

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

JUVENILE TREATMENT SERVICES

WITH

SNOHOMISH SUPERIOR COUNTY

CONTRACT #North Sound BH-ASO-SNOHOMISH SUPERIOR COURT-20

Effective January 1, 2020

TABLE OF CONTENTS

1
2
3 **A. DEFINITIONS6**
4 **B. PERFORMANCE STANDARDS 13**
5 1. GENERAL OPERATING STANDARDS 13
6 2. CO-OCCURRING DISORDER SCREENING AND ASSESSMENT 13
7 3. ALLIED SYSTEMS COORDINATION 14
8 4. PRIMARY CARE COORDINATION 14
9 5. CRISIS SERVICES COORDINATION AND COOPERATION 15
10 6. DISASTER RESPONSE 15
11 7. CONFIDENTIALITY..... 15
12 8. GRIEVANCE, APPEAL AND FAIR HEARING PROCESSES 16
13 9. OMBUDS..... 17
14 10. INFORMATION REQUIREMENTS..... 17
15 11. LOCAL RESPONSIVENESS AND COMMUNICATIONS..... 18
16 12. CRITICAL INCIDENTS 18
17 13. OUTCOME MEASURES..... 18
18 14. TRAUMA-INFORMED CARE 18
19 15. COORDINATION WITH TRIBAL AUTHORITIES 19
20 **C. CONTRACTOR RESPONSIBILITIES.....20**
21 1. CAPACITY 20
22 2. STAFF COMPETENCY AND TRAINING..... 20
23 3. NORTH SOUND BH-ASO AND HCA REVIEW ACTIVITIES..... 21
24 4. DELIVERABLES, PLANS AND REPORTS..... 21
25 **D. FINANCIAL TERMS AND CONDITIONS.....22**
26 1. GENERAL FISCAL ASSURANCES..... 22
27 2. FINANCIAL ACCOUNTING REQUIREMENTS 22
28 3. FINANCIAL REPORTING..... 22
29 4. COUNTY FUNDING 23
30 5. RULES COMPLIANCE 23
31 6. LIABILITY FOR PAYMENT AND THE PURSUIT OF THIRD-PARTY REVENUE 23
32 7. FRAUD AND ABUSE 23
33 8. INDIVIDUAL RIGHTS AND PROTECTIONS 24
34 **E. OVERSIGHT, REMEDIES AND TERMINATION.....26**
35 1. OVERSIGHT AUTHORITY 26
36 2. REMEDIAL ACTION 26
37 3. ADDITIONAL FINANCIAL PENALTIES – HCA IMPOSED SANCTIONS 28
38 4. TERMINATION DUE TO CHANGE IN FUNDING..... 28
39 5. TERMINATION FOR CONVENIENCE..... 28
40 6. TERMINATION FOR DEFAULT 28
41 7. TERMINATION PROCEDURE 29
42 8. NOTICE REQUIREMENTS 30
43 **F. GENERAL TERMS AND CONDITIONS FOR CONTRACTOR 31**
44 1. BACKGROUND..... 31
45 2. MUTUAL COMMITMENTS..... 31
46 3. ASSIGNMENT 31
47 4. AUTHORITY 31

1	5.	COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND OPERATIONAL POLICIES	31
2	6.	COMPLIANCE WITH NORTH SOUND BH-ASO OPERATIONAL POLICIES	33
3	7.	CONFIDENTIALITY OF PERSONAL INFORMATION	34
4	8.	CONTRACT PERFORMANCE/ENFORCEMENT	35
5	9.	COOPERATION	35
6	10.	DEBARMENT CERTIFICATION	35
7	11.	DECLARATION THAT INDIVIDUALS UNDER THE MEDICAID AND OTHER BEHAVIORAL HEALTH	
8		PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT.....	36
9	12.	EXECUTION, AMENDMENT AND WAIVER	36
10	13.	HEADINGS AND CAPTIONS.....	36
11	14.	INDEMNIFICATION	36
12	15.	INDEPENDENT CONTRACTOR FOR NORTH SOUND BH-ASO	36
13	16.	INSURANCE.....	37
14	17.	INTEGRATION	37
15	18.	MAINTENANCE OF RECORDS	37
16	19.	NO WAIVER OF RIGHTS	38
17	20.	ONGOING SERVICES	38
18	21.	ORDER OF PRECEDENCE	38
19	22.	OVERPAYMENTS	38
20	23.	OWNERSHIP OF MATERIALS	39
21	24.	PERFORMANCE	39
22	25.	RESOLUTION OF DISPUTES.....	39
23	26.	SEVERABILITY AND CONFORMITY	40
24	27.	SINGLE AUDIT ACT.....	40
25	28.	SUBCONTRACTS	41
26	29.	SURVIVABILITY.....	42
27	30.	TREATMENT OF INDIVIDUAL PROPERTY	42
28	31.	WARRANTIES	42
29	32.	CONTRACT ADMINISTRATION.....	42
30			

EXHIBITS

1
2
3
4
5
6
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Exhibit A – Supplemental Provider Service Guide at <http://nsbhaso.org/for-providers/supplemental-provider-service-guide>

Exhibit B – Budget

1
2
3 **CONTRACT FOR THE PROVISION**
4 **OF**
5 **STATE FUNDED**
6 **JUVENILE TREATMENT SERVICES**
7
8

9 **THIS BEHAVIORAL HEALTH SERVICES CONTRACT** (the “Contract”), pursuant to Chapter 71.24 RCW
10 and all relevant and associated statutes, as amended, is made and entered into by and between the
11 North Sound Behavioral Health Organization, LLC, a governmental limited liability company pursuant
12 to Chapter 70.24 RCW (“North Sound BH-ASO”) 301 Valley Mall Way, Suite 110, Mount Vernon, WA
13 98273 and SNOHOMISH COUNTY, a member county, 3000 Rockefeller Avenue, Everett, WA 98201
14 (“Contractor”).
15

16 **I. RECITALS**
17

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

25 **WHEREAS** North Sound BH-ASO is a governmental limited liability company formed by an
26 operating Contract 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, as provided for
29 in RCW 71.24.100 and Chapter 25.15 RCW.
30

31 **WHEREAS**, the Operation Contract 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

36 **WHEREAS**, North Sound BH-ASO anticipates increased need for behavioral health services in
37 the community and recognizes the need for expansion of services and strengthening of cooperation
38 among service providers to meet this challenge; and
39

40 **WHEREAS**, North Sound BH-ASO is engaged in the administration of services described on
41 Exhibit A (Supplemental Provider Service Guide);
42

43 **WHEREAS** Contractor is engaged in the provision of behavioral health and substance use
44 disorder services within Snohomish County (“County”); and

1
2 Arbitration means the process by which the parties to a dispute submit their differences to the
3 judgment of an impartial person or group appointed by mutual consent or statutory provision.
4
5 ASAM means the American Society of Addiction Medicine.
6
7 ASAM Criteria means a comprehensive set of guidelines for placement, continued stay and
8 transfer/discharge of patients with addiction and co-occurring conditions.
9
10 Assessment means diagnostic services provided by a SUDP or SUDP trainee under SUDP supervision
11 to determine an Individual’s involvement with alcohol and other drugs. See WAC 388-877B-0500 for a
12 detailed description of assessment requirements.
13
14 Authorized Representative means a person appointed by an Individual, or authorized under State or
15 other applicable law, to act on behalf of an Individual or other party involved in an Appeal or
16 Grievance. If the Individual gives written permission, the Authorized Representative may include a
17 behavioral health practitioner working on behalf of the Individual.
18
19 Behavioral Health Advisory Council (BHAC) also referred to as “The Council” includes Individuals with
20 behavioral health disorders, providers, advocates, government representatives, and other private and
21 public entities. The membership represents that state’s population with respect to race, ethnicity,
22 disability, and age, as well as urban and rural areas.
23
24 Behavioral Health Agency (BHA) means a Behavioral Health Agency that is licensed by the State of
25 Washington to provide behavioral health and/or substance use disorder treatment and is
26 subcontracted under this Contract to provide services.
27
28 Case Management means assistance to a recipient and family (or significant other) to obtain,
29 maintain, or develop appropriate resources.
30
31 Certified means the status given by the department to substance use disorder, behavioral health, and
32 problem and pathological gambling program-specific services.
33
34 Child means a person under the age of eighteen years. For persons eligible for the Medicaid program,
35 child means a person who is under the age of twenty-one (21) years.
36
37 Contractor means an independent Contractor, its employees, agents and Subcontractors.
38
39 Corrective Action/Compliance Review is when findings from North Sound BH-ASO/HCA review or
40 other monitoring efforts or audits show there are apparent violations of this Contract. Contractor
41 shall implement corrective action within specified timeframes determined by North Sound BH-
42 ASO/HCA/Departments other auditors.
43

1 Corrective Action Plan (CAP) is a written plan specifying what the Contractor is required to do to be in
2 compliance. This includes required improvements and a timeline for such action(s) to be
3 accomplished.

4
5 Criminal Justice Treatment Account (CJTA) means per RCW 70.96A.350, the account created by
6 Washington State that may be expended solely for: substance use disorder treatment and treatment
7 support services for offenders with a substance use disorder.

8
9 Crisis may be self-defined or a situation where an individual is acutely mentally ill, or experiencing
10 serious disruption in cognitive, volitional, psychosocial and/or neurophysiological functioning.

11
12 Crisis Services means a face-to-face evaluation and treatment of behavioral health emergencies and
13 crises to non-enrolled, as well as, enrolled individuals experiencing a crisis. Crisis services shall be
14 available on a 24-hour basis with the goal of stabilizing the person in crisis and providing immediate
15 or short-term treatment and support in the least restrictive environment available. Crisis services
16 may be provided prior to an intake evaluation/assessment.

17
18 Cultural Competence means a set of congruent behaviors, attitudes and policies that come together
19 in a system or agency and enable that system or agency to work effectively in cross-cultural
20 situations. A culturally competent system of care acknowledges and incorporates at all levels the
21 importance of language and culture, assessment of cross-cultural relations, knowledge and
22 acceptance of dynamics of cultural differences, expansion of cultural knowledge and adaptation of
23 services to meet culturally unique needs.

24
25 Data means information that is disclosed or exchanged as described by the Program Contract.

26
27 Day for purposes of this Contract means calendar day unless otherwise specified.

28
29 Deliverable means any written information required for submission to North Sound BH-ASO to satisfy
30 the work requirements of this Contract and that are due by a particular date or on a regularly
31 occurring schedule.

32
33 Designated Substance Use Disorder Specialist means a person designated by the North Sound
34 Behavioral Health Administrative Services Organization (North Sound BH-ASO) or by the county
35 alcoholism and other drug addiction program coordinator designated by the North Sound BH-ASO to
36 perform the commitment duties described in RCW 70.96A. 140 and qualified to do so by meeting
37 standards adopted by the department.

38
39 Diversion means to redirect an individual from being placed in a restrictive setting (i.e., jail, inpatient
40 services) to clinically appropriate less restrictive alternative(s).

41
42 Emergent Care means services provided for a person, that, if not provided, would likely result in the
43 need for crisis intervention or hospital evaluation due to concerns of potential danger to self, others,
44 or grave disability according to RCW 71.05.

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

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

Evidence-based Practice means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating the program or practice is effective for the population.

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

Family means:

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

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

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

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

Individual means a person who applies for, is eligible for, or receives North Sound BH-ASO-authorized behavioral health services from an agency licensed as a BHA. In the case of a minor, the Individual's parent or, if applicable, the individual's custodial parent:

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

Individual Choice means the individual/child/families guaranteed opportunity to choose freely among treatment options and support services (based on identified needs) and to be full partners in the treatment process. "Choice" supports the notion that to the degree possible,

1 individuals/child/families need to play a key role in designing their own service/support “packages”
2 including involvement of natural supports and culturally specific services.
3

4 Individual Voice means indicators of ownership in and involvement with planning his/her own
5 supports and services. In individualized plans, voice is best indicated by the use of the individual’s
6 own words and stated goals in “quotations”.
7

8 Involuntary Treatment Act - Substance Use Disorder (ITA-SUD) allows for Individuals to be committed
9 by a court order to an approved treatment program for a limited period of time. Involuntary civil
10 commitments are meant to provide for the treatment of Individuals with a substance use disorder
11 and who may be either gravely disabled or pose a danger to themselves or others, and who refuse or
12 are unable to enter treatment on their own. Individuals can be committed for a period of 60 days
13 unless sooner discharged if it has been determined that the likelihood of harm no longer exists or
14 treatment is no longer adequate or appropriate per ASAM criteria, or incapacity no longer exists. A
15 petition for recommitment can be filed for an additional period of up to 90 days. (RCW 70.96A.140
16

17 Less Restrictive Alternative Treatment describes the minimum services that all individuals who are
18 under a less restrictive order must be offered as per RCW 71.05.585.
19

20 Local Funds Eligible for Match means sources of revenue that are eligible to be used as Federal match
21 are broad based taxes at the county or other local taxing authority level that are spent and have been
22 certified by the local authority as public funds for behavioral health services allowable under this
23 Contract. Funds used for Federal match under this Contract may not be used as match for any other
24 Federal program. It can be local funds that have not been previously matched with Federal funds at
25 any point. Local funds do not include donations.
26

27 Low-Income Individual means an Individual whose gross household monthly income is at or below
28 220% of the Federal Poverty Guidelines.
29

30 Opiate Substitution Treatment Services (OST) means provision of treatment services and medication
31 management to individuals addicted to opiates.
32

33 Personal Information means information identifiable to any person including, but not limited to,
34 information that relates to a person’s name, health, finances, education , business , use or receipt of
35 governmental services or other activities, addresses, telephone numbers, social security numbers,
36 driver license numbers, other identifying numbers and any financial identifiers.
37

38 Quality Assurance means a focus on compliance to minimum requirements (i.e., rules, regulations
39 and contract terms), as well as, reasonably expected levels of performance, quality and practice.
40

41 Quality Improvement means a focus on activities to improve performance above minimum
42 standards/reasonably expected levels of performance, quality and practice.
43

1 Quality Strategy means an overarching system/process whereby quality assurance and quality
2 improvement activities are incorporated and infused into all aspects of an organization's or system's
3 operations.
4

5 Recovery means the processes by which people are able to live, work, learn and participate fully in
6 their communities.
7

8 Region is known as North Sound Behavioral Health Administrative Services Organization (North Sound
9 BH-ASO). This region is comprised of five counties: Island, San Juan, Skagit, Snohomish and
10 Whatcom.
11

12 Resilience means the personal and community qualities that enable individuals to rebound from
13 adversity, trauma, tragedy, threats, or other stresses and to live productive lives.
14

15 Risk means the possibility the Contractor may incur a loss because the cost of providing services may
16 exceed the premium payments made by North Sound BH-ASO to Contractor for services covered
17 under this Contract.
18

19 Subcontract means any written Contract between Contractor and subcontractor or between
20 Contractor, subcontractor and another subcontractor to provide services or activities otherwise
21 performed under this Contract.
22

23 Subcontractor means an individual or entity performing all or part of the services under this Contract
24 under a separate contract with Contractor or its subcontractors.
25

26 Substance Use Disorder (SUD) means a problematic pattern of alcohol/drug use leading to clinically
27 significant impairment or distress as categorized in the DSM 5.
28

29 Substance Use Disorder Professional (SUDP) means an individual licensed through the Washington
30 State Department of Health (DOH). A SUDP is the individual with primary responsibility for
31 implementing an individualized plan for Substance Use Disorder treatment services.
32

33 Substance Use Disorder Professional Trainee (SUDPT) means an individual working toward the
34 education and experience requirements for certification as a chemical dependency professional, and
35 who has been credentialed as a SUDPT.
36

37 Transition Youth means anyone age 16-21.
38

39 Tribal Behavioral Health Program means a behavioral health program that is overseen by a Federally
40 Recognized Tribe within Washington State, or overseen by a Recognized American Indian
41 Organization within Washington State.
42

43 Underserved means persons who are minorities, children, elderly, disabled and low-income (See WAC
44 388-865-0150).

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Urgent Care means a service to be provided to persons approaching a behavioral health crisis. If services are not received within 24 hours of the request, the person’s situation is likely to deteriorate to the point that emergent care is necessary.

Young Adult means a person from age eighteen (18) through age twenty (20).

Youth means a person from age ten (10) through age seventeen (17).

1 **B. PERFORMANCE STANDARDS**

2
3 **1. GENERAL OPERATING STANDARDS**

- 4 a. Contractor must participate in North Sound BH-ASO and HCA offered training,
5 consultation and program development when requested, including training on the
6 implementation of Evidence-based Practices, Emerging and Promising Practices.
7 b. Contractor shall encourage and promote Dignity and Respect throughout the system of
8 care.
9 c. Contractor shall provide Customer Service that is customer-friendly, flexible, proactive
10 and responsive to individuals, families and stakeholders.
11 d. Contractor shall obtain written consent from an individual in the event a picture or
12 personal story will be used.

13
14 **2. CO-OCCURRING DISORDER SCREENING AND ASSESSMENT**

15 Contractor must maintain the implementation of the integrated, comprehensive screening
16 and assessment process for substance use disorder and mental disorders as required by HCA
17 and WAC 246-341. Failure to maintain the Screening and Assessment process will result in
18 remedial actions up to and including financial penalties as described in the Remedial Actions
19 section of this Contract.

20
21 The GAIN-SS screening The Contractor must attempt to screen all Individuals aged 13 and
22 above through the use of HCA-provided GAIN-SS during:

- 23
24 a. All new intakes.
25 b. The provision of each crisis episode of care including ITA investigations services, except
26 when:
27
28 i. The service results in a referral assessment.
29 ii. The service results in an involuntary detention under RCW 71.05 or RCW 71.34.
30 iii. The contact is by telephone only.
31 iv. The professional conducting the crisis intervention or ITA investigation has
32 information that the Individual completed a GAIN-SS screening within the
33 previous 12 months.
34
35 c. GAIN-SS screening must be completed as self-reported by the Individual and signed by
36 that Individual on the GAIN-SS form. If the Individual refuses to complete the GAIN-SS
37 screening or if the clinician determines the Individual is unable to complete the
38 screening for any reason this must be documented on the GAIN-SS form.
39 d. The results of the GAIN-SS screening, including refusals and anywhere the Individual was
40 unable to complete, must be reported to HCA through the Behavioral Health Data Store.
41 e. Contractor must complete a co-occurring mental health and substance use disorder
42 assessment, consistent with training provided by HCA and outlined in SAMHSA
43 Publication Substance Abuse Treatment For Persons With Co-Occurring Disorders, A
44 Treatment Improvement Protocol TIP 42, to determine a quadrant placement for the

1 Individual when the Individual scores a two (2) or higher on either of the first two scales
2 (ID Screen & ED Screen) and two (2) or higher on the third (SD Screen).
3

- 4 i. The assessment is required during the next outpatient treatment planning review
5 following the screening and as part of the initial evaluation at free-standing, non-
6 hospital, evaluation and treatment facilities.
- 7 ii. The quadrant placements are defined as:
 - 8
 - 9 a) Less severe mental health disorder/less severe substance use disorder.
 - 10 b) More severe mental health disorder/less severe substance use disorder.
 - 11 c) Less severe mental health disorder/more severe mental health disorder.
 - 12 d) More severe mental health disorder/more severe substance use disorder.

13
14 HCA provided Global Appraisal of Individual Needs – Short Screener (GAIN-SS) during:

- 15 a. All new intakes.
- 16 b. The provision of each crisis episode of care including ITA investigations services, except
17 when:
 - 18
 - 19
 - 20 i. Service results in a referral for an intake assessment.
 - 21 ii. Service results in an involuntary detention under RCW 71.05 or 71.34.
 - 22 iii. Contact is by telephone only.
 - 23 iv. Professional conducting the crisis intervention or ITA investigation has
24 information the individual completed a GAIN-SS screening within the previous 12
25 months.

26
27 **3. ALLIED SYSTEMS COORDINATION**

28 Contractor is encouraged to comply with and at the request of North Sound BH-ASO
29 participate in the identification and development of Allied System Coordination plans. The
30 coordination plans are intended to enable coordination of services and appropriate
31 management of care for individuals.
32

33 Contractor shall comply with published directives from HCA when North Sound BH-ASO,
34 Contractor, or its subcontractors are unable to resolve local disputes with other service
35 systems (Healthy Options, other DSHS administrations as provided by HCA) regarding service
36 or cost responsibilities.
37

38 **4. PRIMARY CARE COORDINATION**

39 Contractor is encouraged to ensure that individuals with complex medical needs, who have no
40 assigned Primary Care Provider (PCP), are assisted in obtaining a PCP. For individuals who
41 already have a PCP, Contractor must coordinate care as needed. Contractor must also ensure
42 that coordination for those with complex medical needs is tracked through the treatment plan
43 and progress notes.
44

1 **5. CRISIS SERVICES COORDINATION AND COOPERATION**

2 Contractor shall coordinate and cooperate with providers in North Sound BH-ASO’s crisis
3 service network to ensure the continuity of care.
4

5 **6. DISASTER RESPONSE**

6 Contractor must participate in all disaster preparedness activities and respond to
7 emergency/disaster events (i.e., natural disasters, acts of terrorism) when requested by HCA.
8 Contractor must:
9

- 10 a. Attend HCA sponsored training regarding the role of the public behavioral health system
11 in disaster preparedness and response.
- 12 b. Participate in local emergency/disaster planning activities when county Emergency
13 Operation Centers and local public health jurisdictions request collaboration.
- 14 c. Provide disaster outreach as defined in Section A, Definition of Terms.
- 15 d. Conduct post-disaster outreach to determine the need for disaster related crisis
16 counseling and assess the availability of local resources in meeting those needs.
- 17 e. Provide the name and contact information to North Sound BH-ASO for person(s)
18 coordinating Contractor’s disaster/emergency preparedness and response upon request.
- 19 f. Provide information and preliminary disaster response plans to North Sound BH-ASO
20 within seven (7) days of a disaster/emergency or upon request.
- 21 g. Partner in disaster preparedness and response activities with North Sound BH-ASO, HCA
22 and other DSHS entities, State Emergency Management Division, Federal Emergency
23 Management Agency, American Red Cross and other volunteer organizations. This must
24 include:
 - 25 i. Participation when requested in local and regional disaster planning and
26 preparedness activities.
 - 27 ii. Coordination of disaster outreach activities following an event.

28
29
30 **7. CONFIDENTIALITY**

31 Contractor shall not use, publish, transfer, sell, or otherwise disclose any confidential
32 information gained by reason of this Contract for any purpose that is not directly connected
33 with the performance of the services contemplated there under, except:
34

- 35 a. As provided in North Sound BH-ASO policy and procedure; or
- 36 b. As provided by law;
- 37 c. In the case of personal information, as provided by law or with the prior written consent
38 of the person or personal representative of the person who is the subject of the
39 personal information.
40

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

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

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

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

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

8. GRIEVANCE, APPEAL AND FAIR HEARING PROCESSES

Contractor must implement grievance, appeal and fair hearing processes that are in conformance with North Sound BH-ASO policies and procedures.

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

- a. Implement a grievance process that complies with WAC 185-538C-110 or any successors;
- b. Coordinate with North Sound BH-ASO grievance process and Ombuds Services;
- c. Provide access to interpreter services and toll-free numbers with adequate TTY/TTD and interpreter capability;
- d. Provide assistance to individuals filing a grievance; and
- e. Incorporate concerns from grievances into Contractor services without identifying individuals.

1 **9. OMBUDS**

2 Contractor must provide a behavioral health Ombuds as described in RCW 71.24. An entity or
3 Subcontractor independent of the BH-ASO Administration must employ the Ombuds and
4 provide for the following:

- 5
- 6 a. Separation of personnel functions (e.g. hiring, salary and benefits determination,
7 supervision, accountability and performance evaluations).
 - 8 b. Independent decision making to include all investigation activities, findings,
9 recommendations and reports.
- 10

11 **10. INFORMATION REQUIREMENTS**

12 The Contractor must provide information to Individuals consistent with WAC 246-341-0600.
13 The Contractor must maintain written policy and procedures addressing all information
14 requirements, and must:

- 15
- 16 a. Provide interpreter services for Individuals who speak a primary language other than
17 English for all interactions between the Individual and the Contractor including, but not
18 limited to, customer service, all appointments for any covered service, crisis services,
19 and all steps necessary to file a Grievance or Fair Hearing.
 - 20 b. The Contractor and affiliated service providers must post a multilingual notice in each of
21 the DSHS-prevalent languages, which advises Enrollees that information is available in
22 other languages and how to access this information in each of the DSHS prevalent
23 languages (Cambodian, Chinese, Korean, Laotian, Russian, Somali, Spanish, Vietnamese,
24 Arabic, Amharic, Punjabi, and Ukrainian).
 - 25 c. The Contractor and affiliated service providers must post a translated copy of the
26 Statement of Individual Participant rights, as detailed in WAC 246-341-0600 in each of
27 the HCA/DSHS-prevalent languages.
 - 28 d. Materials may be provided in English if the Individual’s primary language is other than
29 English but the Individual can understand English and is willing to receive the materials
30 in English. The individual’s consent to receiving information and materials in English
31 must be documented in the client record.
 - 32 e. For Individuals whose primary language is not translated, the requirement may be met
33 by providing the information through audio or video recording in the Individual’s
34 primary language, having an interpreter read the materials in the Individual’s primary
35 language or providing materials in an alternative format that is acceptable to the
36 Individual. If one of these methods is used it must be documented in the client record.
 - 37 f. Ensure that Mental Health Professionals, MHCPs and SUDP/SUDPTs have an effective
38 mechanism to communicate with Individuals with sensory impairments.
 - 39 g. The Contractor must post a translated copy of the Individual rights as provided by HCA in
40 each of the prevalent languages.
 - 41 h. Upon an Individual’s request, the Contractor must provide:
42
43 i. BHA licensure, certification and accreditation status.

- 1 ii. Information that includes but is not limited to, education, licensure, and Board
2 certification or re-certification or registration of Mental Health Professionals,
3 MHCPs and SUDP/SUDPTs.
4

5 **11. LOCAL RESPONSIVENESS AND COMMUNICATIONS**

6 Contractor shall cooperate with North Sound BH-ASO and Counties in the service area to
7 provide a locally responsive delivery system. Contractor shall provide individuals with referral
8 sources information and education about the referral process, service availability, service
9 population; common symptoms of mental illness, substance use and shall post and make
10 known individual's rights and responsibilities including grievance, appeal and fair hearing
11 procedures and availability of Ombuds services.
12

13 Contractor shall have written policy and procedures that comply with North Sound BH-ASO's
14 policies on individuals rights and address the following:
15

- 16 a. Individual behavioral health rights applicable to non-Medicaid individuals as defined in
17 WAC 246-341-0600.
18 b. Oral interpretation services provided free of charge to the individual.
19 c. Information that states written materials are available when requested in alternate
20 formats. These materials must be available and easily understood by individuals.
21

22 Contractor shall post, in a conspicuous place, a translated copy of the individual's rights as
23 listed in the Behavioral Health Benefits Booklet in each of HCA/DSHS's prevalent languages.
24 Access to translated copies may be downloaded at:
25 <http://www.dshs.wa.gov/dbhr/pubs.shtml#dbhr>
26

27 **12. CRITICAL INCIDENTS**

28 Contractor and its subcontractors shall comply with North Sound BH-ASO's Critical Incident
29 Reporting Policy and Procedure and any successor regarding critical incidents.
30

31 **13. OUTCOME MEASURES**

32 Contractor shall collaborate with North Sound BH-ASO on identifying and incorporating
33 outcome measurement tools used to measure an individual or group of individual's recovery
34 and improved wellness.
35

36 Contractor shall participate in meetings/workgroups to determine the target population and
37 measurement tool or tools to be used in the region during this contract cycle.
38
39

40 **14. TRAUMA-INFORMED CARE**

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

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

- 3
- 4 a. Develop/implement an organizational assessment tool;
- 5 b. Develop/implement a trauma screening tool; and
- 6 c. Provide and participate in regional trauma-informed trainings.
- 7
- 8

9 **15. COORDINATION WITH TRIBAL AUTHORITIES**

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

1 **C. CONTRACTOR RESPONSIBILITIES**

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

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

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

9
10 **1. CAPACITY**

11 Contractor must notify North Sound BH-ASO in writing of any proposed change in capacity.
12 North Sound BH-ASO must approve any change that results in reduced capacity.

- 13
14 a. A reduction in capacity is defined as the point in time when Contractor is not able to
15 meet the statement of work requirements of Exhibit A.
- 16 b. The termination or addition of a subcontract that provides behavioral health services is
17 considered a significant change in the provider network. Contractor must notify North
18 Sound BH-ASO 30 days in advance of public written notice to individuals before
19 Contractor terminates any of its subcontracts with entities that provide direct service.
- 20 c. Contractor must ensure the provision of written notification within 15 days to
21 individuals receiving services from subcontractor upon written notification of
22 termination by either party.
- 23 d. If either party must terminate a subcontract in less than 30 days, Contractor must
24 notify North Sound BH-ASO as soon as there is a determination to terminate the
25 subcontract and in advance of public notice.
- 26 e. Contractor shall demonstrate its performance of this function by maintenance of
27 written records that show routine review and discussion of network maintenance
28 issues by Contractor staff.

29
30 **2. STAFF COMPETENCY AND TRAINING**

31 Contractor and its subcontractors shall comply with North Sound BH-ASO credentialing
32 policies and procedures and shall ensure all staff is qualified for the position they hold and
33 have at a minimum, education, experience and skills to perform their job requirements, per
34 WAC 246-341, including any required licenses or certifications.

35
36 Contractor shall require a criminal history background check pursuant to RCW 43.43.830; 832;
37 834 and 43.20A.710 be completed for all current employees, volunteers and subcontractors
38 and a criminal history background check shall be initiated for all prospective employees,
39 volunteers and subcontractors who may have unsupervised access to children, people with
40 developmental disabilities, or vulnerable adults.

1 Contractor must participate in training when requested by North Sound BH-ASO/HCA.
2 Requests for North Sound BH-ASO/HCA to allow an exception to participation in required
3 training must be in writing and include a plan for how the required information will be
4 provided to appropriate Contractor/Subcontractor staff.
5

6 **3. NORTH SOUND BH-ASO AND HCA REVIEW ACTIVITIES**

7 Contractor shall ensure that remedial actions required as a result of North Sound BH-
8 ASO/HCA review activities, as discussed in the Oversight, Remedies and Termination section,
9 are reported and acted upon. This shall be demonstrated by written records maintained by
10 Contractor.
11

12 **4. DELIVERABLES, PLANS AND REPORTS**

13 Contractor must ensure plans or reports required by this Contract, including those outlined in
14 Exhibit A, Deliverables, are provided to North Sound BH-ASO in compliance with the
15 timelines/formats indicated.
16

17 If this Contract requires a report or other Deliverable that contains information that is
18 duplicative or overlaps a requirement of another Contract between the parties, Contractor
19 may provide one (1) report or Deliverable that contains the information required by both
20 Contracts.
21
22
23

1 **D. FINANCIAL TERMS AND CONDITIONS**

2
3 **1. GENERAL FISCAL ASSURANCES**

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

11
12 **2. FINANCIAL ACCOUNTING REQUIREMENTS**

13 Contractor shall:

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

32
33 **3. FINANCIAL REPORTING**

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

- 35
36 a. Report Contractor and subcontract revenue and expenditure information to North
37 Sound BH-ASO on a biannual basis. Reports must comply with the provisions in the
38 Budget, Accounting and Reporting System (BARS) Supplemental Instructions for
39 Behavioral Health Services promulgated by Washington State Auditor's Office. Reports
40 are due within 30 days of the quarter end (quarters ending in December and June of
41 each year).
42 b. Contractor shall participate in North Sound BH-ASO/HCA Unit Cost Surveys and
43 actuarial studies, when required by North Sound BH-ASO/HCA.
44

1 **4. COUNTY FUNDING**

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

8 **5. RULES COMPLIANCE**

9 Account for public behavioral health expenditures under this Contract in accordance with
10 Federal circular A-133, A-122, A-87 and State requirements in accordance with BARS Manual
11 and BARS Supplemental Instructions or any successor
12

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

14 Contractor shall be responsible for developing financial processes that enable them to
15 reasonably ensure all third-party resources available to individuals are identified and pursued
16 in accordance with the reasonable collection practices which Contractor’s apply to all other
17 payers for services covered under this Contract. North Sound BH-ASO shall actively provide
18 Contractor support in the pursuit of third-party payments for all services.
19

20 **7. FRAUD AND ABUSE**

21 Fraud means an intentional deception or misrepresentation made by a person with the
22 knowledge that the deception could result in some unauthorized benefit to himself or some
23 other person and includes any act that constitutes fraud under applicable Federal or State
24 law. Abuse means provider actions that are inconsistent with sound fiscal, business, or
25 medical practices and result in an unnecessary cost to the Medicaid program or in
26 reimbursement for services that are not Medically Necessary or that fail to meet
27 professionally recognized standards for health care. Contractor shall do the following to guard
28 against Fraud and Abuse:
29

- 30 a. Create and maintain a mandatory compliance plan that includes provisions to educate
31 staff and providers of the False Claims Act (31 U.S.C. 3729-3733) and whistle blower
32 protection.
- 33 b. Develop written policies, procedures and standards of conduct that articulates
34 Contractor’s commitment to comply with all applicable Federal and State standards.
- 35 c. Designate a compliance officer and a compliance committee that is accountable to
36 senior management.
- 37 d. Provide effective ongoing training and education for the compliance officer, Contractor
38 staff, and selected staff of the BHAs.
- 39 e. Facilitate effective communication between the compliance officer, the Contractor’s
40 employees, and the Contractor’s network of BHAs.
- 41 f. Enforce standards through well-publicized disciplinary guidelines.
- 42 g. Conduct internal monitoring and auditing.
- 43 h. Respond promptly to detected offense and develop corrective action initiatives.

- 1 i. Report fraud and/or abuse information to North Sound BH-ASO as soon as it is
2 discovered, including the source of the complaint, the involved BHA, nature of fraud or
3 abuse complaint, approximate dollars involved, and the legal and administrative
4 disposition of the case.
5

6 Complaints and reports should be directed to the contact listed below.
7

8 Compliance Officer
9 301 Valley Mall Way, Suite 110
10 Mt. Vernon, WA 98273-5462
11 360.416.7013
12 1.800.684.3555
13 Compliance_officer@nsbhaso.org
14

15 **8. INDIVIDUAL RIGHTS AND PROTECTIONS**

16 Contractor and subcontractors must comply with any applicable Federal and State laws that
17 pertain to individual rights and require that its staff takes those rights into account when
18 furnishing services to Individuals. Any changes to applicable law must be implemented within
19 ninety (90) calendar days of the effective date of the change.

20 Contractor must require that Mental Health Professionals, MHCPs, and SUDP/SUDPTs acting
21 within the lawful scope of their practice, and not prohibited or restricted from advising or
22 advocating on behalf of an Enrollee with respect to:
23

- 24 a. The Individual's behavioral health status.
25 b. Receiving all information regarding behavioral health treatment options including any
26 alternative or self-administered treatment, in a Culturally Competent manner.
27 c. Any information the Enrollee needs in order to decide among all relevant behavioral
28 health treatment options.
29 d. Receiving information about the risks, benefits, and consequences of behavioral health
30 treatment (including the option of no behavioral health treatment.)
31 e. The Individual's right to participate in decisions regarding his or her behavioral health
32 care, including the right to refuse behavioral health treatment and the express
33 preferences about future treatment decisions.
34 f. The Individual's right to be treated with respect and with due consideration for his or
35 her dignity and privacy.
36 g. The Individual's right to be free from any form of restraint or seclusion used as a
37 means of coercion, discipline, convenience, or retaliation, the Enrollee's right to
38 request and receive a copy of his or her medical records, and to request that they be
39 amended or corrected, as specified in 45 CFR 164.
40 h. Individual's right to be free to exercise his or her rights and to ensure that to do so
41 does not adversely affect the way the BHO, BHA, SUDP/SUDPT or MHCP treats the
42 Individual.
43 i. Contractor must provide or purchase age and linguistically, and Culturally Competent
44 behavioral health services for Individuals.

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- j. Individual service plans must be developed in compliance with WAC 246-341-0620.
- k. The Contractor must require that Individuals are included in the development of their individualized service plans, advance directives for psychiatric and substance use disorder care and crisis plans.
 - i. This must include but not be limited to children and their families (e.g. caregivers and significant others, parents, foster parents, assigned/appointed guardians, siblings).
 - ii. At a minimum, treatment goals must include the words of the Individual receiving services and documentation must be included in the clinical record, as part of the 180-day progress review, describing how the Individual sees progress.

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
5 Services (DHHS), CMS, the Comptroller General, or any of their duly-authorized
6 representatives (i.e., External Quality Review Organizations), have the authority to conduct
7 announced and unannounced: a) surveys; b) audits; c) reviews of compliance with licensing
8 and certification requirements and compliance with this Contract; d) audits regarding the
9 quality, appropriateness and timeliness of behavioral health services of Contractor and
10 subcontractors; and e) audits and inspections of financial records of Contractor and
11 subcontractors. Contractor shall notify North Sound BH-ASO when an entity other than North
12 Sound BH-ASO performs any audit described above related to any activity contained in this
13 Contract.
14

15 In addition, North Sound BH-ASO will conduct reviews in accordance with its oversight of
16 resource, utilization and quality management, as well as, ensure Contractor has the clinical,
17 administrative and fiscal structures to enable them to perform in accordance with the terms
18 of the contract. Such reviews may include, but are not limited to, encounter data validation,
19 utilization reviews, clinical record reviews, administrative structures reviews, fiscal
20 management and contract compliance. Reviews may include desk reviews, requiring
21 Contractor to submit requested information. North Sound BH-ASO will also review any
22 activities delegated under this contract to Contractor.
23

24 Contractor shall cooperate with and allow access to North Sound Regional Ombuds to review
25 activities in accordance with the terms of this contract. Contractor shall cooperate with
26 Community Action of Skagit County in resolving any disputes that arise in the provision of
27 Ombuds services.
28

29 Findings as a result of North Sound BH-ASO conducted reviews may result in remedial action
30 as outlined below. Federal and State agencies may impose remedial action or financial
31 penalties either directly upon Contractor or through North Sound BH-ASO. Contractor shall
32 comply with the terms of such remedial action and be responsible for the payment of
33 financial penalties.
34

35 **2. REMEDIAL ACTION**

36 North Sound BH-ASO may require Contractor to plan and execute corrective action.
37 Corrective action plans (CAP) developed by Contractor must be submitted for approval to
38 North Sound BH-ASO within 30 calendar days of notification. CAP must be provided in a
39 format acceptable to North Sound BH-ASO. North Sound BH-ASO may extend or reduce the
40 time allowed for corrective action depending upon the nature of the situation as determined
41 by North Sound BH-ASO.
42

43 a. CAP must include:

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45 i. A brief description of the finding.

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- ii. Specific actions to be taken, timetable, description of the monitoring to be performed, steps taken and responsible individuals that will reflect the resolution of the situation.
- b. CAP may:
 - Require modification of any policies or procedures by Contractor relating to the fulfillment of its obligations pursuant to this Contract.
- c. CAP is subject to approval by North Sound BH-ASO, which may:
 - i. Accept the plan as submitted;
 - ii. Accept the plan with specified modifications;
 - iii. Request a modified plan; or
 - iv. Reject the plan.
- d. Contractor agrees North Sound BH-ASO may initiate remedial action with or without a CAP as outlined in subsection below if North Sound BH-ASO determines any of the following situations exist:
 - i. A problem exists that poses a threat to the health or safety of any person or poses a threat of property damage/incident has occurred that resulted in injury or death to any person/resulted in damage to property;
 - ii. Contractor has failed to perform any of the services required in this Contract, which includes the failure to maintain the required capacity as specified by North Sound BH-ASO to ensure individuals receive services, including delegated functions; *except*, that no remedial action pursuant to subsection (e) hereof shall be taken if such failure to maintain required capacity is due to any interruption in, or depletion of, the available amount of money to Contractor as described in Exhibit B of this contract for purposes of performing services to individuals as described in Exhibit A of this contract; however, in such an instance, North Sound BH-ASO may terminate all or part of this contract on as little as 30 days written notice.
 - iii. Contractor has failed to develop, produce/deliver to North Sound BH-ASO any of the statements, reports, data, data corrections, accountings, claims and/or documentation described herein in compliance with all the provisions of this Contract;
 - iv. Contractor has failed to perform any administrative function required under this Contract including delegated functions. For the purposes of this section, “administrative function” is defined as any obligation other than the actual provision of behavioral health services;
 - v. Contractor has failed to implement corrective action required by the State and within North Sound BH-ASO prescribed timeframes.
- e. North Sound BH-ASO may impose any of the following remedial actions in response to findings of situations as outlined above:

- i. Withhold one percent of the next monthly payment and each monthly payment thereafter until the corrective action has achieved resolution. North Sound BH-ASO, at its sole discretion, may return a portion or all of any payments withheld once satisfactory resolution has been achieved;
- ii. Compound withholdings identified above by an additional one-half of one percent for each successive month during which the remedial situation has not been resolved;
- iii. Revoke delegation of any function delegated under this contract;
- iv. Deny any incentive payment to which Contractor might otherwise have been entitled under this Contract or any other arrangement by which HCA provides incentives; or
- v. Termination for Default, as outlined in this Contract.

3. ADDITIONAL FINANCIAL PENALTIES – HCA IMPOSED SANCTIONS

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

4. TERMINATION DUE TO CHANGE IN FUNDING

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

5. TERMINATION FOR CONVENIENCE

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

6. TERMINATION FOR DEFAULT

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

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

Before the Program Administrator may terminate this Contract for default, North Sound BH-ASO shall provide Contractor with written notice of non-compliance with this Contract and provide Contractor a reasonable opportunity to correct non-compliance. If Contractor does not correct non-compliance within the period of time specified in the written notice of non-

1 compliance, the Program Administrator may then terminate this Contract. The Program
2 Administrator may terminate this Contract for default without such written notice and
3 without opportunity for correction if North Sound BH-ASO has a reasonable basis to believe
4 an individual's health or safety is in jeopardy and/or:
5

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

10
11 Contractor may terminate this Contract in whole or in part, by written notice to North Sound
12 BH-ASO, if Contractor has a reasonable basis to believe North Sound BH-ASO has:
13

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

19
20 **7. TERMINATION PROCEDURE**

21 The following provisions shall survive and be binding on the parties in the event this Contract
22 is terminated:
23

- 24 a. Contractor and any applicable subcontractors shall cease to perform any services
25 required by this Contract as of the effective date of termination and shall comply with
26 all reasonable instructions contained in the notice of termination which are related to
27 the transfer of individuals, distribution of property and termination of services. Each
28 party shall be responsible only for its performance in accordance with the terms of this
29 Contract rendered prior to the effective date of termination. Contractor and any
30 applicable subcontractors shall assist in the orderly transfer/transition of the
31 individuals served under this Contract. Contractor and any applicable subcontractors
32 shall promptly supply all information necessary for the reimbursement of any
33 outstanding Medicaid claims.
- 34 b. Contractor and any applicable subcontractors shall immediately deliver to North Sound
35 BH-ASO's Program Administrator or his/her successor, all North Sound BH-ASO/HCA
36 assets (property) in Contractor and any applicable subcontractor's possession and any
37 property produced under this Contract. Contractor and any applicable subcontractors
38 grants North Sound BH-ASO/HCA the right to enter upon Contractor and any
39 applicable subcontractors premises for the sole purpose of recovering any North
40 Sound BH-ASO/DSHS property Contractor and any applicable subcontractors fail to
41 return within 10 working days of termination of this Contract. Upon failure to return
42 North Sound BH-ASO/DSHS property within 10 working days of the termination of this
43 Contract, Contractor and any applicable subcontractors shall be charged with all
44 reasonable costs of recovery, including transportation and attorney's fees. Contractor
45 and any applicable subcontractors shall protect and preserve any property of North

1 Sound BH-ASO/HCA that is in the possession of Contractor and any applicable
2 subcontractors pending return to North Sound BH-ASO/HCA.

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

20 **8. NOTICE REQUIREMENTS**

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

- 24 a. If Contractor at any time decides it shall no longer be a Contractor with North Sound
25 BH-ASO for any reason, Contractor must provide North Sound BH-ASO's Program
26 Administrator or his/her successor listed on the last page of this Contract with written
27 notice at least 90 days prior to the effective date of termination and work with North
28 Sound BH-ASO to develop a mutually agreed upon transition plan with the
29 collaborative goal of minimizing the disruption of services. The transition plan shall
30 address all issues leading to the transition of individuals in service and all
31 items/requirements of Contractor that extend beyond the termination of services.
- 32 b. North Sound BH-ASO must provide Contractor's Program Administrator or his/her
33 successor listed on the last page of this Contract with written notice at least 90 days
34 prior if North Sound BH-ASO decides to voluntarily terminate, refuses to renew, or
35 refuses to sign a mandatory amendment to this Contract. Contractor shall work with
36 North Sound BH-ASO to develop a mutually agreed upon transition plan with the
37 collaborative goal of minimizing the disruption of services.

38 If Contractor terminates this Contract or will not be entering into any subsequent
39 Contracts, North Sound BH-ASO shall require at least 90 days' notice prior to the end
40 of the contract if a decision is made not to enter into a subsequent Contract. Any
41 funds not spent for the provision of services under this Contract shall be returned to
42 North Sound BH-ASO within 60 days of the last day this Contract is in effect.
43
44

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

2
3 **1. BACKGROUND**

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

17 **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 resilience and recovery model approach
20 to 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 **3. ASSIGNMENT**

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

32 **4. AUTHORITY**

33 Concurrent with the execution of this Contract, Contractor 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 Contractor
38 with a written copy of the motion, resolution, or ordinance passed by North Sound BH-ASO’s
39 Board authorizing North Sound BH-ASO to execute this Contract.
40

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

42 Contractor and its subcontractors shall comply with all applicable Federal and State statutes,
43 regulations and operational policies whether or not a specific citation is identified in various
44 sections of this Contract and all amendments thereto that are in effect when the Contract is

1 signed or come into effect during the term of the Contract which may include, but are not
2 limited to, the following (“Federal/State law”):
3

- 4 a. Title XIX and Title XXI of the Social Security Act and Title 42 CFR.
- 5 b. All applicable Office of the Insurance Commissioner (OIC) statutes and regulations.
- 6 c. All local, Federal and State professional and facility licensing and certification
7 requirements/standards that apply to services performed under the terms of this
8 Contract.
- 9 d. All applicable standards, orders, or requirements issued under Section 306 of the Clean
10 Air Act (42 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368), Executive
11 Order 11738 and Environmental Protection Agency (EPA) regulations (40 CFR Part 15),
12 which prohibit the use of facilities included on the EPA List of Violating Facilities. Any
13 violations shall be reported to DSHS, DHHS and the EPA.
- 14 e. Any applicable mandatory standards and policies relating to energy efficiency, which
15 are contained in the State Energy Conservation Plan, issued in compliance with the
16 Federal Energy Policy and Conservation Act.
- 17 f. Those specified for laboratory services in the Clinical Laboratory Improvement
18 Amendments (CLIA).
- 19 g. Those specified in Title 18 RCW for professional licensing.
- 20 h. Reporting of abuse as required by RCW 26.44.030.
- 21 i. Industrial insurance coverage as required by Title 51 RCW.
- 22 j. RCW 38.52, 70.02, 71.05, 71.24, and 71.34.
- 23 k. WAC 246-341.
- 24 l. 42 CFR 438, including 438.58 (conflict of interest) and 438.106 (physician incentive
25 plans).
- 26 m. State of Washington Medicaid State Plan and 1915(b) Medicaid Behavioral Health
27 Waiver or their successors which documents are incorporated by reference.
- 28 n. HCA Quality Strategy.
- 29 o. State Medicaid Manual (SMM), OMB Circulars, BARS Manual and BARS Supplemental
30 Behavioral Health Instructions.
- 31 p. Any applicable Federal and State laws that pertain to Medicaid enrollee or individual
32 rights. Contractor shall ensure its staff takes those rights into account when furnishing
33 services to individuals.
- 34 q. 42 USC 1320a-7 and 1320a-7b (Section 1128 and 1128 (b) of the Social Security Act)
35 which prohibits making payments directly or indirectly to physicians or other providers
36 as an inducement to reduce or limit behavioral health services provided to individuals.
- 37 r. Any policies and procedures developed by DSHS/Health Care Authority which governs
38 the spend-down of an individual’s assets.
- 39 s. Contractor and any subcontractors must comply with 42-USC 1396u-2 and must not
40 knowingly have a director, officer, partner, or person with a beneficial ownership of
41 more than 5% of Contractor, BHA, or subcontractor’s equity or an employee,
42 Contractor, or consultant who is significant or material to the provision of services
43 under this Contract who has been or is affiliated with someone who has been,
44 debarred, suspended, or otherwise excluded by any Federal agency.

- t. Federal and State non-discrimination laws and regulations.
- u. HIPAA (45 CFR parts 160-164).
- v. 42 CFR Part 2.
- w. HCA-CIS Data Dictionary and its successors.
- x. Federal funds must not be used for any lobbying activities.

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

6. COMPLIANCE WITH NORTH SOUND BH-ASO OPERATIONAL POLICIES

Contractor shall comply with all North Sound BH-ASO operational policies and Supplemental Provider Service Guide that pertain to the delivery of services under this Contract that are in effect when the Contract is signed or come into effect during the term of the Contract. North Sound BH-ASO policies shall not exceed that required to implement Federal and State requirements or to implement continuous quality improvement efforts determined by the Integrated QM Process as approved by North Sound BH-ASO's Board. All proposed new policies shall specifically reference the Federal or State requirements they implement and shall be limited to such requirements. North Sound BH-ASO shall notify Contractor of any proposed change in Federal or State requirements affecting this Contract immediately upon North Sound BH-ASO receiving knowledge of such change. Such policies shall include, but not limited to:

- a. Contractor and its subcontractors must recognize the unique social/legal status of Indian nations as required by both the Supremacy and Indian Commerce Clauses of the United States Constitution, Federal treaties, executive orders, Indian Citizens Act of 1924 statutes and Federal and State court decisions, or any Memorandum of Contract or MOU signed by State of Washington and Federally recognized tribe of recognized organization; shall maintain compliance with American Indian Policy or any successor pursuant to the Centennial Accord between Washington State Government and Washington Tribes and maintain compliance with.
- b. North Sound BH-ASO's Strategic Plan.
- c. North Sound BH-ASO's clinical policies and procedures including crisis services policies.
- d. North Sound BH-ASO's medical records documentation and data reporting policies and procedures.
- e. North Sound BH-ASO individual rights policies and procedures including grievance, appeal and fair- hearing policies.
- f. Any other policies designated by North Sound BH-ASO as applicable to Contractor.

Along with all North Sound BH-ASO stakeholders, Contractor will be included in the process for developing relevant operational policies and procedures. North Sound BH-ASO's policies and procedures are posted on North Sound BH-ASO's website. North Sound BH-ASO shall notify Contractor of new and revised policies through its Numbered Memoranda. Training will be provided on policies that impact providers, upon request.

1
2 In the event there is a disagreement between North Sound BH-ASO and Contractor in an
3 operational committee regarding a proposed new policy or modification to a current policy,
4 the following process will apply:
5

- 6 a. North Sound BH-ASO will provide a summary of the regulatory requirement or other
7 rationale for the proposed policy or policy modification.
- 8 b. Contractor will provide an analysis of its objection to the proposed policy or policy
9 modification within 30 days from the receipt of North Sound BH-ASO's summary. If
10 the objection is primarily due to increased cost, Contractor will provide substantiation
11 of the additional costs and, if possible, an alternative to achieving the policy goal in a
12 less costly manner.
- 13 c. The proposed policy or policy modification will be discussed at the next Regional
14 Management Council..
- 15 d. If resolution is not obtained, the proposed policy or policy modification will be
16 discussed at the next North Sound BH-ASO Board meeting.
17

18 North Sound BH-ASO will make best efforts to maintain currency of policies with applicable
19 Federal or State laws, regulations, or policies. In the event of a conflict, Federal or State laws
20 or policies supersede North Sound BH-ASO policies and procedures and requirements of this
21 contract.
22

23 **7. CONFIDENTIALITY OF PERSONAL INFORMATION**

24 Contractor must protect all Personal Information, records, and data from unauthorized
25 disclosure in accordance with 42 CFR §431.300 through §431.307, RCWs 70.02, 71.05, 71.34
26 and for individuals receiving substance use disorder services, in accordance with 42 CFR Part 2
27 and RCW 70.96A. Contractor shall have a process in place to ensure that all components of its
28 provider network and system understand and comply with confidentiality requirements for
29 publicly funded behavioral health services. Pursuant to 42 CFR §431.301 and §431.302,
30 personal information concerning applicants and recipients may be disclosed for purposes
31 directly connected with the administration of this Contract. Such purposes include, but are
32 not limited to:
33

- 34 a. Establishing eligibility;
- 35 b. Determining the amount of medical assistance;
- 36 c. Providing services for recipients;
- 37 d. Conducting or assisting in investigation, prosecution, or civil or criminal proceeding
38 related to the administration of the State Medicaid Plan;
- 39 e. Assuring compliance with Federal and State laws and regulations and with terms and
40 requirements of this Contract; and/or
- 41 f. Improving quality.
42

43 Contractor shall comply with all confidentiality requirements of HIPAA (45 CFR 160 and 164).
44

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

4
5 Contractor shall ensure access to the information is restricted to persons or agency
6 representatives who are subject to standards of confidentiality that are comparable to those
7 of North Sound BH-ASO and HCA.

8
9 The parties acknowledge coordination, planning, screening and referral require the sharing of
10 information among the various treatment providers. Disclosure of information to verify
11 eligibility, determine the amount of assistance and provide medically necessary behavioral
12 health services are all "purposes directly connected with the administration of the Contract"
13 and are all appropriate justifications for sharing information.

14
15 Contractor shall ensure all staff and subcontractors providing services under this Contract
16 receive annual training on confidentiality policies and procedures. In addition, Contractor
17 shall ensure all staff and subcontractors providing services under this Contract sign an annual
18 Oath of Confidentiality statement. Signed copies of the Oath of Confidentiality shall be kept
19 in Contractor's personnel files.

20
21 **8. CONTRACT PERFORMANCE/ENFORCEMENT**

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

31
32 **9. COOPERATION**

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

35
36 **10. DEBARMENT CERTIFICATION**

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

1 **11. 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, Contractor and subcontractors mutually recognize services
4 under this Contract may be provided by Contractor and subcontractors to individuals under
5 the Medicaid program, RCW 71.05 and 71.34 and the Community Behavioral Health Services
6 Act, RCW 71.24, it is not the intention of either North Sound BH-ASO or Contractor 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 **12. 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 **13. 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 **14. INDEMNIFICATION**

24 Contractor shall be responsible for and shall indemnify and hold North Sound BH-ASO
25 harmless (including all costs and attorney fees) from all claims for personal injury, property
26 damage and/or disclosure of confidential information, including claims against North Sound
27 BH-ASO for the negligent hiring, retention and/or supervision of the Contractor and/or from
28 the imposition of governmental fines or penalties resulting from the acts or omissions of
29 Contractor and its subcontractors related to the performance of this contract. North Sound
30 BH-ASO shall be responsible and shall indemnify and hold Contractor harmless (including all
31 costs and attorney fees) from all claims for personal injury, property damage and disclosure of
32 confidential information and from the imposition of governmental fines or penalties resulting
33 from the 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, Contractor, 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, Title 51 RCW. 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

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

43 The parties intend that an independent contractor relationship be created by this contract.
44 Contractor acknowledges the Contractor, its employees, or subcontractors are not officers,

1 employees, or agents of North Sound BH-ASO. Contractor shall not hold Contractor,
2 Contractor's employees and subcontractors out as, nor claim status as, officers, employees, or
3 agents of North Sound BH-ASO. Contractor shall not claim for Contractor, Contractor's
4 employees, or subcontractors any rights, privileges, or benefits which would accrue to an
5 employee of North Sound BH-ASO. Contractor shall indemnify and hold North Sound BH-ASO
6 harmless from all obligations to pay or withhold Federal or State taxes or contributions on
7 behalf of Contractor, Contractor's employees and subcontractors unless specified in this
8 Contract.

9
10 **16. INSURANCE**

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

14
15 Contractor shall maintain Commercial General Liability Insurance (CGL). If Contractor is not a
16 member of a risk pool, Contractor shall carry CGL to include coverage for bodily injury,
17 property damage and contractual liability, with the following minimum limits: Each
18 Occurrence - \$1,000,000; General Aggregate - \$2,000,000; shall include liability arising out of
19 premises, operations, independent contractors, personal injury, advertising injury and liability
20 assumed under an insured contract. Contractor shall provide evidence of such insurance to
21 North Sound BH-ASO within 15 days of execution of this Contract and 15 days post renewal
22 date thereafter. All non-risk pool policies shall name North Sound BH-ASO as a covered entity
23 under said policy(s).

24
25 **17. INTEGRATION**

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

29
30 **18. MAINTENANCE OF RECORDS**

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

- 36
37 a. Maintain the content of all Medical Records in a manner consistent with utilization
38 control requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211.
39 b. Document performance of all acts required by law, regulation, or this Contract.
40 c. Substantiate Contractor statement of its organizations' structures, tax status,
41 capabilities and performance.
42 d. Demonstrate accounting procedures, practices and records which sufficiently and
43 properly document Contractor invoices to North Sound BH-ASO and all expenditures
44 made by Contractor to perform as required by this Contract.

- e. Contractor and its subcontractors shall cooperate in all reviews including, but not limited to, surveys and research conducted by North Sound BH-ASO, HCA, or other Washington State Departments.
- f. Evaluations shall be done by inspection or other means to measure quality, appropriateness and timeliness of services performed under this Contract and to determine whether Contractor and its subcontractors are providing service to individuals in accordance with the requirements set forth in this Contract and applicable Federal and State regulations as existing or hereafter amended.

19. NO WAIVER OF RIGHTS

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

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

20. ONGOING SERVICES

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

21. ORDER OF PRECEDENCE

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

- a. State statutes and regulations concerning the operation of the community behavioral health programs.
- b. Federal and State law.
- c. North Sound BH-ASO-DSHS Contract or its successors that covers the provision of the behavioral health services covered under this Contract, which shall include any exhibit, document, or material incorporated by reference. North Sound BH-ASO shall promptly notify Contractor of any amendment to North Sound BH-ASO-DSHS Contract which affects any term or condition herein.
- d. This Contract.

22. OVERPAYMENTS

In the event Contractor fails to comply with any of the terms and conditions of this Contract and that failure results in an overpayment, North Sound BH-ASO may recover the amount due HCA, CMS, or other Federal or State agency subject to dispute resolution as set forth in the

1 contract. In the case of overpayment, Contractor shall cooperate in the recoupment process
2 and return to North Sound BH-ASO the amount due upon demand.
3

4 **23. OWNERSHIP OF MATERIALS**

5 Materials created by Contractor and its subcontractors and paid for by North Sound BH-ASO
6 as a part of this Contract shall be owned by North Sound BH-ASO and shall be "works for hire"
7 as defined by the U.S. Copyright Act of 1976. This material includes, but is not limited to:
8 books, computer programs, documents, films, pamphlets, reports, sound reproductions,
9 studies, surveys, tapes and/or training materials. Material which Contractor and its
10 subcontractors use to perform this Contract but which is not created for or paid for by North
11 Sound BH-ASO is owned by Contractor or relevant subcontractors; however, North Sound BH-
12 ASO and DSHS shall have a perpetual license to use this material for DSHS internal purposes at
13 no charge to DSHS, provided that such license shall be limited to the extent which the
14 Contractor has a right to grant such a license.
15

16 **24. PERFORMANCE**

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

23 **25. RESOLUTION OF DISPUTES**

24 The parties wish to provide for prompt, efficient, final and binding resolution of disputes and
25 controversies that may arise under this Contract; therefore, establish this dispute resolution
26 procedure. All claims, disputes and other matters in question between the parties arising out
27 of, or relating to, this Contract shall be resolved exclusively by the following dispute resolution
28 procedure unless the parties mutually agree in writing otherwise:
29

- 30 a. The parties shall use their best efforts to resolve issues prior to giving written Notice of
31 Dispute.
- 32 b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or a
33 designated representative) shall together or, if both parties agree, with a mediator
34 meet, confer and attempt to resolve the claim within the next five (5) working days.
- 35 c. The terms of the resolution of all claims concluded in meetings shall be memorialized
36 in writing and signed by each party.
37

38 **Arbitration:** If the claim is not resolved within 30 days, the parties shall proceed to arbitration
39 as follows:
40

- 41 a. Demand for arbitration shall be made in writing to the other party. The parties shall
42 select one person as arbitrator.
- 43 b. If there is a delay of more than 10 days in the naming of the arbitrator, either party can
44 ask the presiding judge of Skagit County to name the arbitrator.

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

26. SEVERABILITY AND CONFORMITY

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

27. SINGLE AUDIT ACT

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

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

1 200.501, reports required by the program-specific audit guide, if applicable, and a copy of any
2 management letters issued by the auditor.
3

4 For purposes of “subrecipient” status under the rules of 2 CFR 200.330 Medicaid payments to
5 a subrecipient for providing patient care services to Medicaid eligible individuals are not
6 considered Federal awards expended under this part of the rule unless a State requires the
7 fund to be treated as Federal awards expended because reimbursement is on a cost-
8 reimbursement basis.
9

10 **28. SUBCONTRACTS**

11 Contractor may subcontract services to be provided under this Contract subject to the
12 following requirements.
13

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

- 1 iii. Include clear means to revoke delegation, impose corrective action, or take other
- 2 remedial actions if the subcontractor fails to comply with the terms of the
- 3 subcontract.
- 4 iv. Require the subcontractor correct any areas of deficiencies in the subcontractor's
- 5 performance that are identified by Contractor, North Sound BH-ASO/HCA.
- 6 v. Require best efforts to provide written or oral notification within 15 working days
- 7 of termination of a MHCP to individuals currently open for services who had
- 8 received a service from the affected MHCP in the previous 60 days. Notification
- 9 must be verifiable in the medical record at the subcontractor.

10

11 **29. SURVIVABILITY**

12 The terms and conditions contained in this Contract that by their sense and context are

13 intended to survive the expiration of this Contract shall so survive. Surviving terms include,

14 but are not limited to: Financial Terms and Conditions, Single Audit Act, Order of Precedence,

15 Contract Performance and Enforcement, Confidentiality of Client Information, Resolution of

16 Disputes, Indemnification, Oversight Authority, Maintenance of Records, Ownership of

17 Materials, Contract Administration Warranties and Survivability.

18

19 **30. TREATMENT OF INDIVIDUAL PROPERTY**

20 Unless otherwise provided in this Contract, Contractor shall ensure any adult individual

21 receiving services from Contractor under this Contract has unrestricted access to the

22 individual's personal property. Contractor shall not interfere with any adult individual's

23 ownership, possession, or use of the individual's property unless clinically indicated.

24 Contractor shall provide individuals under age 18 with reasonable access to their personal

25 property that is appropriate to the individual's age, development and needs. Upon

26 termination of this Contract, Contractor shall immediately release to the individual and/or

27 individual's guardian or custodian all of the individual's personal property.

28

29 **31. WARRANTIES**

30 The parties' obligations are warranted and represented by each to be individually binding for

31 the benefit of the other party. Contractor warrants and represents it is able to perform its

32 obligations set forth in this Contract and such obligations are binding upon Contractor and

33 other subcontractors for the benefit of North Sound BH-ASO.

34

35 **32. CONTRACT ADMINISTRATION**

36 The Program Administrator for each of the parties shall be responsible for and shall be the

37 Program Administrator for all communications and billings regarding the performance of this

38 Contract.

39

40 The Program Administrator for North Sound BH-ASO is:

41 Joe Valentine, Executive Director

42 North Sound Behavioral Health Organization, LLC

43 301 Valley Mall Way, Suite 110

44 Mount Vernon, WA 98273-5462

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2
3
4
5
6
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9
10

The Program Administrator for is:
Mike Irons, Program Administrator
Specialty Courts
Snohomish County Superior Court
3000 Rockefeller Avenue
Everett, WA 98201

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

1 **THIS CONTRACT**, consisting of 44 Pages, plus Exhibits, is executed by the persons signing below who
2 warrant that they have the authority to execute this Contract.

3
4
5
6
7
8
9

**NORTH SOUND BEHAVIORAL HEALTH
ADMINISTRATIVE SERVICES ORGANIZATION, LLC**

SNOHOMISH COUNTY

10	_____	_____	_____	_____
11	Signature	Date	Signature	Date
12				
13				
14	<u>Joe Valentine, Executive Director</u>		<u>Shane A. Nybo, Court Administrator</u>	
15	Name/Title		Name/Title	