

**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-21-22**

**EFFECTIVE MAY 1, 2021**

# TABLE OF CONTENTS

1			
2			
3	<b>ARTICLE ONE – DEFINITIONS</b>		8
4	1.1	Agreement	8
5	1.2	Behavioral Health Administrative Service Organization (BH-ASO)	8
6	1.3	Behavioral Health Crisis Services	8
7	1.4	Individual	8
8	1.5	Critical Incident	8
9	1.6	North Sound Integrated Care Network (North Sound ICN)	8
10	1.7	Healthcare Authority (HCA)	9
11	1.8	Health Plan	9
12	1.9	Managed Care Organization (MCO)	9
13	1.10	Medically Necessary Service/Medical Necessity	9
14	1.11	Member	9
15	1.12	Mental Health Block Grant (MHBG)	9
16	1.13	Provider	9
17	1.14	Payor	10
18	1.15	Substance Abuse Block Grant (SABG)	<b>Error! Bookmark not defined.</b>
19	1.16	Waiting List	<b>Error! Bookmark not defined.</b>
20			
21	<b>ARTICLE TWO – NETWORK PROVIDER OBLIGATIONS</b>		11
22	2.1	Network Participation	11
23	2.2	Standards For Provision of Care	11
24	2.3	Treatment Alternatives	12
25	2.4	Promotional Activities	12
26	2.5	Licensure, Certification and Other State and Federal Requirements	12
27	2.6	Independent Medical/Clinical Judgement	13
28	2.7	Non-Discrimination	13
29	2.8	Data Information System Requirements	13
30	2.9	Care Coordination	14
31	2.10	Behavioral Health Screening and Assessment Requirements	14
32	2.11	Recordkeeping And Confidentiality	14
33	2.12	Individual’s Copayments, Coinsurance and Deductibles	15
34	2.14	Program Participation	17
35	2.15	Notices	18
36	2.16	Participation in Credentialing	19
37	2.17	Provider Training and Education	19
38			
39	<b>ARTICLE THREE –NORTH SOUND BH-ASO OBLIGATIONS</b>		21
40	3.1	Administrative Support	21
41	3.2	Continuum of Behavioral Health Care	21
42	3.3	Collection of Service Encounters	21
43	3.4	Payment	21
44	3.5	Submission of Claims	21

1  
2  
3 3.6 Coordination ..... 22  
4  
5 **ARTICLE FOUR - TERM AND TERMINATION ..... 23**  
6 4.1 Term..... 23  
7 4.2 Termination without Cause ..... 23  
8 4.3 Termination with Cause..... 23  
9 4.4 Immediate Termination..... 23  
10 4.5 Termination Due to Change in Funding..... 23  
11 4.6 Termination Notification to Individuals..... 25  
12  
13 **ARTICLE FIVE - FINANCIAL TERMS AND CONDITIONS ..... 26**  
14 5.1 General Fiscal Assurances..... 26  
15 5.2 Financial Accounting Requirements ..... 26  
16  
17 **ARTICLE SIX -OVERSIGHT AND REMEDIES ..... 28**  
18 6.1 Oversight Authority ..... 28  
19 6.2 Remedial Action..... 28  
20 6.3 Notice Requirements ..... 30  
21  
22 **ARTICLE SEVEN -GENERAL TERMS AND CONDITIONS FOR CONTRACTOR ..... 31**  
23 7.1 Background ..... 31  
24 7.2 Mutual Commitments..... 31  
25 7.3 Assignment ..... 31  
26 7.4 Authority..... 31  
27 7.5 Compliance with Applicable Laws, Regulations and Operational Policies ..... 32  
28 7.6 Compliance with North Sound BH-ASO Operational Guide ..... 33  
29 7.7 Confidentiality of Personal Information ..... 33  
30 7.8 Contract Performance/Enforcement..... 34  
31 7.9 Cooperation ..... 34  
32 7.10 Debarment Certification ..... 34  
33 7.11 Excluded Parties..... 34  
34 7.12 Declaration that Individuals Under the Medicaid and Other Behavioral Health Programs  
35 are not Third-Party Beneficiaries Under This Contract..... 36  
36 7.13 Execution, Amendment and Waiver ..... 36  
37 7.14 Headings and Captions ..... 36  
38 7.15 Indemnification..... 36  
39 7.16 Independent Contractor for North Sound BH-ASO ..... 37  
40 7.17 Insurance ..... 37  
41 7.18 Integration ..... 37  
42 7.19 Maintenance of Records..... 37  
43 7.20 Notice of Amendment ..... 38  
44 7.21 No Waiver of Rights ..... 38

1	7.22	Ongoing Services.....	38
2	7.23	Overpayments .....	38
3	7.24	Ownership of Materials .....	39
4	7.25	Performance .....	39
5	7.26	Resolution of Disputes.....	39
6	7.27	Severability and Conformity .....	39
7	7.28	Single Audit Act.....	39
8	7.29	Subcontracts .....	40
9	7.30	Survivability.....	41
10	7.31	Treatment of Individual’s Property .....	42
11	7.32	Warranties .....	42
12	7.33	Contract Certification .....	42
13			

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 – Compensation Schedule

12  
13 Exhibit C – Supplemental Provider Service Guide: [https://nsbhaso.org/for-providers/supplemental-](https://nsbhaso.org/for-providers/supplemental-provider-service-guide)  
14 [provider-service-guide](https://nsbhaso.org/for-providers/supplemental-provider-service-guide)

15  
16 Exhibit D –Service Definitions

17  
18 Exhibit F –Federal Award Identification

19  
20 Exhibit G – Statement of Work

21  
22 Exhibit H – Local Match Certification

23  
24 Exhibit I – Security Requirements

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

7  
8  
9 **THIS CONTRACT FOR THE PARTICIPATION IN THE NORTH SOUND INTEGRATED CARE NETWORK**

10 **CONTRACT** (the "Contract"), pursuant to RCW Chapter 71.24 and all relevant and associated statutes,  
11 as amended, is made and entered into by and between the NORTH SOUND ADMINISTRATIVE  
12 SERVICES ORGANIZATION, LLC (North Sound BH-ASO), a governmental limited liability company  
13 pursuant to RCW Chapter 70.24, 2021 E. College way, Suite 101, Mount Vernon, WA 98273 and  
14 BRIDGEWAYS, (Provider), a Washington Behavioral Health Agency, 5801 23<sup>RD</sup> Drive West, Suite 104,  
15 Everett, WA 98203.

16  
17  
18 **I. RECITALS**

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

25 **WHEREAS**, North Sound BH-ASO is a governmental limited liability company formed by an  
26 operating agreement entered into by the foregoing five (5) County Authorities in response to a request  
27 for a detailed plan and to contract with the State of Washington to operate as a Regional Support  
28 Network until April 1, 2016 and as a Behavioral Health Organization as of April 1, 2016, and as an  
29 Administrative Services Organization as of July 1, 2019 as provided for in RCW 71.24.100 and Chapter  
30 25.15.

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

35 **WHEREAS**, North Sound BH-ASO anticipates increased need for behavioral health services in the  
36 community and recognizes the need for expansion of services and strengthening of cooperation among  
37 service providers to meet this challenge; and

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

39 **WHEREAS**, Provider is engaged in the provision of behavioral health services within Island, San  
40 Juan, Skagit, Snohomish and Whatcom Counties (Counties); and  
41



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 Provider which is Exhibit A thereof.  
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 INDIVIDUAL**

21 Individual means any person in the Regional Service Area (RSA) regardless of income, ability to  
22 pay, insurance status or county of residence. With respect to non-Crisis Services, "Individual"  
23 means a person who has applied for, is eligible for, or who has received General Fund –  
24 State/Federal Block Grant ( GFS/FBG) services through this contract.  
25

26 **1.5 CRITICAL INCIDENT**

27 A situation or occurrence that places an individual at risk for potential harm or causes harm to  
28 an individual. Examples include homicide (attempted or completed), suicide (attempted or  
29 completed), the unexpected death of an individual, or the abuse, neglect, or exploitation of an  
30 individual by an employee or volunteer.  
31

32 **1.6 NORTH SOUND INTEGRATED CARE NETWORK (North Sound ICN)**

33 Alliance formed by Participating Providers and North Sound BH-ASO to operate a clinically  
34 integrated crisis, FBG and Legislative Proviso behavioral health network that will provide  
35 behavioral health services in the North Sound RSA. North Sound ICN is a reference to the  
36 network of behavioral health providers contracted with the North Sound BH-ASO, and neither  
37 this Agreement nor any other understanding among participants is intended to create a  
38 separate legal entity.  
39

- 1 1.7 **HEALTHCARE AUTHORITY (HCA)**  
2 The Washington State HCA.  
3
- 4 1.8 **HEALTH PLAN**  
5 A plan that undertakes to arrange for the provision of health care services to subscribers or  
6 enrollees, or to pay for or to reimburse for any part of the cost for those services, in return for  
7 a prepaid or periodic charge paid for by or on behalf of subscribers or enrollees.  
8
- 9 1.9 **MANAGED CARE ORGANIZATION (MCO)**  
10 MCO means an organization having a certificate of authority or certificate of registration from the  
11 Washington State Office of Insurance Commissioner that contracts with HCA under a comprehensive  
12 risk contract to provide prepaid health care services to eligible HCA Enrollees under HCA managed  
13 care programs.  
14
- 15 1.10 **MEDICALLY NECESSARY SERVICE/MEDICAL NECESSITY**  
16 Medically Necessary Services means a requested service which is reasonably calculated to  
17 prevent, diagnose, correct, cure, alleviate, or prevent worsening of conditions in the individual  
18 that endanger life, or cause suffering of pain, or result in an illness or infirmity, or threaten to  
19 cause or aggravate a handicap, or cause physical deformity, or malfunction. There is no other  
20 equally effective, more conservative, or substantially less costly course of treatment available  
21 or suitable for the individual requesting the service. For the purpose of this section, "course of  
22 treatment" may include mere observation or, where appropriate, no medical treatment at all  
23 (WAC 182-500-0070).  
24
- 25 1.11 **MEMBER**  
26 An individual that is eligible to receive crisis, PATH and/or FBG services and is assigned to an  
27 MCO.  
28
- 29 1.12 **MENTAL HEALTH BLOCK GRANT (MHBG)**  
30 MHBG means those funds granted by the Secretary of the Department of Health and Human  
31 Services (DHHS), through the Center for Mental Health Services (CMHS), Substance Abuse and  
32 Mental Health Services Administration (SAMHSA), to states to establish or expand an  
33 organized community-based system for providing mental health services for adults with  
34 Serious Mental Illness (SMI) and children who are seriously emotionally disturbed (SED).  
35
- 36 1.13 **PROVIDER**  
37 The behavioral health care person(s) or agency contracting under this Agreement, who meets  
38 all minimum criteria of North Sound BH-ASO's credentialing plan, including all physicians,  
39 clinicians, allied health professionals, and staff persons who provide crisis care services to  
40 individuals by or through this Agreement.  
41
- 42 **PATH Eligible** homeless individuals are adults (age 18 or over) with a diagnosable and  
43 persistent mental or emotional impairment that seriously limits the individual's major life  
44 activities and individuals who may also have Co-Occurring SUD.

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**PATH Funds** means Federal funds awarded by the State to the Behavioral Health Administrative Services Organization (BH-ASO) and do not include the required non-Federal match or any other form of match or funding.

**PATH ineligible** is individuals who:

1. Under the age of 18 years of age;
2. Have been housed for a period up to one (1) year;
3. Are served by Veterans Administration (VA)/subcontractors of the VA, who are providing the full range of all needed services stipulated by PATH statutes; and/or
4. Are enrolled into the Prepaid Inpatient Health Plan (PIHP)/BH-ASO and are receiving all necessary services which intend to transition the individual from homelessness into secure housing, case management services, employment services, psychiatric and medical services/other services that will assist the individual in avoiding homelessness.

**1.14 PAYOR**

The entity (including company where applicable) that bears direct financial responsibility for paying from its own funds, without reimbursement from another entity, the cost of crisis services rendered to individuals.

Projects for Assistance in Transition from Homelessness (PATH) or “PATH” means the Federal grant program that provides outreach and engagement services to individuals with serious mental illness who are homeless or at risk of homelessness.

**Projects for Assistance in Transition from Homelessness (PATH)** or “PATH” means the Federal grant program that provides outreach and engagement services to individuals with serious mental illness who are homeless or at risk of homelessness.

**Service Definitions for PATH Funded Services** (Exhibit D) means the set of federally required service report definitions that must be used as the basis of reporting services to PATH enrollees or potential enrollees through the electronically based reporting process established for Washington State PATH individuals.

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 Crisis Services PATH, FBG and/or Legislative Proviso services  
22 to individuals, within the scope of Provider’s business and practice. Such services  
23 shall be provided in accordance with this Agreement; North Sound BH-ASO  
24 Supplemental Provider Service Guide; HCA standards; North Sound BH-ASO Policies  
25 and Procedures (P&P); the terms, conditions and eligibility outlined in Contract  
26 Exhibits; and the requirements of any applicable government 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  
30 of 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  
37 Americans with Disabilities Act.

38 **2.2.4 Prior Authorization**

39 Where required or appropriate, the Provider shall work with North Sound BH-ASO  
40 to obtain the prior MCO authorization in accordance with MCO’s Provider Manual  
41 unless the situation is one (1) involving the delivery of Emergency Services.  
42

- 1           2.2.5   **Assignments**  
2           The Provider shall provide crisis services to all individuals regardless of their ability  
3           to 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  
9           to individuals shall be in writing and shall bind Provider’s subcontractors to the  
10          terms 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          2.2.8   **Availability of Services**  
15          Provider shall make arrangements to ensure the availability of services to  
16          individuals on a daily basis, including arrangement to ensure coverage of individual  
17          visits after hours when required by North Sound BH-ASO Supplemental Provider  
18          Service Guide.
- 19
- 20   2.3   **TREATMENT ALTERNATIVES**  
21          Providers shall in all instances obtain informed consent prior to treatment. Without regard to  
22          Medicaid Benefit Plan limitations or cost, the Provider shall communicate freely and openly  
23          with individuals about their health status, and treatment alternatives (including medication  
24          treatment options); about their rights to participate in treatment decisions (including refusing  
25          treatment); and providing them with relevant information to assist them in making informed  
26          decisions about their health care.
- 27
- 28   2.4   **PROMOTIONAL ACTIVITIES**  
29          At the request of North Sound BH-ASO, Provider shall display promotional materials in its  
30          offices and facilities as practical, in accordance with applicable law and cooperate with and  
31          participate in all reasonable marketing efforts. Provider shall not use any North Sound BH-  
32          ASO name in any advertising or promotional materials without the prior written permission of  
33          North Sound BH-ASO.
- 34
- 35   2.5   **LICENSURE, CERTIFICATION AND OTHER STATE AND FEDERAL REQUIREMENTS**  
36          Provider shall hold all necessary licenses, certifications, and permits required by law for the  
37          performance of services to be provided under this Agreement. Provider shall maintain its  
38          licensure and applicable certifications in good standing, free of disciplinary action, and in  
39          unrestricted status throughout the term of this Agreement. Provider’s loss or suspension of  
40          licensure or other applicable certifications, or its exclusion from any federally funded health  
41          care program, including Medicare and Medicaid, may constitute cause for immediate  
42          termination of this Agreement. Provider warrants and represents that each employee and

1 subcontractor, who is subject to professional licensing requirements, is duly licensed to  
2 provide Behavioral Health Services. Provider shall ensure each employee and subcontractor  
3 have and maintains in good standing for the term of this Agreement the licenses, permits,  
4 registrations, certifications, and any other governmental authorizations to provide such  
5 services.  
6

7 **2.6 INDEPENDENT MEDICAL/CLINICAL JUDGEMENT**

8 Provider shall exercise independent medical/clinical judgment and control over its  
9 professional services. Nothing herein shall give North Sound BH-ASO, MCO, or HCA authority  
10 over Provider’s medical judgment or direct the means by which they practice within the scope  
11 of their licensed, certified, and/or registered practice. Provider retains sole responsibility for  
12 its relationship with each individual it treats, and for the quality of behavioral health care  
13 services provided to its individuals. Provider is solely responsible to each of its individuals for  
14 care provided.  
15

16 **2.7 NON-DISCRIMINATION**

17  
18 2.7.1 Enrollment. Provider shall not differentiate or discriminate in providing services to  
19 individuals because of race, color, religion or creed, national origin, ancestry, age,  
20 marital status, honorably discharged veteran/military status, sex, gender  
21 identity/expression, sexual orientation, physical, sensory or mental handicap,  
22 socioeconomic status, or participation in publicly financed programs of health care  
23 services. Provider shall render services to individuals in the same location, in the  
24 same manner, in accordance with the same standards, and within the same time  
25 availability regardless of payor.

26 2.7.2 Employment. Provider shall not differentiate or discriminate against any employee  
27 or applicant for employment, with respect to their hire, tenure, terms, conditions  
28 or privileges of employment, or any matter directly or indirectly related to  
29 employment, because of race, color, religion, national origin, ancestry, age, height,  
30 weight, marital status, gender identity, physical, sensory or mental disability  
31 unrelated to the individual’s ability to perform the duties of the particular job or  
32 position.  
33

34 **2.8 DATA INFORMATION SYSTEM REQUIREMENTS**

35 2.8.1 Provider shall:

36  
37  
38 2.8.1.1 Have a health Information System (IS) that complies with the  
39 requirements of 42 CFR Part 438.242 and can report complete and  
40 accurate data to the HMIS;

- 1                   2.8.1.4    Maintain up to date individual contact information in the HMIS; and
- 2                   2.8.1.5    Maintain a written Business Continuity and Disaster Recovery Plan
- 3                                   (BCDRP) with an identified update process (at least annually) that
- 4                                   ensures timely restoration of the IS following total or substantial loss of
- 5                                   system functionality. A copy of the plan submitted by the Provider
- 6                                   through the credentialing process shall be made available upon request
- 7                                   for review and audit by North Sound BH-ASO and/or HCA.

8

9   **2.9    CARE COORDINATION**

- 10
- 11           2.9.1    Coordinate medical services. Provider shall coordinate all services for eligible
- 12                                   individuals, including but not limited to medical services, behavioral health services
- 13                                   and services associated with the social determinants of health as needed, or as
- 14                                   identified by North Sound BH-ASO.
- 15           2.9.2    Provision of data and information for purposes of care coordination. Provider shall
- 16                                   cooperate with, participate in, and provide information and data in accordance to
- 17                                   HIPAA, to support North Sound BH-ASO’s care coordination activities and to meet
- 18                                   HCA care coordination obligations.
- 19

20   **2.10   BEHAVIORAL HEALTH SCREENING AND ASSESSMENT REQUIREMENTS**

21   If Provider provides Behavioral Health Services, Provider shall utilize the Global Appraisal of

22   Individual Needs-Short Screener (GAIN-SS) and assessment process, including use of the

23   quadrant placement. If the results of the GAIN-SS are indicative of the presence of a co-

24   occurring disorder (COD), Provider shall consider this information in the development of the

25   individual’s treatment plan, including appropriate referrals. In addition, Provider shall

26   implement, and maintain throughout the term of this Agreement, the Integrated COD

27   Screening and Assessment process, including training for applicable staff. If Provider fails to

28   implement or maintain this process, upon request of North Sound BH-ASO, Provider shall

29   provide a corrective action plan designed to ensure compliance with the requirements of this

30   Section. Such plan shall allow for monitoring of compliance by North Sound BH-ASO.

31

32   **2.11   RECORDKEEPING AND CONFIDENTIALITY**

33

34           **2.11.1   Maintaining Individual Medical Record**

35           Provider shall maintain a medical record for each individual to whom Provider

36           renders behavioral healthcare services. Provider shall establish each individual’s

37           medical record upon the individual’s first encounter with Provider. The individual’s

38           medical record shall contain all information required by state and federal law,

39           generally accepted and prevailing professional practice, applicable government

40           sponsored health programs, and all North Sound BH-ASO P&Ps. Provider shall

41           retain all such records for at least 10 years.

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**2.11.2 Confidentiality of Individual Health Information**

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

**2.11.3 Health Information System**

Provider shall implement a documented health information system and a privacy security program that includes administrative, technical and physical safe guards designed to prevent the accidental or unauthorized use or disclosure of individual PHI and medical records. The information system and the privacy and security program shall, at a minimum, comply with applicable HIPAA regulations regarding the privacy and security of PHI, including but not limited to 42 CFR § 438.242; 45 CFR § 164.306(a); and 45 CFR § 162.200, as well as, HIPAA privacy provisions in Title 13 of the American Recovery and Reinvestment Act of 2009 (ARRA).

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

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

**2.11.5 Federal Drug and Alcohol Confidentiality Laws**

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

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

**2.12.1 Third-Party Payment**

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

- 1           2.12.2   **Medicaid enrollment**  
2           The Provider shall aggressively work to convert non-Medicaid individuals to Medicaid  
3           status, including helping families to access health insurance coverage for their children  
4           under the provisions of the Children's Health Insurance Program.
- 5           2.12.3   **Individual financial obligation**  
6           The Provider shall provide notice to individuals of their personal financial obligations for  
7           non-covered services, and may bill individuals for non-covered services only if the Provider  
8           has:
- 9                   2.12.3.1    Provided the individual with a full written disclosure of Provider's intent to  
10                   directly bill the individual for non-covered services (including a clear  
11                   statement the North Sound BH-ASO and/or the individual's assigned MCO is  
12                   not financially obligated or otherwise liable to cover or provide any  
13                   reimbursement, compensation, or other payment related to such non-  
14                   covered services); and
- 15                   2.12.3.2    Obtained a written acknowledgement and acceptance of financial  
16                   responsibility from the individual at the time of denial and prior to services  
17                   being delivered.
- 18
- 19   2.13   **CLIENT HOLD HARMLESS**
- 20
- 21           2.13.1    Provider hereby agrees that in no event, including, but not limited to nonpayment  
22           by North Sound BH-ASO, North Sound BH-ASO insolvency, or breach of this  
23           contract will Provider bill, charge, collect a deposit from, seek compensation,  
24           remuneration, or reimbursement from, or have any recourse against a client or  
25           person acting on their behalf, other than North Sound BH-ASO, for services  
26           provided pursuant to this Contract. This provision does not prohibit collection of  
27           deductibles, copayments, coinsurance and/or payment for noncovered services,  
28           which have not otherwise been paid by a primary or secondary issuer in  
29           accordance with regulatory standards for coordination of benefits, from individuals  
30           in accordance with the terms of the individual's health plan.
- 31           2.13.2    If applicable, Provider agrees in the event of North Sound BH-ASO insolvency, to  
32           continue to provide the services promised in this Contract to clients of North  
33           Sound BH-ASO for the duration of the period for which premiums on behalf of the  
34           individuals were paid to North Sound BH-ASO or until the individual's discharge  
35           from inpatient facilities, whichever time is greater.
- 36           2.13.3    Notwithstanding any other provision of this Contract, nothing in this contract shall  
37           be construed to modify the rights and benefits contained in an Individual's health  
38           plan.
- 39           2.13.4    Provider may not bill individuals for crisis services where North Sound BH-ASO  
40           denies payments because the Provider has failed to comply with the terms or  
41           conditions of this Contract.
- 42           2.13.5    Provider further agrees (i) the provisions of this subsection 2.13.4 shall survive  
43           termination of this contract regardless of the cause giving rise to termination and  
44           shall be construed to be for the benefit of North Sound BH-ASO individuals, and (ii)  
45           this provision supersedes any oral or written contrary agreement now existing

1 or hereafter entered into between Provider and individuals or persons acting on  
2 their behalf.

3 2.13.6 If Provider contracts with other providers or facilities who agree to provide crisis  
4 services to individuals of North Sound BH-ASO with the expectation of receiving  
5 payment directly or indirectly from North Sound BH-ASO, such providers or  
6 facilities must agree to abide by the provisions of this subsection 2.13.6.  
7

8 Willfully collecting or attempting to collect an amount from an individual knowing that  
9 collection to be in violation of the participating provider or facility contract constitutes a class  
10 C felony under RCW 48.80.030.  
11

12 2.14 **PROGRAM PARTICIPATION**

13  
14 2.14.1 **Participation in Grievance Program**

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

19 2.14.2 **Participation in Quality Improvement Program**

20  
21 2.14.2.1 Provider shall develop and implement a quality management plan in  
22 accordance with requirements outlined in the North Sound BH-ASO P&P or  
23 Provider's accrediting entity.  
24

25 2.14.2.2 Provider shall cooperate and participate in the North Sound BH-ASO Quality  
26 Assessment and Performance Improvement activities and Performance  
27 Improvement Projects (PIP) identified by North Sound BH-ASO and/or HCA.  
28

29 2.14.2.3 The Provider shall review the components of the quality management plan  
30 at least annually. Such review will include submitting a report to North  
31 Sound BH-ASO on any Quality Assurance activity or changes to the quality  
32 management plan, except where the provider holds accreditation from the  
33 Joint Commission, Commission on Accreditation of Rehabilitation Facilities  
34 or Commission on Accreditation.

35 2.14.2.4 **Participation in Utilization Review and Management Program**

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

1 2.15 **NOTICES**

2

3 2.15.1 **Critical Incident Reporting**

4 Provider shall send immediate notification to North Sound BH-ASO and, when indicated, to  
5 the applicable MCO of any Critical Incident involving an individual. Notification shall be  
6 made during the business day on which Provider becomes aware of the Critical Incident. If  
7 Provider becomes aware of a Critical Incident involving an individual after business hours,  
8 Provider shall provide notice to North Sound BH-ASO and, when indicated, to the  
9 applicable MCO as soon as possible the next business day. Provider shall provide to North  
10 Sound BH-ASO and, when indicated, to the applicable MCO all available information  
11 related to a Critical Incident at the time of notification, including: a description of the  
12 event, the date and time of the incident, the incident location, incident type, information  
13 about the individuals involved in the incident and the nature of their involvement; the  
14 individual's or other involved individuals' service history with Provider; steps taken by  
15 Provider to minimize potential or actual harm; and any legally required notification made  
16 by Provider. Upon North Sound BH-ASO's request, and as additional information becomes  
17 available, Provider shall update the information provided regarding the Critical Incident  
18 and, if requested by MCO, shall prepare a written report regarding the Critical Incident,  
19 including any actions taken in response to the incident, the purpose for which such actions  
20 were taken, any implications to Provider's delivery system and efforts designed to prevent  
21 or lessen the possibility of future similar incidents. Reporting shall comport with North  
22 Sound BH-ASO Supplemental Provider Service Guide and applicable P&Ps.

23 2.15.2 **Notice of sites/services change**

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

26

27 2.15.2.1 120 days prior to closing a Provider site or opening any additional  
28 site(s) providing services under this Agreement.

29 2.15.2.2 30 days prior to any Provider change that would significantly affect  
30 the delivery of or payment for services provided, including changes in  
31 tax identification numbers, billing addresses, or practice locations.

32 2.15.2.3 If Provider discontinues services or closes a site in less than 30 days,  
33 Provider shall notify North Sound BH-ASO as soon as possible and  
34 prior to making a public announcement.

35 2.15.2.4 Provider shall notify North Sound BH-ASO of any other changes in  
36 capacity that result in the Provider being unable to meet any  
37 requirements of this Agreement. Events that affect capacity, include  
38 but are not limited to: a decrease in the number, frequency, or type of  
39 a required service to be provided; employee strike or other work  
40 stoppage related to union activities; or any changes that result in  
41 Provider being unable to provide timely, medically necessary services.

42 2.15.2.5 If any of the above events occurs, Provider shall submit a plan to  
43 North Sound BH-ASO and, if requested, shall meet with North Sound  
44 BH-ASO to review the plan at least 30 business days prior to the  
45 event. The plan should include the following:

- 1 2.15.2.5.1 Notification of service/site change;
- 2 2.15.2.5.2 Individual notification and communication plan;
- 3 2.15.2.5.3 Plan for provision of uninterrupted services by
- 4 individual; and
- 5 2.15.2.5.4 Any information that will be released to the media.
- 6

7 **2.15.3 Termination of Services**

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

10  
11 **2.15.4 Reporting Fraud**

12 Provider shall comply with RCW 48.135 concerning Insurance Fraud Reporting and shall  
13 notify North Sound BH-ASO Compliance Department of all incidents or occasions of  
14 suspected fraud, waste, or abuse involving Services provided to an individual. Provider  
15 shall report a suspected incident of fraud, waste or abuse, including a credible allegation  
16 of fraud, within five (5) business days of the date Provider first becomes aware of, or is on  
17 notice of, such activity. The obligation to report suspected fraud, waste, or abuse shall  
18 apply if the suspected conduct was perpetrated by Provider, Provider’s employee, agent,  
19 subcontractor, or individual. Provider shall establish P&P’s for identifying, investigating,  
20 and taking appropriate corrective action against suspected fraud, waste, or abuse.  
21 Detailed information provided to employees and subcontractors regarding fraud and  
22 abuse P&P’s and the false Claims Act and the Washington false claims statutes RCW  
23 Chapter 74.66 and 74.09.210. Upon request by North Sound BH-ASO, and/or HCA,  
24 Provider shall confer with the appropriate State agency prior to or during any investigation  
25 into suspected fraud, waste, or abuse.  
26

27 **2.16 PARTICIPATION IN CREDENTIALING**

28 Provider shall participate in North Sound BH-ASO’s credentialing and re-credentialing process  
29 that shall satisfy, throughout the term of this Agreement, all credentialing and re-  
30 credentialing criteria established by North Sound BH-ASO. Provider shall immediately notify  
31 North Sound BH-ASO of any change in the information submitted or relied upon by Provider  
32 to achieve credentialed status. If Provider’s credentialed status is revoked, suspended, or  
33 limited by North Sound BH-ASO, North Sound BH-ASO may, at its discretion, terminate this  
34 Agreement and/or reassign individuals to another provider.  
35

36 **2.17 PROVIDER TRAINING AND EDUCATION**

37 Upon the request of North Sound BH-ASO, the Provider shall participate in training when  
38 required by the North Sound BH-ASO and/or HCA.  
39

40 **2.17.1 Exception to required training**

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

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2.17.2 **Safety and violence-prevention training**

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

2.17.3 **Cultural humility training**

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

2.17.4 **Health Education/Training**

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

2.17.5 **Provider Non-Solicitation**

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

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  
7 geographically distributed through the service area and promotes individual choice  
8 and access to 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  
12 supports;
- 13 3.1.4 Creating alliances with other medical practices/groups and providers to help  
14 ensure the delivery of whole-person and integrated care;
- 15 3.1.5 Participating in performance measurement, including the reporting of state  
16 defined performance measures and HCA identified behavioral health measures;
- 17 3.1.6 Promoting practice transformation and outcome achievement through value-based  
18 purchasing; and
- 19 3.1.7 Providing support and training on proper coding of services and data transmissions  
20 related to encounters.  
21

22 **3.2 CONTINUUM OF BEHAVIORAL HEALTH CARE**

23 North Sound BH-ASO shall contract with a network of behavioral health providers to ensure a  
24 continuum of crisis behavioral health care to achieve and demonstrate network adequacy.  
25

26 **3.3 COLLECTION OF SERVICE ENCOUNTERS**

27 North Sound BH-ASO shall collect service encounters from the Participating Providers and  
28 submit them to HCA and/or MCOs.  
29

30 **3.4 PAYMENT**

31 North Sound BH-ASO shall pay Provider for services provided according to the North Sound  
32 BH-ASO established compensation schedule, detailed in Exhibit B. Additionally, clean claims  
33 shall be submitted in established timelines.  
34

- 35 3.4.1 North Sound BH-ASO shall provide reasonable notice of not less than 60 days of  
36 changes that affect Provider’s compensation or the delivery of health care services.  
37

38 **3.5 SUBMISSION OF CLAIMS**

39 If Provider submits claims for Services rendered under this Contract, the following  
40 requirements shall apply:  
41

1           3.5.1       **Clean Claims Standards**  
2                    Except as agreed to by the parties on a claim-by-claim basis, North Sound BH-  
3                    ASO shall pay or deny not less than (i) 95% of Clean Claims received from  
4                    Provider within 30 days of receipt; (ii) 95% of all claims received from Provider  
5                    within 60 days of receipt; and (iii) 99% of all Clean Claims received from  
6                    Provider within 90 days of receipt.  
7           3.5.2       **Clean Claim – Definition**  
8                    For purposes of this Section 3.5, "clean claim" means a claim that has no defect  
9                    or impropriety, including any lack of any required substantiating  
10                   documentation, or particular circumstances requiring special treatment that  
11                   prevents timely payments from being made on the claim under this Section 3.5.  
12  
13   3.6   **COORDINATION**  
14           North Sound BH-ASO shall be responsible for coordinating with Participating Providers to  
15           meet the obligations identified in this Agreement.

1 **ARTICLE FOUR - TERM AND TERMINATION**

2 **4.1 TERM**

3 This Agreement is effective on May 1, 2021, and will remain in effect for an initial term of 1 year (Initial  
4 Term), after which it will automatically renew for successive terms of 1 year each (Renewal Term),  
5 unless this Agreement is sooner terminated as provided in this Agreement or either Party gives the  
6 other Party written notice of non-renewal of this Agreement not less than 180 days prior to the end of  
7 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 days  
11 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 any  
16 provision of this Agreement. Said notice must specify the nature of said material breach. The  
17 breaching party shall have 7 business days from the date of the breaching party’s receipt of the  
18 foregoing notice to cure said material breach. In the event the breaching party fails to cure the  
19 material breach within said 7 business day period, this Agreement shall automatically terminate upon  
20 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 services by  
25 giving written notice thereof to Provider when North Sound BH-ASO determines that (i) based upon  
26 available information, the continued participation of the Provider appears to constitute an immediate  
27 threat or risk to the health, safety or welfare of individual(s), or (ii) Provider’s fraud, malfeasance, or  
28 non-compliance with any regulatory requirements is reasonably suspected. During such suspension,  
29 the Provider shall, as directed by North Sound BH-ASO, discontinue the provision of all or a particular  
30 contracted Service to individual(s). During the term of any suspension, Provider shall notify  
31 individual(s) that their status as a Provider has been suspended. Such suspension will continue until  
32 the Provider’s participation is reinstated or terminated.  
33

34 **4.5 TERMINATION DUE TO CHANGE IN FUNDING**

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

39 **4.5.1 TERMINATION PROCEDURE**

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

43 **4.5.1.1** Provider and any applicable subcontractors shall cease to perform  
44 any services required by this Contract as of the effective date of  
45 termination and shall comply with all reasonable instructions  
46 contained in the notice of termination which are related to the  
47 transfer of individuals, distribution of property and termination of  
48 services. Each party shall be responsible only for its performance in  
49 accordance with the terms of this Contract rendered prior to the

1 effective date of termination. Provider and any applicable  
2 subcontractors shall assist in the orderly transfer/transition of the  
3 individuals served under this Contract. Provider and any applicable  
4 subcontractors shall promptly supply all information necessary for  
5 the reimbursement of any outstanding Medicaid claims.

6 4.5.1.2 Provider and any applicable subcontractors shall immediately  
7 deliver to North Sound BH-ASO's Program Administrator or their  
8 successor, all North Sound BH-ASO assets (property) in Provider and  
9 any applicable subcontractor's possession and any property  
10 produced under this Contract. Provider and any applicable  
11 subcontractors grant North Sound BH-ASO the right to enter upon  
12 Provider and any applicable subcontractor's premises for the sole  
13 purpose of recovering any North Sound BH-ASO property that  
14 Provider and any applicable subcontractors fails to return within 10  
15 business days of termination of this Contract. Upon failure to return  
16 North Sound BH-ASO property within 10 business days of the  
17 termination of this Contract, Provider and any applicable  
18 subcontractors shall be charged with all reasonable costs of  
19 recovery, including transportation and attorney's fees. Provider and  
20 any applicable subcontractors shall protect and preserve any  
21 property of North Sound BH-ASO that is in the possession of  
22 Provider and any applicable subcontractors pending return to North  
23 Sound BH-ASO.

24 4.5.1.3 North Sound BH-ASO shall be liable for and shall pay for only those  
25 services authorized and provided through the date of termination.  
26 North Sound BH-ASO may pay an amount agreed to by the parties  
27 for partially completed work and services, if work products are  
28 useful to or usable by North Sound BH-ASO.

29 4.5.1.4 If the Program Administrator terminates this Contract for default,  
30 North Sound BH-ASO may withhold a sum from the final payment to  
31 Provider that North Sound BH-ASO determines is necessary to  
32 protect North Sound BH-ASO against loss or additional liability  
33 occasioned by the alleged default. North Sound BH-ASO shall be  
34 entitled to all remedies available at law, in equity, or under this  
35 Contract. If it is later determined Provider was not in default, or if  
36 Provider terminated this Contract for default, Provider shall be  
37 entitled to all remedies available at law, in equity, or under this  
38 Contract.

39  
40 Should the contract be terminated by either party, North Sound BH-  
41 ASO will require the spend-down of all remaining reserves and fund  
42 balances within the termination period. Funds will be deducted  
43 from the final months' payments until reserves and fund balances  
44 are spent. Should the contract be terminated by either

1 party, Provider shall be responsible to provide all behavioral health  
2 services through the end of the month for which they have received  
3 payment.  
4

5 **4.6 TERMINATION NOTIFICATION TO INDIVIDUALS**

6 North Sound BH-ASO will inform affected individuals of any termination pursuant to this  
7 Contract in accordance with the process set forth in the applicable MCO P&P's. Individuals  
8 may be required to select another Provider contracted with North Sound BH-ASO prior to the  
9 effective date of termination of this Contract.  
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**ARTICLE FIVE - FINANCIAL TERMS AND CONDITIONS**

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**5.1 GENERAL FISCAL ASSURANCES**

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

**5.2 FINANCIAL ACCOUNTING REQUIREMENTS**

Provider shall:

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

**5.2.1.1 Financial Reporting**

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

- 5.2.1.1.1 The North Sound BH-ASO shall reimburse the Provider for satisfactory completion of the services and requirements specified in this Contract and its attached exhibit(s).
- 5.2.1.1.2 The Provider shall submit an invoice and all accompanying reports as specified in the attached exhibit(s), including its final invoice and all outstanding reports. The North Sound BH-ASO shall initiate authorization for payment to the Provider not more than 30 days after a complete and accurate invoice is received.

1                                   5.2.1.1.3    The Provider shall submit its final invoice and all  
2    outstanding reports as specified in this contract and its  
3    attached exhibit(s). If the Provider’s final invoice and  
4    reports are not submitted as specified in this contract and  
5    its attached exhibit(s), the North Sound BH-ASO will be  
6    relieved of all liability for payment to the Provider of the  
7    amounts set forth in said invoice or any subsequent  
8    invoice.  
9

**10                                   5.2.1.2    LIABILITY FOR PAYMENT AND THE PURSUIT OF THIRD-PARTY REVENUE**

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

20  
21    Provider shall maintain necessary records to document all third-party  
22    resources and report to North Sound BH-ASO on a biennial basis or  
23    upon the request of North Sound BH-ASO, the amount of such third-  
24    party resources collected for all service recipients during the quarter by  
25    source of payment.  
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**ARTICLE SIX -OVERSIGHT AND REMEDIES**

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**6.1 OVERSIGHT AUTHORITY**

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

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

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

**6.2 REMEDIAL ACTION**

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

6.2.5 CAP must include:

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

6.2.2 CAP may:  
Require modification of any P&P's by Provider relating to the fulfillment of its 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  
13           person or poses a threat of property damage/an incident has occurred  
14           that resulted in injury or death to any person/resulted in damage to  
15           property.  
16           6.2.4.2    Provider has failed to perform any of the behavioral health services  
17           required in this Contract, which includes the failure to maintain the  
18           required capacity as specified by North Sound BH-ASO to ensure  
19           enrolled individuals receive medically necessary services, including  
20           delegated functions; except, that no remedial action pursuant to  
21           subsection (6.2.5) hereof shall be taken if such failure to maintain  
22           required capacity is due to any interruption in, or depletion of the  
23           available amount of money to Provider as described in Exhibit B of this  
24           contract for purposes of performing services under this contract;  
25           however, in such an instance, North Sound BH-ASO may terminate all or  
26           part of this contract on as little as 30 days written notice.  
27           6.2.4.3    Provider has failed to develop, produce and/or deliver to North Sound  
28           BH-ASO any of the statements, reports, data, data corrections,  
29           accountings, claims and/or documentation described herein, in  
30           compliance with all the provisions of this Contract.  
31           6.2.4.4    Provider has failed to perform any administrative function required  
32           under this Contract, including delegated functions. For the purposes of  
33           this section, “administrative function” is defined as any obligation other  
34           than the actual provision of behavioral health services.  
35           6.2.4.5    Provider has failed to implement corrective action required by the state  
36           and within North Sound BH-ASO prescribed timeframes.  
37  
38           6.2.5    North Sound BH-ASO may impose any of the following remedial actions in  
39           response to findings of situations as outlined above.  
40

- 1                   6.2.5.1    Withhold two (2%) percent of the next monthly payment and each
- 2                                   monthly payment thereafter until the corrective action has achieved
- 3                                   resolution. North Sound BH-ASO, at its sole discretion, may return a
- 4                                   portion or all of any payments withheld once satisfactory resolution has
- 5                                   been achieved.
- 6                   6.2.5.2    Compound withholdings identified above by an additional one-half of
- 7                                   one percent (1/2 of 2%) for each successive month during which the
- 8                                   remedial situation has not been resolved.
- 9                   6.2.5.3    Revoke delegation of any function delegated under this contract.
- 10                  6.2.5.4    Deny any incentive payment to which Provider might otherwise have
- 11                                   been entitled under this Contract or any other arrangement by which
- 12                                   DBHR provides incentives.
- 13                  6.2.5.5    Termination for Default, as outlined in this Contract.
- 14

15   6.3   **NOTICE REQUIREMENTS**

16           Whenever this Contract provides for notice to be provided by one (1) party to another, such

17           notice shall be in writing and directed to the chief executive office of the Provider and the

18           project representative of the Contractor specified on page one (1) of this Contract. Any time

19           within which a party must take some action shall be computed from the date that the notice is

20           received by said party.

21

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 operating agreement between Island,  
5 San Juan, Skagit, Snohomish and Whatcom Counties, each county authority is recognized by  
6 the 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(13), 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 provisions of  
4 this Agreement shall be construed in a manner that reflects consistency and compliance with such  
5 laws, policies and directives. Without limiting the generality of the foregoing, the parties shall comply  
6 with applicable provisions of this Agreement and the Supplemental Provider Service Guide,  
7 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  
22 Violating Facilities. Any violations shall be reported to HCA/DSHS, DHHS and the  
23 EPA.
- 24 7.5.9 Any applicable mandatory standards and policies relating to energy efficiency,  
25 which are contained in the State Energy Conservation Plan, issued in compliance  
26 with the federal Energy Policy and Conservation Act;
- 27 7.5.10 Those specified in RCW Title 18 for professional licensing;
- 28 7.5.11 Reporting of abuse as required by RCW 26.44.030;
- 29 7.5.12 Industrial insurance coverage as required by RCW Title 51;
- 30 7.5.13 RCW 38.52, 70.02, 71.05, 71.24 and 71.34;
- 31 7.5.14 WAC 388-865 and 388-877 388-877A and 388-877B;
- 32 7.5.15 Provider must ensure it does not: a) operate any physician incentive plan as  
33 described in 42 CFR §422.208; and b) does not Contract with any subcontractor  
34 operating such a plan.
- 35 7.5.16 HCA/MCO Quality Strategy;
- 36 7.5.17 State of Washington behavioral health system mission statement, value statement  
37 and guiding principles for the system, hereto as Exhibit D;
- 38 7.5.18 Office of Management and Budget (OMB) Circulars, Budget, Accounting and  
39 Reporting System (BARS) Manual and BARS Supplemental Behavioral Health  
40 Instructions;
- 41 7.5.19 Any applicable federal and state laws that pertain to individual's rights. Provider  
42 shall ensure its staff takes those rights into account when furnishing services to  
43 individuals.

- 1           7.5.20    42 USC 1320a-7 and 1320a-7b (Section 1128 and 1128(b) of the SSA), which
- 2                    prohibits making payments directly or indirectly to physicians or other providers as
- 3                    an inducement to reduce or limit behavioral health services provided to
- 4                    individuals;
- 5           7.5.21    Any P&P's 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
- 9                    of 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 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

19           If Provider is in violation of a federal law or regulation and Federal Financial Participation is

20           recouped from North Sound BH-ASO, Provider shall reimburse the federal amount to North

21           Sound BH-ASO within 20 days of such recoupment.

22

23           Upon notification from HCA/MCO, North Sound BH-ASO shall notify Provider in writing of

24           changes/modifications in HCA contract requirements.

25

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

27           Provider shall comply with all North Sound BH-ASO Supplemental Provider Service Guide and

28           operational policies that pertain to the delivery of services under this Contract that are in

29           effect when the Contract is signed or come into effect during the term of the Contract. North

30           Sound BH-ASO shall notify Provider of any proposed change in federal or state requirements

31           affecting this Contract immediately upon North Sound BH-ASO receiving knowledge of such

32           change.

33

34   **7.7    CONFIDENTIALITY OF PERSONAL INFORMATION**

35           Provider shall protect all Personal Information, records and data from unauthorized disclosure

36           in accordance with 42 CFR §431.300 through §431.307, RCWs 70.02, 71.05, 71.34 and for

37           individuals receiving SUD services, in accordance with 42 CFR Part 2 and WAC 388-877B.

38           Provider shall have a process in place to ensure all components of its provider network and

39           system understand and comply with confidentiality requirements for publicly funded

40           behavioral health services. Pursuant to 42 CFR §431.301 and §431.302, personal information

41           concerning applicants and recipients may be disclosed for purposes directly connected with

42           the administration of this Contract and the State Medicaid Plan. Provider shall read and

43           comply with all HIPAA policies.

44

1 7.8 **CONTRACT PERFORMANCE/ENFORCEMENT**  
2 North Sound BH-ASO shall be vested with the rights of a third-party beneficiary, including the  
3 "cut through" right to enforce performance should Provider be unwilling or unable to enforce  
4 action on the part of its subcontractor(s). In the event Provider dissolves or otherwise  
5 discontinues operations, North Sound BH-ASO may, at its sole option, assume the right to  
6 enforce the terms and conditions of this Contract directly with subcontractors; provided North  
7 Sound BH-ASO keeps Provider reasonably informed concerning such enforcement. Provider  
8 shall include this clause in its contracts with its subcontractors. In the event of the dissolution  
9 of Provider, North Sound BH-ASO's rights in indemnification shall survive.

10  
11 7.9 **COOPERATION**  
12 The parties to this Contract shall cooperate in good faith to effectuate the terms and  
13 conditions of this Contract.

14  
15 7.10 **DEBARMENT CERTIFICATION**  
16 Provider, by signature to this Contract, certifies Provider and any Owners are not presently  
17 debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by  
18 any Federal department or agency from participating in transactions (Debarred) and is not  
19 listed in the Excluded Parties List System in the System for Award Management (SAM)  
20 website. Provider shall immediately notify North Sound BH-ASO if, during the term of this  
21 Contract, Provider becomes debarred.

22  
23 7.11 **EXCLUDED PARTIES**  
24 Provider is prohibited from paying with funds received under this Contract for goods and  
25 services furnished, ordered, or prescribed by excluded individuals and entities SSA section  
26 1903(i)(2) of the Act; 42 CFR 455.104, 455.106 and 1001.1901(b).

27  
28 Provider shall monitor for excluded individuals and entities by:

29  
30 7.11.1 Screening Provider and subcontractor's employees and individuals and entities  
31 with an ownership or control interest for excluded individuals and entities prior to  
32 entering into a contractual or other relationship where the individual or entity  
33 would benefit directly or indirectly from funds received under this Contract.

34 7.11.2 Screening monthly newly added Provider and subcontractor's employees and  
35 individuals and entities with an ownership or control interest for excluded  
36 individuals and entities that would benefit directly or indirectly from funds  
37 received under this Contract.

38 7.11.3 Screening monthly Provider and subcontractor's employees and individuals and  
39 entities with an ownership or control interest that would benefit from funds  
40 received under this Contract for newly added excluded individuals and entities.  
41

1 Report to North Sound BH-ASO:  
2

- 3 7.11.4 Any excluded individuals and entities discovered in the screening within 10  
4 business days;
- 5 7.11.5 Any payments made by Provider that directly or indirectly benefit excluded  
6 individuals and entities and the recovery of such payments;
- 7 7.11.6 Any actions taken by Provider to terminate relationships with Provider and  
8 subcontractor's employees and individuals with an ownership or control interest  
9 discovered in the screening;
- 10 7.11.7 Any Provider and subcontractor's employees and individuals with an ownership or  
11 control interest convicted of any criminal or civil offense described in SSA section  
12 1128 within 10 business days of Provider becoming aware of the conviction;
- 13 7.11.8 Any subcontractor terminated for cause within 10 business days of the effective  
14 date of termination to include full details of the reason for termination;
- 15 7.11.9 Any Provider and subcontractor's individuals and entities with an ownership or  
16 control interest.

17  
18 Provider must provide a list with details of ownership and control no later than 30 days from  
19 the date of ratification and shall keep the list up-to-date thereafter.  
20

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

25 Provider will immediately terminate any employment, contractual and control relationships  
26 with an excluded individual and entity it discovers.  
27

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

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

38 In addition, if North Sound BH-ASO/MCO/HCA notifies Provider that an individual or entity is  
39 excluded from participation by HCA, Provider shall terminate all beneficial, employment,  
40 contractual and control relationships with the excluded individual or entity immediately.  
41

42 The list of excluded individuals will be found at: <http://exclusions.oig.hhs.gov/>.  
43

44 SSA section 1128 will be found at: [http://www.ssa.gov/OP\\_Home/ssact/title11/1128.htm](http://www.ssa.gov/OP_Home/ssact/title11/1128.htm).

1 7.12 **DECLARATION THAT INDIVIDUALS UNDER THE MEDICAID AND OTHER BEHAVIORAL HEALTH**  
2 **PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT**

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

10  
11 7.13 **EXECUTION, AMENDMENT AND WAIVER**

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

17  
18 7.14 **HEADINGS AND CAPTIONS**

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

22  
23 7.15 **INDEMNIFICATION**

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

41

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  
44 BH-ASO to perform its obligations hereunder, to comply with federal and state laws and  
45 regulations, and to ensure compliance with applicable accreditation and HCA requirements.

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

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

15 **7.20 NOTICE OF AMENDMENT**

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

21 **7.21 NO WAIVER OF RIGHTS**

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

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

31 **7.22 ONGOING SERVICES**

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

36 **7.23 OVERPAYMENTS**

37 In the event Provider fails to comply with any of the terms and conditions of this Contract and  
38 results in an overpayment, North Sound BH-ASO may recover the amount due HCA, MCO, or  
39 other federal or state agency subject to dispute resolution as set forth in the contract. In the  
40 case of overpayment, Provider shall cooperate in the recoupment process and return to North  
41 Sound BH-ASO the amount due upon demand.  
42

1 7.24 **OWNERSHIP OF MATERIALS**

2 The parties to this Contract hereby mutually agree that if any patentable or copyrightable  
3 material or article should result from the work described herein, all rights accruing from such  
4 material or article shall be the sole property of North Sound BH-ASO. The North Sound BH-  
5 ASO agrees to and does hereby grant to the Provider, irrevocable, nonexclusive, and royalty-  
6 free license to use, according to law, any material or article and use any method that may be  
7 developed as part of the work under this Contract.

8  
9 The foregoing products license shall not apply to existing training materials, consulting aids,  
10 checklists, and other materials and documents of the Provider which are modified for use in  
11 the performance of this Contract.

12  
13 The foregoing provisions of this section shall not apply to existing training materials,  
14 consulting aids, checklists, and other materials and documents of the Provider that are not  
15 modified for use in the performance of this Contract.

16  
17 7.25 **PERFORMANCE**

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

23  
24 7.26 **RESOLUTION OF DISPUTES**

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

34  
35 7.27 **SEVERABILITY AND CONFORMITY**

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

40  
41 7.28 **SINGLE AUDIT ACT**

42 If Provider or its subcontractor is a subrecipient of Federal awards as defined by OMB Uniform  
43 Guidance Subpart F, Provider and its subcontractors shall maintain records that identify all  
44 Federal funds received and expended. Such funds shall be identified by the appropriate OMB

1 Catalog of Federal Domestic Assistance titles and numbers, award names, award numbers,  
2 and award years (if awards are for research and development), as well as, names of the  
3 Federal agencies. Provider and its subcontractors shall make Provider and its subcontractor's  
4 records available for review or audit by officials of the Federal awarding agency, the General  
5 Accounting Office and DSHS. Provider and its subcontractors shall incorporate OMB Uniform  
6 Guidance Subpart F audit requirements into all contracts between Provider and its  
7 subcontractors who are sub recipients. Provider and its subcontractors shall comply with any  
8 future amendments to OMB Uniform Guidance Subpart F and any successor or replacement  
9 Circular or regulation.

10  
11 If Provider/subcontractors are a sub recipient and expends \$750,000 or more in Federal  
12 awards from any/all sources in any fiscal year, Provider and applicable subcontractors shall  
13 procure and pay for a single or program-specific audit for that fiscal year. Upon completion of  
14 each audit, Provider and applicable subcontractors shall submit to North Sound BH-ASO's  
15 Program Administrator the data collection form and reporting package specified in OMB  
16 Uniform Guidance Subpart F, reports required by the program-specific audit guide, if  
17 applicable and a copy of any management letters issued by the auditor.

18  
19 For purposes of "sub recipient" status under the rules of OMB Uniform Guidance Subpart F,  
20 Medicaid payments to a sub recipient for providing patient care services to Medicaid eligible  
21 individuals are not considered Federal awards expended under this part of the rule unless a  
22 State requires the fund to be treated as Federal awards expended because reimbursement is  
23 on a cost-reimbursement basis.

24  
25 **7.29 SUBCONTRACTS**

26 Provider may subcontract services to be provided under this Contract subject to the following  
27 requirements.

- 28  
29 7.29.1 The Provider shall not assign or subcontract any portion of this Contract or transfer  
30 or assign any claim arising pursuant to this Contract without the written consent of  
31 North Sound BH-ASO Said consent must be sought in writing by the Provider not  
32 less than 15 days prior to the date of any proposed assignment.
- 33 7.29.2 Provider shall be responsible for the acts and omissions of any subcontractor.
- 34 7.29.3 Provider must ensure the subcontractor neither employs any person nor contracts  
35 with any person or BHA excluded from participation in federal health care  
36 programs under either 42 USC 1320a-7 (§§1128 or 1128A SSA) or debarred or  
37 suspended per this Contract's General Terms and Conditions.
- 38 7.29.4 Provider shall require subcontractors to comply with all applicable federal and  
39 state laws, regulations and operational policies as specified in this Contract.
- 40 7.29.5 Provider shall require subcontractors to comply with all applicable North Sound  
41 BH-ASO operational policies as applicable.
- 42 7.29.6 Subcontracts for the provision of behavioral health services must require  
43 subcontractors to provide individuals access to translated information and  
44 interpreter services.

- 1 7.29.7 Provider shall ensure a process is in place to demonstrate all third-party resources
- 2 are identified and pursued.
- 3 7.29.8 Provider shall oversee, be accountable for and monitor all functions and
- 4 responsibilities delegated to a subcontractor for conformance with any applicable
- 5 statement of work in this Contract on an ongoing basis including written reviews.
- 6 7.29.9 Provider will monitor performance of the subcontractors on an annual basis and
- 7 notify North Sound BH-ASO of any identified deficiencies or areas for improvement
- 8 requiring corrective action by Provider.
- 9 7.29.10 The Provider agrees to include the following language verbatim in every
- 10 subcontract for services which relate to the subject matter of this Contract:
- 11

12 “Subcontractor shall protect, defend, indemnify, and hold harmless North Sound BH-ASO its

13 officers, employees and agents from any and all costs, claims, judgments, and/or awards of

14 damages arising out of, or in any way resulting from the negligent act or omissions of

15 subcontractor, its officers, employees, and/or agents in connection with or in support of this

16 Contract. Subcontractor expressly agrees and understands that North Sound BH-ASO is a

17 third-party beneficiary to this Contract and shall have the right to bring an action against

18 subcontractor to enforce the provisions of this paragraph.”

19 Those written subcontracts shall:

- 20
- 21
- 22 7.29.11 Require subcontractors to hold all necessary licenses, certifications/permits as
- 23 required by law for the performance of the services to be performed under this
- 24 Contract;
- 25 7.29.12 Require subcontractors to notify Provider in the event of a change in status of any
- 26 required license or certification;
- 27 7.29.13 Include clear means to revoke delegation, impose corrective action, or take other
- 28 remedial actions if the subcontractor fails to comply with the terms of the
- 29 subcontract;
- 30 7.29.14 Require the subcontractor to correct any areas of deficiencies in the
- 31 subcontractor’s performance that are identified by Provider, North Sound BH-
- 32 ASO/HCA;
- 33 7.29.15 Require best efforts to provide written or oral notification within 15 business days
- 34 of termination of a Primary Care Provider (PCP) to individuals currently open for
- 35 services who had received a service from the affected PCP in the previous 60 days.
- 36 Notification must be verifiable in the individual’s medical record at the
- 37 subcontractor.
- 38

39 **7.30 SURVIVABILITY**

40 The terms and conditions contained in this Contract by their sense and context are intended

41 to survive the expiration of this Contract and shall so survive. Surviving terms include but are

42 not limited to: Financial Terms and Conditions, Single Audit Act, Contract Performance and

43 Enforcement, Confidentiality of Individual Information, Resolution of Disputes,

44 Indemnification, Oversight Authority, Maintenance of Records, Ownership of Materials and

45 Contract Administration Warranties and Survivability.

46

1 7.31 **TREATMENT OF INDIVIDUAL’S PROPERTY**

2 Unless otherwise provided in this Contract, Provider shall ensure any adult individual receiving  
3 services from Provider under this Contract has unrestricted access to the individual’s personal  
4 property. Provider shall not interfere with any adult individual’s ownership, possession, or  
5 use of the individual’s property unless clinically indicated. Provider shall provide individuals  
6 under age 18 with reasonable access to their personal property that is appropriate to the  
7 individual’s age, development and needs. Upon termination of this Contract, Provider shall  
8 immediately release to the individual and/or guardian or custodian all the individual’s  
9 personal property.  
10

11 7.32 **WARRANTIES**

12 The parties’ obligations are warranted and represented by each to be individually binding for  
13 the benefit of the other party. Provider warrants and represents it is able to perform its  
14 obligations set forth in this Contract and such obligations are binding upon Provider and other  
15 subcontractors for the benefit of North Sound BH-ASO.  
16

17 7.33 **CONTRACT CERTIFICATION**

18 By signing this Contract, the Provider certifies that in addition to agreeing to the terms and  
19 conditions provided herein, the Provider certifies that it has read and understands the  
20 contracting requirements and agrees to comply with all of the contract terms and conditions  
21 detailed on this contract and exhibits incorporated herein by reference.  
22

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

24  
25 Joe Valentine, Executive Director  
26 North Sound BH-ASO  
27 2021 E. College Way, Suite 101  
28 Mount Vernon, WA 98273  
29

30 The Program Administrator for Bridgeways is:

31  
32 Michael Hannon, Marketing and Development Manager  
33 Bridgeways  
34 5801 23<sup>rd</sup> Drive West, Suite 104  
35 Everett, WA 98203  
36

37 Changes shall be provided to the other party in writing within 10 business days.  
38



**Bridgeways  
Schedule of Services  
2021-2022**

**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 North Sound BH-ASO 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**

<b>Contracted Timeframe</b>	<b>Service</b>	<b>Supplemental Provider Service Guide Reference</b>
<b><i>Outpatient Services {Within Available Resources}</i></b>		<b><i>Section 20.1</i></b>
	Mental Health Outpatient and Medication Management	Section 20.1
	Substance Use Disorder Outpatient Benefit	Section 19.1
	Medication-Assisted Treatment	Section 20.1
	Program for Assertive Community Treatment (PACT)	Section 20.8
<b><i>Evaluation and Treatment</i></b>		<b><i>Section 20.4</i></b>
	Sixteen-Bed Evaluation and Treatment Facility Services	Section 20.4
<b><i>Crisis Services</i></b>		<b><i>Chapter 18</i></b>
	Crisis Prevention and Intervention Teams	Section 20.2.2
	Crisis Stabilization	Chapter 18;20.2.4
	Involuntary Treatment Evaluation (ITA)	Chapter 18; 20.2.3
	Emergency Telephone Services (Toll Free Crisis Hotline)	Section 20.2.5
<b><i>Regional Ombuds Services</i></b>		<b><i>Chapter 13</i></b>
	Ombuds Services	
<b><i>Withdrawal Management Services (Within in Available Resources)</i></b>		<b><i>Chapter 5</i></b>
	Sub-Acute Withdrawal Management	Section 20.1
	Acute Withdrawal Management	Section 20.1

	Secure Detoxification	Chapter 18
<b>Substance Use Disorder Residential (Within Available Resources)</b>		<b>Section 20.10</b>
	Youth - Intensive Inpatient	Section 20.10.2
	Youth - Recovery House	Section 20.10.6
	Adult - Intensive Inpatient	Section 20.10.1
	Adult - Long-Term Care	Section 20.10.3
	Adult - Recovery House	Section 20.10.5
	Pregnant and Parenting Women Residential Treatment	Section 2.1
	Pregnant and Parenting Women Housing Support	Section 2.1; 20.12.4
<b>Mental Health Services in a Residential Setting (Within Available Resources)</b>		<b>Section 20.7</b>
<b>Crisis Triage (Within Available Resources)</b>		<b>Chapter 18</b>
<b>Legislative Proviso Services (Within Available Resources)</b>		<b>Chapter 19</b>
	Jail Transition Services	Section 19.3
	E&T Discharge Planners	Section 17.2
	Program for Assertive Community Treatment (PACT)	Section 20.8
	Designated Marijuana Account (DMA)	Section 19.2
	Juvenile Drug Court	Section 19.4
	Assisted Outpatient Treatment	Section 19.1
<b>PATH Grants</b>		<b>Chapter 1.5.1.</b>
Effective May 1, 2021	PATH Grant	Section 15.1
	Path Finder	Section 15.1
<b>Federal Block Grant</b>		<b>Chapter 1.5</b>
	Peer Bridgers	Section 19.5
	PPW Housing Support Services	Section 20.13
<b>HARPS</b>		Section 19.6
	HARPS Team & Subsidies	

Service and Payment Type	Service Detail	Payment Range
<b><i>Outpatient Services Mental Health and Substance Use Disorder (within available resources)</i></b>		
FFS Per hour	Prescriber- Psychiatrist/MDs	\$497.00 to \$536.76
FFS Per hour	Prescriber - Nurse Practitioner/Physician Asst.	\$315.00 to \$340.20
FFS Per hour	Registered Nurse/LPN	\$198.00 to \$213.84
FFS Per hour	PhD and Masters-Level Providers	\$165.00 to \$277.56
FFS Per hour	Bachelor's, AA Level Clinician	\$123.00 to \$172.80
FFS Per hour	Peer Counselor	\$97.00 to \$136.08
FFS Per hour	Medical Assistant - Certified	\$97.00 to \$136.08
FFS Per hour	Request for Service	\$65.00 to \$70.20
FFS Group Rate per Person per Hour MH	Prescriber- Psychiatrist/MDs	\$124.25 to \$134.19
FFS Group Rate per Person per Hour MH	Prescriber - Nurse Practitioner/Physician Asst.	\$78.75 to \$85.05
FFS Group Rate per Person per Hour MH	Registered Nurse/LPN	\$49.50 to \$69.39
FFS Group Rate per Person per Hour MH	PhD and Masters-Level Providers	\$41.25 to \$57.78
FFS Group Rate per Person per Hour MH	Bachelor's, AA Level Clinician	\$30.75 to \$43.20
FFS Group Rate per Person per Hour MH	Peer Counselor	\$24.25 to \$34.02
Adult Group Rate per Person per Hour SUD	Chemical Dependency Professional	\$41.25 to \$57.78
Adult Group Rate per Person per Hour SUD	Chemical Dependency Professional Trainee	\$33.25 to \$46.71
Child Group Rate per Person per Hour SUD	Chemical Dependency Professional	\$57.26 to \$80.20
Child Group Rate per Person per Hour SUD	Chemical Dependency Professional Trainee	\$46.36 to \$65.12
<b><i>Intensive Outpatient Services Mental Health (within available resources)</i></b>		
FFS Per hour	Prescriber - Psychiatrist/MDs	\$497.00 to \$536.76
FFS Per hour	Prescriber - Nurse Practitioner/Physician Asst.	\$315.00 to \$340.20
FFS Per hour	Registered Nurse/LPN	\$227.70 to \$319.14
FFS Per hour	PhD and Masters-Level Providers	\$189.75 to \$265.79
FFS Per hour	Bachelor's, AA Level Clinician	\$141.45 to \$198.72
FFS Per hour	Peer Counselor	\$111.55 to \$156.49

<b>Medicaid Assisted Treatment</b>		
Per Dose Inclusive Bundled Case Rate	Opiate Treatment Program (Opiate Substitution Treatment)	\$18.02 per dose
<b>Program for Assertive Community Treatment (PACT) Non-Medicaid only</b>		
Expense Reimbursement Monthly	Program for Assertive Community Treatment (PACT) Snohomish & Skagit	\$3,378.50 per person per month
Expense Reimbursement Monthly	Program for Assertive Community Treatment (PACT) Whatcom	\$3,378.50 per person per month
<b>Telepsychiatry</b>		
Per Scheduled hour delivered	Tele Prescriber Services contracted and paid by ASO. Provider contracted telehealth services not in this category are paid on the outpatient prescriber rates.	\$125.00 to \$270.00
FFS Per hour	Provider room and assistance fee for Tele prescriber services	\$65.00 to \$91.26
<b>Jail Transitions Services</b>		
Cost Reimbursement Monthly	Jail Transitions Services	Monthly Budget Range \$0 to \$19,238.18
<b>Evaluation and Treatment</b>		
Per Bed Day	Evaluation and Treatment Services 16 bed Facility-Mukilteo	\$1,060
Per Bed Day	Evaluation and Treatment Services 16 bed Facility-Sedro Woolley	{ \$1,060-\$1,200 }
Daily Rate	Out of Region E&T Services	\$780.00 to \$1,100.00
Discharge Planners	Evaluation & Treatment Facilities (Mukilteo & Sedro Woolley)	\$7,228 per month per facility
<b>Crisis Services</b>		
Capacity - Monthly	Mobile Crisis Outreach Teams	\$0 to \$21,128
Capacity - Monthly	Stabilization & ITA Services	\$34,100 to \$282,000
Capacity- Monthly	Crisis Toll Free Telephone Services	\$97,584.00 to \$119,270
Capacity - Monthly	Emergency Chat Line Services	\$0 to \$24,758.00
<b>Withdrawal Management Services (within available resources)</b>		
Daily Rate	Acute Withdrawal Management -16 Beds	{ \$380.00- \$447.00 }
Daily Rate	Acute Withdrawal Management	{ \$310.00 to \$385.00 }

Daily Rate	Sub-Acute Withdrawal Management	{ \$TBD }
Daily Rate	Secure Detoxification	{ \$525.00 to \$630.00 }
Daily Rate	Sub-Acute Withdrawal Management - 8 Beds	{ \$TBD }
<b><i>Substance Use Disorder Residential (within available resources)</i></b>		
Daily Rate	Adult Intensive Residential	\$138.00 to \$332.20
Daily Rate	Adult Long Term Residential	\$69.60 to \$187.00
Daily Rate	Adult Recovery House Residential	\$53.50 to \$151.80
Daily Rate	PPW Intensive -14 Beds Residential	{ \$TBD }
Daily Rate	PPW Intensive - 9 Beds Residential	{ \$TBD }
Daily Rate	Therapeutic Intervention for Children at 9 and 14 Bed facility	{ \$TBD }
Daily Rate	PPW Intensive Residential without Child	\$147.64 to \$235.62
Daily Rate	PPW Intensive Residential with Child	\$182.52 to \$264.33
Daily Rate	Therapeutic Intervention for Children	\$58.05 to \$78.83
Daily Rate	Youth Intensive Residential	\$175.50 to \$418.00
Daily Rate	Youth Long Term Residential	\$160.00 to \$263.00
Daily Rate	Youth Recovery House Residential	\$160.00 to \$263.00
<b><i>Mental Health Residential (in region &amp; within available resources)</i></b>		
Bed Day	Assisted Living Home Residential Treatment 67 Beds	{ \$TBD }
Bed Day	Adult Residential Treatment Facility - 16 Bed	\$346.00
Daily Rate	Residential Treatment Services (alternative payment method)	{ \$73.60 to \$350.00 }
<b><i>Triage (in region &amp; within available resources)</i></b>		
Capacity	Stabilization Triage - Snohomish 16 Beds	% Non-Medicaid Monthly
Capacity	Stabilization Triage/Withdrawal Mgmt. - Whatcom 16 Beds	% Non-Medicaid Monthly
Capacity	Stabilization Triage/Withdrawal Mgmt. - Island 8 Beds	% Non-Medicaid Monthly
Capacity	Stabilization/Withdrawal Mgmt. Triage - Skagit	% of Non-Medicaid Monthly
<b><i>Regional Ombuds Services</i></b>		\$18,000 mo.

		\$216,000 annually
<b>Projects for Assistance in Transition from Homelessness (PATH)</b>		
Cost Reimbursement	PATH Outreach Services-Snohomish	Budget {\$0 to \$292,035} { \$63,681 in startup costs for the period of May 1, 2021 through September 30, 2021 }
<b>PATHFINDER</b>		
Pay for Performance	PATH Peer Finder	{\$0 to \$115,844}
Designated Marijuana Account (DMA)		
Cost Reimbursement	DMA Services	\$48,411 per month
<b>Assisted Outpatient Treatment</b>		
Cost Reimbursement	Assisted Outpatient Services	{\$1,200 per person per month}
<b>Juvenile Treatment Services</b>		
Cost Reimbursement	Youth BH Services	\$11,651 per month

## Service Definitions for PATH-Funded Services

### GUIDING PRINCIPLES OF PATH ADMINISTRATION AND MANAGEMENT

The PATH program is a vital resource in communities as they seek to reduce and end Chronic Homelessness. PATH programs across the country have led the way in developing and perfecting methods of outreach and engagement that are effective with people who have Serious Mental Illnesses/Co-Occurring Disorders and who are Homeless. PATH programs serve as the front door to Continuum of Care services and to mainstream mental health, primary health care and substance abuse treatment service systems.

In order for PATH to fulfill this role, we urge State Contracts to guide the activity of providers towards services to Homeless persons and active participation in the Continuum of Care. For states that have used PATH Funding for people who are at risk of Homelessness, we understand that providing services primarily to persons who are Homeless will mean a change in the focus of PATH Funded programs; and this voluntary shift will be dependent on overall policy and administrative practice in each state.

### GUIDING PRINCIPLES

Person-centered services: The PATH program is committed to services that meet the needs and preferences of people who are Homeless and who have mental illnesses/Co-Occurring Disorders. Services are effective only if they meet needs identified by the individual. Service plans must be developed in partnership with individuals receiving services.

Culturally competent services: The PATH program is committed to meeting needs and preferences of individuals within the context of culture. For this to happen in a meaningful way, services must be offered in accordance with individually appropriate language, customs and cultural norms.

Consumer-run services: The history of the PATH program proves the effectiveness of services provided by people who have "been there". Individuals who have achieved recovery serve as powerful examples, and consumer-run services are a strong tool in our efforts to address homelessness.

Commitment to quality: State PATH Contracts are committed to helping providers achieve high quality in all areas of service provision. Encouragement of evidence-based and exemplary practices within Homeless services and mainstream systems is part of this strategy.

### SERVICE DEFINITIONS

#### Outreach

The process of bringing individuals into treatment who do not access traditional services. Effective outreach utilizes strategies aimed at engaging persons into the needed array of services, including identification of individuals in need, screening, development of rapport, offering support while assisting with immediate and basic needs, and referral to appropriate resources. Outreach results in increased access to and utilization of community services by people who are Homeless and have mental illnesses.

Active outreach is defined as face-to-face interaction with Homeless people in streets, shelters, under bridges, and in other non-traditional settings. In active outreach, workers seek

out Homeless individuals.

Outreach may include methods such as distribution of flyers and other written information, public service announcements, and other indirect methods.

Outreach through the 'Services' project set up in HMIS may also include "in-reach", defined as when outreach staff persons are placed in a service site frequented by Homeless people, such as a shelter or community resource center, and direct, face to face interactions occur at that site. In this form of outreach, Homeless individuals seek out outreach workers.

The location that the individual slept on the night before the PATH worker engaged with him/her will determine if the contact should be counted as 'outreach' or 'services'. Outreach is only counted when the individual stayed in a place not meant for human habitation.

### **Screening and Diagnostic Treatment**

A continuum of assessment services that ranges from brief eligibility screening to comprehensive clinical assessment.

### **Habilitation and Rehabilitation Services**

Community-based treatment and education services designed to promote maximum functioning, a sense of well-being, and a personally satisfying level of independence for individuals who are Homeless and have mental illnesses/co-occurring disorders.

### **Community Mental Health Services**

Community-based supports designed to stabilize and provide ongoing supports and services for individuals with mental illnesses/co-occurring disorders or dual diagnoses. This general category does not include case management, alcohol or drug treatment and/or habilitation and rehabilitation since they are defined separately in this document.

### **Alcohol or Drug Treatment**

Preventive, diagnostic, and other outpatient treatment services as well as support for people who have a psychological and/or physical dependence on one or more addictive substances, and a co-occurring mental illness.

### **Staff Training**

Materials, packages or programs designed to increase the knowledge or skills of individuals who work in shelters, mental health clinics, and substance abuse treatment programs and other sites regarding the needs of the target population, job related responsibilities and service delivery strategies to promote effective services and best practices.

### **Case Management**

Services that develop case plans for delivering community services to PATH eligible recipients. The case plans should be developed in partnership with people who receive PATH services to coordinate evaluation, treatment, housing and/or care of individuals, tailored to individual needs and preferences. Case Managers assist the individual in accessing needed services, coordinate the delivery of services in accordance with the case plan, and follow-up and monitor progress. Activities may include financial planning, access to entitlement assistance, representative payee services, etc.

### **Supportive and Supervisory Services in Residential Settings**

Services provided in residential settings that are designed to support individuals during their

transition into mainstream services

**Housing Services**

Specialized services designed to increase access to and maintenance of stable housing for PATH-enrolled individuals who have significant or unusual barriers to housing. These services are distinct from and not part of PATH-funded case management, supportive and supervisory services in residential settings, or housing assistance referral activities.

**Minor Renovation**

Services or resources provided to make essential repairs to a housing unit in order to provide or improve access to the unit and/or eliminate health or safety hazards.

**Planning of Housing**

Activities related to the analysis and formulation of a detailed set of action steps, timelines, and resources necessary to create or expand housing for the target population.

**Technical Assistance in Applying for Housing Services**

Targeted training, guidance, information sharing, and assistance to, or on behalf of, PATH-enrolled individuals who encounter complex access issues related to housing.

**Improving the Coordination of Housing Services**

The process of systematically analyzing interagency interactions among housing service providers, developing relevant information, and informing appropriate authorities of viable alternatives for selection of the most effective combination of available resources to best meet the residential needs of the target population.

**Security Deposits**

Provision of funds for PATH-enrolled individuals who are in the process of acquiring rental housing but who do not have the assets to pay the first and last month's rent or other security deposits required to move in.

**Costs Associated with Matching Eligible Homeless Individuals with Appropriate Housing Situations**

Expenditures made on behalf of PATH-enrolled individuals to meet the costs, other than security deposits and one-time rental payments, of establishing a household. These may include items such as rental application fees, furniture and furnishings, and moving expenses. These may also include reasonable expenditures to satisfy outstanding consumer debts identified in rental application credit checks that otherwise preclude successfully securing immediately available housing.

**One-Time Rental Payments to Prevent Eviction**

One-time rental payments are made for PATH-enrolled individuals who cannot afford to make the payments themselves, who are at risk of eviction without assistance and who qualify for these services on the basis of income or need.

**Referrals for Primary Health Services, Job Training, Education Services and Relevant Housing Services**

Services intended to link persons to primary health care, job training, income supports, education, housing, and other needed services not directly provided by the PATH program or individual PATH providers.

**Federal Award Identification for Subrecipients (reference 2 CFR 200.331)  
PATH - Snohomish**

(i) Subrecipient name (which must match the name associated with its unique entity identifier);	North Sound BHASO
(ii) Subrecipient's unique entity identifier; (DUNS)	958386666
(iii) Federal Award Identification Number (FAIN);	X06SM083702-01
(iv) Federal Award Date (see §200.39 Federal award date);	8/24/2020
(v) Subaward Period of Performance Start and End Date;	4/25/2021 - 6/30/2021
(vi) Amount of Federal Funds Obligated by this action;	\$167,265
(vii) Total Amount of Federal Funds Obligated to the subrecipient;	\$47,761
(xiii) Total Amount of the Federal Award;	\$1,329,229
(ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);	Projects for Assistance in Transition of Homelessness (PATH)
(x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official,	SAMHSA WA State Health Care Authority Keri Waterland, Assistant Director DBHR 626 8th Ave SE; Olympia, WA 98504-5330 <a href="mailto:Keri.waterland@hca.wa.gov">Keri.waterland@hca.wa.gov</a>
(xi) CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;	93.150
(xii) Identification of whether the award is R&D; and	Yes [8] No
(xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs).	4% de minimis rate

## EXHIBITG

### Statement of Work - Snohomish

The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

#### 1 Identify Need

Solicit PATH clients' and public comments and recommendations to identify the service needs of PATH Clients at least annually.

- 1.1 Use information received from this process, PATH project management experience, and other information gained from reliable sources on homelessness to develop and implement an integrated system of PATH services, activities, and housing to accommodate the local needs and circumstances of Homeless individuals; and

PATH services and activities must be consistent with PL 101-645 Title V, Subtitle B, relating to PATH Eligible Clients, and as described in (FOA) No. SM-20-F2, previously provided to the Contractor and incorporated herein by this reference.

#### 2 Provide Intended Use Plan (IUP) Services

Provide services and activities described in Exhibit A, *Local Provider Intended Use Plan*, within the amounts and categories listed in the HCA approved Contractor IUP Budget table.

- 2.1 The IUP shall be the basis of the Contractor's, and any HCA-approved subcontractors' PATH services and activities using PATH Funds under this Contract.
- 2.2 Services shall be culturally competent, professional, and effective.
- 2.3 Services shall be provided in the least intrusive manner in locations where PATH Eligible individuals may be found and served.
- 2.4 The number of people to be served (contacted) are listed in the Client Information section of Exhibit A: *Local Provider Intended Use Plan*. Provide the services and activities described in the IUP, attached as Exhibit A, *Local Provider Intended Use Plan*.
- 2.5 Achieve or exceed national PATH Government Performance and Results Act (GPRA) performance measures in delivery and costs of services - see Exhibit B, *Center for Mental Health Services Government Performance and Results Act Performance Measures*, as established in Exhibit A, *Local Provider Intended Use Plan*.
- 2.6 Maintain Staffing levels described in Exhibit A, *Local Provider Intended Use Plan*.
- 2.7 Proposed revisions to the IUP, or any HCA-approved successor IUP, must be submitted to the HCA Contract Manager listed on page one (1) of this Contract, when proposed revisions reflect substantial changes in PATH services and activities funded under this Contract.

- 2.7.1 Revised IUPs are subject to approval by HCA prior to implementation;
- 2.7.2 Proposed changes must be submitted to HCA for consideration and approval, at least sixty (60) days before implementation; and
- 2.7.3 Changes to the IUP approved by HCA in writing shall be incorporated by reference into this contract, and shall supersede any previous versions of the IUP.

## 2.8 Intended Use Plan Requirements

- 2.8.1 Annual submission to HCA in the form of an IUP by an HCA-established date, which shall be communicated to the Contractor to enable HCA to meet the federal timeline for responding to the annual federal RFA/FOA for PATH funds;
- 2.8.2 Each IUP must provide a projected summary of performance in the following outcome measures:
  - 2.8.2.1 Number of homeless adults to be contacted;
  - 2.8.2.2 Number of contacted homeless persons with serious mental illness who become enrolled in PATH services;
  - 2.8.2.3 Number of adult persons contacted using PATH funds that are literally homeless;
  - 2.8.2.4 Number of enrolled PATH individuals who will receive community mental health services;
  - 2.8.2.5 Number of persons referred to and who will attain housing; and
  - 2.8.2.6 Number of persons referred to and who will attain substance use disorder treatment services.
  - 2.8.2.7 Number of staff trained in SOAR
  - 2.8.2.8 Budget and Budget detail/narrative.

## 3 Eligibility Screening

Ensure Enrolled PATH Clients are screened for eligibility for all possible benefits, including, but not limited to the following:

- 3.1 Services under the PIHP or comparable services structures, including but not limited to emergency, psychiatric, medical, residential, employment, and community support services;
- 3.2 Housing services and resources;
- 3.3 Veterans' services;

- 3.4 Supplemental Security Income/Social Security Disability Insurance (SSI/SSDI) or other disability and financial benefits;
- 3.5 American Indian benefits;
- 3.6 Economic services;
- 3.7 Medical services;
- 3.8 Substance Use Disorder treatment services; and
- 3.9 Vocational rehabilitation services.

#### **4 Priority Populations**

- 4.1 Give special consideration to services for veterans, and strongly encourage subcontractors to work closely with entities that demonstrate effectiveness in serving homeless veterans
- 4.2 SAMHSA strongly encourages PATH sites to prioritize services for the chronically homeless population.
- 4.3 PATH services should be focused on Outreach efforts to individuals who are homeless or chronically homeless.

#### **5 Documentation**

- 5.1 Maintain individual client service records for Enrolled PATH Clients, where each client service record shall contain at a minimum:
  - 5.1.1 All contacts between a PATH-funded worker or workers and an individual who is potentially PATH eligible or enrolled in PATH must be entered into HMIS.
  - 5.1.2 A statement of the presenting problem(s) as described by the Enrolled PATH Client, as reported by the referral source and as assessed by the screener;
  - 5.1.3 Documentation of homelessness or chronic homelessness;
  - 5.1.4 The context of the referral;
  - 5.1.5 The condition and functioning of the Enrolled PATH Client at the time of initial assessment and subsequently;
  - 5.1.6 The history and symptoms of the Enrolled PATH Client's Mental Illness reported and observed;
  - 5.1.7 An assessment of each PATH Client's basic needs, including legal and safety issues, cultural issues, and Substance Use Disorder issues, as appropriate;

- 5.1.8 An assessment of the Enrolled PATH Client's mental health and/or Co-Occurring mental health and Substance Use Disorder service needs
- 5.1.9 A service plan; and
- 5.1.10 Regular notation of PATH client progress service plan accomplishment, including transfer to other mainstream services.
- 5.2 Cooperate with the federally mandated transition to use of Homeless Management Information System (HMIS) data standards and submit PATH service data in accordance with state and federal requirements. Participate in HMIS data collection activities and submit client service data electronically. SAMHSA expects client data entry into HMIS in a timely manner in order to achieve the most positive outcomes for clients. Each HMIS will have its own policies and procedures regarding timeliness of data entry for end users.
- 5.3 Submit, within fourteen (14) calendar days, copies of any review reports of approved subcontractors who conduct PATH activities and any documentation related to monitoring, especially in the event that corrective action is indicated or imposed
- 5.4 The Contractor shall provide the following reports:

- 5.4.1 Annual Report/IUP:

The Annual Report/IUP must comply with the report requirements below, some of which may be waived in writing by DBHR for purpose of this Contract.

- 5.4.1.1 Analysis of performance based upon the IUP and upon factors that have affected the local PATH project(s). This report shall include measures taken to maintain and improve the integrity of PATH project(s);
- 5.4.1.2 Submit through the SAMHSA required annual report database (PATH PDX) aggregate client service data consistent with the national "PATH Annual Report Manual," developed by SAMHSA's Homeless and Housing Resources Network and the Center for Mental Health Services (CMHS) Government Performance and Result Act (GPRA) Performance Measures, attached as Exhibit C;
- 5.4.1.3 Respond to SAMHSA Data Checks associated with warnings in the Annual Report data system called PATH POX. SAMHSA reviews these data check measures each year and may request additional information to assist in evaluating the PATH program and reason why the GPRA measurement was not met. A list of current data checks is listed below. The Data Check measurements are as follows:

- 5.4.1.3.1 Zero individuals contacted = 0;

- 5.4.1.3.2 One hundred percent of persons contacted through outreach became enrolled in PATH;
  - 5.4.1.3.3 Percentage of eligible persons contacted who became enrolled in PATH is less than 46 percent\*;
  - 5.4.1.3.4 Number of persons enrolled has decreased by more than 50 percent since the previous year or increased by more than 100 percent since the previous year;
  - 5.4.1.3.5 Percentage of PATH-enrolled individuals who received community mental health services is less than 53 percent of the GPRA Measure;
  - 5.4.1.3.6 Number of PATH-enrolled individuals who are 17 years old or younger is greater than zero; and
  - 5.4.1.3.7 Sum of "Client refused" and "Data not collected" categories for each demographic data element ("Unknown" category for #28f) is greater than 10 percent of the total number of persons enrolled in PATH (#15).
- 5.5 The contractor will provide a federal financial report to the DBHR, annually, no later than 60 days after the Agreement End Date, using the object class categories of Federal Standard Form 424A and HCA approved Contractor IUP Budget table.
- 5.6 The Contractor shall complete reports according to the time schedules designated, and/or communicated by DBHR. Failure to submit required reports within the time specified may result in one or more of the following:
- 5.6.1 Withholding of current or future payments;
  - 5.6.2 Withholding of additional awards for a project; and
  - 5.6.3 Suspension or termination of this Contract.
- 5.7 The Contractor shall retain reporting-related records and provide access to the records for the time period specified in 45 CFR Part 74, Subpart D, or 45 CFR 92.42.
- 5.8 Financial and programmatic records, supporting documents, statistical records, and all other records of the Contractor or subcontractor that are required by the terms of this Contract or a subcontract, or may reasonably be considered pertinent to this Contract or subcontract must be retained.

## **6 Miscellaneous Other Requirements**

- 6.1 Contractors must strongly encourage subcontractors to provide a smoke-free workplace and promote abstinence of all tobacco products
- 6.2 Continuum of Care Committees

- 6.2.1 Participate in the planning and collaboration of local continuum of care committees affecting PATH Clients.
- 6.2.2 Strongly encourage subcontractors to participate in the planning and collaboration of local continuum of care committees.
- 6.3 The Contractor shall comply with all requirements, including employment standards, detailed in 45 CFR Part 76, and RFA # SM-18-F2.

## 7 Consideration

- 7.1 General consideration guidelines specify that the contractor must perform the following:
  - 7.1.1 Achieve or exceed national PATH Government Performance and Results Act (GPRA) performance measures in delivery and costs of services - see Exhibit C, *Local Match Certification Form*, as established in Exhibit A, *Local Provider Intended Use Plan*.
  - 7.1.2 Maintain records that identify the source and usage of funds associated with the provision of Housing Services.
  - 7.1.3 Be legally and financially responsible for all aspects of PATH services and activities under this Contract, including subcontracted agencies .
  - 7.1.4 Ensure that if a religiously-affiliated organization receives PATH funds that the PATH services are separate in either time or location of services that are inherently religious in nature. If a PATH enrollee chooses to not be served by that organization because of their religious affiliation they must be referred to a different service provider.
  - 7.1.5 Ensure no less than the required non-federal match is contributed by Contractor's and subcontractor's sources as detailed in Section 5, Non-Federal Match Contributions.
- 7.2 Requirements, Conditions, and Limitations for PATH Funds.
  - 7.2.1 The Contractor shall not expend more than twenty percent (20%) of PATH Funds under this Contract for Housing Services, in accordance with the requirements of RFA # SM-18-F2. Grantees must track the costs in this category with records demonstrating that the 20% cap has not been exceeded. This includes:
    - 7.2.1.1 Minor renovation, expansion, and repair of housing;
    - 7.2.1.2 Planning of housing;
    - 7.2.1.3 Technical assistance in applying for housing assistance;
    - 7.2.1.4 Improving the coordination of housing services;

- 7.2.1.5 Security deposits;
  - 7.2.1.6 The costs associated with matching eligible homeless individuals with appropriate housing situations; and
  - 7.2.1.7 One-time rental payments to prevent eviction.
- 7.2.2 Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders.
- 7.2.3 The Contractor shall use PATH Funds to supplement, not supplant, existing services to individuals with Serious Mental Illness or Co-Occurring Serious Mental Illness and Substance Use Disorders, and who are Homeless or at Imminent Risk of becoming Homeless.
- 7.2.4 The Contractor shall indicate clearly when issuing statements, press releases, requests for proposal, bid solicitations, and other documents describing projects or programs funded in whole or in part with PATH Funds:
- 7.2.4.1 The percentage of the total costs of the program or project financed with PATH Funds;
  - 7.2.4.2 The dollar amount of PATH Funds for the program or project; and
  - 7.2.4.3 The percentage and dollar amount of the total costs of the program or project that will be financed by non-governmental sources.
- 7.2.5 The Contractor shall use any program income generated under this Contract in accordance with the additional cost alternative of 45 CFR Part 92.25 to further the objectives of the PATH program. Program income must be reported on the federal financial report, and used only for allowable costs as set forth in the applicable federal cost circulars.
- 7.2.6 The Contractor shall not use PATH Funds under this Contract to support lobbying activities to influence proposed or pending Federal or State legislation or appropriations. This prohibition is related to the use of federal grant funds and is not intended to affect Washington State's right, or that of any other organization, to petition Congress or any other level of Government through the use of other resources.
- 7.2.6.1 The Contractor shall adhere to the following restrictions on Grantee Lobbying - Appropriations Act Section 503:
    - 7.2.6.1.1 No part of any funding under this Contract shall be used, other than for a normal and recognized executive-legislative

relationship, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself or any state legislature, except in the presentation to the Congress or any state legislative body itself; and

7.2.6.1.2 No part of any funding under this Contract shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or state legislature.

7.3 Requirements for Non-Federal Match Contributions

7.3.1 The Contractor shall contribute a required minimum (33.333%) of non-federal match funds based upon the Total PATH award under this Contract and stated in the table below.

7.3.2 The Contractor shall contribute non-federal match as required according to the following table:

7.3.2.1 Table 1 - Non-Federal Match Contributions for October 1, 2021 through September 30, 2022.

<b>FFY 2019 IUP Budget as submitted in PATH Application</b>	<b>Match Required 33.333%</b>	<b>Total 12 Month Award</b>
\$167,265	\$55,755	\$223,020

7.3.3 The PATH Award to Contractor is for PATH services and activities, and forHMIS reporting capability used to participate in PATH data collection activities; and

7.3.4 The contractual award of PATH Funds under this Contract equals the "PATH Award to Contractor" listed in HCA approved Contractor IUP Budget table.

7.3.5 The Contractor shall ensure that all non-federal match contributions are in accordance with federally-approved PATH services and activities as stated in RFA # SM-18-F2 and in accordance with the IUP.

7.3.6 The Contractor shall submit aggregate non-federal match contribution amounts with invoices for PATH Fund reimbursement, in accordance with the HCA approved Contractor IUP Budget table.

7.3.6.1 Non-federal match contributions shall be reported in the aggregate and clearly identified on each billing invoice;

- 7.3.6.2 Supporting documentation of non-federal match amounts shall be maintained in sufficient detail to demonstrate match amounts contributed by budget category;
- 7.3.6.3 Supporting documentation shall be made available to the DBHR upon request; and
- 7.3.6.4 The Contractor shall annually certify their non-federal match contributions.

## **8 Subcontracting**

- 8.1 The Contractor shall not subcontract any services or activities under this Contract with any agency that:
  - 8.1.1 Has a policy of excluding individuals from mental health services due to the existence or suspicion of Substance Use Disorder; and
  - 8.1.2 Has a policy of excluding individuals from Substance Use Disorder services due to the existence or suspicion of Mental Illness
- 8.2 The Contractor shall obtain prior approval before entering into any subcontracting arrangement. In addition, the BHO shall submit to the HCA PATH Program Administrator identified on Page 1 of the contract at least one of the following for review and approval purposes:
  - 8.2.1 Copy of the proposed subcontract to ensure it meets all HCA requirements; or
  - 8.2.2 Copy of the BHO's standard contract template to ensure it meets all requirements and approve only subcontracts entered into using that template; or
  - 8.2.3 Certify in writing that the subcontractor meets all requirements under the contract and that the subcontract contains all required language under the contract, including any data security, confidentiality and/or Business Associate language, as appropriate.
- 8.3 The Contractor shall submit, within fourteen (14) calendar days, copies of any review reports of approved subcontractors who conduct PATH activities and any documentation related to monitoring, especially in the event that corrective action is indicated or imposed.
- 8.4 The Contractor shall monitor approved subcontractors programmatically and fiscally annually. Copies of reports generated from such activities will be submitted within 30 days of their completion and no later than September 30, 2021.

## Confidential Information Security Requirements

### 1. Definitions

In addition to the definitions set out in Section 2 of this Contract K4030 for PATH Services, the definitions below apply to this Attachment.

- a. "Hardened Password" means a string of characters containing at least three of the following character classes: upper case letters; lower case letters; numerals; and special characters, such as an asterisk, ampersand or exclamation point.
  - i. Passwords for external authentication must be a minimum of 10 characters long.
  - ii. Passwords for internal authentication must be a minimum of 8 characters long.
  - iii. Passwords used for system service or service accounts must be a minimum of 20 characters long.
- b. "Portable/Removable Media" means any Data storage device that can be detached or removed from a computer and transported, including but not limited to: optical media (e.g. CDs, DVDs); USB drives; or flash media (e.g. CompactFlash, SD, MMC).
- c. "Portable/Removable Devices" means any small computing device that can be transported, including but not limited to: handhelds/PDAs/Smartphones; Ultramobile PC's, flash memory devices (e.g. USB flash drives, personal media players); and laptops/notebook/tablet computers. If used to store Confidential Information, devices should be Federal Information Processing Standards (FIPS) Level 2 compliant.
- d. "Secured Area" means an area to which only Authorized Users have access. Secured Areas may include buildings, rooms, or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.
- e. "Transmitting" means the transferring of data electronically, such as via email, SFTP, webservices, AWS Snowball, etc.
- f. "Trusted System(s)" means the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.

- g. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase, or other mechanism, authenticates a user to an information system.

## 2. Confidential Information Transmitting

- a. When transmitting HCA's Confidential Information electronically, including via email, the Data must be encrypted using NIST BOO-series approved algorithms (<http://csrc.nist.gov/publications/PubsSPs.html>). This includes transmission over the public internet.
- b. When transmitting HCA's Confidential Information via paper documents, the Receiving Party must use a Trusted System.

## 3. Protection of Confidential Information

The Contractor agrees to store Confidential Information as described:

- a. Data at Rest:
  - i. Data will be encrypted with NIST BOO-series approved algorithms. Encryption keys will be stored and protected independently of the data. Access to the Data will be restricted to Authorized Users through the use of access control lists, a Unique User ID, and a Hardened Password, or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Systems which contain or provide access to Confidential Information must be located in an area that is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
  - ii. Data stored on Portable/Removable Media or Devices:
    - Confidential Information provided by HCA on Removable Media will be encrypted with NIST BOO-series approved algorithms. Encryption keys will be stored and protected independently of the Data.
    - HCA's data must not be stored by the Receiving Party on Portable Devices or Media unless specifically authorized within the Data Share Agreement. If so authorized, the Receiving Party must protect the Data by:
      1. Encrypting with NIST BOO-series approved algorithms. Encryption keys will be stored and protected independently of the data;
      2. Control access to the devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics;
      3. Keeping devices in locked storage when not in use;
      4. Using check-in/check-out procedures when devices are shared;

5. Maintain an inventory of devices; and
  6. Ensure that when being transported outside of a Secured Area, all devices with Data are under the physical control of an Authorized User.
- b. Paper documents. Any paper records containing Confidential Information must be protected by storing the records in a Secured Area that is accessible only to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet locking drawer, or safe, to which only authorized persons have access.

#### 4. Confidential Information Segregation

HCA Confidential Information received under this Contract must be segregated or otherwise distinguishable from non-HCA data. This is to ensure that when no longer needed by the Contractor, all HCA Confidential Information can be identified for return or destruction. It also aids in determining whether HCA Confidential Information has or may have been compromised in the event of a security Breach.

1. The HCA Confidential Information must be kept in one of the following ways:
  - i. on media (e.g. hard disk, optical disc, tape, etc.) which will contain only HCA Data; or
  - ii. in a logical container on electronic media, such as a partition or folder dedicated to HCA's Data; or
  - iii. in a database that will contain only HCA Data; or
  - iv. within a database and will be distinguishable from non-HCA Data by the value of a specific field or fields within database records; or
  - v. when stored as physical paper documents, physically segregated from non-HCA Data in a drawer, folder, or other container.

When it is not feasible or practical to segregate HCA Confidential Information from non-HCA data, then both the HCA Confidential Information and the non-HCA data with which it is commingled must be protected as described in this Attachment.

#### 2. Confidential Information Shared with Subcontractors

If HCA Confidential Information provided under this Contract is to be shared with a Subcontractor, the contract with the Subcontractor must include all of the Confidential Information Security Requirements.

#### 3. Confidential Information Disposition

When the Confidential Information is no longer needed, except as noted below, the Confidential Information must be returned to HCA or destroyed. Media are to be destroyed using a method documented within NIST 800-88 (<http://csrc.nist.gov/publications/PubsSPs.html>).

For HCA's Confidential Information stored on network disks, deleting unneeded Confidential Information is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in Section 3, above. Destruction of the Confidential Information as outlined in this section of this Attachment may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.