

MASTER SERVICE CONTRACT

THIS AGREEMENT, made and entered into this 1st day of October, 2005, by the **WASHTENAW COMMUNITY HEALTH ORGANIZATION** with administrative offices located at 555 Towner, Ypsilanti, MI 48197, (hereinafter referred to as "PIHP"), and **WASHTENAW COUNTY**, a Michigan Municipal Corporation whose administrative offices are located at 220 N. Main St. Ann Arbor, MI 48103 (hereinafter referred to as "CSSN").

The parties agree as follows:

I. CONTRACT AUTHORITY AND SERVICE AREA

This contract is entered into pursuant to the authority granted by Act 258 of the Public Acts of 1974 (hereinafter referred to as the "Mental Health Code"), as amended, and the Public Health Code, as amended, and by the MDCH/PIHP Managed Mental Health Supports and Services contract for general funds, and by the MDCH/PIHP Master Contract for Medicaid Funds entered into by MDCH and the Washtenaw Community Health Organization as PIHP, and the contractual agreement with MDCH/Office of Drug Control Policy, and in accordance with the rules, regulations, and standards (hereinafter called "Rules") adopted and promulgated by the MDCH in accordance with the Mental Health Code and Public Health Code. Said Acts, Master Contracts, and Rules shall govern in any area not specifically covered in this agreement.

The PIHP serves as the Community Mental Health Services Program (CMHSP) for Washtenaw County and as such is the designated entity to assure a comprehensive array of specialty support services to eligible persons covered under the Mental Health Code, and is responsible for maintenance of effort services designated in the MDCH Master Contracts and/or is the recipient of block grant funds designated in the MDCH Master Contracts.

The PIHP has the right under the MDCH Master Contract to direct-operate and/or subcontract for specialty support services to such covered persons who meet the service eligibility criteria and for individuals who are potential customers residing in the PIHP's service area. The PIHP desires to subcontract the actual provision of comprehensive specialty network services in Washtenaw County to the Washtenaw County Community Support and Treatment Services Department (CSTS).

For the purposes of the MDCH/PIHP Master Contract and this Agreement, the Southeastern Michigan counties of Lenawee, Livingston, Monroe, and Washtenaw shall constitute the PIHP's regional Medicaid service area. For the purposes of this Agreement, CSTS shall receive funding from the PIHP for providing Medicaid, General Fund, and Adult Benefits Waiver (ABW) Fund services to residents of Washtenaw County.

Exceptions to the above-cited service area provisions and any waiver of the service access/admittance and service payment restrictions may only be granted, with prior authorization, by the PIHP's Chief Executive Officer (referred to as the "PIHP's CEO").

II. AGREEMENT CONTINGENT UPON FUNDING

This agreement is contingent upon receipt by the PIHP of Medicaid Capitation Funds, state General Funds or other grants and appropriations, upon the terms of such funding as appropriated, authorized, and amended, and upon continuation of such funding. Additionally, this agreement is contingent upon receipt by the PIHP of local funds from Washtenaw County.

This agreement is contingent upon receipt by the CSSN of funds from the PIHP and upon sufficient collections by the CSSN of consumer fees and third party reimbursements.

Either party shall provide immediate notice to the other party of any material reduction or loss of the funding upon which this agreement is contingent.

III. COMPLIANCE WITH THE MDCH CONTRACTS

It is expressly understood and agreed by the CSSN that this agreement is subject to the terms and conditions of the contracts entered into between MDCH and the PIHP for general funds and for Medicaid funding. The CSSN shall comply with all applicable terms and conditions of these MDCH Contracts. The provisions of this agreement shall take precedence over the MDCH Contracts unless a conflict exists between this agreement and the provisions of the MDCH Contracts, in which case the provisions of the MDCH Contracts shall prevail.

A conflict between this agreement and the MDCH Contracts, however, shall not be deemed to exist where this agreement: 1) contains additional non-conflicting provisions not set forth in MDCH Contracts; 2) restates provisions of the MDCH Contracts to afford the PIHP the same or substantially the same rights and privileges as the MDCH; or 3) requires the CSSN to perform duties and/or services in less or more time than that afforded the PIHP in the MDCH Contracts. The MDCH Contracts are incorporated by reference into this agreement and made a part hereof. A copy of the MDCH Contracts shall be provided to the CSSN upon written request.

IV. AGREEMENT TERM

This agreement shall commence of the 1st day of October, 2005, and shall continue until September 30, 2006 or until such time as this agreement shall be terminated as provided below.

V. TERMINATION OF AGREEMENT

A. This agreement shall terminate immediately upon the revocation, restriction, suspension, discontinuation or loss of any certification, accreditation, or authorization or license required by federal, state and local laws, ordinances, rules and regulations for either party to operate and/or to provide Medicaid or General Fund programs and supports/services with the State of Michigan.

B. This agreement shall terminate immediately upon the termination of MDCH/PIHP Master Contract for Medicaid Capitation Funds.

C. This agreement shall terminate immediately upon the termination of the PIHP's MDCH/CMHDP Mater Contract for General Funds.

D. Any material breach of this agreement may result in either party's right to terminate this agreement upon six (6) months prior written notice.

E. Notwithstanding any other provisions in this agreement to the contrary, either party may terminate this agreement for any reason by providing the other party with six (6) months' prior written notification.

F. Any termination of this agreement shall not relieve either party of any obligations incurred prior to the effective date of such termination.

G. In the event that this contract is canceled, the CSSN shall cooperate with the PIHP to implement a transition plan for recipients. The PIHP shall have the sole authority for approving the adequacy of the transition plan, including providing for the financing of said plan. The transition plan shall set forth the process and time frame for transition. The CSSN shall assure continuity of care for all people being served under this contract until all service recipients are being served under the jurisdiction of another CSSN selected by the PIHP.

H. In the event that this contract is terminated, the Medicaid portion of all reserve accounts accumulated by the CSSN that were funded with MDCH funds under this agreement and related interest are owed to the PIHP, less amounts needed in order to cover outstanding claims or liabilities, unless otherwise directed in writing by the MDCH.

VI. TARGET SERVICE GROUP AND ELIGIBILITY CRITERIA FOR SERVICES

The target service group and eligibility criteria for Medicaid, General Fund, and ABW Fund services covered by this agreement are specified in the CSSN provider manual and are incorporated by reference into this agreement.

VII. ADMINISTRATIVE FUNCTIONS AND RESPONSIBILITIES PER THE MEDICAID PRE-PAID HEALTH PLAN AND GENERAL FUND CONTRACT

For the purposes of the MDCH/PIHP Master Contract and of this agreement, the PIHP shall perform or cause to be performed by the CSSN specific “Medicaid Prepaid Inpatient Health Plan” administrative functions and responsibilities as specified in the attached document labeled “Attachment B: PIHP Administrative Delegated Functions”, which is incorporated by reference into this agreement.

If the PIHP subcontracts certain PIHP administrative services by purchasing them from the CSSN, the PIHP shall incorporate the administrative cost of such delegated functions into the subcapitation payments as defined in Attachment B.

VIII. CSSN SERVICES AND RESPONSIBILITIES

In return for pre-paid, cost settled reimbursement from the PIHP, the CSSN shall perform or cause to be performed the Medicaid, General Fund, and ABW services specified herein. The CSSN shall also provide substance abuse treatment services in accordance with Attachment E. At the close of the fiscal year, the PIHP will cost settle with the CSSN reimbursing the CSSN for all preauthorized, eligible clients’ services and approved delegated Pre-Paid Health Plan functions, less revenue collected pursuant to cost principles and guidelines established by the MDCH. Should the CSSN exceed projected revenues from third party, commercial or other grant sources, the total payment amount shall not be reduced unless the CSSN’s total collections exceed expenses. Should net expenses exceed the approved, budgeted amount, payment under such cost settlement shall be conditioned upon available funds by the PIHP.

IX. SUBCONTRACTING

A. Subcontracting of Services: For the provision of Medicaid, General Fund and ABW Fund services required by this agreement the parties agree that the CSSN may directly operate and/or may subcontract with independent providers of such services. However, any such subcontract shall not terminate the legal responsibility of the CSSN to ensure that all services required of it are fulfilled.

The CSSN agrees that any such subcontract shall (1) be in writing and include a full specification of the subcontracted services; (2) contain a provision stating that this agreement is incorporated by reference into the subcontract and made a part thereof; (3) contain a provision stating that the subcontract is subject to the terms and conditions of this agreement; and (4) uses the regional specialty support service contract boilerplate.

B. Subcontracting Substance Abuse Services: If the CSSN subcontracts substance abuse services, the CSSN shall assure that:

- (1) A formal subcontract document is executed by all affected parties, after the master agreement has been executed and prior to the initiation of new subcontract activity. Exceptions may be granted by the PIHP/Coordinating Agency upon written request, for continuation programs.
- (2) Any prevention subcontracts shall be performance reimbursement contracts.
- (3) Treatment outpatient, intensive outpatient and residential subcontracts shall be performance reimbursement or fixed unit rate reimbursement contracts. Treatment SARF subcontracts shall be performance reimbursement contracts.
- (4) For prevention and treatment performance contracts, any subcontracts shall be performance reimbursement contracts. The contract budgets must include all funding sources and expenditures by category.
- (5) Any fixed unit rate treatment outpatient, intensive outpatient, and/or residential subcontracts shall be fixed unit rate reimbursement contracts.

The PIHP/CA will conduct ongoing monitoring of fixed unit rates as part of the rate establishment process for the subsequent fiscal year. That is, the contract's current operating costs will be analyzed during the latter part of each fiscal year as the basis for establishing subsequent fiscal year fixed unit rates of reimbursement.

- (6) Any subcontract will become a part of this master agreement and will require the subcontractor to comply with all terms and conditions contained therein. The subcontracts must contain all the language of the Substance Abuse Provider Subcontract issued by MDCH/MHSAS. In the event of a conflict between the language issued by MDCH/MHSAS and additional language added by the PIHP/CA, the provisions of the MDCH/MHSAS language shall prevail.
- (7) The CSSN assumes all responsibility for any work performed under a subcontract, including appropriate compliance with all terms and conditions of the master agreement.
- (8) Copies of each subcontract shall be made available for review by authorized PIHP/CA or MDCH representatives. The PIHP/CA will withhold funding for any subcontract work not covered by appropriate, properly executed subcontracts.
- (9) Any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and services.

C. Contract Solicitation: The CSSN shall engage in pro-active efforts to identify and encourage the participation of minority-owned, women owned and handicapper-owned businesses in contract solicitation. Further, in awarding contracts the CSSN will not discriminate against minority owned, women owned or handicapper owned businesses in subcontracting. Such discrimination shall be considered a material breach of this contract.

D. Effect of Being Listed in Register: Pursuant to 1980 PA 278, as amended, MCL 423.321 et seq., the CSSN shall not award a contract or sub-contract to an employer or any subcontractor, manufacturer, or supplier of the employer whose name appears in the current register compiled by the Michigan Department of Consumer and Industry Services. The PIHP may void any subcontract if, subsequent to award of this contract, the name of the CSSN as an employer, or the name of a subcontractor, manufacturer, or supplier of the CSSN appears in the register

E. Credentialing and Monitoring of Subcontractors: The PHP shall be responsible for the credentialing/recredentialing and monitoring of providers in the regional provider network. The CSSN shall use the regionally approved contract boilerplate in its subcontracts with network providers.

F. Prior Authorization Policies: The CSSN agrees to provide a copy of the CSSN's prior authorization policies to any Medicaid direct service subcontractor when the subcontractor joins the CSSN's network panel. The CSSN also agrees to notify subcontractors of any changes to prior authorization policies.

G. Changes to Subcontractor Panel: The CSSN further agrees to notify the PIHP within seven (7) days of any changes to the composition of its panel of subcontractors. Changes in the availability of direct or subcontracted contractors that the PIHP determines to negatively affect recipient access to covered services may be grounds for sanctions.

H. Consumer Choice in Provider Staff: The CSSN shall assure that consumers are given an opportunity to express a preference in the assignment of provider staff to serve the consumer and also shall assure the removal/reassignment of personnel that fail to meet the consumer's preferences as to the provision of services. The consumer's choices and preferences shall always be considered if not always granted. The consumer shall be given a choice in the assignment of provider's staff to serve the consumer in accordance with the policies of the provider and the CSSN and within the limits of available staff in the service provider's program.

In the event that a provider and consumer cannot reach a mutually acceptable alternative of staffing preferences, the provider representative should:

1. Document the consumer's preference for staffing assignments, the staffing assignment the provider offered the consumer, and the reason that the consumer or provider did not accept the staffing preference.
2. Inform the CSSN Case Manager/Supports Coordinator that the provider and consumer have not been able to reach a mutually acceptable preference of staff to provide services.
3. Inform the consumer of his/her right to schedule a PCP Team meeting to discuss the staffing preference the consumer desires.
4. Inform the consumer of his/her right to contact the Recipient Rights Office for consultation, mediation or intervention in response to their request of the provider for a particular staff preference.
5. Issues of health, safety, and well-being are central to assuring successful accomplishment of a consumer's plan of specialty mental health services and supports. If in the judgment of the provider, CSSN Case Manager/Supports Coordinator, and PCP Team, a consumer's choice or preference for staff poses an issue of health, safety, or well-being, the staffing issues must be addressed and resolved using the person-centered planning process, balancing consumer preferences and opportunities for self-direction with the provider's and CSSN's obligations under federal and state law and applicable Medicaid Waiver regulations. Resolutions for staffing preferences should be guided by the consumer's preferences and needs, implemented in ways that maintain the greatest opportunity for consumer control and direction.

X. STAFFING REQUIREMENTS AND CULTURAL COMPETENCE

A. **Staffing Requirements:** The CSSN shall ensure that their staff and subcontractors:

- (1) Provide services in a manner that demonstrates cultural competency;
- (2) Maintain consistency and programming continuity in the provision of services;
- (3) Provide notice to the PIHP immediately whenever services and/or staffing of services required by this agreement have not been or cannot be provided; and
- (4) Ensure that services required hereunder are provided in compliance with all applicable provisions and requirements for services in the Mental Health Code, the MDCH Rules, Medicaid regulations, and the MDCH/PIHP Master Contract.

B. **Staff Training:** The CSSN shall ensure that orientation of and ongoing training of its staff are based on the regional training policy and regionally agreed upon training requirements. These are located in the CSSN provider manual and are incorporated by reference herein.

C. **Limited English Proficiency and Cultural Competence:** The CSSN shall demonstrate an ongoing commitment to limited English proficiency and cultural competence that ensures access and meaningful participation for all people in the service area. To effectively demonstrate such commitment, the CSSN shall have the following five components in place, and shall ensure the same of its subcontractors:

- (1) a method of community assessment;
- (2) sufficient policy and procedure to reflect the CSSN's value and practice expectations;
- (3) a method of service assessment and monitoring;
- (4) ongoing training to assure that staff are aware of and able to effectively implement policy; and
- (5) provision of supports and services within the cultural context of the consumer.

XI. SERVICE ACCESS, PRE-AUTHORIZATIONS, AND UTILIZATION MANAGEMENT

A. **Acceptance of Referrals and Preauthorization:** In return for pre-paid, cost settled funding from the PIHP, the CSSN shall accept referrals from the PIHP's access system.

B. **Preauthorization of Services:** The CSSN agrees to accept the delegation of pre-authorization of service for residents of Washtenaw County. In return for pre-paid, cost settled funding as reimbursement from the PIHP, all Medicaid, General Fund, and ABW Fund services required of the CSSN under this agreement must have prior authorization from the Chief Executive Officer (hereinafter referred to as the "CSSN's CEO") or his or her designated representative.

CSSN agrees to provide all service preauthorization for all Washtenaw County contractors in accordance with appropriately completed person centered plans in the Encompass System. The PIHP will provide CSSN with a complete listing of all approved contractors, units, and rates for each service type, and a capped, global budget for external CSSN services by service type. CSSN agrees to assure that authorizations do not exceed capped amounts available. PIHP will provide CSSN with weekly reports of the amounts authorized vs. budgeted.

C. **Liability for Authorizations:** CSSN may be held liable for over authorization of external contractors, contingent on availability of accurate and timely reports. CSSN shall not be held liable for over authorizations that are by mutual agreement of the PIHP and the CSSN, or the result of a Grievance and Appeal procedure. Further, CSSN will not be held liable for over utilization by external network CSSNs absent an authorization.

D. Assuring Access to Services: The CSSN will assist the PIHP in assuring that service access and service pre-authorization processes do not result in the withholding of medically necessary services from any recipient. The PIHP and the CSSN agree to participate in a utilization management system to allocate resources in accordance with the Mental Health Code. The CSSN further assures the PIHP that it will adopt and follow all State and Regional best practice guidelines in the provision of these services.

E. Compliance with MDCH Agreements: All Medicaid and General Fund services must meet duty to treat and referral requirements, access standards, and treatment deadlines of the PIHP pursuant to this Agreement and its Contracts with the MDCH including but not limited to the provision of Medicaid benefits to beneficiaries referred by a primary EPSDT screener to correct or ameliorate a qualifying condition discovered by the screening process.

XII. LICENSES, ACCREDITATIONS, AND CERTIFICATIONS; AND CREDENTIALING AND PRIVILEGING REQUIREMENTS

A. The CSSN shall obtain and maintain during the term of this agreement all licenses, certifications, registrations accreditations, authorizations, and approvals required by federal, state and local laws, ordinances, rules and regulations for the CSSN to operate and/or to provide Medicaid or General Fund programs and supports/services in the State of Michigan.

B. Prior to commencing supports/services under this agreement, the CSSN, as applicable, shall furnish the PIHP with notice of primary verification that its staff professionals have obtained and maintain all approvals, accreditations, certifications, and licenses required by federal, state, and local laws, ordinances, rules, and regulations to practice their professions in the State of Michigan and to perform Medicaid, General Fund, and ABW Fund supports/services hereunder.

C. If any such license, certification, accreditation, or authorization is ever suspended, restricted, revoked, or expires and is not renewed, the CSSN shall immediately notify the PIHP in writing.

D. The CSSN, given its pre-paid, cost settled funding from the PIHP for providing Medicaid, General Fund, and ABW Fund services to residents of Washtenaw County, shall cooperate with the PIHP on an ongoing basis and, as applicable, shall ensure that its professional staff meet the PIHP's credentialing and privileging requirements, including bi-annual reprivileging and competency standards, necessary to perform services required under this agreement.

E. The CSSN, given its pre-paid, cost settled funding from the PIHP for providing Medicaid, General Fund, and ABW Fund services to residents of Washtenaw County, shall also ensure that its nonprofessional staff meet the PIHP's requirements for qualifications and competency standard, necessary to perform supports/services required under this agreement.

F. The PIHP shall be responsible for ensuring that individuals and organizations approved to the regional network provider panel meet the PIHP's requirements for qualifications and competency.

XIII. FIDUCIARY RESPONSIBILITY; RECEIPT, MANAGEMENT AND DISTRIBUTION OF FUNDING AS APPLICABLE

A. The PIHP, as the designated Medicaid PIHP and the CMHSP for Washtenaw County, shall maintain the fiduciary responsibilities for the receipt, management, and distribution of Medicaid capitation funds and General Funds as appropriated pursuant to its MDCH/PIHP Master Contracts.

B. The parties agree that the County shall provide the PIHP local funds in approximately the same amount appropriated by the Washtenaw County Board of Commissioners the last year that the County's Community Mental Health Board was the mental health service CSSN for the County (\$1,128,080). This appropriation shall satisfy the County's duty to pay for 10% of the net cost of mental health services referenced in MCLA 330.1302 for the term of this contract. The parties further agree and understand that the County's payment of this amount is not binding on future County appropriations to the PIHP and that such future appropriations shall be separately negotiated between the County and the PIHP. The parties further agree that upon receipt of local dollars the PIHP shall assume and maintain fiduciary responsibilities for the management and distribution of said funds.

C. The CSSN shall maintain its own fiduciary responsibilities for the receipt, management, and distribution of collections of consumer fees, third party reimbursements, and other revenue contracts related to services to persons eligible under this contract.

D. For the purposes of this agreement, the receipt, management, and distribution of each source of funds are subject to the following procedures:

- (1) Within (2) business days after receipt of pre-paid capitation of Medicaid (federal share and state share) and general funds per month from the MDCH, the PIHP shall initiate a payment transaction of said funds to the CSSN, pursuant to the article in this contract entitled: RATES, CONSIDERATION AND PAYMENT PROCEDURE, by completing a journal entry of said funding to the designated account of the CSSN. The PIHP shall provide immediate notice to the CSSN if, for any reason, the PIHP does not receive pre-paid Medicaid, General Funds, and ABW Funds from the MDCH as scheduled and in such instance subsequent notice to the CSSN upon the PIHP's subsequent receipt of said funds from the MDCH.
- (2) Pursuant to the article RATES, CONSIDERATION AND PAYMENT PROCEDURES of this agreement, the County shall transfer payment to the PIHP funds to meet its local match obligation

E. The CSSN shall make timely payments to its subcontractors for clean claims. This includes payments at 90% or higher of all clean claims from subcontractors within 30 days of receipt and at least 99% of all clean claims within 90 days of receipt, except services rendered under a subcontract in which other timeliness standards have been specified and agreed to by both parties. *Does this apply to CSTS?*

XIV. RATES, CONSIDERATION AND PAYMENT PROCEDURES

A. Preauthorization of Services: The CSSN, through the CSTS Department, will provide Comprehensive Specialty Support Network Services as delineated herein. To be eligible for reimbursement, all clinical services shall be preauthorized and paid on a net cost basis up to the approved, budgeted gross expense less other revenues to be collected, based upon the budget set forth in Attachment D: Approved Annual Budget. At the close of the fiscal year, the PIHP will cost settle with the CSSN reimbursing the CSSN for all preauthorized, eligible client services and approved delegated Pre-Paid Inpatient Health Plan (PIHP) functions, less revenue collected pursuant to cost principles and guidelines established by the MDCH. Should the CSSN exceed projected revenues from third party, commercial or other grant sources, the total payment amount shall not be reduced unless the CSSN's total collections exceed expenses. Should net expenses exceed the approved, budgeted amount, payment under such cost settlement shall be conditioned upon available funds by the PIHP.

B. Compensation/Contract Payments:

1. Conditions on Funding: This contract obligation is contingent upon sufficient, continued funding from the MDCH. The CSSN agrees to accept and provide treatment to at least ninety-five percent (95%) of the referrals made by the PIHP. Failure to do so may result

in breach of contract action by the PIHP, including but not limited to removal from the PIHP's panel of contractors.

2. Authorized Services: Services must be pre-authorized. Only services that are included in the individual consumer's Person Centered Plan (PCP) will be considered for authorization. Authorized services are specific to each individual consumer and shall conform to the PCP. Only those authorizations that conform to the PCP are valid. Completion of the PCP does not guarantee authorization. The CSSN shall assure an authorization process that meets medical necessity guidelines and operates within the allocated resources. The CSSN shall receive notification of authorized services from the PIHP before commencing services. Claims must be submitted in accordance with the services authorized and the PCP.
3. Claims Form: The PIHP prefers that all claims be submitted by direct entry into the *ENCOMPASS* Web-based information system. Any exceptions to this must be prior approved by the PIHP. Claims, if approved under this exception, shall be submitted on a HCFA 1500 in 837, HIPAA-compliant format within sixty (60) days from date of service. One form per authorization number is required. The CSSN shall itemize on the form the service code(s) and date(s) of service, and unit(s) of service provided in accordance with established PIHP Claims Submission Procedures.
4. CPT Codes and Rates: CPT codes and rates are set forth in Attachment A: Service Codes/Rates. The CSSN understands that the titles of CPT codes may change throughout the duration of this contract. The codes listed herein are accurate as of the date of contract signing, and if changed, will not be modified by an amendment to the contract. The CSSN will be responsible for using new terms or codes in billing if CPT codes change.
5. Processing and Payment of Claims: Payments shall be made for each pre-authorized service at the respective rate authorized by the PIHP. If a service has not been authorized, the claim will be denied. Claims submitted sixty (60) days or more after the date of service may be denied. Claims that have incomplete or incorrect information will be pended or denied. Claims that have been pended or denied may be resubmitted for consideration with additional and corrected information within thirty (30) days from the pended/denial date. Clean claims (i.e., claims with all required information correctly completed) will be processed in 30 days.
6. Coordination of Benefits: The CSSN shall collect from all available 1st and 3rd sources of revenues for services performed prior to billing the PIHP. For those individuals that have dual eligibility for Medicare and Medicaid, Medicare must be billed prior to billing Medicaid.

C. Non Binding Budget: The parties agree that the agreed upon Unit Costs and approved gross and net budget are not binding on future contract amounts.

D. Additional Funding Incorporated by Amendment: This contract includes services to be provided under grants, state categorical funding, state maintenance of effort funding, and earned contracts as specified in Attachment D: Approved Annual Budget. Additional grants or categorical funding contributing toward services identified in this contract which may be secured during the course of the year shall be incorporated by contract amendment as identified in the AMENDMENT article of this agreement. Said contract amendments shall specify whether grant or contract funds shall serve as an offset to current expenses, or whether additional expense shall be incurred and funded through the additional revenue source.

E. Grant Funding: The terms of grants, state categorical funding and state maintenance of effort funding are in accordance with the grantor's original agreements. PIHP shall provide the CSSN with a copy of any conditions associated with these funds. Reimbursement for grants and categorical funding shall be estimated in the monthly pre-payment and cost settled on a net cost basis. Actual, allowable expenses,

less any other revenue collected specifically for each agreement, will be reimbursed not to exceed the total amount of the grant award designated to CSSN and as listed in Attachment D.

F. Reporting: For grants, categorical and earned contracts, monthly reports of expenses and narratives are due by the 15th of each succeeding month in order for the PIHP to meet its reporting obligations under the respective agreements. All documentation supporting reimbursed activities must be maintained and made available upon request.

The CSSN shall submit at least quarterly a report of all revenues and expenses pertaining to services provided under this agreement, due within 20 days of the close of any quarter. The report shall be on a modified accrual basis.

G. OBRA Screening: OBRA Screening is an Earned Contract and will be reimbursed at the level of billed, allowable expenses, per that agreement.

H. Child Model Waiver Expenses: The Child Model Waiver program is dependent upon the allowable expenses reimbursed in accordance with the State Medicaid regulations under this Waiver program. Services shall be billed to Medicaid at actual cost and all Medicaid Reimbursement applied to the costs of the services. Where the CSSN's PIHP-approved unit cost rate exceeds the Medicaid reimbursement rate, the additional cost shall be allowed as long as the total contract dollar amount is not exceeded. The contract shall be amended to reflect additional cost and revenue for new service recipients approved for enrollment in the Child Model Waiver program by the MDCH.

I. Individual Supported Employment Program: Both parties mutually agree that the Individual Supported Employment program shall operate on a consumer choice/competitive basis. The CSSN agrees to provide individual supported employment services to 42 consumers. Should additional consumers elect to receive Individual Supported Employment Services from the CSSN, the CSSN shall receive authorization for additional funding at the approved panel rate. Should less than forty-two (42) consumers elect to receive this service from the CSSN, then an amount equal to the consumer's authorization for services, at the approved panel rate, shall be deducted from the net cost agreement and transferred to the new provider of services. This agreement shall not be affected where current CSSN individual supported employment consumers move into higher intensity services offered through the CSSN based on consumer need. Both parties agree that any payment adjustments based on this provision must be within the identified capped, global budget for Individual Supported Employment Services identified by the PIHP.

J. Revenue Contracts for Habilitation Services Unit: The CSSN shall obtain revenue contracts for services provided by consumers in the course of their employment through the Habilitation Services unit. All first source revenue collected by the CSSN shall be reported to the PIHP.

K. Project Outreach Team: The Parties agree that the County will provide \$245,906 to the PIHP, representing the County (\$140,906) and City (\$105,000) contributions to the Project Outreach Team program for the period of this contract. This amount is separate from the Counties local match obligation identified in the article: FIDUCIARY RESPONSIBILITY; RECEIPT, MANAGEMENT AND DISTRIBUTION OF FUNDING AS APPLICABLE of this contract. In return, and dependant upon receiving this funding, the PIHP agrees to cover all gross costs of the program, not to exceed \$319,860. These costs are identified and included in Attachment D: Approved Annual Budget.

L. Respite Care: The CSSN shall provide the Administration of Respite Funds services as outline in RFP #6114. The CSSN shall bill in 837 compliant format direct Respite services which shall specify all ability to pay fees collected and shall bill on a separate invoice the administrative fee for this service.

M. Adult Benefit Waiver Services: The CSSN will provide Adult Benefit Waiver services to residents of Washtenaw County who currently are enrolled in the Adult Benefit Waiver and have a psychiatric

disorder classified as mild/moderate. Services shall include psychosocial assessment, individual and group psychotherapy, psychiatric evaluation and psychiatric reevaluation. Services shall be provided in a short term solution focused model. All services must be preauthorized and are subject to utilization review. The CSSN must verify eligibility in the Adult Benefit Waiver prior to the delivery of each individual service. ABW Services will be paid on a fee-for-service basis at the rates listed in Attachment A: Service Codes/Rates.

N. Monthly Pre-Payments: The PIHP shall make monthly pre-payments to the CSSN based upon one-twelfth (1/12) of the agreed upon annual budget less anticipated consumer fees and third party collections. The PIHP's prepayments of the federal and state shares of Medicaid funds and general funds to the CSSN are intended under this agreement to be applied by the CSSN for costs of Medicaid, General Fund, and ABW Fund programs and administrative services of the CSSN, including any Medicaid PIHP administrative services delegated by the PIHP to the CSSN.

O. Cost Settlement: At the close of the fiscal year, the PIHP will cost settle with the CSSN, reimbursing it for all preauthorized, eligible expenses incurred, up to the maximum allowable expenses, less revenue collected, pursuant to cost principles and guidelines established by the MDCH. At the close of the fiscal year, the PIHP will cost settle with the CSSN reimbursing the CSSN for all preauthorized, eligible consumer services and approved delegated Pre-Paid Health Plan functions, less revenue collected pursuant to cost principles and guidelines established by the MDCH. Should the CSSN exceed projected revenues from third party, commercial or other grant sources, the total payment amount shall not be reduced unless the CSSN's total collections exceed expenses. Should net expenses exceed the approved, budgeted amount, payment under such cost settlement shall be conditioned upon available funds by the PIHP.

P. CMHSP and PIHP Functions: As the designated CMHSP and PIHP for Washtenaw County, the PIHP will provide CMHSP functions as defined in the Michigan Mental Health Code and PIHP functions as designated the MDCH/PIHP Master Contracts and as outlined in Attachment B. The CSSN will not be billed for these services. The PIHP will remove compensations for these services from the pre-paid capitated Medicaid, General Fund, and ABW Fund payments received from the State of Michigan.

Q. Planned Funding Increases or Decreases: Contractual payment amounts of Medicaid, General Fund, and ABW Fund specified in this agreement and the attached Attachment D: Approved Annual Budget may be increased or decreased with the mutual written consent of the PIHP and the CSSN pursuant to the AMENDMENT article of this agreement. Unless otherwise specified in an amendment to this agreement, such planned Medicaid and/or General Fund funding increase or decrease shall be only for that fiscal year and therefore shall expire at the end of the fiscal year in which it occurred.

R. Unanticipated Funding Increases or Decreases: Contractual payment amounts of Medicaid, General Fund and ABW Fund funds specified in this agreement and the attached Attachment D: Approved Annual Budget may be increased or decreased in keeping with increases and decreases in contractual payment amounts in the MDCH/PIHP Master Contracts due to legislative appropriations, executive orders, changes in federal and/or state funding levels or benefit levels, or due to recalculations of PEPM rates resulting in a change in available funding. The CSSN may seek a modification of contractual support/service requirements from the PIHP if reductions in contractual funding are made pursuant to this subsection.

S. Coordination of Benefits: The parties agree that payments of Medicaid funds are intended only to cover the costs of specialty supports/services not otherwise covered by payments provided by other funding, entitlements or benefits, for which each consumer may be eligible.

For Medicaid-eligible consumers who have Medicare coverage, the CSSN shall be responsible for Medicare co-insurance and deductible payments, using Medicaid sub-capitated funds pursuant to the requirements of this section.

The CSSN shall pursue, recover, and apply payments from all funding and/or third party resources for Medicaid recipients of all specialty services claims submitted to the PIHP for reimbursement.

T. Refunds, Offsets and Other Such Payments: The CSSN shall not seek reimbursement for Medicaid funds to cover the costs of specialty supports/services rendered in any instance(s) in which the CSSN receives, or establishes an accounts receivable in anticipation of receiving, monies directly for them from another funding source or from another party that provides for, reimburses, offsets, or otherwise covers payment retroactively currently, or subsequently for said costs of supports/services.

If at any time it is determined, after Medicaid (federal share and/or state share) funds have been applied by the CSSN to cover costs of specialty supports/services rendered, that the CSSN received monies directly for the supports/services from another funding source or from another party that provides for, reimburses, offsets, or otherwise covers payment retroactively, currently, or subsequently for such supports/services, the CSSN shall refund to the PIHP an amount equal to the sum reimbursed by third party PIHPs and/or paid by another source.

The CSSN shall notify the PIHP of any such payments, including retroactive payments for any consumer hereunder.

U. Payment in Full: Medicaid recipients of services pursuant to this agreement may not be charged co-payments or therapeutic/other fees by the CSSN and/or its subcontractors, including out-of-network subcontractors, for their services. The CSSN shall ensure that all Medicaid recipients are held harmless from balance billing of services by the CSSN and/or its subcontractors.

V. Ability to Pay Determination: The CSSN shall complete an ability to pay determination according to standards established in the Michigan Mental Health Code or the Livingston/Washtenaw Substance Abuse Coordinating Agency's regional sliding fee scale. General Fund consumers shall be charged an appropriate fee based on this determination. Such fees shall be reported by the CSSN.

W. Medicaid Savings Reinvestment Planning: If available, the PIHP may identify Medicaid Savings for reinvestment in projects or services that will enhance consumer services. The CSSN shall submit a request for Medicaid savings reinvestment plan per fiscal year to the PIHP for the PIHP's consent, pursuant to the requirements of the MDCH/PIHP Master Contract. The CSSN shall only expend such Medicaid savings from a prior fiscal year in accordance with the approved CSSN-specific savings reinvestment plan which has the PIHP's consent and which meets the requirements of the MDCH/PIHP Master Contract. The CSSN shall provide notice to the PIHP if the CSSN determines that it no longer plans to expend such Medicaid savings as planned; in such instances the CSSN shall submit a revised CSSN-Specific Medicaid savings reinvestment plan per fiscal year for the PIHP's consent, pursuant to the requirements of the MDCH/PIHP Master Contract for Medicaid funding. Any CSSN Specific Medicaid savings plan shall be incorporated into this contract as an amendment. Such Medicaid savings expenditures shall be designated, maintained, and reported by the CSSN as restricted Medicaid funds.

X. Assessments of Financial Penalties and Obligations of the CSSN: Should the CSSN fail to fulfill its obligations as required under this agreement, thereby resulting in assessment(s) by MDCH and/or the federal government of financial penalties against the PIHP under the MDCH/PIHP Master Contracts as to Medicaid or General Funds, the PIHP shall, in turn, exact an assessment(s) of financial penalties against the CSSN as follows:

1. If an assessment by the MDCH and/or the federal government of financial penalties against the PIHP is exacted through MDCH's withholding of a specific amount of

Medicaid (federal share and state share) capitation or General Fund funding for any month under the MDCH/PIHP Master Contract, the PIHP shall, in turn, exact an assessment of financial penalties against the CSSN, for the CSSN's failure to fulfill its obligations as required, through withholding the same amount of Medicaid (federal share and state share) or General Funds funding to the CSSN; and/or,

2. If an assessment by the MDCH and/or the federal government of financial penalties against the PIHP under said MDCH/PIHP Master Contract must be reimbursed by the PIHP with local funds (i.e., the sources of such funds are not federal funds and/or state funds) the CSSN shall, in turn, reimburse the PIHP with local funds as financial payback as to the PIHP's assessment of financial penalties the same amount against the CSSN, for the CSSN's failure to fulfill its obligations as required.
3. Should the CSSN fail to fulfill its obligations as required under this agreement, thereby resulting in unallowable Medicaid or General Fund services and/or cost claims, it shall not be reimbursed by the PIHP hereunder for any such services and/or cost claims. The CSSN shall repay the PIHP any Medicaid (federal share and/or state share) and/or General Fund payments made by the PIHP to the CSSN for such unallowable services and/or Cost claims. This revenue reimbursement requirement shall survive the termination of this agreement and repayment shall be made by the CSSN to the PIHP within sixty (60) days of the PIHP's final disposition notification to the CSSN that the PIHP has made unallowable Medicaid (federal share and/or state share) and/or General Fund payments to the CSSN for unallowable services and/or cost claims and, thereby financial payback by the CSSN is required.
4. In the event that the MDCH, the PIHP, the State of Michigan, or the federal government ever determines in any final revenue and expenditure reconciliation and/or any final finance or service audit that the CSSN has been paid inappropriately per the PIHP's expenditures of Medicaid (federal share and/or state share) or General Fund funds pursuant to this agreement the CSSN shall repay the PIHP for such disallowed payments within (60) days of the PIHP's final disposition notification of the disallowances, unless the PIHP authorizes, in writing, additional time for repayment.

Y. **Vouchers:** The Choice Voucher System is the designation or set of arrangements that facilitate and support accomplishing self-determination through the use of an individual budget, a fiscal intermediary, and direct consumer-provided contracting. Voucher rates for such services shall be predetermined by the CSSN, using actual cost history for each service category and average local CSSN rates for like services. Voucher rates require PIHP approval. Voucher arrangements for the purchase of recipient-directed supports delivered by non-professional practitioners may be through a fee-for-service arrangement.

Z. **Fixed Unit Rate Reimbursement:** A reimbursement mechanism by which the CSSN is reimbursed a specific amount for services based upon a specific amount for each output actually delivered and reported. Once established, the rate is considered fixed and should not be adjusted throughout the contract period unless there is a material variance between the fixed unit rate of reimbursement and actual operating costs. Materiality determinations are based upon fiscal professional judgment The fixed unit rates established for Fiscal Year 2005-2006 are:

CPT Codes	Description	Units	Rate
H0001	Intake	One Hour (minimum)	\$60/session
H0005	Group Counseling by clinician	45-50 minutes	\$25/session
H0015	IOP	Per encounter	\$95.00/encounter
90804	Outpatient ½ session	Individual Therapy 20-30 minutes	\$30/ half session

90806	Outpatient full session	Individual Therapy 45-50 mins.	\$60/session
90807	Outpatient full session	Individual Therapy 35-40 mins. w/medical evaluation & mgmt	\$60/session
90810	Outpatient ½ session	20-30 min. interactive	\$30/ half session
90811	Outpatient ½ session	Individual Therapy 20-30 minutes - Interactive w/ medical eval & mgmt.	\$30/half session
90812	Outpatient full session	Individual Therapy 45-50 minutes – Interactive	\$60/session
90813	Outpatient full session	Individual Therapy 45-50 minutes - Interactive Medical evaluation & mgmt.	\$60/session
90847	Family Therapy w/patient	45-50 minutes	\$60/session
90862	Medication mgmt.	Per encounter	\$30/encounter
90853	Group Psychotherapy	1 ½ hours	\$25/session
90857	Interactive Group Psychotherapy	45-50 minutes	\$25/session

XV. NOTICE OF MATERIAL CHANGE IN FINANCIAL POSITION

Each party hereto shall furnish the other party with immediate notice of any change in financial position material to its ability to pay all debts when due per federal and state requirements, regardless of whether its assets exceed liabilities, or with regard to its continuing in operation as a going concern at any time during the term of this agreement.

Any breach of this section shall be regarded as a material breach of this agreement and may be a cause for termination by the non-breaching party.

XVI. QUALITY IMPROVEMENT: PERFORMANCE INDICATORS, CONSUMER ASSESSMENTS, AND OUTCOMES MANAGEMENT STUDIES

A. Internal Quality Improvement Program: The CSSN shall maintain a fully operational internal Quality Improvement Program that meets the requirements of the MDCH/PIHP Master Contracts and signed amendments, JCAHO standards, and any regionally approved plans.

B. Performance Indicators: The CSSN shall meet the performance indicators and objectives in accordance with requirements of the MDCH/PIHP Master Contracts and signed amendments. Said performance indicators and the timeframe for reporting are included in the CSSN provider manual.

The CSSN shall cooperate fully in the implementation of the following performance improvement methods and measures, as set forth in the CSSN provider manual:

- (1) quantitative and qualitative member assessments periodically, including consumer satisfaction surveys and other consumer feedback methodologies; and
- (2) studies to regularly review outcomes for Medicaid recipients as a result of programs and

services rendered pursuant to this agreement.

(3) any regionally approved Performance Improvement projects or initiatives.

CSSN shall ensure Network Indicators are reported in aggregated form to the PIHP for providers that contract with the CSSN as referenced in the CSSN Manual. A CSSN or CSSN look a like that also is a Substance Abuse Treatment Provider and or a Supported Employment provider must report Network Indicators for those services as set forth below:

Network Indicators for Substance Abuse			
Area to be reported	Reporting Requirements	Information Source	Frequency
Consumer Satisfaction with services provided	Satisfaction rate and response rate (report number of surveys distributed and number of surveys collected)	SA Consumer Survey Procedure, SA Consumer Survey, and SA Survey Aggregate Form (in provider manual)	Quarterly
Co-Occurring	COMPASS, Co-Occurring Clinical Assessments, and Workplan based on COMPASS and Co-Occurring Clinical Assessments scores	Tools in provider manual	Annually – due July 30

Network Indicators for Supported Employment			
Area to be reported	Reporting Requirements	Information Source	Frequency
Consumer Satisfaction with services provided	Satisfaction on Survey Aggregate Form and response rate (report number of surveys distributed and number of surveys collected)	Consumer Survey Procedure, Consumer Survey, and Survey Aggregate Form (in provider manual)	annually - due April 30
Staff Retention	Total # of staff and # of staff working 6 months or more, 1 year or more, and 2 years or more	Actual	quarterly
Co-Occurring	COMPASS – Complete Philosophy Section Only	Tools in provider manual	annually - due July 30

DCH Supported Employment Indicators as instructed

C. Co-Occurring Model Implementation: The CSSN, as a contractor that performs services and or has interactions with consumers that have a mental illness, substance abuse or both, shall comply with the completion, development and submission of the following:

- (1) Completion of the COMPASS™ evaluation tool annually.
- (2) Submit the completed COMPASS™ reporting form to the PIHP’s Performance Improvement Unit thirty (30) days after the third (3rd) quarter.
- (3) Completion of the Co-Occurring Clinical Assessment evaluation tool annually.

- (4) Submit the completed Co-Occurring Clinical Assessment evaluation reporting form to the PIHP's Performance Improvement Unit thirty (30) days after the third (3rd) quarter.
- (5) **Co-Occurring Action Plan:** The CSSN, based on the implementation of a Comprehensive Co-Occurring Service Array, will complete an annual action plan by the 3rd quarter of the fiscal year with submission by July 30th following the end of the quarter. This action plan will address the key areas the CSSN will implement over the next year. It should also include the areas identified as a need for improvement based on the score from completing the COMPASS™.

An example may be...

From the philosophy section of the COMPASS™ the overall score was a 2.5, an action plan item may be to share literature about co-occurring disorders during staff meetings on a regular basis to provide staff a better understanding of what co-occurring disorders are. Or

Choose one of the specific questions to address from a section that was scored lower. For example in the Treatment Content and Treatment Programming section of the COMPASS™, you could implement question #5 which is, Clients have access to disorder-specific self help recovery programs as well as dual recovery programs. Or

Identify action plan items that are pertinent to your own agency but fall under the categories of the COMPASS™.

D. Consumer Satisfaction:

- (1) The CSSN will collect consumer satisfaction data through the completion of each CSSN's local consumer "Satisfaction Surveys"
- (2) Results on these core questions will be submitted annually to the PIHP via the "Quarterly Performance Improvement Indicator" form by April 30, 2005.
- (3) The CSSN must offer a survey to each consumer. The surveys should be returned in a sealed envelope to the CSSN's main office, not directly to staff that work with the consumer. The CSSN must report on the number of surveys distributed, number of surveys collected, response rate, responses for each survey question, and percentage of consumers reporting satisfaction on each of the survey questions.
- (4) The CSSN must also show how data indicating dissatisfaction (questions below 90%) have been addressed.

E. Meeting Individual Objectives/PCP Goals:

- (1) Each quarter, the CSSN will determine the number of PCP goals met.
- (2) Data will be submitted to the PIHP every quarter within the fiscal year.
- (3) Data will be submitted 30 days after the end of each quarter to the PIHP.
- (4) The CSSN may select a random sample of 10% of consumer records per quarter. If sampling is used, the name of the program should be clearly identified.

F. Independent Facilitation:

The CSSN will report the total number of PCPs completed during each quarter (for all populations combined). This data will be used with regional Facilitation data to evaluate PCP Facilitation.

G. Breach of this Article: Any breach of this section by the CSSN shall be regarded as a material breach of this agreement and may be a cause of termination by the PIHP.

**XVII. REPORTING REQUIREMENTS: ACCOUNTING PROCEDURES AND
INTERNAL FINANCIAL CONTROLS**

- A. The CSSN shall report financial, program, service and consumer data, as required by the MDCH, and additional statistical and other management information to the PIHP in the manner and at the times prescribed by the PIHP's CEO.
- B. The accounting procedures and internal financial controls of the parties shall conform to generally accepted accounting principles in order that the costs and expenditures allowed by this agreement can be readily ascertained and verified.
- C. Each party shall maintain accounts and source records in which any and all revenues received pursuant to this agreement are ascertainable and verifiable, and include date of receipt and sources of funds.
- D. Each party understands and acknowledges that its accounting and financial reporting under this agreement must be in compliance with the MDCH accounting and reporting requirements. In this regard, accrual accounting and reporting, except for "Public Act 423 Special Grant Funds" (as local funds), shall be the methodology implemented by each party for the purposes of this agreement.
- E. Each party shall maintain payroll records and other time keeping records, including any employee time allocation studies and any cost center(s) distribution formulae for costs of employees and subcontractors, sufficient to document the provision of services required under this agreement.
- F. Each party shall have a certified public auditing firm perform an annual independent audit of it in substantial conformance with the American Institute of Certified Public Accountants Guide to assess compliance with the appropriate standard accounting practices and procedures; compliance with terms of this agreement, as to the accuracy of revenues, expenditures and cost allocations reported to each other and to the MDCH; and compliance with applicable federal and state laws governing its operations. Each party shall submit a complete and accurate copy of such independent audit for each fiscal year no later than six (6) months after the close of each fiscal year.

**XVIII. COMPLIANCE WITH THE HEALTH INSURANCE PORTABILITY
AND ACCOUNTABILITY ACT (HIPAA)**

- A. Compliance with HIPAA Regulations: The PIHP, an Affiliated Entity, and the CSSN, a member department of a Hybrid Entity, hereby acknowledge that each entity is separately responsible for compliance with all HIPAA regulations. Due to the co-location of administrative services and some technology resources, the parties hereby agree to work together to ensure the implementation of HIPAA requirements.
- B. Chain of Trust: Pursuant to this contract each party may electronically transmit to or receive from the other party information, including but not limited to authorizations, claims data, and facsimiles. All documents shall be transmitted in accordance with Health Insurance Portability and Accountability Act (HIPAA) standards and transaction codes. The parties to this agreement shall add transaction sets or other documents to this electronic transmission by amendment.

Each party agrees, at its own expense, to provide and maintain the equipment, software, services, and testing necessary to effectively, reliably, and confidentially transmit and receive electronic communications and data.

Each party shall implement security procedures which are reasonably sufficient to ensure that all transmissions of documents are authorized, protect the integrity and confidentiality of the information, protect the information from improper access, and comply with HIPAA security measures.

C. Use of a Third Party Administrator: If either party chooses to use a third party service contractor (claims administrator) for processing or handling of claims the following shall apply:

1. The party choosing to use a third party administrator (TPA) must notify the other party of the election to use, not use or change that administrator by providing thirty days (30) written notice.
2. The costs associated with the TPA will be borne by the party entering into the contract with the TPA
3. The party electing to use a TPA shall be liable for the acts and omissions of its TPA while transmitting, receiving, storing or handling documents or performing related activities for, with to or from such party.

D. Electronic Signature: Each party using electronic transmission of data will adopt as its signature an electronic identification consisting of symbol(s) or code (s) that are affixed to or contained in each document. Each party agrees that this signature affixed to or contained in any transmitted document shall be sufficient to verify that such party originated the document. Neither party shall disclose to any unauthorized person the signature of the other party.

E. Functional Acknowledgement: Electronic documents shall not be determined to have been properly received, and no document shall give rise to any obligation, until accessible to the receiving party. Upon proper receipt, the receiving party shall promptly and properly transmit a functional acknowledgement in return. This functional acknowledgement shall constitute conclusive evidence that the receiving party has properly received a document.

F. Ensuring Data Integrity: The PIHP and the CSSN will ensure the integrity of data by:

1. Effectively and efficiently validate encounter data
2. Effectively and efficiently calculate and validate performance measures
3. Maintain an ability to manage an IT system that supports the organization in Quality Assessment and Performance Improvement activities.
4. Maintain an ability to manage an IT system that supports the organization in managing the delivery of services to recipients of service.
5. Assist as needed when the PIHP completes an internal assessment of IT capabilities annually using the "Information Systems Capabilities Assessment for Managed Care Organizations/ Prepaid Inpatient Health Plans (ISCAT)". This assessment analyzes the security of the CSSN's and PIHP's computer systems and manual files; version control when code is revised; process for documentation; debugging, roll out, and training of staff; evaluation for measuring programmer performance; process for fully accounting for all claims data entered into the system; use of back up systems for situations where systems fail; process for auditing claim/encounter data; editing of diagnostic and procedure codes for validity.

G. Material Breach: Failure to comply with HIPAA regulations will be viewed as a material breach of this contract and result in contract actions, up to and including, termination of the contract.

XIX. PROGRAM AND FINANCIAL BOOKS, DOCUMENTS, AND RECORDS; AUDITS; REVIEWS; PROGRAM/SERVICE EVALUATIONS

A. Each party, the MDCH, and the State of Michigan or their designated representatives, shall be allowed to review, copy, and/or audit all contract/financial records and license, accreditation, certification and program reports of the other party, and to review all program and clinical records of the other party

pertaining to performances of this agreement to the full extent permitted by HIPAA and applicable federal and state laws. Said program, clinical, and contract/financial records and supporting documentation must be retained by each of the parties and be available for such audit, review, or evaluation purposes for seven (7) years after completion of this agreement. Should a CSSN cease to do business, the PIHP will be the "holder of the record".

B. If the Secretary of the U.S. Department of Health and Human Services, the Comptroller General of the United States, or their duly authorized representatives (hereinafter referred to as the "Requesting Parties") request access to books, documents, and records of the parties at any time within four (4) years of the termination of this agreement in accordance with Section 952 of the Omnibus Reconciliation Act of 1980 (42 USC 1 395x(v)(1)(I)J) and the regulations adopted thereto, the parties agree to provide such access to the extent required. Further more, the parties agree that any contract between either of them and any other organization which it is a significant extent associated or affiliated with, owns or is owned by or has control of or is controlled by (hereinafter referred to as "Related Organization"), and which performs services on behalf of it or the other party will contain a clause requiring the Related Organization to similarly make its books, documents, and records available to the Requesting Parties.

C. The CSSN agrees to allow the PIHP's CEO or his or her designated representative(s) to evaluate the appropriateness, quality, and timeliness of services performed under this agreement and its compliance with program/service standards required. In all instances in which protected information is accessed, the parties will adhere to all appropriate laws, rules and regulations.

D. The parties agree that the MDCH and the U.S. Department of Health and Human Services may evaluate, through inspection or other means, the appropriateness and timeliness of service performed under this agreement.

E. Refusal by either party hereto to allow the other party, the MDCH, the State of Michigan, the federal government, or their designated representatives access to records, programs, and services for audit, review, or evaluation shall be regarded as a material breach of this agreement and may be cause for termination thereof by the non-breaching party.

XX. COMPLIANCE WITH APPLICABLE LAW

A. This agreement shall be construed according to the laws of the United States and the laws of the State of Michigan as to interpretation, construction, and performance.

B. Each party, its officers, employees, servants, and agents shall perform all their respective duties and obligations under this agreement in compliance with all applicable federal, state, and local laws, ordinances, rules, and regulations including, but not limited to: the Pro-Children Act of 1994, the Hatch Political Activity Act and Intergovernmental Personnel Act, the Office of Civil Rights Policy Guidance on the Title VI Prohibition of Discrimination as it affects Persons with Limited English Proficiency, the Health Insurance Portability and Accountability Act, and the Americans with Disabilities Act.

C. If providing substance abuse services, the CCSN shall comply with the federal requirements from the Public Health Service Act, Title XIX, Part B, Public Law 102-321 Subpart II, Block Grants for Prevention and Treatment of Substance Abuse. These requirements also apply to state funds, unless a written exception is obtained from the MDCH/MHSAS Chief.

The sections that apply to the CSSN are: Sections from PL 102-321, as amended, include: 1921(b); 1922 (a)(1)(2); 1922(b)(1)(2); 1923; 1923(a)(1) and (2), and 1923(b); 1924(a)(1)(A) and (B); 1924(c)(2)(A) and (B); 1927(a)(1) and (2), and 1927(b)(1); 1927(b)(2); 1928(b) and (c); 1929; 1931(a)(1)(A), (B), (C), (D), (E) and (F); 1932(b)(1); 1942(a); 1943(b); 1947(a)(1) and (2). The CA and CONTRACTOR are subject to the provisions of P.A. 317 of 1968, as amended, and P.A. 196 of 1973, as amended.

D. If any laws or administrative rules or regulations that become effective after the date of the execution of this agreement substantially change the nature and conditions of this agreement, they shall be binding on the parties, but the parties retain the right to exercise any remedies available to them by law or by any other provisions of this agreement.

E. Any breach of this section shall be regarded as a material breach of this agreement and may be cause of termination thereof by the non-breaching party.

XXI. NONDISCRIMINATION

A. In performing their duties and responsibilities under this agreement, the parties shall comply with all applicable federal and state laws, rules, and regulations prohibiting discrimination.

B. Each of the parties shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status as required by the Elliott Larsen Civil Rights Act, 1976 PA 453, Section 209, as amended. Neither party shall discriminate on the basis of sexual orientation per Washtenaw County Policy

C. Each of the parties shall comply with the provisions of the Michigan Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, and Section 504 of the Federal Rehabilitation Act of 1973 P.L. 93-112,87 Stat 394, as amended.

D. Each of the parties shall comply with the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat 328 (42 USC §12101 et seq.), as amended.

E. Each of the parties shall not refuse to treat nor will they discriminate in the treatment of any patient or referral, under this agreement, based on the individual's source of payment for services, or on the basis of age, sex, height, weight, marital status, arrest record, race, creed, handicap, color, national origin or ancestry, religion, political affiliation or beliefs, or involuntary patient status or for sexual orientation as per Washtenaw County policy.

F. Any breach of this section shall be regarded as a material breach of this agreement and may be a cause for termination by the non-breaching party.

XXII. HEALTH AND SAFETY OF CONSUMERS; RECIPIENT RIGHTS AND CONSUMER GRIEVANCE PROCEDURES

A. The CSSN shall monitor the health, safety, and welfare of each recipient of services while he or she is under its service supervision pursuant to this agreement. The CSSN, via the certified Recipient Rights program, agrees to immediately notify the PIHP's CEO/designee of any allegation of Abuse I, Neglect I and/or any sentinel event defined as an unexpected death or permanent loss of use of any body part.

B. Both the PIHP and the CSSN shall strictly comply with all Recipient Rights provisions of the Mental Health Code and the MDCH Rules. Consumers shall be protected from violations of recipient rights while they are receiving services under this agreement.

C. Each party hereto agrees to establish written policies and procedures concerning recipient rights pursuant to and in compliance with Section 752 of the Mental Health Code. The CSSN will utilize the PIHP's Office of Recipient Rights for the rights protection of mental health consumers.

D. The CSSN agrees to allow the PIHP's Recipient Rights Officer, for the purposes of this agreement, access to the CSSN's rights policies to ensure that the rights protection system is in compliance with the Mental Health Code and is of uniformly high standard for recipients of services

E. The PIHP's Recipient Rights Officer will be provided, for the purposes of this agreement, with copies of the CSSN's policies and procedures and updates of those policies and procedures as they are promulgated. The CSSN shall have policies and procedures in place to assure non-retaliation and protection from harassment for complainants and recipient rights staff.

F. The CSSN ensures that its employees, contractors, and its network providers and their staff receive recipient rights training. The CSSN's training records shall be provided, for the purposes of this agreement, to the PIHP's Recipient Rights Officer.

G. The CSSN agrees to furnish the PIHP's CEO with immediate notice of any sentinel event, defined as the unexpected loss of life and/or the permanent loss of use of a body part, involving any recipient of services.

H. The CSSN shall report all allegations of Abuse I, Neglect I and sentinel events as defined earlier regarding a recipient services to the PIHP's designated staff representatives immediately by telephone and then in writing within twenty-four (24) hours of the occurrence and, as required by law, to (Adult and Children) Protective Services Division of the applicable department of the State of Michigan, law enforcement, and other public agencies. The PIHP will maintain, for the purposes of this agreement, copies of all investigative reports and summary reports involving recipients of services hereunder.

A consumer of or an applicant for public mental health services may access several options to pursue resolution of complaints regarding services and supports managed and/or delivered under this agreement. The options may be pursued simultaneously.

I. Each party agrees to comply with the "MDCH Grievance and Appeals Technical Requirement PIHP Grievance System for Medicaid Beneficiaries" as referenced in Attachment C and the Regional Grievance and Appeals Policy for receiving, processing, and resolving promptly any and all complaints, disputes, and grievances for consumers or potential consumers. Said policy is located in the CSSN provider manual.

J. The CSSN's CEO shall inform, in writing, the PIHP's CEO of any notice to, inquiry from, or investigation by, any federal, state, or local human services, fiscal, regulatory, investigatory, prosecutory, judicial, or law enforcement agency or protection and/or advocacy organization regarding the rights, safety, or care of a recipient of services under this agreement. The CSSN also shall inform, in writing, the PIHP's CEO immediately of any subsequent findings, recommendations, and results of such notices, inquiries, or investigations.

K. Recipient Rights for Recipients of Substance Abuse Services: If the CSSN provides services to individuals with a substance abuse disorder under this agreement, the CSSN agrees:

1. To strictly comply with all Recipient Rights provisions of the Administrative Rules for Substance Abuse Service Programs in Michigan (Public Act 368, 1978 as amended), incorporated into this agreement by reference.
2. To post a copy of Recipient Rights Poster indicating the Rights Advisor's name and number, and the Regional Rights Consultant's name and number in a conspicuous place.
3. To comply with the procedures established by Administrative Rule for Substance Abuse Recipient Rights Policy Manual for protecting recipient rights, and to implement appropriate remedial action for substantiated allegations of rights violations.
4. To monitor the safety and welfare of recipients while they are under its service supervision

pursuant to this contract. If the health or safety of any recipient to whom services are being delivered is in jeopardy, the CSSN shall cooperate in the immediate transferring of the recipient(s) to another service provider.

5. That each staff member of its program shall review recipient rights policies and procedures annually and shall sign a form indicating they understand and agree to abide by the policies and procedures, with a signed copy kept in the staff's personnel file and a signed copy given to the staff.
6. To strictly comply with PIHP mechanisms for recipients/applicants to pursue resolution of complaints regarding services and supports managed and/or delivered by the PIHP. Specifics of these mechanisms (Medicaid appeals, grievances, fair hearings) are set forth in the PIHP Consumer Grievances and Appeals policy, which is available in the provider manual and is incorporated by reference into this contract.
7. That no consumer shall be made the subject of any physiological or psychological research unless such individual explicitly agrees in writing to become a subject of such research. Research supported by state funding is subject to review and approval by MDCH/MHSAS Human Subjects Committee. Principal investigators involved in research and evaluation efforts must be identified and approved by the PIHP. Notification regarding proposed changes in principal investigators or other key research and evaluation staff shall be given to the PIHP at least 30 days prior to the change.

L. Any breach of this section shall be regarded as a material breach of this agreement and may be a cause for termination by the non-breaching party.

XXIII. RETENTION OF AND ACCESS TO CONSUMER RECORDS; RELEASE OF CONSUMER INFORMATION AND CONFIDENTIALITY

A. As a consequence of the nature of the relationship between the parties, there shall be an ongoing exchange of confidential information on consumers.

B. The parties agree that all CSSN mental health client records either currently in existence or created under this agreement are the property of the PIHP. The CSSN, however, shall physically retain such records on its site during the term of this agreement.

C. The PIHP will be responsible to respond to any subpoenas or other requests to view or copy such client records, including, but not limited to, locating, collecting, collating and preparing the records. The CSSN will assist the PIHP in the process including copy records and forwarding them to the PIHP, if requested. CSSN shall cooperate with the PIHP in responding to any such requests.

D. If this agreement is terminated, the CSSN agrees to relinquish physical custody of any mental health records in its possession to PIHP. The parties further agree that if Washtenaw County or the University of Michigan terminate the Urban Co-operation Act Agreement that created the PIHP, all mental health client records shall become the CSSN's property and the PIHP shall promptly send any mental health client records in its possession back to the CSSN. This article shall survive the term of this agreement.

E. Each party hereto, its officers, employees, servants, agents, and subcontractors shall comply with all applicable federal and state laws, rules and regulations, including the Mental Health Code and the MDCH Rules, on confidentiality with regard to disclosure of an materials and/or information provided pursuant to this agreement.

F. Any release of information must be compliance with Sections 748, 748a, and/or 750 of the Mental Health Code, 42 CFR, Part 2, the Health Insurance Portability and Accountability Act, and any other applicable state or federal law.

	Support Responsibilities	
CSSN	PIHP	PCE or Other Outside Entity
1. Entry and accuracy of data	1. Ensure backups occur 2. Troubleshooting assistance	1. Develop application upgrades 2. Problem resolution

<ol style="list-style-type: none"> 2. Testing and verification 3. Entry and maintenance of users – logons and security access 4. Simple report creation and generation 5. Initial diagnosis of problems and reporting to WCHO appoint contact or vendor if additional help is needed 6. Participation in on-going system monitoring and development. 7. Provide troubleshooting responsibilities. 8. Upon termination, obtain electronic copies of data stored by PCE or the PIHP. 	<ol style="list-style-type: none"> 3. Report creation/generation 4. Coordinate connectivity issues with vendor 5. Software maintenance and licensing costs 6. Vendor relationship 7. Problem resolution 8. Provide implementation liaison. 9. Coordination of on-going development and implementation. 10. Upon termination, obtain electronic copies of data from PCE. 11. Provide CSSN with any electronic copies of data upon termination of PIHP/CSSN contract. 	<ol style="list-style-type: none"> 3. Develop database upgrades and changes 4. Coordination connectivity issues with County ITS 5. Installation, configuration and maintenance of disk storage systems 6. Installation, configuration and maintenance of servers 7. Database maintenance to ensure integrity of data and efficient operation of applications 8. Backups of data 9. Develop, maintain and test a Disaster Recovery Plan for the Encompass hardware, software and data 10. Security of Encompass hardware, software and data 11. Provide a development and test server daily.
---	--	--

XXIV. PROTOCOLS FOR THE IMPLEMENTATION AND COORDINATION OF DUTIES, RESPONSIBILITIES, SERVICES AND ADMINISTRATION

The parties shall abide by and execute specific Protocols, which have been jointly developed and have been approved by the PIHP for the purposes of this agreement, for the implementation of and coordination of duties, responsibilities, services and administration as follows:

1. Determination of and Coordination of County of Residence
2. Target Service Population and Eligibility Criteria for Services
3. Service Access, Pre-authorizations, and Utilization Management
4. CSSN Network Management
5. CSSN Contract Monitoring
6. Corporate Compliance
7. Performance Improvement
8. Program, Service and Financial Reporting Requirements
9. Grievance Procedures and Recipient rights

XXV. IMPLEMENTATION AND COORDINATION OF REGIONAL POLICIES, PROCEDURES AND INITIATIVES

The parties shall abide by and execute specific regional policies, procedures and initiatives which have been jointly developed and approved. Said policies can be found in the CSSN provider manual.

XXVI. RELATIONSHIP OF THE PARTIES

A. In performing their duties and responsibilities under this agreement, it is expressly understood and agreed that the relationship between the parties is that of an independent contractor.

B. This agreement shall not be construed to establish any principal/agent relationship between the parties.

C. In performing their duties and responsibilities under this agreement, it is expressly understood and agreed that the relationship between the parties is that of separate governmental entities and that, as separate, unrelated reporting entities, the parties shall execute and maintain “arms length” transactions.

D. It is expressly understood and agreed that the MDCH and the State of Michigan are not parties to, nor responsible for any payments under this agreement, and that neither the MDCH nor the PIHP is party to any employer/employee relationship of the CSSN.

XXVII. STATUS OF EMPLOYEES

A. It is expressly understood and agreed that the employees, servants, and agents of any of the parties to this agreement shall not be deemed to be and shall not hold themselves out as the employees, servants, or agents of the other parties. All County employees working under the terms of this agreement remain County employees.

B. Each of the parties to this agreement shall be responsible for withholding and payment of all income and social security taxes to the proper federal, state, and local governments for its employees.

C. The employees of each of the parties shall not be entitled to any fringe benefits otherwise provided by any of the other parties to its employees, such as, but not limited to, health and accident insurance, life insurance, paid vacation leave, paid sick leave, and longevity.

D. Each of the parties shall carry workers’ compensation and unemployment compensation coverage for its employees, as required by law.

XXVIII. CONFLICT OF INTEREST

It is expressly understood and acknowledged that this agreement and each of the parties is subject to conflict of interest provisions and requirements of federal, state, and local laws, ordinances, rules and regulations, of the MDCH/PIHP Master Contracts, and of the policies of each party. pursuant to the Mental Health Code, MCL 330.1001, et seq., as amended, and the Intergovernmental Contracts Between Municipal Corporations Act, MCL 124.1 et seq.

XXIX. INDEMNIFICATION AGREEMENT

The CSSN will protect, defend and indemnify the PIHP, its officers, agents, servants, volunteers, and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including the CSSN's own employees, and for loss or damage to any property, including property owned or in the care, custody or control of CSSN in connection with or in any way incident to or arising out of the occupancy, use, service, operations, performance or non-performance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of CSSN, or any employee, agent or representative of the CSSN.

PIHP will protect, defend and indemnify Washtenaw County, its officers, agents, servants, volunteers and employees from any and all liabilities, claims, liens, fines, demands and costs, including legal fees, of whatsoever kind and nature which may result in injury or death to any persons, including the PIHP’s own employees, and for loss or damage to any property, including property owned or in the care, custody or control of PIHP in connection with or in any way incident to or arising out of the occupancy, use, service,

operations, performance or non-performance of work in connection with this contract resulting in whole or in part from negligent acts or omissions of PIHP, or any employee, agent, or representative of PIHP.

XXX. INSURANCE REQUIREMENTS

The CSSN shall carry the following coverages at the indicated limits:

- A. Commercial General Liability insurance, including contractual liability, with limits of not less than one million (\$1,000,000.00) dollars per occurrence and two million (\$2,000,000.00) dollars annual aggregate.
- B. Medical Professional Liability with limits not less than three million (\$3,000,000.00) dollars per claim and three million (\$3,000,000.00) dollars in the aggregate.
- C. Workers Compensation to statutory limits and Employers Liability with limits not less than five hundred thousand (\$500,000.00) dollars.
- D. Auto Liability for owned, non-owned, and hired vehicles with limits not less than one million (\$1,000,000.00) dollars per occurrence.
- E. Staff Fidelity Bonding. If the CSSN provides substance abuse treatment or prevention services under this agreement, the CSSN shall also furnish the PIHP with certificates of fidelity bonding.
- F. If any of the above coverages are on a claims-made basis, that party agrees to provide continuous coverage from contract inception to three years past the end date of this contract.
- G. CSSN agrees to provide PIHP evidence of such insurance upon request and thirty (30) days prior written notice of any material changes in such insurance.
- H. CSSN agrees to notify PIHP in the event of any loss or damage or potential loss or damage and to cooperate with the other in the investigation and/or settlement of same.

XXXI. MISCELLANEOUS PROVISIONS

- A. Notice: Any and all notices, designations, consents, offers, acceptances or other communications herein shall be given to either party, in writing, by receipted personal delivery or certified mail to the CEO at the address as shown in the introductory paragraph of this agreement (unless notice of a change of address is furnished by either party to the other party hereto) and with return receipt requested, effective upon receipt.
- B. Relationship with Other CSSNs: The relationship of the CSSN, pursuant to this agreement, with other CSSNs of the PIHP shall be that of independent CSSN. The CSSN and its subcontractors, if any, in performing services required hereunder, shall fully cooperate with the other CSSNs of the PIHP. The requirements of such cooperation shall not interfere with the CSSN in the performing of the services under this agreement.
- C. Promotional or Other Information Materials: The CSSN shall submit to the PIHP any promotional or other informational materials for the PIHP's approval, per the requirements of the MDCH/PIHP Master Contracts, prior to any distribution to eligibles within the service region.
- D. Time of the Essence: Time is of the essence in the performance of each and every obligation herein imposed.
- E. Further Assurances: The parties shall execute all further instruments and perform acts which are or may become necessary from time to time to effectuate this agreement.
- F. Return of Property: Upon the termination of this agreement, each party hereto shall return immediately all documents, correspondence, files, records, papers or other property of any kind of the other party.
- G. Practice and Ethics: The parties will conform to the code of ethics of their respective national professional associations.
- H. Disregarding Titles: The titles of sections in this agreement are inserted for the convenience of reference only, and shall be disregarded when construing or interpreting any of the provisions of this agreement.

I. Contingency Fees: The CSSN promises that it has not employed or retained any company or person, other than bona fide employees working solely for the CSSN, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for the CSSN, any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or making of this contract. For breach of this promise, the PIHP may cancel this contract without liability or, at its discretion, deduct the full amount of the fee, commission, percentage, brokerage fee, gift or contingent fee from the compensation due the CSSN.

XXXII. MONITORING THIS AGREEMENT

- A. The performance of the terms of this agreement shall be monitored on an ongoing basis by the designated representatives of the PIHP and of the CSSN.
- B. The CEO of each party shall appoint administrative liaisons to be available to communicate with the liaisons of the other party.
- C. In the event that circumstances occur that are not reasonably foreseeable, or are beyond the control of the PIHP and/or the CSSN, that reduces or otherwise interferes with the ability of the PIHP and/or the CSSN to provide or maintain the specified services or operational procedures of the regional service area, such party shall immediately notify the other party. A meeting between the designated representatives of the PIHP and of the CSSN shall be convened as soon as possible in order to determine the immediate course of action and possible resolution of the situation.

XXXIII. RESOLUTION OF ISSUES AND DISPUTES

- A. Issues between the parties as to specific provisions of this agreement and implementation thereof and/or service disputes shall be addressed by a dispute resolution process as follows:
 - 1. Dispute Resolution will have a progressive path:
 - a. Arising in and being resolved by the Affiliations Executive Committee; failing that
 - b. Mediation by a mutually agreed upon third party; failing that,
 - c. A presentation by the disputant to the PIHP Affiliations Subcommittee who would upon vote, make a recommendation to the full PIHP Board. The disputant would have an opportunity to present his or her case before the full Board in a public meeting. The decision by the full PIHP Board is the final step in an internal process.

All parties have the right to legal recourse and this procedure does not abrogate that right.

Notwithstanding any other provision in this agreement, the parties agree that the payments of sub capitation rates due and payable from the PIHP to the CSSN under this agreement shall not be stopped, interrupted, reduced, or otherwise delayed as a consequence of the pendency of any dispute arising under this agreement.

XXXIV. WAIVERS

- A. No failure or delay on the part of any of the parties to this agreement in exercising any right, power, or privilege shall operate as a waiver thereof, nor shall a single or partial exercise of any right, power or privilege preclude any other further exercise of any other right, power or privilege.
- B. In no event shall the making by the PIHP of any payment to the CSSN constitute or be construed as a waiver by the PIHP of any breach of this agreement, or any default which may then exist, on the part of the CSSN, and the making of any such payment by the PIHP while any such breach or default shall exist

shall in no way impair or prejudice any right or remedy available to the PIHP in respect to such breach or default.

XXXV. AMENDMENT

Modifications, amendments, or waivers of any provision of this agreement may be made only by the written consent of the parties to this agreement.

XXXVI. ASSIGNMENT

Neither this agreement nor any rights or obligations hereunder shall be assignable by either party without the prior written consent of the other party, nor shall the duties imposed herein be delegated by any party without the prior written consent of the other party.

This agreement shall be binding upon the parties and their respective successors and permitted assigns.

XXXVII. COMPLETENESS OF THE AGREEMENT

This agreement, its attachments, and the additional and supplementary documents incorporated by specific reference herein contain all the terms and conditions agreed upon by the PIHP and the CSSN, and no other agreements, oral or otherwise, regarding the subject matter of this agreement or any part thereof shall have any validity or bind either the PIHP or the CSSN.

XXXVIII. SEVERABILITY AND INTENT

If any provision of this agreement is declared by any court having jurisdiction to be invalid, such provision shall be deemed deleted and shall not affect the validity of the remainder of this agreement, who shall continue in full force and effect.

If removal of any such invalid provision would result in the illegality and/or unenforceability of this agreement, this agreement shall terminate as of the date in which the provision was declared invalid.

This agreement is not intended by the parties hereto to be a third-party beneficiary contract, and confers no right on anyone other than the parties hereto.

XXXIX. CONTINUATION OF SERVICES

The parties may, by written agreement, extend this contract for an additional one (1) year period. If such an extension is not signed before this contract terminates, the contract, upon written agreement of the parties, shall be extended for an additional ninety (90) days. During this ninety (90) day extension the parties may, by written agreement, extend the contract for an additional one (1) year.

XL. ACCREDITATION

The CSSN will maintain Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accreditation. The CSSN will be held to the same standards as the PIHP as applicable. The PIHP will be following the JCAHO standards and the CSSN must meet these requirements when indicated. It is the responsibility of the CSSN to obtain copies of any and all standards that pertain to the services provided.

Attachment B

PIHP/CSTS Delegated PIHP Functions

PIHP Function	PIHP Responsibilities	CSTS Responsibilities
Utilization Review	<ul style="list-style-type: none"> ▪ Monitor the issuance of service authorizations for each affiliate for compliance with person centered planning regional service eligibility and band of care guidelines. ▪ Facilitate regional Utilization Review Committee ▪ Reviewing episode of care to insure best possible services. ▪ Analysis of service outcomes and processes to modify procedures. 	<ul style="list-style-type: none"> ▪ Authorizations ▪ Assure each consumer has a service authorization for each service that is consistent with person centered planning, regional service eligibility and band of care guidelines. ▪ Committee Attendance ▪ Participation of PA's and Supervisors in Clinical Record Audit Teams, Placement and SE referral functions along with Coordination of Respite
Member Services	<ul style="list-style-type: none"> ▪ Provide Grievance and Appeals Officer for the affiliation. ▪ Perform Grievance and Appeals regional function as detailed by the Regional Policy. ▪ Facilitate regional Grievance and Appeals meetings and provide Training for Affiliation ▪ Monitor Member Services activities for compliance with the BBA ▪ Provide information to the general public on services. ▪ Development of culturally sensitive and alternative communication systems. ▪ Outreach activities to identify and establish communication with underserved populations. 	Involvement in the following areas related to Customer Services... <ul style="list-style-type: none"> ▪ Family and Friends ▪ NAMI liaison ▪ Focus Groups ▪ Chidister Project ▪ HIP Participation ▪ AA Housing Project Coordination. ▪ Liaison w/ Shelter that is not direct service. ▪ Time spent presenting benefit/service changes to consumers by PA's/Supervisors/Director.
Complaint Management	<ul style="list-style-type: none"> ▪ Informal inquiry from consumer tracked and logged. ▪ Investigation and management of informal complaints. ▪ Investigation and management of formal grievance and appeals. Coordination with ORR re: Informal or G & A. Administrative Fair Hearing Activity. ▪ Developing consumer bill of rights. ▪ Second Opinion activities 	<ul style="list-style-type: none"> ▪ Be involved in dispute resolution process. ▪ Coordination/development of information for G&A. ▪ Second Opinions
CSSN Network Management: Network Development	<ul style="list-style-type: none"> ▪ Projection of likely demand for services. ▪ Development of gaps analysis of CSSN network for planning purposes. ▪ Development of new programs. ▪ Recruitment of specialized supports, such as staff, interpreters, translators ▪ Facilitate regional Network Management Meetings. ▪ Issue all RFP's ▪ Make Contract recommendations to the board. 	<ul style="list-style-type: none"> ▪ Staff time for annual DCH report. ▪ Special projects by PA's and staff developing program recommendations (i.e. housing workgroup) ▪ Supervisors time doing annual CSSN audits

	<ul style="list-style-type: none"> ▪ Maintain CSSN contract boilerplates ▪ Coordinate annual CSSN site visits. ▪ Conduct administrative site visits for all regional CSSNs ▪ Auditing and regular review of CSSN agencies ▪ Publishing and training staff on Criteria and Guidelines ▪ Arranging for and responding to reviews of managed care operations by outside bodies (DCH). ▪ Excludes JCAHO Implementation of DCH required performance improvement projects. ▪ Assessments of consumer satisfaction at the service CSSN level and development of reports and follow up. ▪ Responding to review findings and managing information and reports. ▪ Analysis of routinely collected information on safety, health and other consumer outcomes. 	
Performance Improvement	<ul style="list-style-type: none"> ▪ Collect, Analyze and report on Performance Improvement Indicators. ▪ Comply with all QISMC and state indicator requirements 	<ul style="list-style-type: none"> ▪ Staff time coordinating and responding to DCH audit (not staff time bringing files up to date). ▪ Coordination at management and supervisory level of the DCH improvement projects. ▪ Time spend sending out and analyzing satisfaction. ▪ Analysis of IR's and development of quarterly reports.
Regulatory Compliance	<ul style="list-style-type: none"> ▪ Training network staff on PIHP compliance requirements ▪ Provide Compliance Officer for the region 	<ul style="list-style-type: none"> ▪ Participate in regional compliance committees ▪ Perform Compliance functions per regional policy and AFP ▪ Participate in HIPPA, BBA and Authorization training
Psychiatric Emergency Services.	<ul style="list-style-type: none"> ▪ Provide after hour, evening and weekend and holiday psychiatric emergency services. 	<ul style="list-style-type: none"> ▪ Provide PES with after hours contact information for management and supervisory staff for needed consultation.
Office of Recipient Rights	<ul style="list-style-type: none"> ▪ Provide to CSTS Recipient Rights services, whose functions are detailed in the PIHP Office of Recipient Rights Policy, Michigan Mental Health Code (Section 330.1755.) and the Washtenaw County Job Description of a Recipient Rights Officer. Assure ready availability and a rights presence for recipients, families and staff. 	<ul style="list-style-type: none"> ▪ Provide communication of Recipient Rights Issues to the ORR Director and or officer.

	<ul style="list-style-type: none"> ▪ The PIHP ORR Director shall provide supervision and technical assistance to the PIHP Recipient Rights Officer provided under this agreement and consultation and technical assistance to CSTS. The ORR Director shall provide recipient rights back up to CSTS as needed in the event of illness or vacation of both the ORR Officer and Alternate. ▪ The PIHP ORR Director shall participate as a member of the CSTS program management team. 	
ACCESS	<ul style="list-style-type: none"> ▪ The PIHP will provide to CSTS ACCESS screening services for consumers covering eligibility, level of care needed and referral to CSTS. 	<ul style="list-style-type: none"> ▪ Accept referrals for assessment and communication with ACCESS regarding ongoing issues.

SCOPE OF SERVICES
Substance Abuse Treatment Services

A. Clinical Data & Information:

1. Treatment Plan & Review: The CSSN shall develop an Individual Treatment Plan for each client which lists objectives that are behaviorally specific and measurable. CSSN shall deliver services in accordance with each client's Individual Treatment Plan as authorized for each client. The CSSN shall ensure that both the client and therapist sign the Individual Treatment Plan. The CSSN shall review Individual Treatment Plans at least every ninety (90) days in all programs and document patient progress in treatment review forms.
2. Assessment: The CSSN shall complete and keep a current intake/assessment tool in the file which includes the following information about the client:
 - a. Date of intake/assessment
 - b. Current emotional state
 - c. Cultural background
 - d. Vocational history
 - e. Family relationships
 - f. Educational background
 - g. Socioeconomic status
 - h. Legal problems
 - i. Medical concerns that require follow up

The CSSN shall have in place criteria for determining level of care based upon the intake/assessment.

The CSSN agrees to include in the initial assessment questions regarding high risk behavior which warrants a referral for testing/counseling for HIV/AIDS, Tuberculosis & other communicable diseases. CSSN agrees to provide information to intravenous drug users about local resources for Hepatitis C testing. CSSN agrees to provide information to all high risk pregnant women, adolescents, and clients with multiple sex partners about local resources for a Chlamydia screening.

3. Progress Notes: The CSSN shall address treatment plan objectives in progress notes which are client specific, signed by the therapist, and which reflect a stop/start time and date.
4. Medical Services: The CSSN shall document medical services received by clients in its client records. If ongoing medical issues are documented, CSSN shall release the information to the primary care physician. CSSN shall document all contact with the primary care physician. The CSSN shall develop and use an assessment tool to determine a client's level of pain and document any implementation of detoxification protocols in client records.
5. Discharge/Transfer Information: The CSSN shall document discharges and transfers with a signed and dated discharge summary which includes the reason for discharge or transfer and a list of follow-up referrals. The discharge date shall be one (1) day following the last treatment session with the client. The Discharge Data must be entered into Encompass as soon as possible, or within thirty-five (35) days after discharge. The discharge summary shall be completed within six (6) weeks of the date of discharge from the program.

6. **Miscellaneous Information:** The CSSN shall document client's need and readiness for vocational rehabilitation, education, and employment in all client records. The CSSN shall document referrals to vocational, educational and employment services. When applicable, CSSN shall coordinate off-site services and document progress in client records.

B. Case Records: Case record data is completed according to the following time frames:

1. In residential programs, a written treatment plan shall be developed within twenty-four (24) hours of admission.
2. In outpatient programs, a written treatment plan shall developed within thirty (30) days of admission.
3. The treatment plan shall be reviewed at least once every 90 days. In an intensive outpatient or short-term residential setting, the treatment plan shall be reviewed weekly.
4. For inpatient programs, there is evidence that a medical exam was completed within fourteen (14) days, or there is documentation of one having been done no more than six (6) months prior to admission.

C. Achievement of Client's Goals and Objectives: The CSSN agrees to make a good faith effort to facilitate a client's achievement of the goals and objectives defined in the Individual Treatment Plan.

D. Rejection or Termination of Referral/Placement: The CSSN shall have the right to reject a referral or terminate existing services after consultation with CMHSP's designated representative, the client in question and the client's legal representative, if applicable. The CSSN must clearly demonstrate that the proposed or existing services are unable to meet the client's needs, and/or is incompatible with previously agreed upon criteria for services. If the CSSN is terminating existing services, CSSN must demonstrate that a good faith effort to meet the client's needs and to implement the treatment plan has been made.

The CSSN must submit documented reasons for rejection of a referral within five (5) business days, and documented reasons for termination of existing services no less than thirty (30) days prior to the intended date of termination. In the event that the CSSN is terminating existing services, CSSN acknowledges that it is aware of the client's right to appeal a reduction or termination of services in accordance with the Client Grievance and Appeals policy, a copy of which is available in the provider manual. If the client files an appeal within twelve (12) days of receiving notice of the reduction/termination of services, the CSSN may be required to continue providing services until a final decision on the appeal is reached.

E. Access to Service Site, Recipients, Staff and Records: The CSSN agrees that authorized representatives of the PIHP shall have access to each service site, clients, staff, and client records upon request.

F. Administration:

1. **Financial Records:** The CSSN agrees to maintain complete and current financial records, supporting receipts, and other documentation.
2. **Record Availability:** The CSSN agrees that all records relative to each client under this contract shall be readily available at any reasonable time for examination or audit by personnel authorized by the PIHP or law.

3. Securing Entitlements: The CSSN agrees to assist the client in securing entitlement such as SSI, Medicaid, and Medicare when applicable. Such assistance may include transportation of clients to the Department of Human Services and Social Security offices and hands-on assistance in the application process.
4. Records: The CSSN agrees that all records required/produced relative to this contract shall be maintained for no less than seven (7) years and shall be readily available at any reasonable time for examination or audit by personnel authorized by the PIHP or law. Destruction of clinical records after seven (7) years must be pre-approved by the PIHP.

G. Communicable Diseases:

Tuberculosis: The CSSN will comply with the requirements from the SAPT federal block grant regulations at CFR 96.127 pertaining to the counseling and referral of client(s) with respect to tuberculosis (TB).

The CSSN will implement communicable disease control procedures established by MDCH/ MHSAS in cooperation with the MDCH Bureau of Infectious Disease Control which are designed to prevent the transmission of tuberculosis, including the following:

Screening of patients

Identification of those individuals including consumers and staff, who are at high risk of becoming infected; and meeting all state reporting requirements while adhering to federal and state confidentiality requirements, including 42 CFR Part 2; and conducting case management activities to ensure that individuals receive such services.

Counseling and Information

Counseling the individual with respect to tuberculosis; providing information regarding testing that might be available to determine whether the individual has been infected with mycobacteria tuberculosis, and to determine the appropriate form of treatment for the individual; and providing for or referring the individual infected by mycobacteria tuberculosis for appropriate medical evaluation and treatment.

When a person in need of tuberculosis treatment is denied admission based on the lack of the capacity of the CSSN to admit the individual, the CSSN will refer the individual to a provider of tuberculosis services.

HIV/AIDS and Other Communicable Diseases: The CSSN will ensure that all staff providing substance abuse services, including program directors, assessment workers, and counselors, possess a basic knowledge of HIV/AIDS, sexually transmitted diseases, hepatitis, and tuberculosis and their relationship to substance abuse.

The CSSN must be aware of the local service system that supports the service needs of consumer seeking counseling and testing, early medical intervention for HIV and/or AIDS-infected consumers, and other related support systems such as housing, food, medicine and case management.

When requested, the CSSN must participate in the appropriate regional HIV care consortium and the regional HIV community prevention-planning group.

Additionally, the CSSN must:

- Ensure that all persons entering into treatment are appropriately screened for risk of

HIV/AIDS, STD, TB, Hepatitis, and other communicable diseases and are provided basic information about risk.

- Ensure the confidentiality of identified HIV positive clients during their treatment.
- Include in treatment protocol appropriate HIV/AIDS prevention and risk reduction education.
- Assess consumers for risk of sexually transmitted disease and referred for or provided testing. All high-risk pregnant women, adolescents, and consumers with multiple sexual partners must be referred for STD and HIV testing and treatment with follow-up. All high-risk pregnant women, adolescents, and consumers with multiple sexual partners must be referred for or provided chlamydia screening. All consumers must receive risk reduction counseling regarding sexually transmitted disease.
- Provide or refer clients for testing for hepatitis B surface antigen and core or surface antibody; for injecting drug users, hepatitis C antibody. Clients must be offered the hepatitis B vaccine if testing shows no serologic evidence of prior exposure.
- Ensure clients receive an HIV risk assessment to identify high-risk behavior and refer as appropriate to HIV prevention counseling testing.
- Ensure access to treatment for all clients at high risk for HIV/AIDS.
- Offer outreach to sexual partners and/or needle sharing partners.
- If providing Residential Treatment Services, the CSSN must ensure all clients will be tested for TB upon admission.

If providing treatment services for *injecting drug users (IDUs)*, the CSSN must carry out activities to encourage IDUs to undergo treatment utilizing sound models. Examples of scientifically sound models are listed on page 17064 of the Federal Register dated March 31, 1993. Additionally, the CSSN must provide for access to Hepatitis C testing for IDUs.

Outreach efforts should include the following:

- Selecting, training, and supervising outreach workers;
- Contacting, communicating, and following up with high risk substance abusers, their associates, and neighborhood residents, within the constraints of federal and state confidentiality requirements, including 42 CFR Part 2;
- Promoting awareness among injecting drug users about the relationship between injecting drug abuse and communicable diseases such as HIV;
- Recommending steps that can be taken to ensure that HIV transmission does not occur; and
- Encouraging entry into treatment.

H. Participation in Small Business Health Plan:

1. The CSSN agrees to participate as a provider of outpatient substance abuse treatment services in the Washtenaw Small Business Health Plan
2. The CSSN agrees that the CPT codes for these services will be the same as those set forth in Attachment C. CSSN will be paid at the Medicaid rate for the provision of substance abuse treatment services to individuals in the Washtenaw Small Business Health Plan.
3. Claims for services provided to individuals covered under the Washtenaw Small Business Health Plan will be submitted using the Encompass. ***No preauthorization or reviews are required when providing services to individuals covered under the Washtenaw Small Business Health Plan.***
4. The established benefit limit for psychiatric services (including substance abuse care) under the Washtenaw Small Business Health Plan is: twenty (20) visits combined annual

maximum. The CSSN shall contact US Health and Life Insurance Company if necessary to determine the number of remaining visits available to an individual seeking treatment.

5. The CSSN’s status as a participating provider in the Washtenaw Small Business Health Plan will automatically renew as long as they hold a current contract with the WCHO, unless the CSSN provides 90-day written notice of its withdrawal from the program or the program ceases to exist.

I. Equipment Purchases and Title - Any contractor equipment purchases supported in whole or in part through this agreement must be listed in the supporting Equipment Inventory Schedule which is located below. Equipment means tangible non-expendable, personal property having useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Title to items having a unit acquisition cost of less than \$5,000, shall vest with the Contractor upon acquisition. MDCH reserves the right to retain or transfer the title to all items of equipment having a unity acquisition cost of \$5,000 or more, to the extent that the Department’s proportionate interest in such equipment supports such retention or transfer of title.

EQUIPMENT INVENTORY SCHEDULE

The contractor must list equipment items that were purchased during the grant agreement period as specified in the grant agreement budget. Items purchased by the contractor, and by sub-contractors with staffing contracts or performance contracts, must be included in this list. Provide the following information about each item: quantity, item name, item specifications: make, model, etc. Equipment is defined as an article of non-expendable tangible personal property having a useful life of more that one (1) year and an acquisition cost of \$5,000 or more per unit. The contractor must retain this list for a length of time required in this agreement. The contractor must make the list available on request.

Contractor Name _____ Contract# _____

Quantity	Item Name	Item Specification	Tag Number	Budgeted Amount
			Total	

Contractor Signature: _____ Date _____