

**NORTH SOUND  
BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION, LLC  
(North Sound BH-ASO)**

**CONTRACT  
FOR PARTICIPATION IN THE  
NORTH SOUND INTEGRATED CARE NETWORK**

**WITH**

**BRIDGEWAYS**

**CONTRACT #NORTH SOUND BH-ASO-BRIDGEWAYS-PATH-24**

**EFFECTIVE 10/1/2024**

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1 EXHIBITS

2  
3 **Incorporation of Exhibits**

4 The Provider shall provide services and comply with the requirements set forth in the following  
5 attached exhibits, which are incorporated herein by reference. To the extent that the terms and  
6 conditions of any Exhibit conflicts with the terms and conditions of this base contract, the terms of  
7 such Exhibit shall control.

8  
9 Exhibit A – Schedule of Services

10  
11 Exhibit B – Supplemental Provider Service Guide [Supplemental Provider Service Guide | North Sound](#)  
12 [BH-ASO \(nsbhaso.org\)](#)

13  
14 Exhibit C – Provider Deliverables

15  
16 Exhibit D – Budget

17  
18 Exhibit E – Federal Subaward Identification

19  
20 Exhibit F – Projects for Assistance in Transition of Homelessness (PATH) Teams Services [Statement of](#)  
21 [Work](#)

22  
23 Exhibit G – Federal Award Terms

24  
25 Exhibit H – Federal Compliance, Certification and Assurances

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**CONTRACT FOR PARTICIPATION IN THE  
NORTH SOUND INTEGRATED CARE CRISIS NETWORK**

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**THIS CONTRACT FOR THE PARTICIPATION IN THE NORTH SOUND INTEGRATED CARE NETWORK**

**CONTRACT** (the “Contract”), pursuant to Revised Code of Washington (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 ADMINISTRATIVE SERVICES ORGANIZATION, LLC (North Sound BH-ASO), a governmental limited liability company pursuant to RCW Chapter 71.24, 2021 E College Way, Ste. 101, Mount Vernon, WA 98273 and BRIDGEWAYS, (Provider), a Washington Behavioral Health Agency, 5801 23<sup>RD</sup> Drive West, Suite 104, Everett, WA 98203.

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**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 (18), entered into a Joint County Authority BH-ASO Interlocal Operating Agreement to cooperatively provide a community health program and regional system of care, with the collective goal of consolidating administration, reducing administrative layering and reducing administrative costs, consistent with the State of Washington’s legislative policy as set forth in RCW 71.24 (Operating Agreement); and

**WHEREAS**, North Sound BH-ASO 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, and as an Administrative Services Organization as of July 1, 2019 as provided for in RCW 71.24.100 and RCW 71.24.015.

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

**WHEREAS**, North Sound BH-ASO 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 BH-ASO is engaged in the administration of services.

**WHEREAS**, Provider is engaged in the provision of behavioral health services within Snohomish County; and

1       **WHEREAS**, North Sound BH-ASO desires that Provider provide, market, distribute and otherwise  
2 do all things necessary to deliver Services in the Counties;

3  
4       **WHEREAS**, the parties to this Contract desire to promote the continuity of care for individuals,  
5 avoid service disruption, ensure the provision of behavioral health services and strengthen the  
6 regional service network; and

7  
8       **WHEREAS**, the parties also wish to enter into a Business Associate Agreement (BAA) to ensure  
9 compliance with the Privacy and Security Rules of the Health Insurance Portability and Accountability  
10 Act (HIPAA) of 1996 (HIPAA Privacy and Security Rules, 45 CFR Parts 160 and 164); now, therefore,

11  
12               **THE PARTIES AGREE AS FOLLOWS:**

13  
14                               **II. CONTRACT**

15  
16 The effective date of this Contract is October 1, 2024.

17  
18       **WHEREAS**, North Sound BH-ASO has been advised that the foregoing are the current funding  
19 sources, funding levels and effective dates as described in Exhibit D; and

20  
21       **WHEREAS**, North Sound BH-ASO desires to have certain services performed by the Provider as  
22 described in Exhibit A;

23  
24       **WHEREAS**, the Provider represents and warrants that North Sound BH-ASO is authorized to  
25 negotiate and execute provider agreements, including this Agreement, and to bind the Provider to  
26 the terms and conditions of this Agreement;

27  
28       **WHEREAS**, North Sound BH-ASO intends to implement mechanisms to ensure the availability of  
29 contracted providers and for establishing standards for the number and geographic distribution of  
30 contracted providers and key specialty providers in accordance with applicable law;

31  
32       **WHEREAS**, Behavioral Health Providers contracted with North Sound BH-ASO for participation in  
33 the North Sound Integrated Care Network (North Sound ICN) will deliver behavioral healthcare  
34 services to individuals within the scope of their licensure or accreditation;

35  
36       **NOW THEREFORE**, in consideration of payments, covenants, and agreements hereinafter  
37 mentioned, to be made and performed by the parties hereto, the parties mutually agree as follows:

1 **ARTICLE ONE – DEFINITIONS**

2 For purposes of this Agreement, the following terms shall have the meanings set forth below.

3 **1.1 AGREEMENT**

4 The Contract for participation in the North Sound ICN entered into between North Sound BH-  
5 ASO and Provider, including all attachments and incorporated documents or materials,  
6 including this North Sound ICN Provider Base Contract  
7

8 **1.2 BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION (BH-ASO)**

9 BH-ASO means an entity selected by the Medicaid agency to administer behavioral health  
10 programs, including crisis services for individuals in a fully integrated managed care regional  
11 service area. The BH-ASO administers crisis services for all individuals in its defined regional  
12 service area, regardless of an individual's ability to pay.  
13

14 **1.3 BEHAVIORAL HEALTH CRISIS SERVICES**

15 Behavioral Health Crisis Services (Crisis Services) means providing evaluation and short-term  
16 treatment and other services to individuals with an emergent mental health condition or are  
17 intoxicated or incapacitated due to substance use and when there is an immediate threat to  
18 the individual's health or safety.  
19

20 **1.4 CRITICAL INCIDENT**

21 A situation or occurrence that places an individual at risk for potential harm or causes harm to  
22 an individual. Examples include homicide (attempted or completed), suicide (attempted or  
23 completed), the unexpected death of an individual, or the abuse, neglect, or exploitation of an  
24 individual by an employee or volunteer.  
25

26 **1.5 CULTURAL HUMILITY**

27 Cultural Humility means the continuous application in professional practice of self-reflection  
28 and self-critique, learning from patients, and partnership building, with an awareness of the  
29 limited ability to understand the patient's worldview, culture(s), and communities  
30

31 **1.6 HEALTHCARE AUTHORITY (HCA)**

32 "Health Care Authority (HCA)" means the Washington State Health Care Authority, any  
33 division, Section, office, unit, or other entity of HCA or any of the officers or other officials  
34 lawfully representing HCA.  
35

36 **1.7 HEALTH PLAN**

37 A plan that undertakes to arrange for the provision of health care services to subscribers or  
38 enrollees, or to pay for or to reimburse for any part of the cost for those services, in return for  
39 a prepaid or periodic charge paid for by or on behalf of subscribers or enrollees.  
40



- 1    **1.8    INDIVIDUAL**
- 2    Individual means any person in the Regional Service Area (RSA) regardless of income, ability to
- 3    pay, insurance status or county of residence. With respect to non-Crisis Services, "Individual"
- 4    means a person who has applied for, is eligible for, or who has received General Fund –
- 5    State/Federal Block Grant (GFS/FBG) services through this contract.
- 6
- 7    **1.9    MANAGED CARE ORGANIZATION (MCO)**
- 8    MCO means an organization having a certificate of authority or certificate of registration from
- 9    the Washington State Office of Insurance Commissioner that contracts with HCA under a
- 10   comprehensive risk contract to provide prepaid health care services to eligible HCA Enrollees
- 11   under HCA managed care programs.
- 12
- 13   **1.10   MEDICALLY NECESSARY SERVICE/MEDICAL NECESSITY**
- 14   Medically Necessary Services means a requested service which is reasonably calculated to
- 15   prevent, diagnose, correct, cure, alleviate, or prevent worsening of conditions in the individual
- 16   that endanger life, or cause suffering of pain, or result in an illness or infirmity, or threaten to
- 17   cause or aggravate a handicap, or cause physical deformity, or malfunction. There is no other
- 18   equally effective, more conservative, or substantially less costly course of treatment available
- 19   or suitable for the individual requesting the service. For the purpose of this section, "course of
- 20   treatment" may include mere observation or, where appropriate, no medical treatment at all
- 21   (WAC 182-500-0070).
- 22
- 23   **1.11   MEMBER**
- 24   An individual that is eligible to receive crisis, PATH, and/or FBG services and is assigned to an
- 25   MCO.
- 26
- 27   **1.12   MENTAL HEALTH BLOCK GRANT (MHBG)**
- 28   MHBG means those funds granted by the Secretary of Health and Human Services (HHS),
- 29   through the Center for Mental Health Services (CMHS), Substance Abuse and Mental Health
- 30   Services Administration (SAMHSA), to states to establish or expand an organized community-
- 31   based system for providing mental health services for adults with Serious Mental Illness (SMI)
- 32   and children who are seriously emotionally disturbed (SED).
- 33
- 34   **1.13   NORTH SOUND INTEGRATED CARE NETWORK (NORTH SOUND ICN)**
- 35   Alliance formed by Participating Providers and North Sound BH-ASO to operate a clinically
- 36   integrated crisis, FBG and Legislative Proviso behavioral health network that will provide
- 37   behavioral health services in the North Sound RSA. North Sound ICN is a reference to the
- 38   network of behavioral health providers contracted with the North Sound BH-ASO, and neither
- 39   this Agreement nor any other understanding among participants is intended to create a
- 40   separate legal entity.
- 41

- 1    **1.14 PAYOR**  
2       The entity (including company where applicable) that bears direct financial responsibility for  
3       paying from its own funds, without reimbursement from another entity, the cost of crisis  
4       services rendered to individuals.  
5
- 6    **1.15 PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)**  
7       “PATH” means the Federal grant program that provides outreach and engagement services to  
8       individual with serious mental illness who are homeless or at risk of homelessness.  
9
- 10   **1.16 PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH) FUNDS**  
11       PATH Funds means Federal funds awarded by the State to the Behavioral Health  
12       Administrative Services Organization (BH-ASO) and do not include the required non-Federal  
13       match or any other form of match or funding.  
14
- 15   **1.17 PROVIDER**  
16       The behavioral health care person(s) or agency contracting under this Agreement, who meets  
17       all minimum criteria of North Sound BH-ASO’s credentialing plan, including all physicians,  
18       clinicians, allied health professionals, and staff persons who provide crisis care services to  
19       individuals by or through this Agreement.  
20

1 **ARTICLE TWO – NETWORK PROVIDER OBLIGATIONS**

2  
3 This Agreement, North Sound BH-ASO’s Supplemental Provider Service Guide, Policies and  
4 Procedures (P&P), Contract Exhibits, the Contract Boilerplate, and their revisions each specify North  
5 Sound BH-ASO’s requirements for the array of services to be provided. Unless otherwise specified,  
6 these materials shall be regarded as the source documents for compliance with program  
7 requirements. In the event of any inconsistency between the requirements of such documents, the  
8 more stringent shall control.

9 **2.1 NETWORK PARTICIPATION**

10 Provider shall participate as part of the North Sound BH-ASO for the General Funds-  
11 State/PATH/Federal Block Grant and Legislative Proviso services specified in this Contract.  
12 Provider agrees that its practice information may be used in North Sound BH-ASO MCO and  
13 HCA provider directories, promotional materials, advertising and other informational material  
14 made available to the public. Such practice information includes, but is not limited to, name,  
15 address, telephone number, hours of operation and type of services. Provider shall promptly  
16 notify North Sound BH-ASO within 30 days of any changes in this information.  
17

18 **2.2 STANDARDS FOR PROVISION OF CARE**

19  
20 **2.2.1 Provision of Integrated Care Services**

21 Provider shall provide services to individuals, within the scope of Provider’s business  
22 and practice. Such services shall be provided in accordance with this Agreement;  
23 North Sound BH-ASO Supplemental Provider Service Guide; HCA standards; North  
24 Sound BH-ASO Policies and Procedures (P&P); the terms, conditions and eligibility  
25 outlined in Contract Exhibits; and the requirements of any applicable government  
26 sponsored program.

27 **2.2.2 Standard of Care**

28 Provider shall provide services to individuals at a level of care and competence that  
29 equals or exceeds the generally accepted and professionally recognized standard of  
30 practice at the time of treatment, all applicable rules and/or standards of  
31 professional conduct, and any controlling governmental licensing requirements.

32 **2.2.3 Facilities, Equipment and Personnel**

33 Provider’s facilities, equipment, personnel and administrative services shall be  
34 maintained at a level and quality appropriate to perform Provider’s duties and  
35 responsibilities under this Agreement and to meet all applicable legal and BH-ASO  
36 contractual requirements, including the accessibility requirements of the Americans  
37 with Disabilities Act.

38 **2.2.4 Prior Authorization**

39 Where required or appropriate, the Provider shall work with North Sound BH-ASO to  
40 obtain the prior MCO authorization in accordance with MCO’s Provider Manual  
41 unless the situation is one involving the delivery of Emergency Services.  
42

1           3.2.4   **Assignments**

2           The Provider shall provide crisis services to all individuals regardless of their ability to  
3           pay.

4           2.2.6   **Capacity**

5           Provider shall ensure availability of services for each of the service populations for  
6           which it is licensed and/or certified by the Department of Health (DOH).

7           2.2.7   **Subcontract Arrangements**

8           Any subcontract arrangement entered into by Provider for the delivery of services to  
9           individuals shall be in writing and shall bind Provider’s subcontractors to the terms  
10          and conditions of this Agreement including, but not limited to, Supplemental  
11          Provider Service Guide, terms relating to licensure, insurance, and billing of  
12          individuals for services. North Sound BH-ASO will provide ongoing monitoring and  
13          oversight to any and all sub-delegation relationships.

14  
15   2.3   **TREATMENT ALTERNATIVES**

16          Providers shall in all instances obtain informed consent prior to treatment. Without regard to  
17          Medicaid Benefit Plan limitations or cost, the Provider shall communicate freely and openly  
18          with individuals about their health status, and treatment alternatives (including medication  
19          treatment options); about their rights to participate in treatment decisions (including refusing  
20          treatment); and providing them with relevant information to assist them in making informed  
21          decisions about their health care.

22  
23   2.4   **PROMOTIONAL ACTIVITIES**

24          At the request of North Sound BH-ASO, Provider shall display promotional materials in its  
25          offices and facilities as practical, in accordance with applicable law and cooperate with and  
26          participate in all reasonable marketing efforts. Provider shall not use any North Sound BH-  
27          ASO name in any advertising or promotional materials without the prior written permission of  
28          North Sound BH-ASO.

29  
30   2.5   **LICENSURE, CERTIFICATION AND OTHER STATE AND FEDERAL REQUIREMENTS**

31          Provider shall hold all necessary licenses, certifications, and permits required by law for the  
32          performance of services to be provided under this Agreement. Provider shall maintain its  
33          licensure and applicable certifications in good standing, free of disciplinary action, and in  
34          unrestricted status throughout the term of this Agreement. Provider’s loss or suspension of  
35          licensure or other applicable certifications, or its exclusion from any federally funded health  
36          care program, including Medicare and Medicaid, may constitute cause for immediate  
37          termination of this Agreement. Provider warrants and represents that each employee and  
38          subcontractor, who is subject to professional licensing requirements, is duly licensed to  
39          provide Behavioral Health Services. Provider shall ensure each employee and subcontractor  
40          have and maintains in good standing for the term of this Agreement the licenses, permits,  
41          registrations, certifications, and any other governmental authorizations to provide such  
42          services.

1    2.6    **INDEPENDENT MEDICAL/CLINICAL JUDGEMENT**  
2    Provider shall exercise independent medical/clinical judgment and control over its  
3    professional services. Nothing herein shall give North Sound BH-ASO, MCO, or HCA authority  
4    over Provider’s medical judgment or direct the means by which they practice within the scope  
5    of their licensed, certified, and/or registered practice. Provider retains sole responsibility for  
6    its relationship with each individual it treats, and for the quality of behavioral health care  
7    services provided to its individuals. Provider is solely responsible to each of its individuals for  
8    care provided.  
9

10   2.7    **NON-DISCRIMINATION**

11           2.7.1    **Enrollment.**  
12           Provider shall not differentiate or discriminate in providing services to individuals  
13           because of race, color, religion, national origin, ancestry, age, marital status, gender  
14           identity, sexual orientation, physical, sensory or mental handicap, socioeconomic  
15           status, or participation in publicly financed programs of health care services.  
16           Provider shall render services to individuals in the same location, in the same  
17           manner, in accordance with the same standards, and within the same time  
18           availability regardless of payor.  
19

20           2.7.2    **Employment.**  
21           Provider shall not differentiate or discriminate against any employee or applicant for  
22           employment, with respect to their hire, tenure, terms, conditions or privileges of  
23           employment, or any matter directly or indirectly related to employment, because of  
24           race, color, religion, national origin, ancestry, age, height, weight, marital status,  
25           gender identity, physical, sensory or mental disability unrelated to the individual’s  
26           ability to perform the duties of the particular job or position.  
27

28   2.8    **DATA INFORMATION SYSTEM REQUIREMENTS**

29           2.8.1    Provider shall:  
30                    2.8.1.1    Have a Health Information System (HIS) that complies with the  
31                    requirements of 42 CFR Part 438.242 and can report complete and  
32                    accurate data to the HMIS;  
33                    2.8.1.2    Maintain up to date individual contact information in the HIS; and  
34                    2.8.1.3    Maintain a written Business Continuity and Disaster Recovery Plan  
35                    (BCDRP) with an identified update process (at least annually) that ensures  
36                    timely restoration of the IS following total or substantial loss of system  
37                    functionality. A copy of the plan submitted by the Provider through the  
38                    credentialing process shall be made available upon request for review and  
39                    audit by North Sound BH-ASO and/or HCA.  
40  
41  
42  
43  
44

1 2.9 **CARE COORDINATION**

2

3 2.9.1 **Coordinate medical services.**

4 Provider shall coordinate all services for eligible individuals, including but not limited  
5 to medical services, behavioral health services and services associated with the social  
6 determinants of health as needed, or as identified by North Sound BH-ASO.

7 2.9.2 **Provision of data and information for purposes of care coordination.**

8 Provider shall cooperate with, participate in, and provide information and data in  
9 accordance to HIPAA, to support North Sound BH-ASO's care coordination activities  
10 and to meet HCA care coordination obligations.

11

12 2.10 **BEHAVIORAL HEALTH SCREENING AND ASSESSMENT REQUIREMENTS**

13 If Provider provides Behavioral Health Services, Provider shall utilize the Global Appraisal of  
14 Individual Needs-Short Screener (GAIN-SS) and assessment process, including use of the  
15 quadrant placement. If the results of the GAIN-SS are indicative of the presence of a co-  
16 occurring disorder (COD), Provider shall consider this information in the development of the  
17 individual's treatment plan, including appropriate referrals. In addition, Provider shall  
18 implement, and maintain throughout the term of this Agreement, the Integrated COD  
19 Screening and Assessment process, including training for applicable staff. If Provider fails to  
20 implement or maintain this process, upon request of North Sound BH-ASO, Provider shall  
21 provide a corrective action plan designed to ensure compliance with the requirements of this  
22 Section. Such plan shall allow for monitoring of compliance by North Sound BH-ASO.

23

24 2.11 **RECORDKEEPING AND CONFIDENTIALITY**

25

26 2.11.1 **Maintaining Individual Medical Record**

27 Provider shall maintain a medical record for each individual to whom Provider  
28 renders behavioral healthcare services. Provider shall establish each individual's  
29 medical record upon the individual's first encounter with Provider. The individual's  
30 medical record shall contain all information required by state and federal law,  
31 generally accepted and prevailing professional practice, applicable government  
32 sponsored health programs, and all North Sound BH-ASO P&Ps. Provider shall retain  
33 all such records for at least 10 years.

34 2.11.2 **Confidentiality of Individual Health Information**

35 As of the date of this Agreement, each party may be a Business Associate under  
36 HIPAA, as amended, and must comply with the Administrative Simplification  
37 Provisions of HIPAA and with the applicable provisions of the Health Information  
38 Technology for Economic and Clinical Health Act of 2009 (HITECH Act), including the  
39 Privacy Rule, Security Rule, Breach Notification Rule, and Enforcement Rule (the  
40 HIPAA Rules). The parties acknowledge that, in their performance under this  
41 Agreement, each shall have access to and receive from the other party information  
42 protected under HIPAA and RCW Chapter 70.02, the Washington State Health Care  
43 Information Access and Disclosure of 1991 (Protected Health Information or PHI).

44 2.11.3 **Health Information System**

1 Provider shall implement a documented health information system and a privacy  
2 security program that includes administrative, technical and physical safe guards  
3 designed to prevent the accidental or unauthorized use or disclosure of individual  
4 PHI and medical records. The information system and the privacy and security  
5 program shall, at a minimum, comply with applicable HIPAA regulations regarding  
6 the privacy and security of PHI, including but not limited to 42 CFR § 438.242; 45 CFR  
7 § 164.306(a); as well as, HIPAA privacy provisions in Title 13 of the American  
8 Recovery and Reinvestment Act of 2009 (ARRA).

9 **2.11.4 Delivery of Individual Care Information and Individual Access to Health Information**

10 Provider shall give North Sound BH-ASO, MCO, HCA and/or individuals access to  
11 individual health information including, but not limited to, medical records and  
12 billing records, for the purpose of inspection, evaluation, and audit, in accordance  
13 with the requirements of state and federal law, applicable government sponsored  
14 health programs, and North Sound BH-ASO P&P's.

15 **2.11.5 Federal Drug and Alcohol Confidentiality Laws**

16 Provider shall comply with 42 CFR Part 2, as applicable. If Provider is a Part 2  
17 program, as defined under 42 CFR §2.11, Provider shall obtain a signed written  
18 consent that complies with the requirements of 42 CFR Part 2 from each individual,  
19 prior to disclosing the individual's Patient Identifying Information to MCO or HCA.  
20 For the purposes of this section, "Patient Identifying Information" shall have the  
21 same meaning as under 42 CFR §2.11. Such consent shall explicitly name MCO  
22 and/or HCA as an authorized recipient of the individual's Patient Identifying  
23 Information. Provider shall maintain copies of each individual's consent form in  
24 accordance with federal law. North Sound BH-ASO reserves the right to audit  
25 Provider's records to ensure compliance with this Section.

26  
27 **2.12 INDIVIDUAL'S COPAYMENTS, COINSURANCE AND DEDUCTIBLES**

28  
29 **2.12.1 Third-Party Payment**

30 The Provider shall have a written policy regarding third-party payments that  
31 complies with provisions of North Sound BH-ASO's P&P's. The policy shall explain  
32 the process in place to pursue, in accordance with reasonable collection practices,  
33 third-party payments for individuals who are covered by other benefit plans and  
34 private pay. The Provider shall document its collections of third-party payments.

35 **2.12.2 Medicaid enrollment**

36 The Provider shall aggressively work to convert non-Medicaid individuals to Medicaid  
37 status, including helping families to access health insurance coverage for their  
38 children under the provisions of the Children's Health Insurance Program.

39 **2.12.3 Individual financial obligation**

40 The Provider shall provide notice to individuals of their personal financial obligations  
41 for non-covered services, and may bill individuals for non-covered services only if the  
42 Provider has:  
43

- 1                   2.12.3.1     Provided the individual with a full written disclosure of Provider’s intent
- 2   to directly bill the individual for non-covered services (including a clear
- 3   statement the North Sound BH-ASO and/or the individual’s assigned
- 4   MCO is not financially obligated or otherwise liable to cover or provide
- 5   any reimbursement, compensation, or other payment related to such
- 6   non-covered services); and
- 7                   2.12.3.2     Obtained a written acknowledgement and acceptance of financial
- 8   responsibility from the individual at the time of denial and prior to
- 9   services being delivered.

10

11   **2.13   CLIENT HOLD HARMLESS**

12

- 13           2.13.1     Provider hereby agrees that in no event, including, but not limited to nonpayment by
- 14   North Sound BH-ASO, North Sound BH-ASO, or breach of this contract will Provider
- 15   bill, charge, collect a deposit from, seek compensation, remuneration, or
- 16   reimbursement from, or have any recourse against a client or person acting on their
- 17   behalf, other than North Sound BH-ASO, for services provided pursuant to this
- 18   Contract. This provision does not prohibit collection of deductibles, copayments,
- 19   coinsurance and/or payment for noncovered services, which have not otherwise
- 20   been paid by a primary or secondary issuer in accordance with regulatory standards
- 21   for coordination of benefits, from individuals in accordance with the terms of the
- 22   individual’s health plan.
- 23           2.13.2     If applicable, Provider agrees in the event of North Sound BH-ASO insolvency, to
- 24   continue to provide the services promised in this Contract to clients of North Sound
- 25   BH-ASO for the duration of the period for which premiums on behalf of the
- 26   individuals were paid to North Sound BH-ASO or until the individual’s discharge from
- 27   inpatient facilities, whichever time is greater.
- 28           2.13.3     Notwithstanding any other provision of this Contract, nothing in this contract shall be
- 29   construed to modify the rights and benefits contained in an Individual’s health plan.
- 30           2.13.4     Provider may not bill individuals for crisis services where North Sound BH-ASO denies
- 31   payments because the Provider has failed to comply with the terms or conditions of
- 32   this Contract.
- 33           2.13.5     Provider further agrees (i) the provisions of this subsection 2.13 shall survive
- 34   termination of this contract regardless of the cause giving rise to termination and
- 35   shall be construed to be for the benefit of North Sound BH-ASO individuals, and (ii)
- 36   this provision supersedes any oral or written contrary agreement now existing
- 37   or hereafter entered into between Provider and individuals or persons acting on
- 38   their behalf.
- 39           2.13.6     If Provider contracts with other providers or facilities who agree to provide crisis
- 40   services to individuals of North Sound BH-ASO with the expectation of receiving
- 41   payment directly or indirectly from North Sound BH-ASO, such providers or facilities
- 42   must agree to abide by the provisions of this subsection 2.13.
- 43



1 Willfully collecting or attempting to collect an amount from an individual knowing that  
2 collection to be in violation of the participating provider or facility contract constitutes a class  
3 C felony under RCW 48.80.030.

4  
5 **2.14 PROGRAM PARTICIPATION**

6  
7 **2.14.1 Participation in Grievance Program**

8 Provider shall implement a Grievance Program that complies with WAC 182-538C  
9 110 or its successors and shall participate in North Sound BH-ASO's Grievance  
10 Program and cooperate in identifying, processing, and promptly resolving all  
11 individual complaints, grievances, or inquiries.

12 **2.14.2 Participation in Quality Improvement Program**

13  
14 2.14.2.1 Provider shall develop and implement a quality management plan to  
15 improve the quality of care received.

16 2.14.2.2 Provider when requested shall cooperate and participate in the North  
17 Sound BH-ASO Quality Assessment and Performance Improvement  
18 activities and Performance Improvement Projects (PIP) identified by North  
19 Sound BH-ASO and/or HCA.

20  
21 **2.14.3 Participation in Utilization Review and Management Program**

22 Provider shall participate in and comply with the North Sound BH-ASO Utilization  
23 Review and Management Program, including all P&P's regarding prior  
24 authorizations, and shall cooperate with HCA in audits to identify, confirm, and/or  
25 assess utilization levels of services.

26  
27 Willfully collecting or attempting to collect an amount from an individual knowing that  
28 collection to be in violation of the participating provider or facility contract constitutes a class  
29 C felony under RCW 48.80.030.

30  
31 **2.15 NOTICES**

32  
33 **2.15.1 Critical Incident Reporting**

34 Provider shall send immediate notification to North Sound BH-ASO and, when  
35 indicated, to the applicable MCO of any Critical Incident involving an individual.  
36 Notification shall be made during the business day on which Provider becomes  
37 aware of the Critical Incident. If Provider becomes aware of a Critical Incident  
38 involving an individual after business hours, Provider shall provide notice to North  
39 Sound BH-ASO and, when indicated, to the applicable MCO as soon as possible the  
40 next business day. Provider shall provide to North Sound BH-ASO and, when  
41 indicated, to the applicable MCO all available information related to a Critical  
42 Incident at the time of notification, including: a description of the event, the date  
43 and time of the incident, the incident location, incident type, information about the

1 individuals involved in the incident and the nature of their involvement; the  
2 individual's or other involved individuals' service history with Provider; steps taken  
3 by Provider to minimize potential or actual harm; and any legally required  
4 notification made by Provider. Upon North Sound BH-ASO's request, and as  
5 additional information becomes available, Provider shall update the information  
6 provided regarding the Critical Incident and, if requested by MCO, shall prepare a  
7 written report regarding the Critical Incident, including any actions taken in response  
8 to the incident, the purpose for which such actions were taken, any implications to  
9 Provider's delivery system and efforts designed to prevent or lessen the possibility of  
10 future similar incidents. Reporting shall comport with North Sound BH-ASO  
11 Supplemental Provider Service Guide and applicable P&Ps.

12  
13 **2.15.2 Notice of sites/services change**

14 Provider shall, prior to making a public announcement of any site or service changes,  
15 notify North Sound BH-ASO in writing and receive approval at least:  
16

17 2.15.2.1 120 days prior to closing a Provider site or opening any additional site(s)  
18 providing services under this Agreement.

19 2.15.2.2 30 days prior to any Provider change that would significantly affect the  
20 delivery of or payment for services provided, including changes in tax  
21 identification numbers, billing addresses, or practice locations.

22 2.15.2.3 If Provider discontinues services or closes a site in less than 30 days,  
23 Provider shall notify North Sound BH-ASO as soon as possible and prior to  
24 making a public announcement.

25 2.15.2.4 Provider shall notify North Sound BH-ASO of any other changes in capacity  
26 that result in the Provider being unable to meet any requirements of this  
27 Agreement. Events that affect capacity, include but are not limited to a  
28 decrease in the number, frequency, or type of a required service to be  
29 provided; employee strike or other work stoppage related to union  
30 activities; or any changes that result in Provider being unable to provide  
31 timely, medically necessary services.

32 2.15.2.5 If any of the above events occurs, Provider shall submit a plan to North  
33 Sound BH-ASO and, if requested, shall meet with North Sound BH-ASO to  
34 review the plan at least 30 business days prior to the event. The plan  
35 should include the following:  
36

37 2.15.2.5.1 Notification of service/site change;

38 2.15.2.5.2 Individual notification and communication plan;

39 2.15.2.5.3 Plan for provision of uninterrupted services by individual; and

40 2.15.2.5.4 Any information that will be released to the media.

41  
42 **2.15.3 Termination of Services**

43 Provider shall provide North Sound BH-ASO at least 120 calendar days written notice  
44 before provider, any clinic, or subcontractor ceases to provide services to individuals.

1  
2       2.15.4   **Reporting Fraud**

3           Provider shall comply with RCW 48.135 concerning Insurance Fraud Reporting and  
4           shall notify North Sound BH-ASO Compliance Department of all incidents or  
5           occasions of suspected fraud, waste, or abuse involving Services provided to an  
6           individual. Provider shall report a suspected incident of fraud, waste or abuse,  
7           including a credible allegation of fraud, within five (5) business days of the date  
8           Provider first becomes aware of, or is on notice of, such activity. The obligation to  
9           report suspected fraud, waste, or abuse shall apply if the suspected conduct was  
10          perpetrated by Provider, Provider’s employee, agent, subcontractor, or individual.  
11          Provider shall establish P&P’s for identifying, investigating, and taking appropriate  
12          corrective action against suspected fraud, waste, or abuse. Detailed information  
13          provided to employees and subcontractors regarding fraud and abuse P&P’s and the  
14          false Claims Act and the Washington false claims statutes RCW Chapter 74.66 and  
15          74.09.210. Upon request by North Sound BH-ASO, and/or HCA, Provider shall confer  
16          with the appropriate State agency prior to or during any investigation into suspected  
17          fraud, waste, or abuse.  
18

19   2.16   **PARTICIPATION IN CREDENTIALING**

20          Provider shall participate in North Sound BH-ASO’s credentialing and re-credentialing process  
21          that shall satisfy, throughout the term of this Agreement, all credentialing and re-  
22          credentialing criteria established by North Sound BH-ASO. Provider shall immediately notify  
23          North Sound BH-ASO of any change in the information submitted or relied upon by Provider  
24          to achieve credentialed status. If Provider’s credentialed status is revoked, suspended, or  
25          limited by North Sound BH-ASO, North Sound BH-ASO may, at its discretion, terminate this  
26          Agreement and/or reassign individuals to another provider.  
27

28   2.17   **PROVIDER TRAINING AND EDUCATION**

29          Upon the request of North Sound BH-ASO, the Provider shall participate in training when  
30          required by the North Sound BH-ASO and/or HCA.  
31

32          2.17.1   **Exception to required training**

33                Requests to allow an exception to participation in a required training must be in  
34                writing and include a plan for how the required information will be provided to  
35                targeted Provider staff;

36          2.17.2   **Safety and violence-prevention training**

37                Provider shall ensure all community behavioral health employees who work directly  
38                with individuals are provided with at least annual training on safety and violence-  
39                prevention topics described in RCW 49.19.030;

40          2.17.3   **Cultural humility training**

41                Provider shall ensure all community behavioral health employees who work for  
42                Providers are provided with at least annual training on cultural humility;

43          2.17.4   **Health Education/Training**

1 Provider shall ensure all community behavioral health employees who work directly  
2 with individuals receive Health Education/Training as requested by North Sound BH-  
3 ASO; and

4 2.17.5 **Provider Non-Solicitation**

5 Provider shall not solicit or encourage individuals to select any particular health plan  
6 for the primary purpose of securing financial gain for Provider. Nothing in this  
7 provision is intended to limit Provider's ability to fully inform individuals of all  
8 available health care treatment options or modalities.  
9

1 **ARTICLE THREE –NORTH SOUND BH-ASO OBLIGATIONS**

2 **3.1 ADMINISTRATIVE SUPPORT**

3 North Sound BH-ASO shall provide the administrative support to the North Sound Integrated  
4 Care Network (ICN) and will collaborate with Providers in:

- 5
- 6 3.1.1 Establishing and maintaining a multispecialty provider network that is geographically  
7 distributed through the service area and promotes individual choice and access to  
8 Participating Providers;
- 9 3.1.2 Developing and supporting the workforce in the provision of active, innovative and  
10 evidence-based chronic conditions management practices;
- 11 3.1.3 Developing and implementing Participating Provider practice protocols and supports;
- 12 3.1.4 Creating alliances with other medical practices/groups and providers to help ensure  
13 the delivery of whole-person and integrated care;
- 14 3.1.5 Participating in performance measurement, including the reporting of state defined  
15 performance measures and HCA identified behavioral health measures;
- 16 3.1.6 Promoting practice transformation and outcome achievement through value-based  
17 purchasing; and
- 18 3.1.7 Providing support and training on proper coding of services and data transmissions  
19 related to encounters.
- 20

21 **3.2 CONTINUUM OF BEHAVIORAL HEALTH CARE**

22 North Sound BH-ASO shall contract with a network of behavioral health providers to ensure a  
23 continuum of crisis behavioral health care to achieve and demonstrate network adequacy.  
24

25 **3.3 COLLECTION OF SERVICE ENCOUNTERS**

26 North Sound BH-ASO shall collect service encounters from the Participating Providers and  
27 submit them to HCA and/or MCOs.  
28

29 **3.4 PAYMENT**

30 North Sound BH-ASO shall pay Provider for services provided according to the North Sound  
31 BH-ASO established rate schedule. Additionally, clean claims shall be submitted in established  
32 timelines.  
33

- 34 3.4.1 North Sound BH-ASO shall provide reasonable notice of not less than 60 days of  
35 changes that affect Provider’s compensation or the delivery of health care services.  
36

37 **3.5 SUBMISSION OF CLAIMS**

38 If Provider submits claims for Services rendered under this Contract, the following  
39 requirements shall apply:  
40

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**3.5.1 Clean Claims Standards**

Except as agreed to by the parties on a claim-by-claim basis, North Sound BH-ASO shall pay or deny not less than (i) 95% of Clean Claims received from Provider within 30 days of receipt; (ii) 95% of all claims received from Provider within 60 days of receipt; and (iii) 99% of all Clean Claims received from Provider within 90 days of receipt.

**3.5.2 Clean Claim – Definition**

For purposes of this Section 3.5, "clean claim" means a claim that has no defect or impropriety, including any lack of any required substantiating documentation, or particular circumstances requiring special treatment that prevents timely payments from being made on the claim under this Section 3.5.

**3.6 COORDINATION**

North Sound BH-ASO shall be responsible for coordinating with Participating Providers to meet the obligations identified in this Agreement.

1 **ARTICLE FOUR - TERM AND TERMINATION**

2 **4.1 TERM**

3 This Agreement is effective on October 1, 2024, and will remain in effect for an initial term of  
4 1 year (Initial Term), after which it will automatically renew for successive terms of 1 year  
5 each (Renewal Term), unless this Agreement is sooner terminated as provided in this  
6 Agreement or either Party gives the other Party written notice of non-renewal of this  
7 Agreement not less than 180 days prior to the end of the current term.  
8

9 **4.2 TERMINATION WITHOUT CAUSE**

10 This Agreement may be terminated without cause by either party upon providing at least 90  
11 days written notice to the other party.  
12

13 **4.3 TERMINATION WITH CAUSE**

14 Either party may terminate this Agreement by providing the other party with a minimum of 10  
15 business days prior written notice in the event the other party commits a material breach of  
16 any provision of this Agreement. Said notice must specify the nature of said material breach.  
17 The breaching party shall have 7 business days from the date of the breaching party's receipt  
18 of the foregoing notice to cure said material breach. In the event the breaching party fails to  
19 cure the material breach within said 7 business day period, this Agreement shall automatically  
20 terminate upon expiration of the 10 business days' notice period.  
21

22 **4.4 IMMEDIATE TERMINATION**

23 Unless expressly prohibited by applicable regulatory requirements, North Sound BH-ASO may  
24 immediately suspend or terminate the participation of a Provider in any or all products or  
25 services by giving written notice thereof to Provider when North Sound BH-ASO determines  
26 that (i) based upon available information, the continued participation of the Provider appears  
27 to constitute an immediate threat or risk to the health, safety or welfare of individual(s), or (ii)  
28 Provider's fraud, malfeasance, or non-compliance with any regulatory requirements is  
29 reasonably suspected. During such suspension, the Provider shall, as directed by North Sound  
30 BH-ASO, discontinue the provision of all or a particular contracted Service to individual(s).  
31 During the term of any suspension, Provider shall notify individual(s) that their status as a  
32 Provider has been suspended. Such suspension will continue until the Provider's participation  
33 is reinstated or terminated.  
34

35 **4.5 TERMINATION DUE TO CHANGE IN FUNDING**

36 In the event funding from HCA, MCO, State, Federal, or other sources is withdrawn, reduced,  
37 or limited in any way after the effective date of this Contract and prior to its normal  
38 completion, either party may terminate this Contract subject to re-negotiations.  
39

40 **4.5.1 TERMINATION PROCEDURE**

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

1 4.5.1.1 Provider and any applicable subcontractors shall cease to perform any  
2 services required by this Contract as of the effective date of termination  
3 and shall comply with all reasonable instructions contained in the notice of  
4 termination which are related to the transfer of individuals, distribution of  
5 property and termination of services. Each party shall be responsible only  
6 for its performance in accordance with the terms of this Contract rendered  
7 prior to the effective date of termination. Provider and any applicable  
8 subcontractors shall assist in the orderly transfer/transition of the  
9 individuals served under this Contract. Provider and any applicable  
10 subcontractors shall promptly supply all information necessary for the  
11 reimbursement of any outstanding Medicaid claims.

12 4.5.1.2 Provider and any applicable subcontractors shall immediately deliver to  
13 North Sound BH-ASO's Program Administrator or their successor, all North  
14 Sound BH-ASO assets (property) in Provider and any applicable  
15 subcontractor's possession and any property produced under this  
16 Contract. Provider and any applicable subcontractors grant North Sound  
17 BH-ASO the right to enter upon Provider and any applicable  
18 subcontractor's premises for the sole purpose of recovering any North  
19 Sound BH-ASO property that Provider and any applicable subcontractors  
20 fails to return within 10 business days of termination of this Contract.  
21 Upon failure to return North Sound BH-ASO property within 10 business  
22 days of the termination of this Contract, Provider and any applicable  
23 subcontractors shall be charged with all reasonable costs of recovery,  
24 including transportation and attorney's fees. Provider and any applicable  
25 subcontractors shall protect and preserve any property of North Sound  
26 BH-ASO that is in the possession of Provider and any applicable  
27 subcontractors pending return to North Sound BH-ASO.

28 4.5.1.3 North Sound BH-ASO shall be liable for and shall pay for only those  
29 services authorized and provided through the date of termination. North  
30 Sound BH-ASO may pay an amount agreed to by the parties for partially  
31 completed work and services, if work products are useful to or usable by  
32 North Sound BH-ASO.

33 4.5.1.4 If the Program Administrator terminates this Contract for default, North  
34 Sound BH-ASO may withhold a sum from the final payment to Provider  
35 that North Sound BH-ASO determines is necessary to protect North Sound  
36 BH-ASO against loss or additional liability occasioned by the alleged  
37 default. North Sound BH-ASO shall be entitled to all remedies available at  
38 law, in equity, or under this Contract. If it is later determined Provider was  
39 not in default, or if Provider terminated this Contract for default, Provider  
40 shall be entitled to all remedies available at law, in equity, or under this  
41 Contract.

42  
43 Should the contract be terminated by either party, North Sound BH-ASO  
44 will require the spend-down of all remaining reserves and fund balances



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

7 **4.6 TERMINATION NOTIFICATION TO INDIVIDUALS**

8 North Sound BH-ASO will inform affected individuals of any termination pursuant to this  
9 Contract in accordance with the process set forth in the applicable MCO P&P's. Individuals  
10 may be required to select another Provider contracted with North Sound BH-ASO prior to the  
11 effective date of termination of this Contract.  
12

1 **ARTICLE FIVE - FINANCIAL TERMS AND CONDITIONS**

2 **5.1 GENERAL FISCAL ASSURANCES**

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

10 **5.2 FINANCIAL ACCOUNTING REQUIREMENTS**

11 Provider shall:

- 12 5.2.1 Limit Administration costs to no more than 15% of the annual revenue supporting  
13 the public behavioral health system operated by Provider. Administration costs shall  
14 be measured on a fiscal year basis and based on the information reported in the  
15 Revenue and Expenditure Reports and reviewed by North Sound BH-ASO.
- 16 5.2.2 The Provider shall establish and maintain a system of accounting and internal  
17 controls which complies with generally accepted accounting principles promulgated  
18 by the Financial Accounting Standards Board (FASB), the Governmental Accounting  
19 Standards Board (GASB), or both as is applicable to the Provider's form of  
20 incorporation.
- 21 5.2.3 Ensure all North Sound BH-ASO funds, including interest earned, provided pursuant  
22 to this Contract, are used to support the public behavioral health system within the  
23 Service Area;
- 24 5.2.4 Ensure under no circumstances are individuals charged for any covered services,  
25 including those out-of-network services purchased on their behalf;
- 26 5.2.5 Produce annual, audited financial statements upon completion and make such  
27 reports available to North Sound BH-ASO upon request.

28 **5.2.1.1 Financial Reporting**

29 Provider shall provide the following reports to North Sound BH-ASO:

- 30 5.2.1.1.1 The North Sound BH-ASO shall reimburse the Provider for  
31 satisfactory completion of the services and requirements  
32 specified in this Contract and its attached exhibit(s).
- 33 5.2.1.1.2 The Provider shall submit an invoice within 30 days from the  
34 service month (i.e., services in June invoiced on or before  
35 August 1<sup>st</sup>) along with all accompanying reports as specified in  
36 the attached exhibit(s), including its final invoice and all  
37 outstanding reports. The North Sound BH-ASO shall initiate  
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authorization for payment to the Provider not more than 30 days after a timely, complete and accurate invoice is received.

5.2.1.1.3 The Provider shall submit its final invoice and all outstanding reports as specified in this contract and its attached exhibit(s). If the Provider’s final invoice and reports are not submitted as specified in this contract and its attached exhibit(s), the North Sound BH-ASO will be relieved of all liability for payment to the Provider of the amounts set forth in said invoice or any subsequent invoice.

5.2.1.2 **LIABILITY FOR PAYMENT AND THE PURSUIT OF THIRD-PARTY REVENUE**

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

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

1 **ARTICLE SIX-OVERSIGHT AND REMEDIES**

2 **6.1 OVERSIGHT AUTHORITY**

3 North Sound BH-ASO, HCA, DSHS, Office of the State Auditor, the Department of Health  
4 (DOH), the Comptroller General, or any of their duly-authorized representatives have the  
5 authority to conduct announced and unannounced: a) surveys, b) audits, c) reviews of  
6 compliance with licensing and certification requirements and compliance with this Contract,  
7 d) audits regarding the quality, appropriateness and timeliness of behavioral health services of  
8 Provider and subcontractors and e) audits and inspections of financial records of Provider and  
9 subcontractors.

10  
11 Provider shall notify North Sound BH-ASO when an entity other than North Sound BH-ASO  
12 performs any audit described above related to any activity contained in this Contract.

13  
14 In addition, North Sound BH-ASO will conduct reviews in accordance with its oversight of  
15 resource, utilization and quality management, as well as, ensure Provider has the clinical,  
16 administrative and fiscal structures to enable them to perform in accordance with the terms  
17 of the contract. Such reviews may include, but are not limited to: encounter data validation,  
18 utilization reviews, clinical record reviews, program integrity, administrative structures  
19 reviews, fiscal management and contract compliance. Reviews may include desk reviews,  
20 requiring Provider to submit requested information. North Sound BH-ASO will also review any  
21 activities delegated under this contract to Provider.

22  
23 **6.2 REMEDIAL ACTION**

24 North Sound BH-ASO may require Provider to plan and execute corrective action. Corrective  
25 Action Plan (CAP) developed by Provider must be submitted for approval to North Sound BH-  
26 ASO within 30 calendar days of notification. CAP must be provided in a format acceptable to  
27 North Sound BH-ASO. North Sound BH-ASO may extend or reduce the time allowed for  
28 corrective action depending upon the nature of the situation as determined by North Sound  
29 BH-ASO.

30  
31 **6.2.1 CAP must include:**

- 32  
33 6.2.1.1 A brief description of the findings; and
- 34 6.2.1.2 Specific actions to be taken, a timetable, a description of the monitoring to  
35 be performed, the steps taken and responsible individuals that will reflect  
36 the resolution of the situation.

37  
38 **6.2.2 CAP may:**

39 Require modification of any P&P by Provider relating to the fulfillment of its  
40 obligations pursuant to this Contract.

1 6.2.3 CAP is subject to approval by North Sound BH-ASO, which may:

- 2
- 3 6.2.3.1 Accept the plan as submitted;
- 4 6.2.3.2 Accept the plan with specified modifications;
- 5 6.2.3.3 Request a modified plan; or
- 6 6.2.3.4 Reject the plan.
- 7

8 6.2.4 Provider agrees North Sound BH-ASO may initiate remedial action as outlined in  
9 subsection (6.2.5) below if North Sound BH-ASO determines any of the following  
10 situations exist:

- 11
- 12 6.2.4.1 If a problem exists that poses a threat to the health or safety of any person  
13 or poses a threat of property damage/an incident has occurred that  
14 resulted in injury or death to any person/resulted in damage to property.
- 15 6.2.4.2 Provider has failed to perform any of the behavioral health services  
16 required in this Contract, which includes the failure to maintain the  
17 required capacity as specified by North Sound BH-ASO to ensure enrolled  
18 individuals receive medically necessary services, including delegated  
19 functions; except, that no remedial action pursuant to subsection (6.2.5)  
20 hereof shall be taken if such failure to maintain required capacity is due to  
21 any interruption in, or depletion of the available amount of money to  
22 Provider as described in Exhibit B of this contract for purposes of  
23 performing services under this contract; however, in such an instance,  
24 North Sound BH-ASO may terminate all or part of this contract on as little  
25 as 30 days written notice.
- 26 6.2.4.3 Provider has failed to develop, produce and/or deliver to North Sound BH-  
27 ASO any of the statements, reports, data, data corrections, accountings,  
28 claims and/or documentation described herein, in compliance with all the  
29 provisions of this Contract.
- 30 6.2.4.4 Provider has failed to perform any administrative function required under  
31 this Contract, including delegated functions. For the purposes of this  
32 section, “administrative function” is defined as any obligation other than  
33 the actual provision of behavioral health services.
- 34 6.2.4.5 Provider has failed to implement corrective action required by the state  
35 and within North Sound BH-ASO prescribed timeframes.
- 36

37 6.2.5 North Sound BH-ASO may impose any of the following remedial actions in response  
38 to findings of situations as outlined above.  
39

- 1                   6.2.5.1 Withhold two (2%) percent of the next monthly payment and each monthly  
2                   payment thereafter until the corrective action has achieved resolution.  
3                   North Sound BH-ASO, at its sole discretion, may return a portion or all of  
4                   any payments withheld once satisfactory resolution has been achieved.
- 5                   6.2.5.2 Compound withholdings identified above by an additional one-half of one  
6                   percent (1/2 of 2%) for each successive month during which the remedial  
7                   situation has not been resolved.
- 8                   6.2.5.3 Revoke delegation of any function delegated under this contract.
- 9                   6.2.5.4 Deny any incentive payment to which Provider might otherwise have been  
10                  entitled under this Contract or any other arrangement by which DBHR  
11                  provides incentives.
- 12                 6.2.5.5 Termination for Default, as outlined in this Contract.

13  
14 **6.3 NOTICE REQUIREMENTS**

15 Whenever this Contract provides for notice to be provided by one (1) party to another, such  
16 notice shall be in writing and directed to the chief executive office of the Provider and the  
17 project representative of the County department specified on page one (1) of this Contract.  
18 Any time within which a party must take some action shall be computed from the date that  
19 the notice is received by said party.  
20

1 **ARTICLE SEVEN -GENERAL TERMS AND CONDITIONS FOR CONTRACTOR**

2  
3 **7.1 BACKGROUND**

4 North Sound BH-ASO is an entity formed by inter-local agreement between Island, San Juan,  
5 Skagit, Snohomish and Whatcom Counties, each county authority is recognized by the  
6 Director of HCA (Director). These counties entered into an inter-local agreement to allow  
7 North Sound BH-ASO to contract with the Director pursuant to RCW 71.24.025(18), to operate  
8 a single managed system of services for persons with behavioral illness living in the service  
9 area covered by Island, San Juan, Skagit, Snohomish and Whatcom Counties (Service Area).  
10 North Sound BH-ASO is party to an interagency agreement with the Director, pursuant to  
11 which North Sound BH-ASO has agreed to provide integrated community support, crisis  
12 response services to people needing such services in its Service Area. North Sound BH-ASO,  
13 through this Contract, is subcontracting with Provider for the provision of specific behavioral  
14 health services as required by the agreement with the Director. Provider, by signing this  
15 Contract, attests it is willing and able to provide such services in the Service Area.  
16

17 **7.2 MUTUAL COMMITMENTS**

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

25 **7.3 ASSIGNMENT**

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

32 **7.4 AUTHORITY**

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

1 **7.5 COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND OPERATIONAL POLICIES**

2 The parties shall comply with all relevant state or federal law, policy, directive, or government  
3 sponsored program requirements relating to the subject matter of this Agreement. The  
4 provisions of this Agreement shall be construed in a manner that reflects consistency and  
5 compliance with such laws, policies and directives. Without limiting the generality of the  
6 foregoing, the parties shall comply with applicable provisions of this Agreement and the  
7 Supplemental Provider Service Guide, incorporated herein:  
8

- 9 7.5.1 Title XIX and Title XXI of the SSA and Title 42 CFR;
- 10 7.5.2 All applicable Office of the Insurance Commissioner (OIC) statutes and regulations;
- 11 7.5.3 Americans with Disabilities Act (ADA) of 1990;
- 12 7.5.4 Title VI of the Civil Rights Act of 1964;
- 13 7.5.5 Age Discrimination Act of 1975;
- 14 7.5.6 All local, State and Federal professional and facility licensing and certification  
15 requirements/standards that apply to services performed under the terms of this  
16 Contract;
- 17 7.5.7 The Patient Protection and Affordable Care Act (PPACA or ACA);
- 18 7.5.8 All applicable standards, orders, or requirements issued under Section 306 of the  
19 Clean Air Act (42 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368),  
20 Executive Order 11738 and Environmental Protection Agency (EPA) regulations (40  
21 CFR Part 15), which prohibit the use of facilities included on the EPA List of Violating  
22 Facilities. Any violations shall be reported to HCA/DSHS, DHHS and the EPA.
- 23 7.5.9 Any applicable mandatory standards and policies relating to energy efficiency, which  
24 are contained in the State Energy Conservation Plan, issued in compliance with the  
25 federal Energy Policy and Conservation Act;
- 26 7.5.10 Those specified in RCW Title 18 for professional licensing;
- 27 7.5.11 Reporting of abuse as required by RCW 26.44.030;
- 28 7.5.12 Industrial insurance coverage as required by RCW Title 51;
- 29 7.5.13 RCW 38.52, 70.02, 71.05, 71.24 and 71.34;
- 30 7.5.14 WAC 246-341 and 388-865;
- 31 7.5.15 Provider must ensure it does not: a) operate any physician incentive plan as  
32 described in 42 CFR §422.208; and b) does not Contract with any subcontractor  
33 operating such a plan.
- 34 7.5.16 HCA/MCO Quality Strategy;
- 35 7.5.17 State of Washington behavioral health system mission statement, value statement  
36 and guiding principles for the system, hereto as Exhibit D;
- 37 7.5.18 Office of Management and Budget (OMB) Circulars, Budget, Accounting and  
38 Reporting System (BARS) Manual and BARS Supplemental Behavioral Health  
39 Instructions;
- 40 7.5.19 Any applicable federal and state laws that pertain to individual’s rights. Provider  
41 shall ensure its staff takes those rights into account when furnishing services to  
42 individuals.



- 1 7.5.20 42 United States Code (USC) 1320a-7 and 1320a-7b (Section 1128 and 1128(b) of the
- 2 SSA), which prohibits making payments directly or indirectly to physicians or other
- 3 providers as an inducement to reduce or limit behavioral health services provided to
- 4 individuals;
- 5 7.5.21 Any P&P developed by DSHS/HCA which governs the spend-down of individual's
- 6 assets;
- 7 7.5.22 Provider and any subcontractors must comply with 42-USC 1396u-2 and must not
- 8 knowingly have a director, officer, partner, or person with a beneficial ownership of
- 9 more than five (5%) of Provider, BHA or subcontractor's equity, or an employee,
- 10 Provider, or consultant who is significant or material to the provision of services
- 11 under this Contract, who has been, or is affiliated with someone who has been,
- 12 debarred, suspended, or otherwise excluded by any federal agency.
- 13 7.5.23 Federal and State non-discrimination laws and regulations;
- 14 7.5.24 HIPAA (45 CFR parts 160-164);
- 15 7.5.25 Confidentiality of Substance Use Disorder (SUD) 42 CFR Subchapter A, Part 2;
- 16 7.5.26 HCA-CIS Data Dictionary and its successors;
- 17 7.5.27 Federal funds must not be used for any lobbying activities
- 18 7.5.28 Mental Health Parity and Addiction Equity Act (MHPAEA) and final rule

19  
20 If Provider is in violation of a federal law or regulation and Federal Financial Participation is  
21 recouped from North Sound BH-ASO, Provider shall reimburse the federal amount to North  
22 Sound BH-ASO within 20 days of such recoupment.

23  
24 Upon notification from HCA/MCO, North Sound BH-ASO shall notify Provider in writing of  
25 changes/modifications in HCA contract requirements.

26  
27 **7.6 COMPLIANCE WITH NORTH SOUND BH-ASO OPERATIONAL GUIDE**

28 Provider shall comply with all North Sound BH-ASO Supplemental Provider Service Guide and  
29 operational policies that pertain to the delivery of services under this Contract that are in  
30 effect when the Contract is signed or come into effect during the term of the Contract. North  
31 Sound BH-ASO shall notify Provider of any proposed change in federal or state requirements  
32 affecting this Contract immediately upon North Sound BH-ASO receiving knowledge of such  
33 change.

34  
35 **7.7 CONFIDENTIALITY OF PERSONAL INFORMATION**

36 Provider shall protect all Personal Information, records and data from unauthorized disclosure  
37 in accordance with 42 CFR §431.300 through §431.307, RCWs 70.02, 71.05, 71.34 and for  
38 individuals receiving SUD services, in accordance with 42 CFR Part 2 and WAC 246-341.  
39 Provider shall have a process in place to ensure all components of its provider network and  
40 system understand and comply with confidentiality requirements for publicly funded  
41 behavioral health services. Pursuant to 42 CFR §431.301 and §431.302, personal information  
42 concerning applicants and recipients may be disclosed for purposes directly connected with  
43 the administration of this Contract and the State Medicaid Plan. Provider shall read and  
44 comply with all HIPAA policies.

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**7.8 CONTRACT PERFORMANCE/ENFORCEMENT**

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

**7.9 COOPERATION**

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

**7.10 DEBARMENT CERTIFICATION**

The Provider, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for Debarment, declared ineligible or voluntarily excluded in any Washington State or federal department or agency from participating in transactions (debarred).

The Provider agrees to include the above requirement in any and all Subcontracts into which it enters concerning the performance of services hereunder, and also agrees that it shall not employ debarred individuals or Subcontract with any debarred providers, persons, or entities.

The Provider shall immediately notify North Sound BH-ASO if, during the term of this Contract, the Provider becomes debarred. North Sound BH-ASO may immediately terminate this Contract by providing Provider written notice in accord with Subsection 6.3 of this Contract if the Provider becomes debarred during the term hereof.

**7.11 EXCLUDED PARTIES**

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

Provider shall monitor for excluded individuals and entities by:

- 7.11.1 Screening Provider and subcontractor's employees and individuals and entities with an ownership or control interest for excluded individuals and entities prior to entering into a contractual or other relationship where the individual or entity would benefit directly or indirectly from funds received under this Contract.
- 7.11.2 Screening monthly newly added Provider and subcontractor's employees and individuals and entities with an ownership or control interest for excluded

1 individuals and entities that would benefit directly or indirectly from funds received  
2 under this Contract.

- 3 7.11.3 Screening monthly Provider and subcontractor's employees and individuals and  
4 entities with an ownership or control interest that would benefit from funds  
5 received under this Contract for newly added excluded individuals and entities.  
6

7 Report to North Sound BH-ASO:  
8

- 9 7.11.4 Any excluded individuals and entities discovered in the screening within 10 business  
10 days;

- 11 7.11.5 Any payments made by Provider that directly or indirectly benefit excluded  
12 individuals and entities and the recovery of such payments;

- 13 7.11.6 Any actions taken by Provider to terminate relationships with Provider and  
14 subcontractor's employees and individuals with an ownership or control interest  
15 discovered in the screening;

- 16 7.11.7 Any Provider and subcontractor's employees and individuals with an ownership or  
17 control interest convicted of any criminal or civil offense described in SSA section  
18 1128 within 10 business days of Provider becoming aware of the conviction;

- 19 7.11.8 Any subcontractor terminated for cause within 10 business days of the effective  
20 date of termination to include full details of the reason for termination;

- 21 7.11.9 Any Provider and subcontractor's individuals and entities with an ownership or  
22 control interest.  
23

24 Provider must provide a list with details of ownership and control no later than 30 days from  
25 the date of ratification and shall keep the list up-to-date thereafter.  
26

27 Provider will not make any payments for goods or services that directly or indirectly benefit  
28 any excluded individual or entity. Provider will immediately recover any payments for goods  
29 and services that benefit excluded individuals and entities it discovers.  
30

31 Provider will immediately terminate any employment, contractual and control relationships  
32 with an excluded individual and entity it discovers.  
33

34 Civil monetary penalties may be imposed against Provider if it employs or enters into a  
35 contract with an excluded individual or entity to provide goods or services to enrollees (SSA  
36 section 1128A(a) and 42 CFR 1003.102(a)(2)).  
37

38 An individual or entity is considered to have an ownership or control interest if they have  
39 direct or indirect ownership of five percent (5%) or more, or are a managing employee (i.e., a  
40 general manager, business manager, administrator, or director) who exercises operational or  
41 managerial control or who directly or indirectly conducts day-to-day operations (SSA section  
42 1126(b), 42 CFR 455.104(a) and 1001.1001(a)(1)).  
43

44 In addition, if North Sound BH-ASO/MCO/HCA notifies Provider that an individual or entity is

1 excluded from participation by HCA, Provider shall terminate all beneficial, employment,  
2 contractual and control relationships with the excluded individual or entity immediately.  
3

4 **7.12 DECLARATION THAT INDIVIDUALS UNDER THE MEDICAID AND OTHER BEHAVIORAL HEALTH**  
5 **PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT**

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

14 **7.13 EXECUTION, AMENDMENT AND WAIVER**

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

21 **7.14 HEADINGS AND CAPTIONS**

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

26 **7.15 INDEMNIFICATION**

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

1 7.16 **INDEPENDENT CONTRACTOR FOR NORTH SOUND BH-ASO**

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

11  
12 7.17 **INSURANCE**

13 North Sound BH-ASO certifies it is a member of Washington Governmental Risk Pool for all  
14 exposure to tort liability, general liability, property damage liability and vehicle liability, if  
15 applicable, as provided by RCW 43.19.

16  
17 By the date of execution of this Contract and post 15 days renewal of said contract, the  
18 Provider shall procure and maintain insurance for the duration of this Contract, Provider shall  
19 carry Commercial General Liability (CGL) Insurance to include coverage for bodily injury,  
20 property damage, and contractual liability, with the following minimum limits: Each  
21 Occurrence - \$1,000,000; General Aggregate - \$3,000,000; shall include liability arising out of  
22 premises, operations, independent contractors, personal injury, advertising injury, and liability  
23 assumed under an insured contract. The costs of such insurance shall be paid by the Provider  
24 or subcontractor. The Provider may furnish separate certificates of insurance and policy  
25 endorsements for each subcontractor as evidence of compliance with the insurance  
26 requirements of this Contract. The Provider is responsible for ensuring compliance with all of  
27 the insurance requirements stated herein. Failure by the Provider, its agents, employees,  
28 officers, subcontractors, providers, and/or provider subcontractors to comply with the  
29 insurance requirements stated herein shall constitute a material breach of this Contract. All  
30 non-risk pool policies shall name North Sound BH-ASO as a covered entity under said policy(s).

31  
32 7.18 **INTEGRATION**

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

36  
37 7.19 **MAINTENANCE OF RECORDS**

38 Provider shall prepare, maintain and retain accurate records, including appropriate medical  
39 records and administrative and financial records, related to this Agreement and to Services  
40 provided hereunder in accordance with industry standards, applicable federal and state  
41 statutes and regulations, and state and federal sponsored health program requirements. Such  
42 records shall be maintained for the maximum period required by federal or state law. North  
43 Sound BH-ASO shall have continued access to Provider's records as necessary for North Sound

1 BH-ASO to perform its obligations hereunder, to comply with federal and state laws and  
2 regulations, and to ensure compliance with applicable accreditation and HCA requirements.  
3 Provider shall completely and accurately report encounter data to North Sound BH-ASO and  
4 shall certify the accuracy and completeness of all encounter data submitted. Provider shall  
5 ensure that it and all of its subcontractors that are required to report encounter data, have  
6 the capacity to submit all data necessary to enable the North Sound BH-ASO to meet the  
7 reporting requirements in the Encounter Data Transaction Guide published by HCA, or other  
8 requirements HCA may develop and impose on North Sound BH-ASO or Provider.  
9

10 Upon North Sound BH-ASO's request or under North Sound BH-ASO's state and federal  
11 sponsored health programs and associated contracts, Provider shall provide to North Sound  
12 BH-ASO direct access and/or copies of all information, encounter data, statistical data, and  
13 treatment records pertaining to Members who receive Services hereunder, or in conjunction  
14 with claims reviews, quality improvement programs, grievances and appeals and peer  
15 reviews.  
16

17 **7.20 NOTICE OF AMENDMENT**

18 Except when a longer period is requested by applicable law, North Sound BH-ASO may amend  
19 this Agreement upon 30 days prior written notice to Provider. If Provider does not deliver to  
20 North Sound BH-ASO a written notice of rejection of the amendment within that 30-day  
21 period, the amendment shall be deemed accepted by and shall be binding upon Provider.  
22

23 **7.21 NO WAIVER OF RIGHTS**

24 A failure by either party to exercise its rights under this Contract shall not preclude that party  
25 from subsequent exercise of such rights and shall not constitute a waiver of any other rights  
26 under this Contract unless stated to be such in writing signed by an authorized representative  
27 of the party and attached to the original Contract.  
28

29 Waiver of any breach of any provision of this Contract shall not be deemed to be a waiver of  
30 any subsequent breach and shall not be construed to be a modification of the terms and  
31 conditions of this Contract.  
32

33 **7.22 ONGOING SERVICES**

34 Provider and its subcontractors shall ensure in the event of labor disputes or job actions,  
35 including work slowdowns, such as "sick outs", or other activities within its service BHA  
36 network, uninterrupted services shall be available as required by the terms of this Contract.  
37

38 **7.23 ORGANIZATIONAL CHANGES**

39 The Provider shall provide North Sound BH-ASO with ninety (90) calendar days' prior written  
40 notice of any change in the Provider's ownership or legal status. The Provider shall provide  
41 North Sound BH-ASO written notice of any changes to the Provider's executive officers,  
42 executive board members, or medical directors within seven (7) Business Days  
43

1 7.24 **OVERPAYMENTS**  
2 In the event Provider fails to comply with any of the terms and conditions of this Contract and  
3 results in an overpayment, North Sound BH-ASO may recover the amount due HCA, MCO, or  
4 other federal or state agency subject to dispute resolution as set forth in the contract. In the  
5 case of overpayment, Provider shall cooperate in the recoupment process and return to North  
6 Sound BH-ASO the amount due upon demand.  
7

8 7.25 **OWNERSHIP OF MATERIALS**  
9 The parties to this Contract hereby mutually agree that if any patentable or copyrightable  
10 material or article should result from the work described herein, all rights accruing from such  
11 material or article shall be the sole property of North Sound BH-ASO. The North Sound BH-  
12 ASO agrees to and does hereby grant to the Provider, irrevocable, nonexclusive, and royalty-  
13 free license to use, according to law, any material or article and use any method that may be  
14 developed as part of the work under this Contract.  
15

16 The foregoing products license shall not apply to existing training materials, consulting aids,  
17 checklists, and other materials and documents of the Provider which are modified for use in  
18 the performance of this Contract.  
19

20 The foregoing provisions of this section shall not apply to existing training materials,  
21 consulting aids, checklists, and other materials and documents of the Provider that are not  
22 modified for use in the performance of this Contract.  
23

24 7.26 **PERFORMANCE**  
25 Provider shall furnish the necessary personnel, materials/behavioral health services and  
26 otherwise do all things for, or incidental to, the performance of the work set forth here and as  
27 attached. Unless specifically stated, Provider is responsible for performing or ensuring all  
28 fiscal and program responsibilities required in this contract. No subcontract will terminate the  
29 legal responsibility of Provider to perform the terms of this Contract.  
30

31 7.27 **RESOLUTION OF DISPUTES**  
32 Each Party shall cooperate in good faith and deal fairly in its performance hereunder to  
33 accomplish the Parties' objectives and avoid disputes. The Parties will promptly meet and  
34 confer to resolve any problems that arise. If a dispute is not resolved, the Parties will  
35 participate in and equally share the expense of a mediation conducted by a neutral third-party  
36 professional prior to initiating litigation or arbitration. If the dispute is not resolved through  
37 mediation, the parties agree to litigate their dispute in Skagit County Superior Court. The  
38 prevailing party shall be awarded its reasonable attorneys' fees, and costs and expenses  
39 incurred. This Agreement shall be governed by laws of the State of Washington, both as to  
40 interpretation and performance.  
41

42 7.28 **SEVERABILITY AND CONFORMITY**  
43 The provisions of this Contract are severable. If any provision of this Contract, including any  
44 provision of any document incorporated by reference is held invalid by any court, that

1           invalidity shall not affect the other provisions of this Contract and the invalid provision shall  
2           be considered modified to conform to existing law.

3  
4    **7.29    SINGLE AUDIT ACT**

5           If Provider or its subcontractor is a subrecipient of Federal awards as defined by OMB Uniform  
6           Guidance Subpart F, Provider and its subcontractors shall maintain records that identify all  
7           Federal funds received and expended. Such funds shall be identified by the appropriate OMB  
8           Catalog of Federal Domestic Assistance titles and numbers, award names, award numbers,  
9           and award years (if awards are for research and development), as well as, names of the  
10          Federal agencies. Provider and its subcontractors shall make Provider and its subcontractor’s  
11          records available for review or audit by officials of the Federal awarding agency, the General  
12          Accounting Office and DSHS. Provider and its subcontractors shall incorporate OMB Uniform  
13          Guidance Subpart F audit requirements into all contracts between Provider and its  
14          subcontractors who are sub recipients. Provider and its subcontractors shall comply with any  
15          future amendments to OMB Uniform Guidance Subpart F and any successor or replacement  
16          Circular or regulation.

17  
18          If Provider/subcontractors are a sub recipient and expends \$750,000 or more in Federal  
19          awards from any/all sources in any fiscal year, Provider and applicable subcontractors shall  
20          procure and pay for a single or program-specific audit for that fiscal year. Upon completion of  
21          each audit, Provider and applicable subcontractors shall submit to North Sound BH-ASO’s  
22          Program Administrator the data collection form and reporting package specified in OMB  
23          Uniform Guidance Subpart F, reports required by the program-specific audit guide, if  
24          applicable and a copy of any management letters issued by the auditor.

25  
26          For purposes of “sub recipient” status under the rules of OMB Uniform Guidance Subpart F,  
27          Medicaid payments to a sub recipient for providing patient care services to Medicaid eligible  
28          individuals are not considered Federal awards expended under this part of the rule unless a  
29          State requires the fund to be treated as Federal awards expended because reimbursement is  
30          on a cost-reimbursement basis.

31  
32    **7.30    SUBCONTRACTS**

33          Provider may subcontract services to be provided under this Contract subject to the following  
34          requirements.

35  
36          7.30.1    The Provider shall not assign or subcontract any portion of this Contract or transfer  
37                    or assign any claim arising pursuant to this Contract without the written consent of  
38                    North Sound BH-ASO Said consent must be sought in writing by the Provider not  
39                    less than 15 days prior to the date of any proposed assignment.

40          7.30.2    Provider shall be responsible for the acts and omissions of any subcontractor.

41          7.30.3    Provider must ensure the subcontractor neither employs any person nor contracts  
42                    with any person or BHA excluded from participation in federal health care programs  
43                    under either 42 USC 1320a-7 (§§1128 or 1128A SSA) or debarred or suspended per  
44                    this Contract’s General Terms and Conditions.



- 1 7.30.4 Provider shall require subcontractors to comply with all applicable federal and state  
2 laws, regulations and operational policies as specified in this Contract.  
3 7.30.5 Provider shall require subcontractors to comply with all applicable North Sound BH-  
4 ASO operational policies as applicable.  
5 7.30.6 Subcontracts for the provision of behavioral health services must require  
6 subcontractors to provide individuals access to translated information and  
7 interpreter services.  
8 7.30.7 Provider shall ensure a process is in place to demonstrate all third-party resources  
9 are identified and pursued.  
10 7.30.8 Provider shall oversee, be accountable for and monitor all functions and  
11 responsibilities delegated to a subcontractor for conformance with any applicable  
12 statement of work in this Contract on an ongoing basis including written reviews.  
13 7.30.9 Provider will monitor performance of the subcontractors on an annual basis and  
14 notify North Sound BH-ASO of any identified deficiencies or areas for improvement  
15 requiring corrective action by Provider.  
16 7.30.10 The Provider agrees to include the following language verbatim in every subcontract  
17 for services which relate to the subject matter of this Contract:

18  
19 “Subcontractor shall protect, defend, indemnify, and hold harmless North Sound BH-ASO its  
20 officers, employees and agents from any and all costs, claims, judgments, and/or awards of  
21 damages arising out of, or in any way resulting from the negligent act or omissions of  
22 subcontractor, its officers, employees, and/or agents in connection with or in support of this  
23 Contract. Subcontractor expressly agrees and understands that North Sound BH-ASO is a  
24 third-party beneficiary to this Contract and shall have the right to bring an action against  
25 subcontractor to enforce the provisions of this paragraph.”  
26

27 Those written subcontracts shall:

- 28  
29 7.30.11 Require subcontractors to hold all necessary licenses, certifications/permits as  
30 required by law for the performance of the services to be performed under this  
31 Contract;  
32 7.30.12 Require subcontractors to notify Provider in the event of a change in status of any  
33 required license or certification;  
34 7.30.13 Include clear means to revoke delegation, impose corrective action, or take other  
35 remedial actions if the subcontractor fails to comply with the terms of the  
36 subcontract;  
37 7.30.14 Require the subcontractor to correct any areas of deficiencies in the subcontractor’s  
38 performance that are identified by Provider, North Sound BH-ASO/HCA;  
39 7.30.15 Require best efforts to provide written or oral notification within 15 business days  
40 of termination of a Primary Care Provider (PCP) to individuals currently open for  
41 services who had received a service from the affected PCP in the previous 60 days.  
42 Notification must be verifiable in the individual’s medical record at the  
43 subcontractor.  
44

1 7.31 **SURVIVABILITY**  
2 The terms and conditions contained in this Contract by their sense and context are intended  
3 to survive the expiration of this Contract and shall so survive. Surviving terms include but are  
4 not limited to: Financial Terms and Conditions, Single Audit Act, Contract Performance and  
5 Enforcement, Confidentiality of Individual Information, Resolution of Disputes,  
6 Indemnification, Oversight Authority, Maintenance of Records, Ownership of Materials and  
7 Contract Administration Warranties and Survivability.

8  
9 7.32 **TREATMENT OF INDIVIDUAL'S PROPERTY**  
10 Unless otherwise provided in this Contract, Provider shall ensure any adult individual receiving  
11 services from Provider under this Contract has unrestricted access to the individual's personal  
12 property. Provider shall not interfere with any adult individual's ownership, possession, or  
13 use of the individual's property unless clinically indicated. Provider shall provide individuals  
14 under age 18 with reasonable access to their personal property that is appropriate to the  
15 individual's age, development and needs. Upon termination of this Contract, Provider shall  
16 immediately release to the individual and/or guardian or custodian all the individual's  
17 personal property.

18  
19 7.33 **WARRANTIES**  
20 The parties' obligations are warranted and represented by each to be individually binding for  
21 the benefit of the other party. Provider warrants and represents it is able to perform its  
22 obligations set forth in this Contract and such obligations are binding upon Provider and other  
23 subcontractors for the benefit of North Sound BH-ASO.

24  
25 7.34 **CONTRACT CERTIFICATION**  
26 By signing this Contract, the Provider certifies that in addition to agreeing to the terms and  
27 conditions provided herein, the Provider certifies that it has read and understands the  
28 contracting requirements and agrees to comply with all of the contract terms and conditions  
29 detailed on this contract and exhibits incorporated herein by reference.

30  
31

1 The Program Administrator for North Sound BH-ASO, LLC is:

2  
3 JanRose Ottaway Martin, Executive Director  
4 North Sound BH-ASO  
5 2021 E. College Way, Suite 101  
6 Mount Vernon, WA 98273  
7

8 The Program Administrator for Bridgeways is:

9  
10 Michael Hannon, Marketing and Development Manager  
11 Bridgeways  
12 5801 23<sup>rd</sup> Drive West, Suite 104  
13 Everett, WA 98203  
14

15 Changes shall be provided to the other party in writing within 10 business days.  
16

17  
18 IN WITNESS WHEREOF, the parties hereby agree to the terms and conditions of this Contract:  
19

20  
21 **NORTH SOUND BH-ASO**

**BRIDGEWAYS**

22  
23  
24  
25  
26 \_\_\_\_\_  
27 JanRose Ottaway Martin Date  
Executive Director

\_\_\_\_\_  
Andrea Duffield Date  
Chief Executive Officer



North Sound BH-ASO  
 2021 E. College Way, Suite 101, Mt. Vernon, WA 98273  
 Phone: (360) 416-7013 Fax: (360) 899-4754  
[www.nsbhaso.org](http://www.nsbhaso.org)

## EXHIBIT A: SCHEDULE OF SERVICES

PROVIDER: Bridgeways

CONTRACT: NORTH SOUND BH-ASO-BRIDGEWAYS-PATH-24

CONTRACT PERIOD: 10/01/2024 – 09/30/2025

### Identification of Contracted Services

Provider shall provide behavioral health covered crisis services, as indicated in the Contracted Services Grid below, within the scope of Provider’s business and practice, in accordance with the <PROVIDER NAME> Base Provider Agreement, North Sound BH-ASO Behavioral Health Policies and Procedures, Supplemental Provider Service Guide, North Sound BH-ASO and HCA standards, the terms, conditions and eligibility outlined in the Contract and/or Exhibits, and the requirements of any applicable government sponsored program.

### Contracted Services Grid

Contracted Timeframe	Service	Supplemental Provider Service Guide Reference (click <a href="#">here</a> )
<i>Outpatient Services (Within Available Resources)</i>		<b>Chapter 20</b>
	Mental Health Outpatient and Medication Management	Section 20.1
	Substance Use Disorder Outpatient Benefit	Section 20.1
	Opiate Treatment Program (OTP)	Section 20.1
<i>Evaluation and Treatment</i>		<b>Section 20.4</b>
	Sixteen-Bed Evaluation and Treatment Facility Services	Section 20.4

<b><i>Crisis Services</i></b>		<b><i>Chapter 18</i></b>
	Adult Mobile Crisis Outreach Team	Section 20.2.2
	Child/Youth Mobile Crisis Outreach Team	Section 20.2.5
	Crisis Stabilization	Chapter 18;20.2.4
	Involuntary Treatment Evaluation (ITA)	Chapter 18; 20.2.3
	Toll Free Crisis Hotline	Chapter 18
<b><i>Withdrawal Management Services (Within in Available Resources)</i></b>		<b><i>Chapter 5</i></b>
	Clinically Managed Withdrawal Management (formerly Sub-Acute Withdrawal Management)	Section 20.1
	Medically Monitored Inpatient Withdrawal Management (formerly Acute Withdrawal Management)	Section 20.2.4
	Secure Withdrawal Management	Chapter 18
<b><i>Substance Use Disorder Residential (Within Available Resources)</i></b>		<b><i>Section 20.10</i></b>
	Youth - Intensive Inpatient	Section 20.15.2
	Youth – Recovery House	Section 20.15.6
	Adult - Intensive Inpatient	Section 20.15.1
	Adult - Long-Term Care, to include co-occurring residential treatment	Section 20.15.3
	Adult - Recovery House	Section 20.15.5
	Pregnant and Parenting Women Residential Treatment	Section 2.1
	Pregnant and Parenting Women Housing Support	Section 2.1; 20.15.4
<b><i>Mental Health Services in a Residential Setting (Within Available Resources)</i></b>		<b><i>Section 20.7</i></b>
<b><i>Crisis Triage (Within Available Resources)</i></b>		<b><i>Chapter 18</i></b>
	Crisis Stabilization	Chapter 18
	Clinical Managed Withdrawal Management	Chapter 18
<b><i>Legislative Proviso Services (Within Available Resources)</i></b>		<b><i>Chapter 19</i></b>
	Jail Transition Services	Section 19.8
	E&T Discharge Planners	Section 17.2
	Program for Assertive Community Treatment (PACT)	Section 20.12
	Designated Cannabis Account (DCA)	Section 19.5

	Juvenile Treatment Services	Section 19.9
	Assisted Outpatient Treatment (AOT)	Section 19.1
	Homeless Outreach Stabilization Team (HOST)	Section 19.6
	Trueblood Misdemeanor Diversion	Section 19.13
	Recovery Navigator Program	Section 19.11
<b><i>Federal Block Grant</i></b>		<b><i>Chapter 15</i></b>
	Peer Bridgers	Section 15.1
	PPW Housing Support Services	Section 20.15.4
Effective 10/01/2024	Projects for Assistance in Transition from Homelessness (PATH)	Section 15.1
	Peer Path Finder	Section 15.1
	Opiate Outreach	Section 20.11
<b><i>HARPS</i></b>		<b><i>Section 19.7</i></b>
	HARPS Team	
	HARPS Subsidies	



## EXHIBIT C: PROVIDER DELIVERABLES

PROVIDER: Bridgeways

CONTRACT: NORTH SOUND BH-ASO-BRIDGEWAYS-PATH-24

CONTRACT PERIOD: 10/01/2024 – 09/30/2025

### Identification of Deliverables

Provider shall provide all deliverables as identified in the Required Deliverables Grid below. Templates for all reports that the provider is required to submit to North Sound BH-ASO may be found on the North Sound BH-ASO website under *Forms & Reports* (click [here](#)). North Sound BH-ASO may update the templates from time to time and will notify providers of any changes. Deliverables are to be submitted to [deliverables@nsbhaso.org](mailto:deliverables@nsbhaso.org) on or before the indicated due date unless otherwise noted. For more information regarding a specific deliverable, please refer to the indicated Supplemental Provider Service Guide reference (as applicable) or by emailing [deliverables@nsbhaso.org](mailto:deliverables@nsbhaso.org).

DELIVERABLE	FREQUENCY	DUE DATE	SUPPLEMENTAL PROVIDER SERVICE GUIDE REFERENCE
Exclusion Attestation Monthly Report	Monthly	Last Business Day of each month following the month being reported	Chapter 11
Certification of Liability Insurance	Annual	Annually prior to expiration	Not Applicable
Compliance Training Attestation Statement	Annual	Annual notification will be sent by North Sound BH-ASO Compliance Officer with further information	Chapter 11
PATH Annual Data Report	Annual	Submit through SAMHSA-required annual report database	Section 15.1

<b>North Sound Behavioral Health Administrative Services Organization PATH Cost Reimbursement Budget Bridgeways</b>	
<b>Annual Budget October 1, 2024 to September 30, 2025</b>	
<b>Revenues</b>	
PATH Grant	\$ 219,026.00
General Funds State	\$ 73,000.00
<b>Total</b>	<b>\$ 292,026.00</b>
<b>Expenses</b>	
PATH Team Services	\$ 292,026.00
<b>Total</b>	<b>\$ 292,026.00</b>
Budget Amount	\$ 292,026.00
Expenses	-
<b>Balance</b>	<b>\$ 292,026.00</b>





North Sound BH-ASO  
 2021 E. College Way, Suite 101, Mt. Vernon, WA 98273  
 Phone: (360) 416-7013 Fax: (360) 899-4754  
[www.nsbhaso.org](http://www.nsbhaso.org)

**Exhibit E**  
**Federal Subaward Identification**  
**K8017**

1.	Federal Awarding Agency	Dept. of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA)
2.	Federal Award Identification Number (FAIN)	X06SM090125
3.	Federal Award Date	7/29/2024
4.	Assistance Listing Number and Title	93150 Projects for Assistance in Transition from Homelessness (PATH)
5.	Is the Award for Research and Development?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
6.	Contact Information for North Sound BH-ASO Awarding Official	Margaret Rojas, Assistant Director North Sound Behavioral Health Administrative Services Organization <a href="mailto:Margaret_Rojas@nsbhaso.org">Margaret_Rojas@nsbhaso.org</a> 360-416-7013
7.	Subrecipient name (as it appears in SAM.gov)	Bridgeways
8.	Subrecipient's Unique Entity Identifier (UEI)	RDLGHE2VRVT3
9.	Subaward Project Description	Projects for Assistance in Transition from Homelessness (PATH)
10.	Primary Place of Performance	98203
11.	Subaward Period of Performance	10/01/2024 – 9/30/2025
12.	Amount of Federal Funds Obligated by this Action	\$219,026.00
13.	Total Amount of Federal Funds Obligated by North Sound BH-ASO to the Subrecipient, including this Action	\$219,026.00
14.	Indirect Cost Rate for the Federal Award (including if the de minimis rate is charged)	de minimus (10%)



## North Sound BH-ASO

2021 E. College Way, Suite 101, Mt. Vernon, WA 98273

Phone: (360) 416-7013 Fax: (360) 899-4754

[www.nsbhaso.org](http://www.nsbhaso.org)

### EXHIBIT G: FEDERAL AWARD TERMS

#### Substance Abuse and Mental Health Services Administration (SAMHSA) Federal Fiscal Year 2024 – Award Standard Terms

As identified in the Federal Subaward Identification attachment/s, this Contract includes funds HCA received through a grant from SAMHSA, a branch of the United States Department of Health and Human Services (HHS), awarded in Federal Fiscal Year 2024. HCA and the Contractor intend that this Contract conforms with the requirements of the SAMHSA grant. Contractor agrees to comply with the following pass-through terms and conditions, in addition to the terms and conditions of the Contract, for contract activities funded by the SAMHSA grant awarded in Federal Fiscal Year 2024.

#### 1. Future Spending

As indicated in the Notice of Award, recommended future support reflects total costs (direct plus indirect). Funding is subject to the availability of Federal funds, satisfactory progress and continued funding is in the best interest of the Federal government.

#### 2. Non-Supplant

Federal award funds must supplement, not replace (supplant) non-federal funds. Contractor must ensure that federal funds do not supplant funds that have been budgeted for the same purpose through non-federal sources. HCA may require Contractor to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.

#### 3. Unallowable Costs

Any costs incurred by Contractor prior to the start date of the Contract and/or costs not consistent with the terms and conditions of the Contract, including terms and conditions incorporated by reference, [45 CFR § 75](#), and the [HHS Grants Policy Statement](#), are not allowable under this Contract.

#### 4. Conflicts of Interest Policy

Consistent with [45 CFR § 75.112](#), Contractor must establish and maintain written policies and procedures to prevent employees, consultants, and others (including family, business, or other ties) involved in activities supported by this Contract with HCA, from involvement in actual or perceived conflicts of interest.

The policies and procedures must:

- A. address conditions under which outside activities, relationships, or financial interest are proper or improper;
- B. provide for advance disclosure of outside activities, relationships, or financial interest to a responsible organizational official;
- C. include a process for notification and review by the responsible official of potential or actual violations of the standards; and
- D. specify the nature of penalties that may be imposed for violations.

## **5. Administrative and National Policy Requirements**

Public policy requirements are requirements with a broader national purpose than that of the Federal sponsoring program or award that an applicant/recipient/subrecipient must adhere to as a prerequisite to and/or condition of an award. Public policy requirements are established by statute, regulation, or Executive order. In some cases, they relate to general activities, such as preservation of the environment, while, in other cases they are integral to the purposes of the award-supported activities. An application funded with the release of federal funds through a grant award does not constitute or imply compliance with federal statute and regulations.

Contractor is responsible for ensuring that their activities comply with all applicable federal regulations, refer to Part II of the [HHS Grants Policy Statement, available at <https://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf>](https://www.hhs.gov/sites/default/files/grants/grants/policies-regulations/hhsgps107.pdf)

## **6. Marijuana Restriction**

SAMHSA grant funds may not be used to purchase, prescribe, or provide marijuana or treatment using marijuana. See, e.g., [45 CFR § 75.300\(a\)](#) (requiring HHS to ensure that Federal funding is expended in full accordance with U.S. statutory and public policy requirements); 21 U.S.C. 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana).

## **7. Executive Pay**

The Consolidated Appropriations Act, 2023 (Public Law No: 117-328) restricts the amount of direct salary to Executive Level II of the Federal Executive Pay scale. The Office of Personnel Management released new salary levels for the Executive Pay Scale and effective January 1, 2024, the salary limitation for Executive Level II is \$221,900. Executive Senior Level (opm.gov) For awards issued prior to this change, if adequate funds are available in active awards, and if the salary cap increase is consistent with the institutional base salary, recipients and subrecipients may re-budget to accommodate the current Executive Level II salary level. However, no additional funds will be provided to these grant awards.

## **8. Promotional Items**

SAMHSA grant funds may not be used for Promotional Items. Promotional items include but are not limited to clothing and commemorative items such as pens, mugs/cups, folders/folios, lanyards, and conference bags.

HHS Policy on the Use of Appropriated Funds for Promotional Items:

<https://www.hhs.gov/grants/contracts/contract-policies-regulations/spending-on-promotional-items/index.html>

#### **9. Acknowledgement of Federal Funding in communications and contracting**

For each publication that results from SAMHSA grant-supported activities, Contractor must include an acknowledgment of grant support using one of the following statements:

“This publication was made possible by Grant Number \_\_\_ from SAMHSA.” “The project described was supported by Grant Number \_\_\_\_\_ from SAMHSA.” Contractor also must include a disclaimer stating the following:

“Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the SAMHSA.”

Contractor must use the grant number from the applicable Federal Subaward Identification attachment to this Contract. Contractor should work with the HCA Contract Manager to ensure the statements required by this clause include the correct grant number.

#### **10. Rights in Data and Publications**

As applicable, Contractor agrees to the requirements for intellectual property, rights in data, access to research data, publications, and sharing research tools, and intangible property and copyrights as described in [45 CFR § 75.322](#) and the [HHS Grants Policy Statement](#).

SAMHSA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

#### **11. Mandatory Disclosures**

Consistent with [45 CFR § 75.113](#), Contractor must disclose in a timely manner in writing to the HCA Contract Manager and the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Contractor must disclose, in a timely manner, in writing to the HCA Contract Manager, HHS and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting a Federal award identified in this Contract with HCA. Disclosures must be sent in writing to HCA according to the Notice requirements of the Contract and to the HHS OIG at the following addresses:

##### **U.S. Department of Health and Human Services**

Office of Inspector General ATTN: Mandatory Grant Disclosures, Intake Coordinator  
330 Independence Avenue, SW, Cohen Building, Room 5527, Washington, DC 20201  
Fax: (202) 205-0604 (Include “Mandatory Grant Disclosures” in subject line) or  
email: [MandatoryGranteeDisclosures@oig.hhs.gov](mailto:MandatoryGranteeDisclosures@oig.hhs.gov)

Failure to make required disclosures can result in any of the remedies described in [45 CFR §75.371](#) – Remedies for noncompliance, including suspension or debarment (see [2 CFR §§ 180 & 376](#) and [31 U.S.C. 3321](#)).

## **12. Drug-Free Workplace**

The Drug-Free Workplace Act of 1988 (41 U.S.C. § 701 et seq.) requires that all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. This requirement passes through HCA to the Contractor. The Contractor must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of part 382, which adopts the Governmentwide implementation ([2 CFR §182](#)) of sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

Contractor will provide a drug-free workplace and will notify the HCA Contract Manager if an employee is convicted of violating a criminal drug statute. Failure to comply with these requirements may be cause for debarment. Government wide requirements for Drug-Free Workplace for Financial Assistance are found in [2 CFR § 182](#); HHS implementing regulations are set forth in [2 CFR § 382.400](#).

## **13. Civil Right Laws that prohibit discrimination**

Contractor must perform all work under the Contract in compliance with federal civil rights laws that prohibit discrimination on the basis of race, color, national origin, disability, age and, in some circumstances, religion, conscience, and sex (including gender identity, sexual orientation, and pregnancy). This includes taking reasonable steps to provide meaningful access to persons with limited English proficiency and providing programs that are accessible to and usable by persons with disabilities. The HHS Office for Civil Rights provides guidance on complying with civil rights laws enforced by HHS. See <https://www.hhs.gov/civil-rights/for-providers/provider-obligations/index.html> and <https://www.hhs.gov/civil-rights/for-individuals/nondiscrimination/index.html>.

This includes taking reasonable steps to ensure that your project provides meaningful access to persons with limited English proficiency. For guidance on meeting your legal obligation to take reasonable steps to ensure meaningful access to your programs or activities by limited English proficient individuals, see <https://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/fact-sheet-guidance/index.html> and <https://www.lep.gov>.

For information on your specific legal obligations for serving qualified individuals with disabilities, including providing program access, reasonable modifications, and taking appropriate steps to provide effective communication, see <http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>.

HHS funded health and education programs must be administered in an environment free of sexual harassment, see <https://www.hhs.gov/civil-rights/for-individuals/sex-discrimination/index.html>.

For guidance on administering your project in compliance with applicable federal

religious nondiscrimination laws and applicable federal conscience protection and associated anti-discrimination laws, see

<https://www.hhs.gov/conscience/conscience-protectations/index.html> and <https://www.hhs.gov/conscience/religious-freedom/index.html>.

**14. Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), as amended, and 2 CFR § 175**

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient (HCA) or subrecipient (Contractor) engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient (Contractor), or their employees:

- A. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- B. Procure a commercial sex act during the period of time that the award is in effect; or,
- C. Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at [2 CFR § 175.15\(b\)](#).

**15. Confidentiality of Alcohol and Drug Abuse Patient Records**

The regulations ([42 CFR § 2](#)) are applicable to any information about alcohol and other drug abuse patients obtained by a "program" ([42 CFR § 2.11](#)), if the program is federally assisted in any manner ([42 CFR § 2.12b](#)). Accordingly, all project patient records are confidential and may be disclosed and used only in accordance with [42 CFR § 2](#). Contractor is responsible for assuring compliance with these regulations and principles, including responsibility for assuring the security and confidentiality of all electronically transmitted patient material.

**16. Accessibility Provisions**

Contractor must perform all work under this Contract in compliance with Federal civil rights law. This means that Contractor must ensure equal access to programs funded by the SAMHSA grant without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring the programs are accessible to persons with limited English proficiency.

The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see:

<http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>.

Contractor also has specific legal obligations for serving qualified individuals with disabilities. Please see-

<http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>.

Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at

<https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-

800-537-7697.

For further guidance on providing culturally and linguistically appropriate services, Contractor should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at

<https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

#### **17. Legislative Mandates**

Certain statutory provisions under P.L. 115-245, Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019, Division B, Title V, Title II, General Provisions limit the use of funds on SAMHSA grants, cooperative agreements, and contract awards, including this Contract with HCA. Such provisions are subject to change annually based on specific appropriation language that restricts the use of grant funds. The full text of P.L. 115-245 is available at <https://www.congress.gov/bill/115th-congress/house-bill/6157/text?Format=txt>.

#### **18. Executive Order 13410: Promoting Quality and Efficient Health Care in Federal Government Administered or Sponsored Health Care Programs**

This EO promotes efficient delivery of quality health care through the use of health information technology, transparency regarding health care quality and price, and incentives to promote the widespread adoption of health information technology and quality of care. Accordingly, if Contractor electronically exchanges patient level health information to external entities where national standards exist, Contractor must:

- A. Use recognized health information interoperability standards at the time of any HIT system update, acquisition, or implementation, in all relevant information technology systems supported, in whole or in part, through this agreement/contract. Please consult [www.healthit.gov](http://www.healthit.gov) for more information, and
- B. Use Electronic Health Record systems (EHRs) that are certified by agencies authorized by the Office of the National Coordinator for Health Information Technology (ONC), or that will be certified during the life of the grant.

#### **19. Audits**

If Contractor expends \$750,000 or more in federal awards during the Contractor's fiscal year Contractor must have a single or program-specific audit conducted for that year in accordance with the provisions of [45 CFR § 75.501](#). Guidance on determining Federal awards expended is provided in [45 CFR §75.502](#).

Contractor is responsible for submitting their Single Audit Reports and workbooks (SF-SAC) electronically to the to the Federal Audit Clearinghouse (FAC) within the earlier of 30 days after receipt or nine months after the FY's end of the audit period. The FAC operates on behalf of the OMB.

For specific questions and information concerning the submission process, visit the FAC at <https://harvester.census.gov/facweb> or call FAC at the toll-free number: (800) 253-0696.

## **20. Ad Hoc Submissions**

Throughout the Contract term, SAMHSA may determine that a grant requires submission of additional information beyond the standard deliverables ([45 CFR § 75.364](#)). Contractor agrees to provide accurate, timely information if requested by HCA to fulfill its requirements. This information may include, but is not limited to, the following:

- A. Payroll;
- B. Purchase orders;
- C. Contract documentation; and
- D. Proof of project implementation.

## **21. Cancel Year**

[31 U.S.C. 1552\(a\)](#) Procedure for Appropriation Accounts Available for Definite Periods states the following: On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balances (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose.

## **22. Prohibition on certain tele-communications and video surveillance services or equipment**

As described in [2 CFR § 200.216](#), Contractor is prohibited to obligate or spend grant funds received through this Contract (to include direct and indirect expenditures as well as cost share and program) to:

- A. Procure or obtain;
- B. Extend or renew a contract to procure or obtain; or
- C. Enter into contract (or extend or renew contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Pub. L. 115- 232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
- D. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- E. Telecommunications or video surveillance services provided by such entities or using such equipment.
- F. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the



Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise, connected to the government of a covered foreign country



## EXHIBIT H: FEDERAL COMPLIANCE, CERTIFICATIONS AND ASSURANCES

- I. **FEDERAL COMPLIANCE** - The use of federal funds requires additional compliance and control mechanisms to be in place. The following represents the majority of compliance elements that may apply to any federal funds provided under this contract. For clarification regarding any of these elements or details specific to the federal funds in this contract, contact: **Em Jones**, [em.jones@hca.wa.gov](mailto:em.jones@hca.wa.gov).
  - a. *Source of Funds **PATH**: This Contract is being funded partially or in full through Cooperative Contract number **X06SM090125**, the full and complete terms and provisions of which are hereby incorporated into this Contract. Federal funds to support this Contract are identified by the Assistance Listing Number (ALN) number **93.150** in the amount of **\$219,026.00**. The Contractor or Subrecipient is responsible for tracking and reporting the cumulative amount expended under HCA Contract **K8017**.*
  - b. *Period of Availability of Funds: **10/1/2024-9/30/2025** Pursuant to 45 CFR 92.23, Contractor or Subrecipient may charge to the award only costs resulting from obligations of the funding period specified in **X06SM090125** unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period. All obligations incurred under the award must be liquidated no later than 90 days after the end of the funding period.*
  - c. *Single Audit Act: This section applies to subrecipients only. Subrecipient (including private, for-profit hospitals and non-profit institutions) shall adhere to the federal Office of Management and Budget (OMB) Super Circular 2 CFR 200.501 and 45 CFR 75.501. A Subrecipient who expends \$750,000 or more in federal awards during a given fiscal year shall have a single or program-specific audit for that year in accordance with the provisions of OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501.*
  - d. *Modifications: This Contract may not be modified or amended, nor may any term or provision be waived or discharged, including this particular Paragraph, except in writing, signed upon by both parties.*
    1. Examples of items requiring Health Care Authority prior written approval include, but are not limited to, the following:
      - i. Deviations from the budget and Project plan.
      - ii. Change in scope or objective of the Contract.

- iii. Change in a key person specified in the Contract.
  - iv. The absence for more than one (1) months or a 25% reduction in time by the Project Manager/Director.
  - v. Need for additional funding.
  - vi. Inclusion of costs that require prior approvals as outlined in the appropriate cost principles.
  - vii. Any changes in budget line item(s) of greater than twenty percent (20%) of the total budget in this Contract.
2. No changes are to be implemented by the Sub-awardee until a written notice of approval is received from the Health Care Authority.
- e. *Sub-Contracting:* The Contractor or Subrecipient shall not enter into a sub-contract for any of the work performed under this Contract without obtaining the prior written approval of the Health Care Authority. If sub-contractors are approved by the Health Care Authority, the subcontract, shall contain, at a minimum, sections of the Contract pertaining to Debarred and Suspended Vendors, Lobbying certification, Audit requirements, and/or any other project Federal, state, and local requirements.
  - f. *Condition for Receipt of Health Care Authority Funds:* Funds provided by Health Care Authority to the Contractor or Subrecipient under this Contract may not be used by the Contractor or Subrecipient as a match or cost-sharing provision to secure other federal monies without prior written approval by the Health Care Authority.
  - g. *Unallowable Costs:* The Contractor or Subrecipient's expenditures shall be subject to reduction for amounts included in any invoice or prior payment made which determined by HCA not to constitute allowable costs on the basis of audits, reviews, or monitoring of this Contract.
  - h. *Supplanting Compliance: SABG:* If SABG funds support this Contract, the Block Grant will not be used to supplant State funding of alcohol and other drug prevention and treatment programs. (45 CFR section 96.123(a)(10)).
  - i. *Federal Compliance:* The Contractor or Subrecipient shall comply with all applicable State and Federal statutes, laws, rules, and regulations in the performance of this Contract, whether included specifically in this Contract or not.
  - j. *Civil Rights and Non-Discrimination Obligations:* During the performance of this Contract, the Contractor or Subrecipient shall comply with all current and future federal statutes relating to nondiscrimination. These include but are not limited to: Title VI of the Civil Rights Act of 1964 (PL 88-352), Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681-1683 and 1685-1686), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101- 6107), the Drug Abuse Office and Treatment Act of 1972 (PL 92-255), the Comprehensive Alcohol Abuse and

Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (PL 91-616), §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290dd-3 and 290ee-3), Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), and the Americans with Disability Act (42 U.S.C., Section 12101 et seq.) <http://www.hhs.gov/ocr/civilrights>.

**HCA Federal Compliance Contact Information**

Washington State Health Care Authority  
 Post Office Box 42710  
 Olympia, Washington 98504-2710

- II. **CIRCULARS ‘COMPLIANCE MATRIX’** - The following compliance matrix identifies the OMB Circulars that contain the requirements which govern expenditure of federal funds. These requirements apply to the Washington State Health Care Authority (HCA), as the primary recipient of federal funds and then follow the funds to the sub-awardee, **North Sound Behavioral Health Administrative Services Organization, LLC**. The federal Circulars which provide the applicable administrative requirements, cost principles and audit requirements are identified by sub-awardee organization type.

	OMB CIRCULAR		
ENTITY TYPE	ADMINISTRATIVE REQUIREMENTS	COST PRINCIPLES	AUDIT REQUIREMENTS
State, Local and Indian Tribal Governments and Governmental Hospitals	OMB Super Circular 2 CFR 200.501 and 45 CFR 75.501		
Non-Profit Organizations and Non-Profit Hospitals			
Colleges or Universities and Affiliated Hospitals			
For-Profit Organizations			

- III. **STANDARD FEDERAL CERTIFICATIONS AND ASSURANCES** - Following are the Assurances, Certifications, and Special Conditions that apply to all federally funded (in whole or in part) Contracts administered by the Washington State Health Care Authority.

- a. **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION:** The

undersigned (authorized official signing for the contracting organization) certifies to the best of his or her knowledge and belief, that the contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals: are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency have not within a 3-year period preceding this contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in Section 2 of this certification; and have not within a 3-year period preceding this contract had one or more public transactions (Federal, State, or local) terminated for cause or default.

Should the Contractor or Subrecipient not be able to provide this certification, an explanation as to why should be placed after the assurances page in the contract.

The contractor agrees by signing this contract that it will include, without modification, the clause above certification in all lower tier covered transactions (i.e., transactions with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in accordance with 45 CFR Part 76.

- b. **CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS:** The undersigned (authorized official signing for the contracting organization) certifies that the contractor will, or will continue to, provide a drug-free workplace in accordance with 45 CFR Part 76 by:
1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition; Establishing an ongoing drug-free awareness program to inform employees about
    - i. The dangers of drug abuse in the workplace;
    - ii. The contractor's policy of maintaining a drug-free workplace;
    - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

2. Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by paragraph (I) above;
3. Notifying the employee in the statement required by paragraph (I), above, that, as a condition of employment under the contract, the employee will—
  - i. Abide by the terms of the statement; and
  - ii. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five (5) calendar days after such conviction;
4. Notifying the agency in writing within ten calendar days after receiving notice under paragraph (III)(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every contract officer or other designee on whose contract activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
5. Taking one of the following actions, within thirty (30) calendar days of receiving notice under paragraph (III) (b), with respect to any employee who is so convicted—
  - i. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - ii. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
6. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (I) through (V).

For purposes of paragraph (V) regarding agency notification of criminal drug convictions, Authority has designated the following central point for receipt of such notices:

**Legal Services Manager**

WA State Health Care Authority

PO Box 42700

Olympia, WA 98504-2700

- c. **CERTIFICATION REGARDING PROGRAM FRAUD CIVIL REMEDIES ACT (PFCRA):**  
The undersigned (authorized official signing for the contracting organization) certifies that the statements herein are true, complete, and accurate to the best of his or her knowledge, and that he or she is aware that any false,

fictitious, or fraudulent statements or claims may subject him or her to criminal, civil, or administrative penalties. The undersigned agrees that the contracting organization will comply with the Public Health Service terms and conditions of award if a contract is awarded.

- d. **CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE:** Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds. The law does not apply to children's services provided in private residence, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole source of applicable Federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing the certification, the undersigned certifies that the contracting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The contracting organization agrees that it will require that the language of this certification be included in any subcontracts which contain provisions for children's services and that all sub-recipients shall certify accordingly.

**The Public Health Services strongly encourages all recipients to provide a smoke-free workplace and promote the non-use of tobacco products. This is consistent with the PHS mission to protect and advance the physical and mental health of the American people.**