

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

**INTERLOCAL AGREEMENT**

**WITH**

**SKAGIT COUNTY**

**CONTRACT #NORTH SOUND BH-ASO-SKAGIT COUNTY-INTERLOCAL-22**

**Effective Date July 1, 2022**

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1 **EXHIBITS**

2

3 **Incorporation of Exhibits**

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

7

8 Exhibit A – Supplemental Provider Service Guide: [http://nsbhaso.org/for-providers/supplemental-provider-  
9 service-guide](http://nsbhaso.org/for-providers/supplemental-provider-service-guide)

10

11 Exhibit B – NS BH-ASO Skagit County Budget 20-23

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## INTERAGENCY AGREEMENT

THIS INTERAGENCY AGREEMENT (the “Agreement”), pursuant to RCW Chapter 71.24 and all relevant and associated statutes, as amended, is made and entered into by and between the NORTH SOUND REGIONAL SUPPORT NETWORK, dba THE NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC (North Sound BH-ASO), 2021 E. College Way, Suite 101, Mt. Vernon, WA 98273, and SKAGIT COUNTY (Contractor), 1800 Continental Place, Suite 100, Mt. Vernon, WA 98273-3820.

This Agreement incorporates the Exhibits to the Agreement and other documents incorporated by reference.

### I. RECITALS

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

**WHEREAS**, North Sound BH-ASO is a governmental limited liability company formed by an operating agreement entered into by the foregoing five (5) County Authorities in response to a request for a detailed plan and to contract with the State of Washington to operate as a regional support network until April 1, 2016 and as a behavioral health organization as of April 1, 2016, and as an administrative services organization as of July 1, 2019 as provided for in RCW 71.24.100 and Chapter 25.15.

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

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

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

and

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

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



1 A. DEFINITIONS

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

3 **AGREEMENT**

4 The Contract entered into between North Sound BH-ASO and Contractor, including all attachments and  
5 incorporated documents or materials.

6  
7 **BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION (BH-ASO)**

8 Behavioral Health Administrative Services Organization" means an entity selected by the Health Care  
9 Authority to administer behavioral health programs, including crisis services for individuals in a fully  
10 integrated managed care regional service area. The BH-ASO administers crisis services for all individuals in  
11 its defined regional service area, regardless of an individual's ability to pay.

12  
13 **BEHAVIORAL HEALTH CRISIS SERVICES**

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

17  
18 **INDIVIDUAL**

19 Individual means any person in the RSA regardless of income, ability to pay, insurance status or county of  
20 residence. With respect to non-Crisis Services, "Individual" means a person who has applied for, is eligible for,  
21 or who has received GFS/FBG services through this contract.

22  
23 **CRITICAL INCIDENT**

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

27  
28 **HEALTHCARE AUTHORITY (HCA)**

29 The Washington State Health Care Authority.

30  
31  
32 **MANAGED CARE ORGANIZATION (MCO)**

33 Managed Care Organization (MCO) means an organization having a certificate of authority or certificate of  
34 registration from the Washington State Office of Insurance Commissioner that contracts with HCA under a  
35 comprehensive risk contract to provide prepaid health care services to eligible HCA Enrollees under HCA  
36 managed care programs.

37  
38  
39 **MEMBER**

40 An individual that is eligible to receive crisis, GF-S funded services and/or Federal Block Grant services and is  
41 assigned to an MCO.  
42

1 **B. DELEGATED FUNCTIONS**

2 Contractor shall furnish the necessary personnel and services and do all things necessary for the performance  
3 of the delegated functions set forth herein as presently written or as may be later amended.  
4

5 **1. REGIONAL ADVISORY BOARD (ASO CONTRACT)**

6 Contractor shall appoint individuals with lived experience/advocate representatives to the North Sound BH-  
7 ASO Regional Advisory Board in accordance with the Interlocal Agreement forming North Sound BH-ASO, the  
8 Prepaid Inpatient Health Plan (PIHP) and State Behavioral Health Contracts (BHSC) and in accordance with  
9 WAC 388-865-0222, or any successor.  
10

11 Contractor shall appoint individuals with Behavioral Health lived experience (mental health, substance use  
12 disorder, and/or co-occurring disorders) through their own experiences and/or their experiences as family  
13 members. Contractor shall appoint individuals whose experiences reflect the breadth of experience of  
14 individuals affected by Behavioral Health Disorders.  
15

16 Contractor shall appoint representatives that reflect the demographic character of the county which shall  
17 include, but not be limited to, representatives of individuals, families, and law enforcement. Composition and  
18 length of terms of board members may differ between counties. Regional membership shall be comprised of  
19 at least 51% individuals with lived experience or family members as defined in WAC 388-865-0222.  
20

21 **2. GOVERNING BOARD (ASO CONTRACT)**

22 Member Counties shall establish a Governing Body responsible for oversight of the Regional Support Network  
23 in compliance with the Interlocal Agreement and the State PIHP and BHSC Agreements. The Governing Body  
24 can be an existing executive or legislative body within a county government. Each member of the Governing  
25 Body must be free from conflicts of interest and from any appearance of conflicts of interest between  
26 personal, professional and fiduciary interests. Members of the Governing Body must act within the best  
27 interests of North Sound BH-ASO, individuals and/or families with lived experiences. Contractor shall  
28 participate with North Sound BH-ASO in the development and creation of an LLC and any appropriate policies.  
29

30 **3. QUALITY MANAGEMENT SUPPORT (ASO CONTRACT)**

31 Contractor shall invite individuals and their families that are representative of the community being served,  
32 including all age groups, to participate in planning activities and in the implementation and evaluation of the  
33 public behavioral health system. Contractor must be able to demonstrate how this requirement is  
34 implemented.  
35

36 Member Counties shall encourage local efforts to provide services that are integrated and coordinated with  
37 other formal/informal service delivery systems.  
38

39 Contractor’s County Coordinator shall assist North Sound BH-ASO in conducting quality management programs  
40 and activities, in accordance with Exhibit A. Activities include quality management processes as appropriate,  
41 which are designed to allow North Sound BH-ASO to:

- 42
- 43 • Assess the degree to which crisis behavioral health services and planning is driven by and incorporates  
44 individual and family voice;
- 45 • Assess the degree to which crisis behavioral health services are age, culturally, and linguistically  
46 competent;
- 47 • Assess the degree to which crisis behavioral health services are provided in the least restrictive  
48 environment;



- 1 • Assess the degree to which uninterrupted linkages occur that move the individual toward recovery and  
2 resiliency;
- 3 • Assess the continuity in service linkages and integration with other formal/informal systems and  
4 settings; and
- 5 • Assess the strengths and barriers of resource management mechanism, access standards and the  
6 utilization management activities.

7  
8 Quality management activities specified in this Quality Management Support section shall be subject to  
9 requirements of North Sound BH-ASO, including requirements to maintain confidentiality of information in  
10 accordance with federal and state privacy laws and requirements applicable to North Sound BH-ASO for  
11 maintaining protection of confidentiality under its coordinated quality improvement program (CQIP).  
12

#### 13 **4. ALLIED SYSTEM COORDINATION SUPPORT (ASO CONTRACT)**

14 Contractor shall coordinate with North Sound BH-ASO in the following area to ensure individuals in the  
15 community are receiving continuity of care.  
16

17 Contractor shall develop in collaboration with North Sound BH-ASO a new or update an existing allied system  
18 coordination plan with the Criminal Justice (courts, jails, law enforcement, public defender, Department of  
19 Corrections [DOC]) and Substance Use Disorder (SUD) service providers in their respective county at least  
20 every three (3) years or as requested by North Sound BH-ASO, DSHS or as necessary. The allied system  
21 coordination plan must contain all the following elements:  
22

- 23 • Contractor shall work with North Sound BH-ASO to identify the need for local resources, including  
24 initiatives to address those needs. This will include a process to evaluate progress in cross-system  
25 coordination and integration of services.
- 26 • Contractor shall work with North Sound BH-ASO on a process for facilitation of community integration  
27 from out-of-home placements, Children’s Long-term inpatient facilities, Juvenile Rehabilitation  
28 facilities, foster care, nursing homes and acute inpatient settings for individuals of all ages.
- 29 • Contractor shall, when requested, provide information, referral and training to the community in how  
30 to access the public behavioral health system.

#### 31 32 **5. COMMUNITY COORDINATION (ASO CONTRACT)**

33 Contractor shall coordinate and participate with North Sound BH-ASO in all disaster preparedness activities  
34 and respond to emergency/disaster events (e.g., natural disasters, acts of terrorism) when requested by North  
35 Sound BH-ASO. Contractor shall work with North Sound BH-ASO in the event of a disaster to ensure the  
36 following activities are implemented:  
37

- 38 • Participate in local emergency/disaster planning activities when county Emergency Operation Centers  
39 and local public health jurisdictions request collaboration;
- 40 • Locating persons in need of disaster relief services;
- 41 • Engaging or linking persons to an appropriate level of support or disaster relief services;
- 42 • Conduct post-disaster outreach to determine the need for disaster related crisis counseling and assess  
43 the availability of local resources in meeting those needs;
- 44 • Partner in disaster preparedness and response activities with HCA and DSHS entities, the State  
45 Emergency Management Division, Federal Emergency Management Administration (FEMA), the  
46 American Red Cross and other volunteer organizations; Participation when requested in local and  
47 regional disaster planning and preparedness activities; and

- Coordination of disaster outreach activities following an event.

### **6. HOUSING AND RECOVERY THROUGH PEER SUPPORTS (HARPS) HOUSING SUBSIDIES**

Contractor shall provide time-limited financial assistance to individuals and families who are homeless and in need of short-term assistance to acquire and/or sustain housing. This funding is part of a DBHR grant received by North Sound BH-ASO for housing support services and financial housing assistance. For the purposes of this Agreement, the funding is to be used exclusively for financial assistance to individuals and families who are homeless. No administrative costs may be paid out of the HARPS housing assistance allocation.

Statement of Work, deliverables and related policies are found in the North Sound Supplemental Provider Service Guide.

### **7. DESIGNATED MARIJUANA ACCOUNT (DMA)**

Dedicated Marijuana Account (DMA) funds are to be provided within the identified resources in the HCA contract with the North Sound BH-ASO.

DMA Funding can provide:

- Outpatient and residential SUD treatment for youth and children;
- PPW case management, housing supports and residential treatment program;
- Contracts for specialized fetal alcohol services;
- Youth drug courts; and
- Programs that support intervention, treatment, and recovery support services for middle school and high school aged students.

DMA funds shall be used to fund Substance Use Disorder treatment services for youth living at or below two hundred and twenty percent (220%) of the federal poverty level, without insurance coverage or who are seeking services independent of their parent/guardian;

DMA funds may be used for development, implementation, maintenance, and evaluation of programs that support intervention, treatment, and recovery support services for middle school and high school aged students.

All new programs and services must direct at least eighty-five percent (85%) of funding to evidence-based or research-based programs and practices that produce objectively measurable results and are expected to be cost beneficial.

Up to fifteen percent (15%) of the funds appropriated for new programs and new services may be used to provide support to proven and tested practices, emerging best practices or promising practices.

1 The North Sound BH-ASO contracts with Skagit County to provide school-based intervention and  
2 prevention within the school district using evidence based/promising practices.  
3 Statement of Work, deliverables and related policies are found in the North Sound Supplemental Provider  
4 Service Guide.  
5

6 **8. JAIL TRANSITION SERVICES**

7 Jail Services funding is provided by the Washington Legislature to provide mental health services for  
8 offenders with mental illness while confined in a county or city jail. These services are intended to facilitate  
9 access to programs that offer mental health services upon release from confinement. This includes efforts  
10 to expedite applications for new or re-instated Medicaid benefits.  
11

12 Primary responsibility for direct mental health services and medications for individuals while they are in jail  
13 is the responsibility of the county or local jail. Services provided with this funding are intended to facilitate  
14 safe transition into community services. To that end, the funding provided through this Contract shall  
15 supplement, and not supplant, local or other funding or in-kind resources being used for these purposes  
16 that were in effect in April 2005. This restriction does not apply to services previously provided by North  
17 Sound BH-ASO savings, which can no longer be used to provide non-Medicaid services.  
18

19 Statement of Work, deliverables and related policies are found in the North Sound Supplemental Provider  
20 Service Guide.  
21

1 **C. CONTRACTOR RESPONSIBILITIES**

2 Contractor shall furnish the necessary personnel and services and do all things necessary for the performance  
3 of the work set forth herein as presently written or as may be later amended.  
4

5 **1. APPOINTMENT OF COUNTY COORDINATOR**

6 Contractor Program Manager will act as or appoint a County Coordinator and the County Coordinator  
7 or designee will participate in North Sound BH-ASO County Coordinator meetings, provide regular  
8 reports to North Sound BH-ASO Advisory Board on county specific activities, and facilitate delivery of  
9 the services required under this section. In addition to those outlined in this section, responsibilities of  
10 County Coordinators include regularly participating in ad hoc committees, advising North Sound BH-  
11 ASO of county-specific areas of concern or need and participation in disaster response preparedness  
12 activities.  
13

14 Participate in strategic planning and other ad hoc planning initiatives for resource management and  
15 the ongoing evaluation of services provision with recommendations based on results. Provide county  
16 data to the BH-ASO for regional and state behavioral health planning/reporting upon request.  
17

18 **2. RESOURCE MANAGEMENT SUPPORT**

19 Contractor's County Coordinator shall assist North Sound BH-ASO in conducting resource  
20 management. Activities include regular participation in strategic planning and other ad hoc planning  
21 initiatives, and the ongoing evaluation of service provision in the county and the provision of  
22 recommendations to North Sound BH-ASO based on the results. Coordinate locally funded services  
23 with the BH-ASO's publicly funded crisis treatment service delivery system to assure coordination of  
24 care for County residents where appropriate to meet the behavioral health needs of the residents.  
25

26 **3. LOCAL OVERSIGHT COMMITTEE**

27 Contractor and North Sound BH-ASO shall convene this committee a minimum of twice per year with  
28 the function and purpose as outlined below:  
29

- 30 a. This membership will be broad and include all identified stakeholder groups;
- 31 b. Will be Co-Chaired by North Sound BH-ASO and the County Coordinator or their designee;
- 32 c. Meeting will be facilitated by the County Coordinator or their designee;
- 33 d. Will be scheduled by the County Coordinator, but coordinated with North Sound BH-ASO;
- 34 e. Will be called on an as needed basis, but at least twice per year; and
- 35 f. Will cover the following areas:
  - 36 i. Public behavioral health system complaints or concerns;
  - 37 ii. Identifying gaps in the local public behavioral health system, such as; but not limited to  
38 outpatient, emergency, or inpatient behavioral health services;
  - 39 iii. Designing county specific protocols, which coordinate services with other community  
40 resources, county services and alternative systems of care; and
  - 41 iv. Provide a venue for community input and cross system networking.  
42

43 **4. DELIVERABLES**

44 Contractor shall ensure deliverables are submitted in accordance with Exhibit A.  
45  
46  
47  
48

1 **D. FINANCIAL TERMS AND CONDITIONS**

2  
3 **1. GENERAL FISCAL ASSURANCES**

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

10  
11 **2. FINANCIAL ACCOUNTING REQUIREMENTS**

12 Contractor shall:

- 13 a. Establish and maintain operating reserves at prudent levels sufficient to ensure Contractor has  
14 ability to pay for all expenses incurred during this Agreement period, including those whose  
15 disposition occurs after the Agreement has been terminated, and to cover the risk of financial  
16 loss resulting in the event that the cost of providing services pursuant to this Agreement  
17 exceeds the revenues derived therefrom;
- 18 b. Ensure all funds, including interest earned, provided pursuant to this Agreement are used to  
19 support the public behavioral health system within the Service Area; and

20  
21  
22 **3. RULES COMPLIANCE**

23 Contractor shall ensure funds provided to Contractor are used to provide specific services on behalf of  
24 North Sound BH-ASO.

25  
26 **4. FINANCIAL PROVISIONS – REIMBURSEMENT REQUIREMENTS**

27 The consideration to be paid by North Sound BH-ASO for the work to be provided by Contractor  
28 pursuant to this Agreement shall consist of the available amount from primary funding sources as  
29 described in Exhibit B of this Agreement.

- 30 a. The consideration by North Sound BH-ASO to Contractor pursuant to this Agreement shall be  
31 paid monthly within 10 working days of North Sound BH-ASO’s receipt of payment by HCA.
  - 32 b. Administration costs shall be limited to 15%.
  - 33 c. Payment Methodology: North Sound BH-ASO shall pay to Contractor monthly all allowable and  
34 allocable costs incurred as evidenced by proper invoice of Contractor as submitted to the extent  
35 those costs do not exceed each funding source maximum as set forth in Exhibit B.
- 36  
37

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

2  
3 **1. OVERSIGHT AUTHORITY**

4 North Sound BH-ASO, HCA, Office of the State Auditor, the Department of Health and Human Services  
5 (DHHS), CMS, the Comptroller General, or any of their duly-authorized representatives (e.g., External  
6 Quality Review Organizations), have the authority to conduct announced and unannounced: a)  
7 surveys; b) audits; c) reviews of compliance with licensing and certification requirements and  
8 compliance with this Agreement; d) audits regarding the quality, appropriateness, and timeliness of  
9 behavioral health services of Contractor and subcontractors; and e) audits and inspections of financial  
10 records of Contractor and subcontractors. Contractor shall notify North Sound BH-ASO when an entity  
11 other than North Sound BH-ASO performs any audit described above related to any activity contained  
12 in this Agreement.

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

22  
23 Contractor shall cooperate with and allow access to North Sound Ombuds to conduct surveys and  
24 review activities. Contractor shall cooperate with Skagit County Community Action Agency in resolving  
25 any disputes that arise in the provision of Ombuds services.

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

31  
32 **2. REMEDIAL ACTION**

33 North Sound BH-ASO may require Contractor to plan and execute corrective action. Corrective action  
34 plans (CAP) developed by Contractor must be submitted for approval to North Sound BH-ASO within  
35 30 calendar days of notification. CAPs must be provided in a format acceptable to North Sound BH-  
36 ASO. North Sound BH-ASO may extend or reduce the time allowed for corrective action depending  
37 upon the nature of the situation as determined by North Sound BH-ASO.

38  
39 CAPs must include:

- 40  
41 a. A brief description of the finding; and  
42 b. Specific actions to be taken, a timetable, a description of the monitoring to be performed, the  
43 steps taken and responsible individuals that will reflect the resolution of the situation.

44  
45 CAPs may:

46 Require modification of any policies or procedures by Contractor relating to the fulfillment of its  
47 obligations pursuant to this Agreement.  
48

1 CAPs are subject to approval by North Sound BH-ASO, which may:

- 2
- 3 a. Accept the plan as submitted;
- 4 b. Accept the plan with specified modifications;
- 5 c. Request a modified plan; or
- 6 d. Reject the plan.
- 7

8 Contractor agrees North Sound BH-ASO may initiate remedial action with or without a CAP as  
9 outlined in subsection below if North Sound BH-ASO determines any of the following  
10 situations exist:

- 11
- 12 a. A problem exists that negatively impacts enrollees;
- 13 b. Contractor has failed to perform any of the behavioral health services required in this Agreement,  
14 including delegated functions, which includes the failure to maintain the required capacity as  
15 specified by North Sound BH-ASO to ensure that enrollees receive medically necessary services;
- 16 c. Contractor has failed to develop, produce/deliver to North Sound BH-ASO any of the statements,  
17 reports, data, data corrections, accountings, claims/documentation described herein, in  
18 compliance with all the provisions of this Agreement;
- 19 d. Contractor has failed to perform any administrative function required under this Agreement,  
20 including delegated functions. For the purposes of this section, “administrative function” is  
21 defined as any obligation other than the actual provision of behavioral health services; or
- 22 e. Contractor has failed to implement corrective action required by the state and within North Sound  
23 BH-ASO prescribed time frames.
- 24

25 North Sound BH-ASO may impose any of the following remedial actions in response to  
26 findings of situations as outlined above:

- 27
- 28 a. Withhold one (1%) percent of the next monthly payment and each monthly payment thereafter  
29 until the corrective action has achieved resolution. North Sound BH-ASO, at its sole discretion,  
30 may return a portion or, all of, any payments withheld once satisfactory resolution has been  
31 achieved;
- 32 b. Compound withholdings identified above by an additional one-half of one percent for each  
33 successive month during which the remedial situation has not been resolved;
- 34 c. Revoke delegation of any function delegated under this contract;
- 35 d. Deny any incentive payment to which Contractor might otherwise have been entitled under this  
36 Agreement or any other arrangement by which the DBHR provides incentives; or
- 37 e. Termination for Default, as outlined in this Agreement.
- 38

39 **3. ADDITIONAL FINANCIAL PENALTIES – HCA IMPOSED SANCTIONS**

40 Financial penalties imposed by HCA or other regulatory agency due to the action or inaction of  
41 Contractor may be paid by North Sound BH-ASO on behalf of Contractor and the amount will be  
42 withheld from North Sound BH-ASO’s payments to Contractor.  
43

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

2           In the event funding from State, Federal, or other sources is withdrawn, reduced, or limited in any way  
3           after the effective date of this Agreement and prior to its normal completion, North Sound BH-ASO  
4           may terminate this Agreement, subject to re-negotiations.  
5

6           **5. TERMINATION FOR CONVENIENCE**

7           Except, as otherwise provided in this Agreement, a party may terminate this Agreement upon 90 days  
8           written notification by certified mail to the other party. The effective date of termination shall be the  
9           90 days after receipt of written notification to the other party or the last day of the calendar month in  
10          which the 90 days occurs, whichever is later.  
11

12          **6. TERMINATION FOR DEFAULT**

13          North Sound BH-ASO's Program Manager and his/her designee may terminate this Agreement for  
14          default, in whole or in part, by written notice to Contractor if North Sound BH-ASO or HCA has a  
15          reasonable basis to believe that Contractor has:

- 16
- 17          a. Failed to meet or maintain any requirement for contracting with North Sound BH-ASO;
- 18          b. Failed to perform under any provision of this Agreement;
- 19          c. Violated any law, regulation, rule, or ordinance applicable to the services provided under this  
20          Agreement; and/or
- 21          d. Otherwise breached any provision or condition of this Agreement.
- 22

23          Before North Sound BH-ASO's Program Manager may terminate this Agreement for default, in whole  
24          or in part, North Sound BH-ASO shall provide Contractor with written notice of Contractor's  
25          noncompliance with this Agreement which notice shall provide Contractor a reasonable time period to  
26          correct its/their noncompliance. If Contractor does not correct the noncompliance within the period  
27          of time specified in the written notice of noncompliance, the Program Administrator may then  
28          terminate this Agreement. The Program Administrator may terminate this Agreement for default  
29          without such written notice and without opportunity for correction, if North Sound BH-ASO has a  
30          reasonable basis to believe that a client's health or safety is in jeopardy, and/or:

- 31
- 32          a. Contractor has violated any law, regulation, rule or ordinance applicable to services provided  
33          under this agreement, or
- 34          b. Continuance of this Agreement with Contractor poses a material risk of injury or harm to any  
35          person.
- 36

37          Contractor may terminate this Agreement in whole or in part, by written notice to North Sound BH-  
38          ASO, if Contractor has a reasonable basis to believe that North Sound BH-ASO has:

- 39
- 40          a. Failed to meet or maintain any requirement for contracting with Contractor;
- 41          b. Failed to perform under any provision of this Agreement;
- 42          c. Violated any law, regulation, rule, or ordinance applicable to work performed under this  
43          Agreement; and/or
- 44          d. Otherwise breached any provision or condition of this Agreement.



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**7. TERMINATION PROCEDURE**

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

- a. Contractor and any applicable subcontractors shall cease to perform any services required by this Agreement as of the effective date of termination and shall comply with all reasonable instructions contained in the notice of termination which are related to the transfer of clients, distribution of property, and termination of services. Each party shall be responsible only for its performance in accordance with the terms of this Agreement rendered prior to the effective date of termination. Contractor and any applicable subcontractors shall assist in the orderly transfer/transition of the individuals and families served under this Agreement. Contractor and any applicable subcontractors shall promptly supply all information necessary for the reimbursement of any outstanding Medicaid claims.
- b. Contractor and any applicable subcontractors shall immediately deliver to North Sound BH-ASO Program Manager or to his/her successor, all HCA and North Sound BH-ASO assets (property) in Contractor and any applicable subcontractor’s possession and any property produced under this Agreement. Contractor and any applicable subcontractors grant North Sound BH-ASO and HCA the right to enter upon Contractor and any applicable subcontractor’s premises for the sole purpose of recovering any North Sound BH-ASO or HCA property that Contractor and any applicable subcontractor fails to return within 10 working days of termination of this Agreement. Upon failure to return North Sound BH-ASO/HCA property within 10 working days of the termination of this Agreement, Contractor and any applicable subcontractors shall be charged with all reasonable costs of recovery, including transportation and attorney’s fees. Contractor and any applicable subcontractors shall protect and preserve any property of North Sound BH-ASO/HCA that is in the possession of Contractor and any applicable subcontractors pending return to North Sound BH-ASO/HCA.
- c. North Sound BH-ASO shall be liable for and shall pay for only those services authorized and provided through the date of termination. North Sound BH-ASO may pay an amount agreed to by the parties for partially completed work and services, if work products are useful to or usable by North Sound BH-ASO. Should the contract be terminated by either party, North Sound BH-ASO will require the spend-down of all remaining reserves and fund balances within the termination period. Funds will be deducted from the final months’ payments until reserves and fund balances are spent.

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

2  
3 **1. BACKGROUND**

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

17 **2. MUTUAL COMMITMENTS**

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

25 **3. ASSIGNMENT**

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

32 **4. AUTHORITY**

33 Concurrent with the execution of this Agreement, Contractor shall furnish North Sound BH-ASO with a  
34 copy of the explicit written authorization of its governing body to enter into this Agreement and accept  
35 the financial risk and responsibility to carry out all terms of this Agreement including the ability to pay  
36 for all expenses incurred during the contract period. Likewise, concurrent with the execution of this  
37 Agreement, North Sound BH-ASO shall furnish Contractor with a written copy of the motion,  
38 resolution, or ordinance passed by North Sound BH-ASO Board of Directors (North Sound BH-ASO  
39 Board) authorizing North Sound BH-ASO to execute this Agreement.

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

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

- 8 a. Title XIX and Title XXI of the Social Security Act and Title 42 of the CFR;
- 9 b. All applicable Office of the Insurance Commissioner (OIC) statutes and regulations;
- 10 c. All local, State, and Federal professional and facility licensing and certification  
11 requirements/standards that apply to services performed under the terms of this Agreement;
- 12 d. All applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42  
13 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368), Executive Order 11738, and  
14 Environmental Protection Agency (EPA) regulations (40 CFR Part 15), which prohibit the use of  
15 facilities included on the EPA List of Violating Facilities. Any violations shall be reported to DSHS,  
16 DHHS, and the EPA;
- 17 e. Any applicable mandatory standards and policies relating to energy efficiency, which are contained  
18 in the State Energy Conservation Plan, issued in compliance with the federal Energy Policy and  
19 Conservation Act;
- 20 f. Those specified for laboratory services in the Clinical Laboratory Improvement Amendments  
21 (CLIA);
- 22 g. Those specified in RCW Title 18 for professional licensing;
- 23 h. Reporting of abuse as required by RCW 26.44.030;
- 24 i. Industrial insurance coverage as required by RCW Title 51;
- 25 j. RCW 38.52, 70.02, 71.05, 71.24, and 71.34;
- 26 k. 42 CFR 438, including 42 CFR 438.58 (conflict of interest) and 42 CFR 438.106 (physician incentive  
27 plans);
- 28 l. DBHR Quality Strategy;
- 29 m. Any applicable federal and state laws that pertain to individual rights. Contractor shall ensure its  
30 staff takes those rights into account when furnishing services;
- 31 n. 42 USC 1320a-7 and 1320a-7b (Section 1128 and 1128 (b) of the Social Security Act), which  
32 prohibits making payments directly or indirectly to physicians or other providers as an inducement  
33 to reduce or limit behavioral health services provided to individuals and/or families; Contractor  
34 and any subcontractors must comply with 42-USC 1396u-2 and must not knowingly have a  
35 director, officer, partner, or person with a beneficial ownership of more than 5% of Contractor,  
36 BHA or subcontractor’s equity, or an employee, Contractor, or consultant who is significant or  
37 material to the provision of services under this Agreement, who has been, or is affiliated with  
38 someone who has been, debarred, suspended, or otherwise excluded by any federal agency;
- 39 o. Federal and State non-discrimination laws and regulations;
- 40 p. HIPAA, 45 CFR parts 160-164;
- 41 q. HCA-CIS Data Dictionary and its successors; and/or
- 42 r. Federal funds must not be used for any lobbying activities.

43  
44 If Contractor is in violation of a federal law or regulation, and Federal Financial Participation is  
45 recouped from North Sound BH-ASO, Contractor shall reimburse the federal amount to North Sound  
46 BH-ASO within 20 days of such recoupment.  
47

1 Upon notification from HCA, North Sound BH-ASO shall notify Contractor in writing of  
2 changes/modifications in CMS policies and HCA contract requirement changes, if applicable to this  
3 Agreement.  
4

5 **6. COMPLIANCE WITH NORTH SOUND BH-ASO SUPPLEMENTAL PROVIDER SERVICE GUIDE (SPSG)**

6 Contractor shall comply with the North Sound BH-ASO SPSG that pertain to the delivery of services  
7 under this Agreement that are in effect when the Agreement is signed or that come into effect during  
8 the term of the Agreement.  
9

10 Along with all North Sound BH-ASO stakeholders, Contractor will be included in the process for  
11 developing relevant operational policies and procedures. North Sound BH-ASO's SPSG and successors  
12 contain a list of North Sound BH-ASO's policies and their applicability to Contractor in accordance with  
13 Exhibit A. North Sound BH-ASO's SPSG is posted on North Sound BH-ASO's website. North Sound BH-  
14 ASO shall notify Contractor of new and revised policies through its numbered memoranda. Training  
15 shall be provided on policies that impact the Contractor.  
16

17 North Sound BH-ASO will make best efforts to maintain currency of policies with applicable federal or  
18 state law, regulation or policy. In the event of a conflict, federal or state laws, regulations or policies  
19 supersede North Sound BH-ASO policies and procedures.  
20

21 **7. CONFIDENTIALITY OF CLIENT INFORMATION**

22 Pursuant to 42 CFR 431.301 and 431.302, information concerning applicants and recipients may be  
23 disclosed for purposes directly concerning the administration of this Agreement. Purposes include, but  
24 are not limited to:

- 25 a. Establishing eligibility;
- 26 b. Determining the amount of medical assistance;
- 27 c. Providing services for recipients;
- 28 d. Conducting or assisting in investigation, prosecution, or civil or criminal proceeding related to  
29 the administration of the plan;
- 30 e. Assuring compliance with Federal and State laws, regulations, with terms and requirements of  
31 this Agreement; and/or
- 32 f. Improving quality.  
33

34 Contractor shall protect all information, records and data collected from unauthorized disclosure in  
35 accordance with 42 CFR 431.300 through 431.307, RCW's 70.02, 71.05, and 71.34, HIPAA and for  
36 service recipients receiving alcohol and drug abuse services, in accordance with 42 CFR Part 2.  
37 Contractor shall have a process in place to ensure all components of its BHA and system understand  
38 and comply with confidentiality requirements for publicly funded behavioral health services.  
39

40 Contractor shall ensure access to the information is restricted to persons or agency representatives  
41 who are subject to standards of confidentiality that are comparable to those of North Sound BH-ASO  
42 and HCA.  
43

44 The parties acknowledge that coordination, planning, screening, and referral require the sharing of  
45 information among the various treatment providers. Disclosure of information to verify eligibility,  
46 determine the amount of assistance, and to provide medically necessary behavioral health services are  
47

1 all "purposes directly connected with the administration of the Agreement", and are all appropriate  
2 justifications for sharing information.  
3

4 Contractor shall ensure all staff and subcontractors providing services under this Agreement receive  
5 annual training on confidentiality policies and procedures. In addition, Contractor shall ensure all staff  
6 and subcontractors providing services under this Agreement sign an annual Oath of Confidentiality  
7 statement. Signed copies of the Oath of Confidentiality shall be kept in Contractor's personnel files.  
8

9 **8. CONTRACT PERFORMANCE/ENFORCEMENT**

10 North Sound BH-ASO shall be vested with the rights of a third-party beneficiary, including the "cut  
11 through" right to enforce performance should Contractor be unwilling or unable to enforce action on  
12 the part of its subcontractor(s). In the event Contractor dissolves or otherwise discontinues  
13 operations, North Sound BH-ASO may, at its sole option, assume the right to enforce the terms and  
14 conditions of this Agreement directly with Contractor's subcontractors; provided, that North Sound  
15 BH-ASO shall keep Contractor reasonably informed concerning such enforcement. Contractor shall  
16 include this clause in its contracts with its subcontractors. In the event of the dissolution of  
17 Contractor, North Sound BH-ASO's rights in indemnification shall survive.  
18

19 **9. COOPERATION**

20 The parties to this Agreement shall cooperate in good faith to effectuate the terms and conditions of  
21 this Agreement.  
22

23 **10. DEBARMENT CERTIFICATION**

24 Contractor, by signature to this Agreement, certifies Contractor and any Owners are not presently  
25 debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any  
26 Federal department or agency from participating in transactions (Debarred) and is not listed in the  
27 Excluded Parties List System in the System for Award Management (SAM) website. Contractor shall  
28 immediately notify North Sound BH-ASO if, during the term of this Contract, Contractor becomes  
29 debarred.  
30

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

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

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

41 This Agreement shall be binding on all parties only upon signature by authorized representatives of  
42 each party. This Agreement, or any provision, may be amended during the contract period, if  
43 circumstances warrant, by a written amendment executed by all parties. Only North Sound BH-ASO  
44 Program Manager or North Sound BH-ASO Program Manager's designee has authority to waive any  
45 provision of this Agreement on behalf of North Sound BH-ASO.  
46

1 **13. HEADINGS AND CAPTIONS**

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

5 **14. INDEMNIFICATION**

6 Contractor shall be responsible for and shall indemnify and hold North Sound BH-ASO harmless  
7 (including all costs and attorney fees) from all claims for personal injury, property damage and/or  
8 disclosure of confidential information, including claims against North Sound BH-ASO for the negligent  
9 hiring, retention and/or supervision of the Contractor and/or from the imposition of governmental  
10 fines or penalties resulting from the acts or omissions of Contractor and its subcontractors related to  
11 the performance of this contract. North Sound BH-ASO shall be responsible and shall indemnify and  
12 hold Contractor harmless (including all costs and attorney fees) from all claims for personal injury,  
13 property damage and disclosure of confidential information and from the imposition of governmental  
14 fines or penalties resulting from the acts or omissions of North Sound BH-ASO. Each party agrees to be  
15 responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of  
16 their officials, officers, agents, or employees, to the fullest extent required by law, and further agree to  
17 save, indemnify, defend, and hold the other party harmless from any such liability. For the purposes of  
18 these indemnifications, the Parties specifically and expressly waive any immunity granted under the  
19 Washington Industrial Insurance Act, RCW Title 51. This waiver has been mutually negotiated and  
20 agreed to by the Parties. The provision of this section shall survive the expiration or termination of the  
21 Agreement.  
22

23 **15. INDEPENDENT CONTRACTOR FOR NORTH SOUND BH-ASO**

24 The parties intend that an independent Contractor relationship be created by this contract. Contractor  
25 acknowledges that neither Contractor nor its employees or subcontractors are officers, employees, or  
26 agents of North Sound BH-ASO. Contractor shall not hold Contractor or any of Contractor’s employees  
27 and subcontractors out as, nor claim status as, officers, employees, or agents of North Sound BH-ASO.  
28 Contractor shall not claim for Contractor or Contractor’s employees or subcontractors any rights,  
29 privileges, or benefits which would accrue to an employee of North Sound BH-ASO. Contractor shall  
30 indemnify and hold North Sound BH-ASO harmless from all obligations to pay or withhold Federal or  
31 State taxes or contributions on behalf of Contractor or Contractor’s employees and subcontractors  
32 unless specified in this Agreement.  
33

34 **16. INSURANCE**

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

39 Contractor shall maintain Commercial General Liability Insurance (CGL). If Contractor is not a member  
40 of a risk pool, Contractor shall carry CGL to include coverage for bodily injury, property damage, and  
41 contractual liability, with the following minimum limits: Each Occurrence - \$1,000,000; General  
42 Aggregate - \$2,000,000. Any risk pool shall provide coverage with the same minimum limits. Any  
43 policy (non-risk pool and risk pool) shall include liability arising out of premises, operations,  
44 independent contractors, personal injury, advertising injury, and liability assumed under an insured  
45 contract. Contractor shall provide evidence of such insurance to North Sound BH-ASO within 15 days  
46 of execution of this Agreement and 15 days post renewal date thereafter. All non-risk pool policies  
47 shall name North Sound BH-ASO as a covered entity under said policy(s).  
48

1 **17. INTEGRATION**

2 This Agreement, including Attachments contains all the terms and conditions agreed upon by the  
3 parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement  
4 shall be deemed to exist or to bind any of the parties hereto.  
5

6 **18. MAINTENANCE OF RECORDS**

7 During the term of this Agreement and for ten (10) years following termination or expiration of this  
8 Agreement, or if any audit, claim, litigation, or other legal action involving the records set forth below  
9 is started before expiration of the ten (10) year period, the records shall be maintained until  
10 completion and resolution of all issues arising therefrom or until the end of the ten (10) year period,  
11 whichever is later. Contractor shall maintain records sufficient to:  
12

- 13 a. Maintain the content of all Medical Records in a manner consistent with utilization control
- 14 requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211;
- 15 b. Document performance of all acts required by law, regulation, or this Agreement;
- 16 c. Substantiate Contractor statement of its organizations’ structures, tax status, capabilities, and
- 17 performance;
- 18 d. Demonstrate accounting procedures, practices, and records, which sufficiently and properly
- 19 document Contractor invoices to North Sound BH-ASO and all expenditures made by Contractor to
- 20 perform as required by this Agreement;
- 21 e. Contractor and its subcontractors shall cooperate in all reviews, including but not limited to,
- 22 surveys, and research conducted by North Sound BH-ASO, HCA or other Washington State
- 23 Departments; and
- 24 f. Evaluations shall be done by inspection or other means to measure quality, appropriateness, and
- 25 timeliness of services performed under this Agreement, and to determine whether Contractor and
- 26 its subcontractors are providing service to individuals in accordance with the requirements set
- 27 forth in this Agreement and applicable state and federal regulations as existing or hereafter
- 28 amended.  
29

30 **19. NO WAIVER OF RIGHTS**

31 A failure by either party to exercise its rights under this Agreement shall not preclude that party from  
32 subsequent exercise of such rights and shall not constitute a waiver of any other rights under this  
33 Agreement unless stated to be such in a writing signed by an authorized representative of the party  
34 and attached to the original Agreement.  
35

36 Waiver of any breach of any provision of this Agreement shall not be deemed to be a waiver of any  
37 subsequent breach and shall not be construed to be a modification of the terms and conditions of this  
38 Agreement.  
39

40 **20. ONGOING SERVICES**

41 Contractor and its subcontractors shall ensure in the event of labor disputes or job actions, including  
42 work slowdowns, so called “sick outs”, or other activities, within its service BHA network,  
43 uninterrupted services shall be available as required by the terms of this Agreement.  
44

1       **21. ORDER OF PRECEDENCE**

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

- 5
- 6       a.     State statutes and regulations concerning the operation of the community behavioral health  
7            programs;
  - 8       b.     Federal and State Law;
  - 9       c.     North Sound BH-ASO-HCA agreement, or its successors, that covers the provision of the  
10           behavioral health services covered under this Agreement, which shall include any document or  
11           material incorporated by reference. North Sound BH-ASO shall promptly notify Contractor of  
12           any amendment to North Sound BH-ASO-HCA agreement which affects any term or condition  
13           herein; and
  - 14       d.     This Agreement.
- 15

16       **22. OVERPAYMENTS**

17       In the event Contractor fails to comply with any of the terms and conditions of this Agreement and  
18       that failure results in an overpayment, North Sound BH-ASO may recover the amount due HCA, CMS or  
19       other federal or state agency, subject to dispute resolution as set forth in the contract. In the case of  
20       overpayment, Contractor shall cooperate in the recoupment process and return to North Sound BH-  
21       ASO the amount due upon demand.

22

23       **23. OWNERSHIP OF MATERIALS**

24       Materials created by Contractor and its subcontractors and paid for by North Sound BH-ASO as a part  
25       of this Agreement shall be owned by North Sound BH-ASO and shall be, "works for hire" as defined by  
26       the U.S. Copyright Act of 1976. This material includes but is not limited to: books, computer  
27       programs, documents, films, pamphlets, reports, sound reproductions, studies, surveys, tapes/training  
28       materials. Material which Contractor and its subcontractors use to perform this Agreement, but which  
29       is not created for or paid for by North Sound BH-ASO, is owned by Contractor or relevant  
30       subcontractors; however, North Sound BH-ASO and HCA shall have a perpetual license to use this  
31       material for internal purposes at no charge to North Sound BH-ASO and/or HCA.

32

33       **24. PERFORMANCE**

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



1 **25. RESOLUTION OF DISPUTES**

2 The parties wish to provide for prompt, efficient, final, and binding resolution of disputes and  
3 controversies that may arise under this Agreement and therefore establish this dispute resolution  
4 procedure. All claims, disputes and other matters in question between the parties arising out of, or  
5 relating to, this Agreement shall be resolved exclusively by the following dispute resolution procedure  
6 unless the parties mutually agree in writing otherwise:  
7

- 8 a. The parties shall use their best efforts to resolve issues prior to giving written Notice of Dispute;
- 9 b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or a designated  
10 representative) shall together or, if both parties agree, with a mediator meet, confer, and  
11 attempt to resolve the claim; and
- 12 c. The terms of the resolution of all claims concluded in meetings shall be memorialized in writing  
13 and signed by each party.

14  
15 Arbitration: If the claim is not resolved within 30 days, the parties shall proceed to arbitration as  
16 follows:  
17

- 18 a. Demand for arbitration shall be made in writing to the other party. The parties shall select one  
19 person as arbitrator;
- 20 b. If there is a delay of more than 10 days in the naming of the arbitrator, either party can ask the  
21 presiding judge of Skagit County to name the arbitrator;
- 22 c. The prevailing party shall be entitled to recover from the other party all costs and expenses,  
23 including reasonable attorney fees. The arbitrators shall determine which party, if any, is the  
24 prevailing party;
- 25 d. The parties agree that the arbitrators' decision shall be binding, final and appealable to Skagit  
26 County Superior Court only as provided in RCW Chapter 7.04A;
- 27 e. Unless the parties agree in writing otherwise, the unresolved claims in each notice of dispute  
28 shall be considered at an arbitration session which shall occur in Skagit County no later than 30  
29 days after the close of the meeting described in paragraph (b) at the top of this page;
- 30 f. The Provisions of this section shall, with respect to any controversy or claim, survive the  
31 termination or expiration of this Agreement;
- 32 g. Nothing contained in this Agreement shall be deemed to give the arbitrator the power to change  
33 any of the terms and conditions of this Agreement in any way;
- 34 h. The prevailing party in any action to compel arbitration or to enforce an arbitration award shall  
35 be awarded its costs, including attorney fees. Venue for any such action is exclusively Skagit  
36 County Superior Court; and
- 37 i. This Agreement shall be governed by laws of the State of Washington, both as to interpretation  
38 and performance. Washington statutes of limitation apply to arbitration proceedings under this  
39 agreement.  
40

1 **26. SEVERABILITY AND CONFORMITY**

2 The provisions of this Agreement are severable. If any provision of this Agreement, including any  
3 provision of any document incorporated by reference, is held invalid by any court, that invalidity shall  
4 not affect the other provisions of this Agreement and the invalid provision shall be considered  
5 modified to conform to existing law.  
6

7 **27. SINGLE AUDIT ACT**

8 If Contractor or its subcontractor is a subrecipient of Federal awards as defined by 2 CFR 200.501,  
9 Contractor and its subcontractors shall maintain records that identify all Federal funds received and  
10 expended. Such funds shall be identified by the appropriate 2 CFR 200.501 titles and numbers, award  
11 names and numbers, award years if awards are for research and development, as well as, names of the  
12 Federal agencies. Contractor and its subcontractors shall make Contractor and its subcontractors'  
13 records available for review or audit by officials of the Federal awarding agency, the General  
14 Accounting Office and DSHS. Contractor and its subcontractors shall incorporate 2 CFR 200.501 audit  
15 requirements into all contracts between Contractor and its subcontractors who are subrecipients.  
16 Contractor and its subcontractors shall comply with any future amendments to 2 CFR 200.501 Subpart  
17 F and any successor or replacement regulation.  
18

19 If Contractor/its subcontractors are a subrecipient and expends \$750,000 or more in Federal awards  
20 from any/all sources in any fiscal year, Contractor and applicable subcontractors shall procure and pay  
21 for a single or program-specific audit for that fiscal year. Upon completion of each audit, Contractor  
22 and applicable subcontractors shall submit to North Sound BH-ASO's Program Administrator the data  
23 collection form and reporting package specified in 2 CFR 200.501, reports required by the program-  
24 specific audit guide, if applicable, and a copy of any management letters issued by the auditor.  
25

26 For purposes of "sub recipient" status under the rules of 2 CFR 200.330 Medicaid payments to a sub  
27 recipient for providing patient care services to Medicaid eligible individuals are not considered Federal  
28 awards expended under this part of the rule unless a State requires the fund to be treated as Federal  
29 awards expended because reimbursement is on a cost-reimbursement basis.  
30

31 **28. SUBCONTRACTS**

32 Contractor may subcontract services to be provided under this Agreement subject to the following  
33 requirements.  
34

- 35 a. Contractor shall be responsible for the acts and omissions of any subcontractor;
- 36 b. Contractor must ensure the subcontractor neither employs any person nor contracts with any  
37 person or BHA excluded from participation in federal health care programs under either 42 USC  
38 1320a-7 (§§1128 or 1128A Social Security Act) or debarred or suspended per this Agreement's  
39 General Terms and Conditions;
- 40 c. Contractor shall require subcontractors to comply with all applicable federal and state laws,  
41 regulations, and operational policies as specified in this Agreement;
- 42 d. Contractor shall require subcontractors to comply with all applicable North Sound BH-ASO  
43 operational policies as specified in this Agreement;

- e. Contractor shall ensure a process is in place to demonstrate that all third-party resources are identified and pursued;
- f. Contractor shall oversee, be accountable for, and monitor all functions and responsibilities delegated to a subcontractor for conformance with any applicable statement of work in this Agreement on an ongoing basis including written reviews;
- g. Contractor will monitor performance of the subcontractors on an annual basis and notify North Sound BH-ASO of any identified deficiencies or areas for improvement requiring corrective action by Contractor; and
- h. Contractor shall ensure all subcontracts are in writing and subcontracts specify all duties, reports, and responsibilities delegated under this Agreement. Those written subcontracts shall:
  - i. Require subcontractors to hold all necessary licenses, certifications/permits as required by law for the performance of the services to be performed under this Agreement
  - j. Include clear means to revoke delegation, impose corrective action, or take other remedial actions if the subcontractor fails to comply with the terms of the subcontract;
  - k. Require that the subcontractor correct any areas of deficiencies in the subcontractor's performance that are identified by Contractor, North Sound BH-ASO/HCA.

**29. SURVIVABILITY**

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

**30. TREATMENT OF PROPERTY**

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

**31. WARRANTIES**

The parties' obligations are warranted and represented by each to be individually binding, for the benefit of the other party. Contractor warrants and represents it is able to perform its obligations set forth in this Agreement and that such obligations are binding upon Contractor and other subcontractors for the benefit of North Sound BH-ASO.

**32. RATIFICATION**

This contract will go into effect and shall be fully enforceable when signed by authorized representatives of all parties involved. This contract is subject to ratification after it becomes effective. This contract will be submitted for ratification at the next scheduled meeting of the North Sound BH-ASO Board of Directors. If not ratified by the Board of Directors the North Sound BH-ASO will

1 terminate the contract either immediately or, at the discretion of North Sound BH-ASO, within a  
2 reasonable amount of time.

3  
4 **33. CONTRACT ADMINISTRATION**

5 The Program Manager for each of the parties shall be responsible for and shall be the contact person  
6 for all communications and billings regarding the performance of this Agreement.

7  
8 The Program Manager for North Sound BH-ASO is:

9  
10 Joe Valentine, Executive Director  
11 North Sound Behavioral Health Organization  
12 2021 E. Collage Way, Suite 101  
13 Mount Vernon, WA 98273

14  
15 The Program Manager for Contractor is:

16  
17 Sarah Hinman, Assistant Director  
18 Skagit County Public Health  
19 309 S. 3rd Street  
20 Mount Vernon, WA 98273

21  
22 Changes in Program Managers or addresses shall be provided to the other party in writing within  
23 10 working days.

24  
25  
26 **THIS AGREEMENT**, consisting of 28 Pages, plus Exhibits, is executed by the persons signing below who warrant  
27 that they have the authority to execute this Agreement.

28  
29  
30  
31  
32 **NORTH SOUND BH-ASO, LLC**

**SKAGIT COUNTY**

33  
34  
35  
36  
37  
\_\_\_\_\_  
Joe Valentine Date  
Executive Director

\_\_\_\_\_  
(See attached signature page) Date

	A	B	C	D
1				
2	<b>North Sound Behavioral Health Administrative Services Organization</b>			
3	<b>Dedicated Marijuana Account Program</b>			
4	<b>Cost Reimbursement Budget</b>			
5	<b>January 1, 2020 to June 30, 2020</b>			
6	<b>Skagit County Human Services</b>			
7				
8				
9				
10	<b>Revenues</b>			
11				
12	Dedicated Marijuana Account Funding	\$ 35,490		
13				
14	Total	\$ 35,490		
15				
16				
17	<b>Expenses</b>			
18				
19	Dedicated Marijuana Account	\$ 35,490		
20				
21	Total	\$ 35,490		

	A	B	C	D
1				
2	<b>North Sound Behavioral Health Administrative Services Organization</b>			
3	<b>Housing and Recovery Through Peer Services</b>			
4	<b>Cost Reimbursement Budget</b>			
5	<b>January 1, 2020 to June 30, 2020</b>			
6	<b>Skagit County Human Services</b>			
7				
8				
9				
10	<b>Revenues</b>			
11				
12	HARPS State Funds	\$	12,714.00	
13				
14	Total	\$	12,714.00	
15				
16				
17	<b>Expenses</b>			
18				
19	HARPS Housing Vouchers	\$	12,714.00	
20				
21	Total	\$	12,714.00	

	A	B	C	D
1				
2	<b>North Sound Behavioral Health Administrative Services Organization</b>			
3	<b>Jail Services Program</b>			
4	<b>Cost Reimbursement Budget</b>			
5	<b>January 1, 2020 to June 30, 2020</b>			
6	<b>Skagit County Human Services</b>			
7				
8				
9				
10	<b>Revenues</b>			
11				
12	Jail Service Funding	\$ 22,860.33		
13				
14	Total	\$ 22,860.33		
15				
16				
17	<b>Expenses</b>			
18				
19	Jail Service	\$ 22,860.33		
20				
21	Total	\$ 22,860.33		

**North Sound Behavioral Health Administrative Services Organization  
Skagit County Housing Summit  
Cost Reimbursement Budget  
January 1, 2020 to June 30, 2020  
Skagit County Human Services**

**Revenues**

Housing Summit Sponsorship	\$	250.00
Total	\$	<u>250.00</u>

**Expenses**

Housing Summit Sponsorship	\$	250.00
Total	\$	<u>250.00</u>



**North Sound Behavioral Health Administrative Service Organization**  
**Law Enforcement Co-Response Outreach Program**  
**Statement of Work - 2022**

**Purpose**

To provide behavioral health outreach while reducing criminal justice system involvement for individuals with mental health and substance use disorder treatment needs. Co-Response outreach programs consist of law enforcement officer(s) and behavioral health professional(s) that provide individuals with substance use disorder or other behavioral health needs with access to treatment that would otherwise be involved in the criminal justice system. Co-response outreach is designed to enhance first responder capacity to immediately provide field-based interventions and ensure referral and linkage to ongoing behavioral health treatment when appropriate.

1. Provide field-based outreach services and intensive case management support to individuals who frequently encounter the criminal justice system.
2. Provide diversion focused interventions or alternative to law enforcement responses to calls where substance use disorder or other behavioral health needs are identified.

**Services**

Co-Responder outreach programs:

1. Provide behavioral health outreach interventions and person-centered de-escalation that use least invasive interventions.
2. Employ field-based strategies to identify individuals with substance use disorders and other behavioral health needs in a culturally competent, recovery oriented, trauma sensitive manner.
3. Maintain referral pathways for community members, emergency services, treatment providers and other community-based entities.
4. Support direct linkages to treatment supports to include facility-based crisis stabilization and triage, withdrawal management, outpatient or medical services or other behavioral health or community-based care supports as appropriate.
5. Provide intensive care coordination and case management.

### **Priority Populations**

Priority populations should focus on any individual with a behavioral health condition who are at risk of arrest and/or frequent contact with first responders, community members and who could benefit from being connected to supportive behavioral health treatment or other supportive resources when amendable.

1. Individuals who have frequent criminal legal system contact because of substance use disorder or other behavioral health needs.
2. Individuals who are at risk of arrest, or already have been involved in the criminal justice system.
3. Individuals who cannot, on their own, access local safety-net services.

### **Program Staffing**

Co-response outreach programs should be staffed with behavioral health professional(s), bachelor Level and/or Certified Peer Counselors (CPC). Licensed behavioral health professional(s) can include licensed Mental Health Professionals (MHP) and licensed Substance Use disorder Professionals (SUDP).

### **Coordination**

1. Co-response outreach services will coordinate with crisis services to include referral to a Designated Crisis Responders (DCRs).
2. Co-Response outreach services will coordinate closely with parallel emergency services, criminal justice systems, inpatient/residential service providers, tribal governments, Indian Health Care Providers (IHCP) and outpatient providers to ensure access to timely and appropriate behavioral health treatment services.
3. Co-Response outreach services shall coordinate closely with other local community-based diversion programs.

### **Training**

Law enforcement or first responders who are providing co-response interventions are encouraged to be trained in Crisis Intervention Training (CIT). Agencies are required to ensure licensed professionals who are conducting co-response services have access to training, such as the following:

1. Motivational interviewing
2. Strength-based and harm reduction interventions
3. Trauma-informed practices
4. Cultural humility
5. Mental Health First Aid
6. Conflict resolution and de-escalation techniques

7. Suicide risk assessment and prevention
8. Overdose prevention, recognition, and response
9. Law enforcement or first responder sponsored trainings.

**Reporting**

Programs will submit Quarterly reports to North Sound BH-ASO. Reporting will include number of individuals served, outcomes of services provided and a narrative describing successes and challenges.



## LE CO-RESPONDER QUARTERLY REPORTING FORM

- |                          |  |                          |               |
|--------------------------|--|--------------------------|---------------|
| <input type="checkbox"/> | Snohomish County Human Services                  | <input type="checkbox"/> | Quarter One   |
| <input type="checkbox"/> | Mount Vernon Police Department                   | <input type="checkbox"/> | Quarter Two   |
| <input type="checkbox"/> | Skagit County Sheriff's Office                   | <input type="checkbox"/> | Quarter Three |
| <input type="checkbox"/> | Whatcom County Human Services – Sheriff's Office | <input type="checkbox"/> | Quarter Four  |
| <input type="checkbox"/> | Island County Human Services – Sheriff's Office  |                          |               |

Reporting Period

Reports are due on the 10<sup>th</sup> of the month following the reported quarter. Please send your report to: [deliverables@nsbhaso.org](mailto:deliverables@nsbhaso.org).

		Month 1	Month 2	Month 3
1.	Total Number of Field Based Contacts			
2.	Total Number of Unduplicated Contacts			
3.	Number of Unduplicated individuals diverted from the arrest or other criminal justice involvement			
4.	Number of Unduplicated Individuals with SUD Primary Diagnosis			
5.	Number of Unduplicated individuals provided case management			
6.	Number of unduplicated individuals directly referred to facility based services or housing supports			
7.	Number of Unduplicated individuals requiring parallel emergency services			
8.	Number of Unduplicated Individuals served from Tribal Partners / IHCP Involvement			
9.	Number of Unduplicated Individuals served requiring DCR Collaboration			
10.	Success Narrative:			
11.	Challenge Narrative:			

Narratives/Additional Notes/Information:

A large, empty rectangular box with a thin black border, intended for writing narratives, additional notes, or information. The box is currently blank.