14 enforcement. Contractor shall include this clause in its contracts with its subcontractors.
15 In the event of the dissolution of Contractor, North Sound BHO's rights in
16 indemnification shall survive.
17

18 **9. COOPERATION**

19 The parties to this Contract shall cooperate in good faith to effectuate the terms and
20 conditions of this Contract.
21

22 **10. DEBARMENT CERTIFICATION**

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

30 **11. DECLARATION THAT INDIVIDUALS UNDER THE MEDICAID AND OTHER BEHAVIORAL
31 HEALTH PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT**

32 Although North Sound BHO, Contractor and subcontractors mutually recognize services
33 under this Contract may be provided by Contractor and subcontractors to individuals
34 under the Medicaid program, RCW 71.05 and 71.34 and the Community Behavioral
35 Health Services Act, RCW 71.24, it is not the intention of either North Sound BHO or
36 Contractor that such individuals or any other persons, occupy the position of intended
37 third-party beneficiaries of the obligations assumed by either party to this Contract.
38 Such third parties shall have no right to enforce this Contract.
39

40 **12. EXECUTION, AMENDMENT AND WAIVER**

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

1 **13. 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 **14. 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
11 Contractor and/or from the imposition of governmental fines or penalties resulting from
12 the acts or omissions of Contractor and its subcontractors related to the performance of
13 this contract. North Sound BHO shall be responsible and shall indemnify and hold
14 Contractor harmless (including all costs and attorney fees) from all claims for personal
15 injury, property damage and disclosure of confidential information and from the
16 imposition of governmental fines or penalties resulting from the acts or omissions of
17 North Sound BHO. Except to the extent caused by the gross negligence and/or willful
18 misconduct of North Sound BHO, Contractor, shall indemnify and hold North Sound BHO
19 harmless from any claims made by non-participating BHAs related to the provision of
20 services under this Contract. For the purposes of these indemnifications, the Parties
21 specifically and expressly waive any immunity granted under the Washington Industrial
22 Insurance Act, RCW Title 51. This waiver has been mutually negotiated and agreed to by
23 the Parties. The provision of this section shall survive the expiration or termination of
24 the Contract.

25
26 **15. INDEPENDENT CONTRACTOR FOR North Sound BHO**

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

37
38 **16. INSURANCE**

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

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

10
11 Contractor shall maintain an excess liability Business Automobile Policy on all vehicles
12 used to transport individuals, including vehicles hired by Contractor or owned by
13 Contractor's employees, volunteers, or others with the following minimum limit:
14 \$1,000,000.00 per accident combined single liability limit. Contractor shall ensure that
15 employees, who use their own vehicles to transport individuals, carry a business
16 automobile rider to their personal automobile insurance policy. All non-risk pool policies
17 shall name North Sound BHO as a covered entity under said policy(s).

18
19 **17. INTEGRATION**

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

23
24 **18. MAINTENANCE OF RECORDS**

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

- 31
32 a. Maintain the content of all Medical Records in a manner consistent with
33 utilization control requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211;
34 b. Document performance of all acts required by law, regulation, or this Contract
35 c. Substantiate Contractor statement of its organizations' structures, tax status,
36 capabilities and performance;
37 d. Demonstrate accounting procedures, practices and records which sufficiently and
38 properly document Contractor invoices to North Sound BHO and all expenditures
39 made by Contractor to perform as required by this Contract;
40 e. Cooperate in all reviews including, but not limited to, surveys and research
41 conducted by North Sound BHO, DSHS, or other Washington State Departments;
42

- 1 f. Evaluate by inspection or other means to measure quality, appropriateness and
2 timeliness of services performed under this Contract and to determine whether
3 Contractor and its subcontractors are providing service to individuals in
4 accordance with the requirements set forth in this Contract and applicable
5 Federal and State regulations as existing or hereafter amended.
6

7 **19. NO WAIVER OF RIGHTS**

8 A failure by either party to exercise its rights under this Contract shall not preclude that
9 party from subsequent exercise of such rights and shall not constitute a waiver of any
10 other rights under this Contract unless stated to be such in writing signed by an
11 authorized representative of the party and attached to the original Contract.
12

13 Waiver of any breach of any provision of this Contract shall not be deemed to be a
14 waiver of any subsequent breach and shall not be construed to be a modification of the
15 terms and conditions of this Contract.
16

17 **20. ONGOING SERVICES**

18 Contractor and its subcontractors shall ensure that in the event of labor disputes or job
19 actions including work slowdowns, such as “sick outs”, or other activities within its
20 service CMHA network, uninterrupted services shall be available as required by the
21 terms of this Contract.
22

23 **21. ORDER OF PRECEDENCE**

24 In the event of an inconsistency in the terms of this Contract or any inconsistency
25 between the terms of this Contract and any applicable statute, rule, or contract, unless
26 otherwise provided herein, the conflict shall be resolved by giving precedence in the
27 following order to:
28

- 29 a. State statutes and regulations concerning the operation of the community
30 behavioral health programs;
31 b. Federal and State law;
32 c. North Sound BHO-DSHS Contract or its successors that covers the provision of
33 the behavioral health services covered under this Contract, which shall include
34 any exhibit, document, or material incorporated by reference. North Sound BHO
35 shall promptly notify Contractor of any amendment to North Sound BHO/DSHS
36 Contract which affects any term or condition herein.
37 d. This Contract.
38

39 **22. OVERPAYMENTS**

40 In the event Contractor fails to comply with any of the terms and conditions of this
41 Contract and that failure results in an overpayment, North Sound BHO may recover the
42 amount due DSHS, CMS, or other Federal or State agency subject to dispute resolution
43 as set forth in the contract. In the case of overpayment, Contractor shall cooperate in
44 the recoupment process and return to North Sound BHO the amount due upon demand.
45

1 **23. OWNERSHIP OF MATERIALS**

2 Materials created by Contractor and its subcontractors and paid for by North Sound BHO
3 as a part of this Contract shall be owned by North Sound BHO and shall be "works for
4 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. Material which
7 Contractor and its subcontractors use to perform this Contract but which is not created
8 for or paid for by North Sound BHO is owned by Contractor or relevant subcontractors;
9 however, North Sound BHO and DSHS shall have a perpetual license to use this material
10 for DSHS internal purposes at no charge to DSHS, provided that such license shall be
11 limited to the extent which Contractor has a right to grant such a license.

12 **24. PERFORMANCE**

13 Contractor shall furnish the necessary personnel, materials/behavioral 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
16 performing or ensuring all fiscal and program responsibilities required in this contract.
17 No subcontract will terminate the legal responsibility of Contractor to perform the terms
18 of this Contract.

19 **25. RESOLUTION OF DISPUTES**

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

- 26 a. The parties shall use their best efforts to resolve issues prior to giving written
27 Notice of Dispute.
28 b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or
29 a designated representative) shall together or, if both parties agree, with a
30 mediator meet, confer and attempt to resolve the claim within the next 5
31 working days.
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 **Arbitration:** If the claim is not resolved within 30 days, the parties shall proceed to
35 arbitration as follows:

- 36 a. Demand for arbitration shall be made in writing to the other party. The parties
37 shall select one person as arbitrator.
38 b. If there is a delay of more than 10 days in the naming of the arbitrator, either
39 party can ask the presiding judge of Skagit County to name the arbitrator.
40 c. The prevailing party shall be entitled to recover from the other party all costs and
41 expenses including reasonable attorney fees. The arbitrator shall determine
42 which party, if any, is the prevailing party.
43
44
45
46
47

- d. The parties agree the arbitrator’s decision shall be binding, final and enforceable subject to timely appeal to Skagit County Superior Court only as provided in RCW Chapter 7.04A.
- 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. 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 State of Washington, both as to interpretation and performance.

26. 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.

27. SINGLE AUDIT ACT

If Contractor or its subcontractor is a subrecipient of Federal awards as defined by 2 CFR 200.501, Contractor and its subcontractors shall maintain records that identify all Federal funds received and expended. Such funds shall be identified by the appropriate 2 CFR 200.501 titles and numbers, award names and numbers, award years if awards are for research and development, as well as, names of the Federal agencies. Contractor and its subcontractors shall make Contractor and its subcontractors’ records available for review or audit by officials of the Federal awarding agency, the General Accounting Office and DSHS. Contractor and its subcontractors shall incorporate 2 CFR 200.501 audit requirements into all contracts between Contractor and its subcontractors who are subrecipients. Contractor and its subcontractors shall comply with any future amendments to 2 CFR 200.501 Subpart F and any successor or replacement regulation.

If Contractor/its subcontractors are a subrecipient and expends \$750,000 or more in Federal awards from any/all sources in any fiscal year, Contractor and applicable subcontractors shall procure and pay for a single or program-specific audit for that fiscal year. Upon completion of each audit, Contractor and applicable subcontractors shall submit to North Sound BHO’s Program Administrator the data collection form and reporting package specified in 2 CFR 200.501, reports required by the program-specific audit guide, if applicable, and a copy of any management letters issued by the auditor.

1 For purposes of “sub recipient” status under the rules of 2 CFR 200.330 Medicaid
2 payments to a sub recipient for providing patient care services to Medicaid eligible
3 individuals are not considered Federal awards expended under this part of the rule
4 unless a State requires the fund to be treated as Federal awards expended because
5 reimbursement is on a cost-reimbursement basis.
6

7 **28. SUBCONTRACTS**

8 Contractor may subcontract services to be provided under this Contract subject to the
9 following requirements:
10

- 11 a. Contractor shall be responsible for the acts and omissions of any subcontractor.
- 12 b. Contractor must ensure the subcontractor neither employs any person nor
13 contracts with any person or BHA/CMHA excluded from participation in Federal
14 healthcare programs under either 42 USC 1320a-7 (§§1128 or 1128A Social
15 Security Act) or debarred or suspended per this Contract’s General Terms and
16 Conditions.
- 17 c. Contractor shall require subcontractors to comply with all applicable Federal and
18 State laws, regulations and operational policies as specified in this Contract.
- 19 d. Contractor shall require subcontractors to comply with all applicable North
20 Sound BHO operational policies as specified in this Contract.
- 21 e. Subcontracts for the provision of behavioral health services must require
22 Subcontractors to provide individuals access to translated information and
23 interpreter services.
- 24 f. Contractor shall ensure a process is in place to demonstrate all third-party
25 resources are identified and pursued.
- 26 g. Contractor shall oversee, be accountable for and monitor all functions and
27 responsibilities delegated to a subcontractor for conformance with any
28 applicable statement of work in this Contract on an ongoing basis including
29 written reviews.
- 30 h. Contractor will monitor performance of the subcontractors on an annual basis
31 and notify North Sound BHO of any identified deficiencies or areas for
32 improvement requiring corrective action by Contractor.
- 33 i. Contractor shall ensure all subcontracts are in writing and subcontracts specify all
34 duties, reports and responsibilities delegated under this Contract. Those written
35 subcontracts shall:
 - 36 i. Require subcontractors to hold all necessary licenses, certifications
37 and/or permits as required by law for the performance of the services to
38 be performed under this Contract;
 - 39 ii. Require subcontractors to notify Contractor in the event of a change in
40 status of any required license or certification;
 - 41 iii. Include clear means to revoke delegation, impose corrective action, or
42 take other remedial actions if the subcontractor fails to comply with the
43 terms of the subcontract;
 - 44

- 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 working 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 medical record at the subcontractor.

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 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.

30. TREATMENT OF INDIVIDUAL 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 individual's guardian or custodian all of the individual's personal property.

31. 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 it is able to perform its obligations set forth in this Contract and such obligations are binding upon Contractor and other subcontractors for the benefit of North Sound BHO.

32. CONTRACT ADMINISTRATION

The Program Administrator for each of the parties shall be responsible for and shall be the Program Administrator for all communications and billings regarding the performance of this Contract.

The Program Administrator for North Sound BHO is:

Joe Valentine, Executive Director
North Sound Behavioral Health Organization, LLC
301 Valley Mall Way, Suite 110
Mount Vernon, WA 98273-5462

1 The Program Administrator for American Behavioral Health Systems is:

2
3 Tony Prentice

4 Director

5 PO Box 141160

6 Spokane Valley, WA 99214-1106

7
8 Changes shall be provided to the other party in writing within 10 working days.

9

1 **THIS CONTRACT**, consisting of 67 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
7
8
9
10
11

NORTH SOUND BHO

AMERICAN BEHAVIORAL HEALTH SYSTEMS

Joe Valentine, Executive Director Date

Tony Prentice, Director Date