

SERVICE CONTRACT  
BETWEEN  
**WASHTENAW COMMUNITY HEALTH ORGANIZATION (WCHO)**  
AND  
***NAME OF CONTRACTOR***

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CR#  
Vendor #

**CONTRACTUAL AGREEMENT  
BETWEEN  
WASHTENAW COMMUNITY HEALTH ORGANIZATION  
and  
contractor**

This contract is made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by **WASHTENAW COMMUNITY HEALTH ORGANIZATION**, located at 555 Towner, P.O. Box 915, Ypsilanti, Michigan 48197-0915 (hereinafter called "CMHSP"), and **name**, located at **address** (hereinafter called "CONTRACTOR").

**ARTICLE I. CONTRACT AUTHORITY**

This agreement is entered into pursuant to the authority granted CMHSP by Act 258 of the Public Acts of 1974 (hereinafter referred to as the "Mental Health Code"), as amended, and by the Contracts between the Michigan Department of Community Health (hereinafter referred to as the "MDCH") and CMHSP, and in accordance with the rules, regulations, and standards (hereinafter called "Rules") adopted and promulgated by the MDCH in accordance with such Act. Said act, rules, and contracts shall govern in any area not specifically covered in this agreement.

**ARTICLE II. DEFINITIONS**

**Adolescents:** Persons who are 12-18 years of age (if the 18 year old is still a student, living at home under supervision of parents or guardians, and working on adolescent issues)

**Adults:** Persons who have obtained the age of eighteen (18) years or older

**Community Mental Health Services Program (CMHSP):** A program operated under Chapter Two of the Mental Health Code

**Consumers or Recipients:** Those persons to be served under this contract

**Emergency Medical Services:** Those medical services which are provided to a CMHSP consumer who is in imminent danger of loss of life or significant health impairment

**Indigent Person:** Consumer/recipient who is not covered by Medicaid, is ineligible for other third-party reimbursements, and who is unable to pay pursuant to the ability to pay determination requirements under Chapter 8 of the Mental Health Code or the Livingston/Washtenaw Substance Abuse Coordinating Agency's regional sliding fee scale for all community grant funded clients.

**MCL:** Michigan Compiled Laws

**MDCH:** Michigan Department of Community Health

**Provider Manual:** The online provider manual contains current CMHSP policies applicable to CONTRACTOR and other information provided for the benefit of CONTRACTOR. The provider manual may be accessed at:

[http://www.ewashtenaw.org/government/departments/cmhpsm/provider\\_information/pro\\_homepage.html/provider\\_manual/provider\\_manual](http://www.ewashtenaw.org/government/departments/cmhpsm/provider_information/pro_homepage.html/provider_manual/provider_manual).

**Residency:** The county where the person has a primary place of residence or last lived independently prior to entry into a dependent living situation or facility.

### ARTICLE III. TERM

The term of this contract shall be from the \_\_\_\_ day of \_\_\_\_\_ through the \_\_\_\_ day of \_\_\_\_\_. Nothing in this agreement shall be construed as requiring either CMHSP or CONTRACTOR to extend or renew this contract beyond this date, or to enter into any subsequent contracts.

### ARTICLE IV. TERMINATION

**A. Termination Without Cause:** Either party may terminate this Contract, or may terminate any service site or any type of service provided under this Contract, by providing the other party with at least sixty (60) calendar days prior written notification, unless the timeframe is otherwise negotiated between the parties. Written notification must be sent by certified mail.

**B. Termination With Cause:** This Contract, or any service site or any type of service provided under this Contract, may be terminated, suspended, denied, revoked, or canceled by CMHSP with thirty (30) calendar days prior written notification in the event that the CONTRACTOR fails to supply any of the services or any of the records, reports, or accounts required by this Contract within ten (10) calendar days, or other agreed upon deadline after the due date, or if CONTRACTOR violates or fails to fulfill the terms of a corrective action plan submitted to the CMHSP. Such termination shall not relieve either party of any obligations incurred prior to the effective date of such termination. The prior notification period may be extended to greater than thirty (30) days only by mutual agreement of the parties.

**C. Termination Effective Immediately Upon Delivery of Notice:** Notwithstanding sections A and B above, CMHSP may immediately terminate this Contract, or may terminate any service site or any type of service provided under this Contract, if upon reasonable investigation it concludes that:

- CONTRACTOR's Board of Directors, Director, or other Executive Official has engaged in malfeasance;
- CONTRACTOR loses its State licensing;
- CONTRACTOR loses its eligibility to receive federal funds;
- Funds allocated under this Contract have been improperly used;
- CONTRACTOR cannot maintain fiscal solvency;
- Program requirements have not been followed; or
- Recipient Rights have been violated.

**D. Appeal of Termination:** Should CMHSP terminate this Contract, or terminate any service site or any type of service provided under this Contract, CONTRACTOR shall have a right to initiate the appeal process in accordance with the Provider Contract Appeal Process policy, a copy of which shall be provided to the CONTRACTOR with the written termination notice. The Provider Contract Appeal Process policy is available in the provider manual and is incorporated herein by reference.

In the event of immediate termination by CMHSP, CONTRACTOR's appeal of the termination will have no effect on the immediate termination of this Contract or the immediate termination of any service site or any type of service provided under this Contract. If appealed, the termination will remain in effect until the appeal process has been completed and will be rescinded only if the termination is not upheld on appeal.

**E. Transfer of Consumers:** CONTRACTOR agrees, in the event of the termination of this contract and nonrenewal, to fully cooperate with CMHSP in the orderly transfer of the consumers, property, programs and services, and other items material hereunder to CMHSP and/or other contractors of CMHSP as applicable, to ensure as much as possible that the continuing care of consumers is not disrupted.

**F. Items and Funds to be Released Upon Termination:** CONTRACTOR agrees to surrender to CMHSP immediately upon termination of this Contract, or termination of any service site or any type of service provided

under this Contract, any CMHSP records, any medications prescribed to and owned by consumers, all consumer personal property including personal funds, any equipment and furniture purchased with CMHSP funds, and all CMHSP funds held by CONTRACTOR not obligated in the performance of this Contract.

**G. Medicaid and Other Claims:** In the event this Contract has been terminated, CONTRACTOR shall supply CMHSP with all information necessary for the reimbursement of any outstanding Medicaid claims or to private third party insurers arising out of services provided under this Contract and billed to Medicaid or a private insurer.

**H. Continuing Obligations:** Any termination of this contract shall not relieve either party of the obligations incurred prior to the effective date of such termination.

## ARTICLE V. RECIPIENT RIGHTS

Consumers served under this Contract are guaranteed certain rights and protections under the Michigan Mental Health Code or [Administrative Rules for Substance Abuse Service Programs in Michigan](#). CONTRACTOR acknowledges its responsibilities related to recipient rights as set forth in Attachment A, and accepts those responsibilities.

## ARTICLE VI. CONFIDENTIALITY, HIPAA, and ACCESS TO RECORD

**A. All Information Confidential:** CONTRACTOR and CMHSP shall keep confidential all information, data, records, or reports assembled or prepared by either party in accordance with federal and state law. Records developed as a result of this contract shall be available for review by authorized CMHSP staff. All consumer information, medical records, data and data elements collected, maintained, or used in the services provided under this contract shall be protected by CONTRACTOR from unauthorized disclosure as required by state and federal regulations.

**B. HIPAA Compliance:** CONTRACTOR assures CMHSP that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements currently in effect and will be in compliance by the time frames specified in the HIPAA regulations for portions not yet in effect. CONTRACTOR must limit the use or disclosure of consumers' protected health information to purposes directly connected with the provision of services under this contract.

**C. CMHSP Access to Record:** CONTRACTOR agrees to provide, to the fullest extent permitted by state and federal law, access by authorized CMHSP staff to all information, including consumer records, requested to facilitate continuity of service or to monitor the terms of this contract.

## ARTICLE VII. SCOPE OF SERVICES

CONTRACTOR's services and responsibilities under this contract are set forth in Attachment B.

Nothing in this agreement should be construed to prohibit CONTRACTOR from advocating on behalf of the consumer in any grievance or utilization management procedures, or from discussing treatment options with a consumer that may not reflect the CMHSP's position or be paid for by the CMHSP. Furthermore, CONTRACTOR may at any time advise or advocate on behalf of a consumer for the consumer's health status, medical care, or treatment options; for any information the consumer needs to decide among treatment options; for the risks, benefits, and consequences of treatment versus non-treatment; or for the consumer's right to participate in decisions regarding his or her health care, including the right to refuse treatment or express preferences about treatment.

## **ARTICLE VIII. CRITERIA FOR INVOLUNTARY AND VOLUNTARY PSYCHIATRIC ADMISSIONS**

CONTRACTOR must include written procedures for voluntary and involuntary admissions in its clinical procedures.

Voluntary admissions of CMHSP adult consumers under this contract must meet the criteria specified in Section 401 of the Mental Health Code. Said consumers must be screened, evaluated, referred, and approved for admission only by CMHSP authorized staff. Such approval must be granted prior to admittance to the CONTRACTOR's inpatient psychiatric unit. CMHSP shall provide the appropriate personnel, with the authority to grant such approval, on a twenty-four (24) hour daily basis.

Involuntary admission of CMHSP's adult consumers must meet the criteria specified in Section 401 of the Michigan Mental Health Code. Said consumers must be screened, evaluated, referred, and approved for admission only by CMHSP authorized staff. Such approval must be granted prior to admittance to the CONTRACTOR's inpatient psychiatric unit. CMHSP shall provide the appropriate personnel, with the authority to grant such approval, on a twenty-four (24) hour daily basis.

## **ARTICLE IX. PSYCHIATRIC ADMISSIONS**

**A. Single Entry Point:** CMHSP is the single entry point for all psychiatric hospitalizations of consumers to be paid under this contract.

**B. Admission Procedures:** CMHSP admission procedures are set forth in the Utilization Management - Mental Health Inpatient Services policy. Said policy is available in the provider manual and is incorporated by reference herein.

**C. Approved Days:** CMHSP has the authority to designate an approved number of days on the day of admission.

**D. Timely Information:** CMHSP shall, in a timely fashion to meet the CONTRACTOR's needs, provide the CONTRACTOR with clinical, social, and demographic information necessary to facilitate the admitting process.

**E. Quality of Services:** All CMHSP consumers admitted to the CONTRACTOR shall have access to the same quality of services that are provided to all other patients of the CONTRACTOR.

**F. Relocation of Consumers:** Any relocation of CMHSP referrals involving the CONTRACTOR and another inpatient facility must have the prior approval of CMHSP's Executive Director or designated representative. CMHSP's Executive Director or designated representative may admit Washtenaw County residents who reside at state facilities to the CONTRACTOR's inpatient unit following screening, evaluation, referral, and approval.

**G. Admitting and Attending Physicians:** Admitting and attending physicians for CMHSP consumers in the psychiatric inpatient unit will be psychiatrists privileged by CONTRACTOR.

**H. Violent Behavior:** If CMHSP determines that a consumer's violent behavior cannot be managed in the CONTRACTOR's inpatient unit, CMHSP's Executive Director or designated representative may approve a referral of said consumer to a designated State Regional Psychiatric Hospital (RPH) for admittance and continued treatment, as provided for in the facility agreement between CMHSP and the RPH. Any such

requests for determination on relocation of CMHSP consumers shall be made by CMHSP on an individual-by-individual basis, in conjunction with CONTRACTOR staff. The CONTRACTOR may, without penalty, refuse admissions based on milieu, assaultive/violent behavior, and medical complexity or specified rationale.

**I. Acceptance of Referrals:** The CONTRACTOR shall accept both voluntary and involuntary admissions of CMHSP consumers. CONTRACTOR shall notify the CMHSP Executive Director or designee if changing a consumer's legal status from involuntary to voluntary.

If five percent (5%) or more of CMHSP consumers referred to the CONTRACTOR pursuant to this agreement during any three (3) month period are not admitted, the designated representatives of CMHSP and CONTRACTOR shall meet to discuss the matter.

## **ARTICLE X. PSYCHIATRIC TREATMENT AND DISCHARGE**

**A. Clinical Liaison:** CMHSP agrees to identify a staff member to act as the Clinical Liaison. The Clinical Liaison will be credentialed through CMHSP; CONTRACTOR agrees to recognize these credentials. CONTRACTOR shall keep a current copy of the Clinical Liaison's credentials on file.

The Clinical Liaison shall foster the exchange of clinical information between CMHSP programs and CONTRACTOR, and the linking of CMHSP consumers with the appropriate follow-up/after-care programs prior to and/or upon their discharge. The Clinical Liaison, as CMHSP representative, shall monitor the progress of CMHSP consumers and participate in planning and review conferences.

**B. Discharge Planning:** *All discharge planning shall begin immediately at admission.* Discharge planning shall continue as part of the ongoing treatment planning and review process, and involve the consumer, the consumer's family, significant others as indicated, as well as CONTRACTOR and CMHSP staff.

**C. Determination of Continuing Treatment:** The need for continuing treatment shall be determined in accordance with the Compensation Article of this contract. In the case of an involuntary patient for whom continued hospitalization is required beyond the original order, the CONTRACTOR staff shall re-petition and present testimony to the Court.

**D. Admission on Continuing Days of Care:** When CMHSP authorizes an admission on continuing days of care, CMHSP is responsible for payment of same unless and until the hospital is notified differently. Notification will be via the Encompass System.

**E. Consumer Monitoring:** CMHSP is responsible for monitoring the progress of its consumers.

**F. Aftercare Services:** All CMHSP consumers shall be referred to CMHSP for aftercare services prior to discharge from the CONTRACTOR. Exceptions to this procedure require approval of the consumer and CMHSP. The responsibility for aftercare for consumers hospitalized under this agreement belongs to CMHSP, and may be assigned to another person or agency only through the approval of the CMHSP clinical liaison. At the time of discharge and referral of a consumer to CMHSP for aftercare services, the CONTRACTOR shall provide referral documents to CMHSP.

**G. Utilization Review:** The appropriateness of inpatient admission and inpatient length of stay shall be monitored through the CMHSP Utilization Management (UM) Program. Coordination will be maintained between the CMHSP Utilization Management Department and CONTRACTOR Utilization Review to ensure continuation of stay requests meet hospitalization criteria. Utilization Review updates will be completed via the Encompass System. If a continuation of stay request is denied, CONTRACTOR may appeal the decision as set forth in the CMHSP Utilization Management Policy, which is located in the provider manual.

**H. Alternative Treatment:** If CMHSP Utilization Management deems alternative treatment to be in the best

interest of the consumer (ie, continued hospitalization is no longer medically necessary or another facility is preferred), the CMHSP clinical liaison will notify CONTRACTOR of this decision and work to arrive at a mutually agreed upon plan and timeline for discharge. Authorization will be canceled by CMHSP at the time of discharge or on the date specified in the alternative plan. CONTRACTOR will then discharge the consumer or keep the consumer at their own expense and use the appeal process to seek payment.

**I. Discharge Summary:** The formal Discharge Summary shall be submitted to the CMHSP within seven (7) days of completion and shall include diagnosis and a multidisciplinary team summary of the consumer's problems, treatment course, nature of significant family and interpersonal relationships, current medication, prognosis, and recommendations.

**J. Discharge Medications:** CONTRACTOR will supply a fourteen (14) day prescription and a seven (7) day supply of discharge medications, unless clinically contraindicated, results of the most recent AIMS (if completed), laboratory test results, and forms required for placement as indicated for inpatient.

**K. Discharge/Aftercare Procedures:**

CONTRACTOR	Ensures that a team conference is scheduled no more than five (5) working days from the day of admission, and informs WCHO clinical liaison of the conference. Every effort will be made to schedule a team conference within a shorter time frame, if the consumer's anticipated length of stay is less than five days.
	Initiates discussion of discharge and/or aftercare planning at the first team conference.
	Completes Admission Note prior to team conference, and provides copy to WCHO clinical liaison upon request.
	Ensures that treatment objectives are reviewed and updated at the first team conference.
WCHO Clinical Liaison	Prior to discharge, participates in a discharge-planning meeting if appropriate, involving the consumer, parents and/or guardian, physician, and WCHO clinical liaison, as well as other appropriate persons as needed.
CONTRACTOR	Works with WCHO staff to develop a discharge plan. Informs its treatment team of the plan and facilitates its implementation.
	Writes a service plan at the discharge-planning meeting that includes: WCHO plan for aftercare treatment, living situation, education, medical, and any other area of special need. Ensures that the medical, social work, and nursing discharge summaries, when completed, are provided to WCHO clinical liaison upon request.
	Provides the results of any completed AIMS test, laboratory test, and physical exams, which are available at discharge. Consumers on medications will be discharged with a fourteen (14)-day prescription and a seven day (7) supply of discharge medication unless contraindicated. Plans to discharge an individual on an ATO must be identified five (5) days prior to discharge

**ARTICLE XI. SUBCONTRACTING**

CONTRACTOR will provide the agreed upon services and will not subcontract or delegate the service without prior written approval from CMHSP. In the event that CMHSP grants permission to subcontract, CONTRACTOR shall assure that for any CMHSP authorized subcontracted service, activity, or product:

- (1) A formal subcontract document is executed by all affected parties, after this agreement has been executed and prior to the initiation of new subcontract activity. Exceptions may be granted by CMHSP upon written request, for continuation programs.
- (2) Any subcontract between CONTRACTOR and a provider funded by this agreement will become a part of this agreement and will require the subcontractor to comply with all terms and conditions contained therein.
- (3) CONTRACTOR assumes all responsibility for work performed under the subcontract, including appropriate compliance with all terms and conditions of this agreement.
- (4) Substance abuse prevention subcontracts are performance reimbursement contracts; substance abuse treatment subcontracts are performance reimbursement or fixed unit rate reimbursement contracts. The subcontract budgets must include all funding sources and expenditures by category.
- (5) Copies of each subcontract shall be available for review by authorized CMHSP or MDCH representatives or, upon request of CMHSP or MDCH, CONTRACTOR shall forward copies of requested subcontracts for review. CMHSP will withhold funding for any subcontract work not covered by appropriate, properly executed subcontracts.

## **ARTICLE XII. COMPENSATION**

**A. Contingent Upon MDCH Funding:** This contract obligation is contingent upon sufficient, continued funding from the MDCH.

**B. Authorized Services:** Services provided under this Contract must be pre-authorized, with the exception of substance abuse prevention services. Only those services that are included in the individual consumer's PCP/treatment plan will be considered for authorization, although completion of the PCP/treatment plan does not guarantee authorization. Authorized services are specific to each individual consumer. CONTRACTOR shall receive notification of authorized services before commencing services. Claims must be submitted in accordance with the services authorized.

**C. Medical/Surgical Care Not Reimbursed:** It is the intent of both parties that the funds allocated under this contract for the purchase of inpatient care for CMHSP consumers be used for psychiatric care only. ***Medical/surgical (non-psychiatric) services will not be reimbursed.***

**D. Coordination of Benefits and Payor of Last Resort:** CONTRACTOR agrees that it shall initiate application for, charge, bill, and diligently seek to collect all third party reimbursements from medical insurers and government agencies for any CONTRACTOR and physician services rendered under this contract to CMHSP consumers for whom such reimbursement may be available. This includes, but is not limited to, public and private insurance plans, Medicare, and other health plans. CONTRACTOR agrees to fulfill recertification requirements for CMHSP consumers with insurances that require same. ***CONTRACTOR acknowledges that CMHSP shall be the payor of last resort.***

Within forty-eight (48) working hours after admission of a CMHSP consumer to its psychiatric inpatient unit, CONTRACTOR shall determine the consumer's current third-party payor coverage and notify CMHSP if the consumer lacks such coverage. CONTRACTOR agrees to accept all third party reimbursements as payment in full when third party coverage is available. If the third party reimbursement meets or exceeds the rates set forth in Attachment C, no additional payment will be rendered by CMHSP. Therefore, submission of claims for said balance is not required.

CONTRACTOR shall immediately inform CMHSP of any change in a CMHSP consumer's third party payor status/coverage. CMHSP staff and any other person(s) CMHSP may designate shall have access to and be

able to review any CONTRACTOR information and documentation regarding the third-party payor status/coverage of CMHSP consumers.

CONTRACTOR shall document and provide to CMHSP the finding of its efforts to identify and secure payment resources for each CMHSP consumer referral. CONTRACTOR shall provide CMHSP with copies of denial documents, which specify the reason(s) for the denial, at the request of CMHSP. CMHSP shall not assume reimbursement responsibility for any CMHSP consumer referral without documented evidence that CONTRACTOR has sought Medicare or other benefits as indicated, for such referral and that such benefits have been denied for reason(s) other than CONTRACTOR error(s).

CONTRACTOR shall not be reimbursed or otherwise compensated by CMHSP for any loss of reimbursement resulting directly from CONTRACTOR error(s) of omission or commission, including CONTRACTOR's failure to bill for eligible services. CMHSP payments to CONTRACTOR shall be contingent upon receipt of accurate billings, which indicate the CMHSP consumer served and the services provided.

**E. Medicare Deductibles:** If a consumer is insured by Medicare and received psychiatric inpatient services from CONTRACTOR, any Medicaid-covered deductible shall be the responsibility of CMHSP at CMHSP-authorized reimbursement rates, upon CMHSP authorization that the services are medically necessary.

**F. Third Party Payor Authorizations:** The initial psychiatric hospitalization period for CMHSP consumers covered by third-party payors such as private and public insurers or Medicare, shall be in accordance with the requirements of the third-party payor providing the coverage. If CONTRACTOR shall clinically determine that the length of inpatient stay of a CMHSP consumer should be extended beyond the initial period, CONTRACTOR shall seek the required approval from the appropriate third-party payor for extension(s) of third-party reimbursement for continued psychiatric hospitalization.

CONTRACTOR shall notify CMHSP's Executive Director or designated representative within forty-eight (48) hours when a third-party payor refuses to approve a CONTRACTOR request for an extension of the third-party's reimbursement for continued psychiatric hospitalization of a CMHSP consumer. If said extension denial from a third-party payor involves an involuntary patient, CMHSP shall notify the Probate Court of the immediate need for an alternative treatment hearing. CMHSP shall assume financial responsibility for the consumer's continued stay only after the Probate Court has determined that an alternative treatment plan is not appropriate.

**G. Substance Abuse Sliding Scale:** If CONTRACTOR provides substance abuse treatment under the scope of services set forth in Attachment B, CONTRACTOR must utilize the Livingston/ Washtenaw Substance Abuse Coordinating Agency's regional **sliding fee scale for all community grant funded clients**. This scale shall be utilized in all substance abuse treatment programs, including Access, Assessment and Referral (AAR) programs. Financial information needed to determine ability to pay must be reviewed every six months or at a change of financial status.

**H. Rates:** CMHSP shall reimburse the CONTRACTOR for psychiatric care and substance abuse services rendered to CMHSP consumers. Reimbursement rates and CPT codes are set forth in Attachment C.

**I. Reimbursement for Psychiatric Services:** CMHSP shall reimburse CONTRACTOR only for the services within the scope of this agreement and only if the following conditions are met:

1. **Authorized Services:** Services must be pre-authorized and specific to each individual consumer. CONTRACTOR shall receive notification of authorized services.
2. **Initial Authorization Period:** The initial authorization period for reimbursements by CMHSP to CONTRACTOR for inpatient psychiatric services to CMHSP consumers shall be no more than a maximum of three (3) days of actual daily services.

In the event the CONTRACTOR's staff considers it necessary to continue a CMHSP consumer's hospitalization beyond the initial maximum of three (3) days, CONTRACTOR shall so notify CMHSP prior to expiration of said initial period. If the initial period expiration falls on a holiday or weekend, CONTRACTOR will notify CMHSP on the next business day. CMHSP Executive Director or designee shall continually access the consumer's need for hospitalization and advise CONTRACTOR of an alternate plan either during or prior to the end of the initial period of hospitalization. If CONTRACTOR fails to notify CMHSP within the aforesaid timeframe that continued hospitalization is necessary, CMHSP's Executive Director or designee may elect to authorize payment retroactive on an individual basis.

If CMHSP's Executive Director or designee determines that continued hospitalization is necessary, an extension will be authorized based on individual clinical indicators in each case, with subsequent extensions reviewed as outlined above.

CMHSP will not be responsible for CONTRACTOR's payment obligations to subcontractors, if any, for performing services required of the CONTRACTOR under this agreement.

**J. Reimbursement for Substance Abuse Services:** If CONTRACTOR provides substance abuse treatment services under this agreement, CMHSP will provide MDCH/MHSAS funding on a *fixed unit rate reimbursement* basis, as set forth in Attachment C. If CONTRACTOR provides substance abuse prevention services under this agreement, CMHSP will provide MDCH/MHSAS funding on a *performance reimbursement* basis, as set forth in Attachment C. Of these amounts, 75% is federal funds (CFDA #93.959) and 25% is state funds. This amount is supported by a completed and signed Program Budget Summary, Program Budget - Position Schedule(s) (required for performance contractors only), and MDCH-MHSAS Cost and Funding Detail Schedules.

If CONTRACTOR is a performance-based CONTRACTOR, then a level of performance equal to or greater than 90% of planned outputs must be met. If CONTRACTOR's performance falls short of that expectation, the maximum payment will be reduced equivalent to the actual performance in relation to the minimum performance. For performance reimbursement element budgets, a deviation allowance increasing an established expenditure category by \$10,000 or 15%, whichever is greater, is permissible without prior written approval of CMHSP. Any modifications or deviations in excess of this provision, including any adjustment to the total amount of this agreement, must be made in writing and executed by all parties to this agreement before the modifications may be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items, or positions not shown in the Program Budget Summary and supporting detail schedules, nor does this allow for an increase in total allocation.

**K. Claims Submission:** CMHSP prefers that all claims be submitted by direct entry into the Encompass web-based information system. Exceptions will be granted with prior approval from CMHSP. Claims, if approved under this exception, shall be submitted on HIPAA compliant format: HCFA 1500 (paper) or 837 professional (electronic claims submission) or UB 92 (paper) or 837 Institutional (electronic) within sixty (60) days from the date of service. Claims for the provision of habilitation supports waiver services, however, must be submitted within thirty (30) days of the provision of the service. One form per authorization number is required. CONTRACTOR shall itemize on the form the service code(s), the date(s) of service, and unit(s) of service provided.

**L. Claims Payment/Denial:** Payments shall be made for each pre-authorized service at the contracted rate authorized by CMHSP. If a service has not been authorized, the claim will be denied. Claims submitted 60 days or more after the date of service, or date of discharge for psychiatric inpatient hospitalizations, 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 within thirty (30) days of receipt.

**M. Return of Unused or Inappropriately Used Funds:** If at any time it is determined, after compensation has been made by CMHSP to CONTRACTOR, that charges for any portion of a service have been collected from CMHSP's consumer or from any other source, or that funds paid were not fully used for authorized services to consumers, CONTRACTOR shall refund to CMHSP an amount equal to the sums paid by CMHSP's consumer or other source, or unused or inappropriately used. Said CONTRACTOR refund shall not exceed the full amount of the original CMHSP payment.

**N. Medicaid Applications:** In the event that a CMHSP consumer is admitted for psychiatric inpatient care and is unable or unwilling to complete a Medicaid application, CONTRACTOR will contact the CMHSP within 24 hours to request assistance or a waiver of CONTRACTOR's responsibility to complete the application. Each situation will be reviewed by the CMHSP on a case-by-case basis and the decision will be given to CONTRACTOR in writing. The written waiver will be referenced on the electronic claim or attached to the billings as evidence of CONTRACTOR's effort to complete the Medicaid application.

### **ARTICLE XIII. ACCOUNTS PROCEDURES AND FINANCIAL RECORDS**

**A. Fiscal and Program Service Status:** CONTRACTOR shall supply fiscal and program service status to CMHSP upon CMHSP's reasonable request of such information.

**B. Generally Accepted Accounting Practices:** CONTRACTOR's accounting procedures and internal financial control shall conform to generally accepted accounting practices.

**C. CMHSP Access to Financial Records:** To ensure the maximum third party reimbursement, and verified county of residency, as required by the Mental Health Code, CONTRACTOR shall provide CMHSP with:

1. Access to admission and financial records, including any change in Medicaid coverage or third party reimbursement rate as documented in the explanation of benefits for CMHSP consumers covered under this contract.
2. Access to a CMHSP consumer when necessary to obtain additional information needed in CMHSP's monitoring of the financial liability determination process.
3. A monthly list of mailed Medicaid applications (to be provided to CMHSP Claims Department).

**D. Access for Auditing:** CMHSP, MDCH, the State of Michigan or their representatives, and/or other authorized audit personnel, including any federal agency or its agent, shall be allowed access to all financial records pertaining to CONTRACTOR's activities under this contract during CMHSP's normal business hours for the purpose of reviewing, copying, and/or auditing. Refusal to allow CMHSP, MDCH, the State of Michigan or their representatives, and/or other authorized audit personnel, including any federal agency or its agent, access to said records for the above-stated purposes shall constitute a material breach of this contract, for which CMHSP may exercise any of its remedies available at law or in equity, including but not limited to, the immediate termination of this contract. Financial records and supporting documentation must be retained and be available for audit purposes for six (6) years following the termination of this contract.

**E. Federal Access to Records:** CONTRACTOR and CMHSP agree that if the Secretary of the United States Department of Health and Human Services, the Controller General of the United States, or their duly authorized representatives, at any time within four (4) years of completing the services to be provided under this contract request access to either CONTRACTOR's or CMHSP's books, documents, and records in accordance with Section 952 of the Omnibus Reconciliation Act of 1980 (42 USC Section 1395X(v) (I) (I)) and the regulations adopted pursuant thereto, CONTRACTOR and CMHSP shall provide such access to the requesting parties to the extent required by such statute and the regulations adopted pursuant thereto.

**F. Extension of Clause:** CONTRACTOR and CMHSP agree that any contract between them and any other organization which CONTRACTOR or CMHSP is to a significant extent associated or affiliated with, owns or is

owned by, or has control over or is controlled by, and which performs services on behalf of CONTRACTOR or CMHSP will contain a clause requiring the related organization to similarly make its books, documents, and records available to the requesting parties.

## ARTICLE XIV. REPORTING

**A. Contractor Reporting:** All reporting requirements must be met by the timelines identified in this contract. The provider manual may further outline reporting requirements. CMHSP reserves the right to require additional reporting if the CONTRACTOR has been placed on a plan of correction or provisional status.

**B. Standard Inpatient Psychiatric Reports:** CONTRACTOR agrees to provide CMHSP with the following information/reports at the frequencies listed:

From Admission, daily or as produced:

- \* Insurance Approval
- \* Pre-Screening Information and Physician Evaluation for consumers admitted or denied
- \* Initial Intake Evaluation
- \* Social and Psychiatric History
- \* Physical Examination
- \* Individual Treatment Plan

During Stay:

- \* Team Reviews, as produced, following admission
- \* Any changes in service plan
- \* Daily Patient Movement and Census Lists
- \* Incident Reports concerning serious injury or death, or those which result in investigation of Class I Abuse and Class I Neglect, and subsequent reports concerning these incidents
- \* Requests for continued payment authorization
- \* Results of entitlement applications, as appropriate
- \* Results of third-party payor status as changes are anticipated or occur

Discharge:

- \* Discharge Summary
- \* Notification of discharge under combined treatment orders five (5) business days prior to release and all others no later than forty-eight (48) hours prior to discharge. Should abrupt discharge occur, written notification and rationale will be given to the CMHSP clinical liaison on the next business day.
- \* Results of most recent physical examination, laboratory, and AIMS test, including any relevant infection control information.
- \* Itemized billing information for CMHSP pay and copies of bills to third-party payor.

**C. Result of Failure to Report:** Failure to submit any report required as part of this contract may result in withholding or non-payment of any or all of the compensation due CONTRACTOR, and is cause for termination of this contract.

**D. State and/or Federal Inspections:** The State Medicaid Agency and/or Health and Human Services may evaluate, through inspection or other means, the performance, appropriateness, and timeliness of any services provided under the terms of this contract and funded with Medicaid funds.

**E. Submission of Substance Abuse Treatment Data:** is required within five (5) business days following admission to treatment and discharge from treatment.

## ARTICLE XV. ACCREDITATION

This contract shall be entered into only if CONTRACTOR holds accreditation from one of the following: Joint Commission on Accreditation, Council on Accreditation, Commission on Accreditation of Rehabilitation Facilities, American Osteopathic Association Accreditation, National Committee for Quality Assurance, or another national accrediting body approved by CMHSP. Proof of CONTRACTOR's accreditation will be submitted to CMHSP and CONTRACTOR will notify CMHSP of any change in its accreditation status.

## ARTICLE XVI. PERFORMANCE IMPROVEMENT

CONTRACTOR agrees to implement a Continuous Performance Improvement Program that minimally meets the provisions set forth in Attachment D.

## ARTICLE XVII. INDEPENDENT CONTRACTOR

CONTRACTOR shall at all times be deemed to be and regarded as an independent contractor when performing its responsibilities under this contract. Except as may be otherwise provided herein, no persons employed by CONTRACTOR shall be considered employees of CMHSP or Washtenaw County, nor shall any such persons be covered by CMHSP's workers' compensation insurance nor entitled to any fringe benefits provided by CMHSP or Washtenaw County to their employees.

Nothing in this contract shall be interpreted as authorizing CONTRACTOR, or those employed by it, to contract on behalf of CMHSP.

No employees of CMHSP shall be considered to be employees of CONTRACTOR, nor shall any such persons be covered by CONTRACTOR's workers' compensation insurance, nor entitled to any fringe benefits offered by CONTRACTOR.

## ARTICLE XVIII. PERSONNEL

**A. Required Licensure/Certification:** CONTRACTOR shall obtain and maintain for its inpatient psychiatric unit all approvals, accreditations, certifications, and licenses required by federal, state, and local laws, ordinances, rules, and regulations, including but not limited to MDCH licensures, JCAHO accreditation, Medicare and Medicaid certifications, and Medicare distinct part certification. The CONTRACTOR shall also ensure that all its staff meet and maintain all approvals, accreditation, certifications, and licenses required by federal, state and local laws, ordinances, rules, and regulations. CONTRACTOR agrees to ensure that any employees who are providing services which are billed to Medicaid meets the State minimum qualifications for that service provision.

CONTRACTOR agrees to develop and maintain Human Resources policies and procedures that include a procedure for conducting criminal background checks on employees.

**B. Communicable Diseases:** Professional development of substance abuse counselors and all health care workers relative to AIDS prevention and the prevention of other serious communicable diseases is required. CONTRACTOR will conduct annual trainings on communicable diseases. Additional requirements for providers of substance abuse services related to communicable diseases are set forth in Attachment B.

**C. Payment of Social Security and Payroll Taxes:** CONTRACTOR is responsible for all applicable state and federal social security benefits and unemployment taxes of its staff, and agrees to indemnify and protect the CMHSP against such liability.

**D. Credentialing and Privileging:** CONTRACTOR shall ensure that staff providing services to consumers meet at least CMHSP's credentialing of clinical privileges and/or assessment of clinical competency requirements, including re-credentialing every two years and the annual reassessment of clinical competencies necessary to perform the services required under this contract.

CONTRACTOR must establish and maintain a credentials file on all salaried or contractual staff providing clinical services. The credentials file must include at minimum: academic history with proof of completion; internship, practicum and clinical experience that is supervised with area of clinical practice, age group and/or special skills learned; employment experience in the form of a resume; copies of professional licenses, certifications and registrations; current list of in-service training completed, including other professional training experiences pertinent to clinical practice.

**E. Substance Abuse Staff Requirements:** CONTRACTOR will assure that all direct service staff hired in *State-funded programs licensed for Screening, Assessment, Referral and Follow-up (SARF) and the treatment service categories* have successfully passed the Fundamentals of Alcohol and Other Drug Problems (FAODP) examination and possess a Bachelor Degree. A six-month (one-time) waiver may be requested from the MDCH Certification Project to allow time to schedule an exam. This waiver allows new direct staff to deliver services while preparing for the FAODP exam.

The following staff are exempt from this requirement: those with current licensure as a physician or psychologist; a Masters Degree in Guidance and Counseling, Social Work, or Clinical Psychology from an accredited college or university; valid Certified Addictions Counselor (CAC I or CAC II) certificate; successful completion of at least 16 college-level semester hours of substance abuse specific course work; or ICRC Certificate or Basic Curriculum in Substance Abuse Course (BCSAC) or Detroit Institute of Addiction, Research and Training (DIART) training course.

Staff of a *specialty treatment programs serving adolescents* shall have, at a minimum, a Bachelors Degree, documented education or work and volunteer experience with adolescents. Minimum standards are: 15 semester hours or equivalent in adolescent issues, or 2080 hours of paid or volunteer direct service experience with a human service provider providing services to adolescents.

Counselors in *specialty treatment programs serving older adults* shall have, at a minimum, a Bachelors Degree, documented education or work and volunteer experience with older adults. Minimum standards are: a certificate in geriatrics, 15 semester hours or the equivalent in older adult issues, or 2080 hours of paid or volunteer direct service experience with an older adult human services provider.

Counselors in *specialty treatment programs serving co-occurring substance abuse and mental health clients* shall have at a minimum a Bachelors Degree, documented education or work and volunteer experience with mentally impaired clients. Minimum standards are: 15 semester hours, or the equivalent, in mental health issues, which includes 2080 hours of paid or volunteer direct service experience with a provider. The education or experience, or both, shall include training in psychopathology and psychopharmacology.

**F. Posting Whistleblowers Protection Act Poster:** The CONTRACTOR agrees to post, in a conspicuous place, a copy of the Whistleblowers' Protection Act developed as a result of the passage of P.A. 469 of 1980, as amended.

## ARTICLE XIX. LIMITED ENGLISH PROFICIENCY

CONTRACTOR agrees to provide language assistance to consumers with Limited English Proficiency as described in the Office of Civil Rights Policy Guidance on Title VI, "Language Assistance to Persons with

Limited English Proficiency” and in accordance with the CMHSP Limited English Proficiency Policy located in the provider manual.

## ARTICLE XX. CULTURAL COMPETENCE

CONTRACTOR agrees to have and to implement a cultural competency plan that includes:

- Identification and assessment of the cultural needs of potential and active clients based on population served.
- How access to services is facilitated for persons with diverse cultural backgrounds and Limited English Proficiency.
- Recruitment and hiring of culturally competent staff members.
- How ongoing staff training needs in cultural competency will be assessed and met and evidence that staff members receive training.

## XXI. INDEMNIFICATION

CONTRACTOR shall protect, defend and indemnify CMHSP, CMHSP’s Board members, officers, agents, volunteers, and employees from any and all liabilities, claims, liens, demands, costs, and judgments, including court costs, costs of administrative proceedings, and attorneys fees, which arise out of the occupancy, use, service, operations, performance or nonperformance of work, or failure to comply with federal, state or local laws, ordinances, codes, rules and regulations or court or administrative decisions, negligent acts, intentional wrongdoing, or omissions by CONTRACTOR, its officers, employees, agents, representatives, or subcontractors in connection with this contract. CONTRACTOR’s responsibilities under this Article shall not be mitigated by nor limited to the insurance coverage obtained by CONTRACTOR pursuant to the insurance requirements set forth in the insurance article of this contract.

## ARTICLE XXII. INSURANCE

CONTRACTOR will maintain at its expense during the term of this contract, the following insurance:

**A. Workers’ Disability Compensation Insurance** including Employers Liability Coverage as required by the Workers’ Disability Compensation Act of 1969, as amended, (1969 PA 317; MCL 418.101 et seq).

**B. Commercial General Liability Insurance** with a combined single limit of \$1,000,000 each occurrence for bodily injury and property damage.

**C. Professional Liability Insurance** for claims or damages arising out of an error, omission, or negligent act in the performance of professional services with a minimum limit of \$1,000,000 per occurrence or per claim. If the Professional Liability Insurance is on a per claim basis it shall include a three-year extended reporting period.

**D. Motor Vehicle Liability Insurance**. Michigan coverage must include Michigan No-Fault Coverage with limits of liability of not less than \$1,000,000.00 per occurrence combined single limit Bodily Injury and Property Damage. Coverage from any state outside of Michigan must include a rider that provides coverage at minimum levels required in Michigan and extends coverage to Michigan.

Motor vehicle insurance coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles. Policy shall include CMHSP as additional insured. CONTRACTOR understands that this additionally insures CMHSP’s Board members, officers, employees, agents and volunteers. Insurance policies

must be issued by a company licensed and admitted to do business in Michigan or Ohio, as applicable, and who has not less than an A.M. Best Company's Insurance Reports Rating of A- and must be acceptable to the CMHSP's Director/CEO.

**E. Staff Fidelity Bonding.** If the scope of services in Attachment B states that CONTRACTOR will provide substance abuse treatment and/or prevention services under this agreement, CONTRACTOR shall furnish CMHSP with certificates of fidelity bonding.

Insurance policies must be issued by companies licensed to do business in Michigan, or approved to do business in Michigan, and such companies must be well rated and acceptable to the CMHSP Director.

**F. Insurance Submission:** CONTRACTOR shall furnish certificates of insurance evidencing its possession of the required insurance coverage prior to the commencement of services under this Contract to:

Washtenaw Community Health Organization  
Attention: Provider Relations Unit  
555 Towner P.O. Box 915  
Ypsilanti, Michigan 48197

No payments will be made to CONTRACTOR until the certificates of insurance have been received and approved by the CMHSP. If the insurance, as evidenced by certificates furnished by the CONTRACTOR, expires or is canceled during the term of this Contract, services and related payments shall be suspended until certificates evidencing renewal of coverage are submitted to and approved by the CMHSP.

### **ARTICLE XXIII. NON-DISCRIMINATION, AFFIRMATIVE ACTION, AND PROCUREMENT**

**A. Discrimination in Employment Prohibited and Affirmative Action:** CONTRACTOR, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, ancestry, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, marital status, disability unrelated to the individual's ability to perform the duties of the particular job or position. CONTRACTOR further agrees to not discriminate on the basis of sexual orientation. CONTRACTOR agrees to post notices containing this policy against discrimination in conspicuous places available to applicants for employment and employees and CONTRACTOR shall include the language of this assurance in all subcontracts for services covered by this Contract. All solicitations or advertisements for employees placed by or on the behalf of the CONTRACTOR shall state that CONTRACTOR is an Equal Opportunity Employer. Breach of this section shall be regarded as a material breach of this Contract.

CONTRACTOR shall adhere to all applicable Federal, State and local laws, ordinances, rules, and regulations prohibiting discrimination, including, but not limited to, the following:

1. The Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended.
2. The Michigan Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended.
3. Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq), Section 504 of the Federal Rehabilitation Act of 1973, as amended (29 USC 794), Title IX of the Education Amendment of 1972, as amended (20 USC 1681-1683 and 1685-1686) and the regulations of the U.S. Department of Health and Human Services issued thereunder (45 CFR, Part 80, 84, 86 and 91).
4. The Age Discrimination Act of 1975 (42 USC 6101 et seq).
5. The Americans with Disabilities Act of 1990, P.L. 101-336, 104 Stat 327 (42 U.S.C. §12101 et seq), as amended, and regulations promulgated thereunder.

**B. Discrimination in Procurement Prohibited:** CONTRACTOR, by entering into this Contract, gives its assurance to the CMHSP and the MDCH that appropriate efforts shall be made to identify and encourage the

participation of minority, women, and handicapper owned businesses in contract solicitations. It is expressly understood and agreed that the CONTRACTOR shall not discriminate against minority, women, and handicapper owned businesses when contracting. The CONTRACTOR shall, upon the request of either the CMHSP or the MDCH, be able to demonstrate efforts it has made to enter into contracts with such businesses.

If CONTRACTOR maintains a procurement system and solicitation practices, the system/practices must prohibit discrimination against minority, women, and/or handicapper owned businesses. Documentation of compliance with this requirement shall be maintained for review upon request.

**C. Discrimination Against Consumers Prohibited:** CONTRACTOR additionally agrees not to unlawfully discriminate against a consumer of services or an applicant for services as required by the Elliott-Larsen Civil Rights Act, P.A. 453 of 1976, as amended, or MCL 37.2101 et. seq. Breach of this covenant shall be regarded as a material breach of this Contract.

## **ARTICLE XXIV. CONFLICT OF INTEREST**

CONTRACTOR affirms that no principal, representative, agent, or another acting on behalf or legally capable of acting on behalf of CONTRACTOR is currently an employee of the Michigan Department of Community Health, Michigan Department of Public Health, or CMHSP or a CMHSP board member; nor is any such person related to a member of CONTRACTOR's staff who is currently using or privy to such information regarding CMHSP which may constitute a conflict of interest. Breach of this covenant may be regarded as a material breach of this contract and a cause for termination thereof.

## **ARTICLE XXV. COMPLIANCE WITH MDCH AGREEMENTS**

It is expressly understood and agreed by CONTRACTOR that this agreement is subject to the terms and conditions of the contracts entered into between CMHSP and the MDCH. CONTRACTOR shall comply with all applicable terms and conditions of the MDCH contracts, which are incorporated by reference into this agreement. The provisions of this agreement shall take precedence over the MDCH contracts unless a conflict exists between this agreement and the provision of the MDCH contracts, in which case the provisions of the MDCH contracts shall prevail. A conflict, however, shall not be deemed to exist where this agreement: 1) contains additional provisions not set forth in the MDCH contracts; 2) restates provisions of the MDCH contracts to afford the CMHSP the same or substantially the same rights and privileges as the MDCH; or 3) requires CONTRACTOR to perform duties and/or services in less time than that afforded CMHSP in the MDCH contracts. A copy of the current MDCH contracts shall be provided to CONTRACTOR upon CONTRACTOR's written request thereof.

## **ARTICLE XXVI. COMPLIANCE WITH LAWS AND REGULATIONS**

**A. Compliance with Laws:** The CONTRACTOR shall provide all services in compliance with all applicable federal, state, and local laws, ordinances, rules, and regulations including but not limited to: (a) the Michigan Mental Health Code and the Public Health Code and the rules and regulations promulgated thereunder; (b) federal and state Medicaid laws, including the Balanced Budget Act; (c) all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 1857(h)) and Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15) if the amount of this Contract is over \$100,000.

If substance abuse treatment and/or prevention services are provided under this Contract, CONTRACTOR must 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 CONTRACTOR 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 CMHSP and CONTRACTOR are subject to the provisions of P.A. 317 of 1968, as amended, and P.A. 196 of 1973, as amended.

**B. Standard Operating Procedures:** CMHSP and CONTRACTOR agree that CMHSP does not control operations or hazards arising out of the services provided under this Contract. CONTRACTOR is solely responsible for having written standard operating procedures, and for providing the necessary training and personal protective equipment where required.

**C. Lobbying:** CONTRACTOR shall comply with the Anti-Lobbying Act, Title 31 USC, Section 1352 (added under Section 319 of Public law 101-121), as revised by the Lobbying Disclosure Act of 1995 (P.L.104-65) and Section 503 of the Departments of Labor, Health and Human Services, and Education and Related Agencies Appropriations Act (Public Law 104-208). CONTRACTOR shall include the language of this assurance in all subcontracts for services covered by this Contract.

**D. Pro-Children Act of 1994:** CONTRACTOR shall comply with Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan or loan guarantee. The Act also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The Act does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the Act may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. CONTRACTOR shall include this language in any subcontracts which contain provisions for children's services.

CONTRACTOR, in addition to compliance with Public Law 103-227, shall ensure that any service or activity funded in whole or in part through this Contract will be delivered in a smoke-free facility or environment. Smoking shall not be permitted anywhere in the facility, or those parts of the facility under the control of CONTRACTOR. If activities or services are delivered in the facilities or areas that are not under the control of CONTRACTOR, (e.g., a mall, restaurant or private work site), the activities or services shall be smoke-free.

**E. Hatch Act and Intergovernmental Personnel Act:** CONTRACTOR shall comply with the Hatch Act (5 U.S.C. 1501-1508) and Intergovernmental Personnel Act of 1970, as amended by Title VI of Civil Service Reform Act (Public Law 95-454 Section 4728). Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally-assisted programs.

## **ARTICLE XXVII. DISBARMENT AND SUSPENSION**

**A. Assurances:** Assurance is hereby given to CMHSP that CONTRACTOR will comply with Federal regulation 45 CFR Part 76 and certifies to the best of its knowledge and belief that CONTRACTOR and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or Agency;
2. Have not within a three (3) year period preceding this contract been convicted of or had a civil

judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 13.1B and;
4. Have not within a three (3) year period preceding this contract had one or more public transactions (federal, state or local) terminated for cause or default.

**B. Verification of Assurances:** CONTRACTOR acknowledges that the CMHSP may be verifying these assurances through:

1. The Michigan Department of Consumer & Industry Services to ensure that the CONTRACTOR is not suspended from participation in Michigan Medicaid and/or Medicare and that they are not listed with Michigan Department of Consumer & Industry Services for Unfair Labor Practices.
2. U.S. General Services Administration "excluded parties list".

**C. Effect of Being Listed in Registries:** If CONTRACTOR appears in the registries identified in either sections 13.2A or 13.2B above during the term of this contract, this contract shall immediately become null and void.

## **ARTICLE XXVIII. DOCUMENTS AND PUBLICATIONS**

All documents developed as a result of this Contract will be freely available to the public, with the exception of those containing information about recipients of services which state and federal law requires to be confidential. CONTRACTOR may not copyright such documents unless otherwise provided in this agreement. During the performance of services under this Contract, CONTRACTOR will be responsible for any loss or damage to the documents while they are in its possession and must restore the loss or damage at its expense. Any use of the information and results of this Contract by CONTRACTOR must reference the project sponsorship by CMHSP. Any publication of the information or results must be co-authored by the CMHSP.

If activities supported by the Grant Agreement between MDCH and CMHSP for substance abuse services produce books, films, or other such copyrightable materials issued by CONTRACTOR, CONTRACTOR may copyright but shall acknowledge that the CMHSP reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, and use such materials. This cannot include service recipient information or personal identification data. Any copyrighted materials or modifications bearing acknowledgement or the CMHSP's name must be approved by CMHSP prior to reproduction and use of such materials. CONTRACTOR shall give recognition to CMHSP in any and all publication papers and presentations arising from the program and service contract herein; CMHSP will do likewise.

## **ARTICLE XXIX. MISCELLANEOUS PROVISIONS**

**A. Relationship to Network:** By entering into this agreement, CONTRACTOR acknowledges membership in the CMHSP provider network and agrees to maintain positive working relationships with other contractors within the CMHSP provider network to best serve the needs of consumers.

**B. 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 in the provider manual. 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 unit acquisition cost of \$5,000 or more, to the

extent that MDCH's proportionate interest in such equipment supports such retention or transfer of title.

**C. Policies and Administrative Directives:** The CONTRACTOR agrees to follow the policies, administrative directives, or other documents specified by CMHSP. During the term of this Contract, the CMHSP shall be responsible for advising CONTRACTOR of any applicable modifications to law or the MDCH Administrative Rules which shall have a bearing on the performance of this Contract, or any changes to CMHSP policies that apply to CONTRACTOR. CONTRACTOR shall expressly acknowledge receipt of such changes. CONTRACTOR shall ensure compliance with all applicable laws, rules, and regulations, as well as all provisions and directives listed in the provider manual.

**D. Choice of Law and Venue:** This Contract shall be construed according to the laws of the State of Michigan. CMHSP and CONTRACTOR agree that the venue for the bringing of any legal or equitable action under this Contract shall be established in accordance with the statutes of the State of Michigan and/or Michigan Court Rules. In the event that any action is brought under this Agreement in Federal Court, the venue for such action shall be the Federal Judicial District of Michigan, Eastern District, Southern Division.

**E. Amendments:** Modifications, amendments, or waivers of any provision of this contract may be made only by the written mutual consent of the parties hereto.

**F. Extent of Contract:** This contract and the additional and supplementary documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto and no other contracts, oral or otherwise, regarding the subject matter of this contract or any part thereof shall have any validity or bind either of the parties hereto.

**G. Waivers:** No failure or delay on the part of either of the parties to this Contract in exercising any right, power, or privilege hereunder shall operate as a waiver thereof nor shall a single or partial exercise of any right, power or privilege preclude any other or further exercise of any other right, power or privilege. In no event shall the making by CMHSP of any payment due to CONTRACTOR constitute or be construed as a waiver by CMHSP of any breach of a provision of this Contract, or any default which may then exist, on the part of CONTRACTOR, and the making of any such payment by CMHSP while any such breach or default shall exist, shall in no way impair or prejudice any right or remedy available to CMHSP in respect to such breach or default.

**H. Disregarding Titles:** The titles of the sections set forth in this contract are inserted for the convenience of reference only and shall be disregarded when construing or interpreting any of the provisions of this contract.

**I. Invalid Provisions:** If any provision of this contract is held to be invalid, the remainder of this contract shall not be affected thereby, except where the invalidity of the provision would result in the illegality and/or unenforceability of this contract.

**J. Nonbeneficiary Contract:** This Contract is not intended to be a third party beneficiary contract and confers no rights on anyone other than the parties to this Contract.

**K. Practice and Ethics:** The parties will conform to the code of ethics of their respective professional associations.

## **ARTICLE XXX. CONTRACT REMEDIES AND SANCTIONS**

CMHSP will utilize a variety of means to assure compliance with contract requirements. CMHSP will pursue remedial actions and possibly sanctions as needed to resolve outstanding contract violations and performance concerns.

CMHSP may utilize any or all of the following actions:

1. Notice of contract violation and conditions will be issued to the CONTRACTOR with copies to CONTRACTOR's Board of Directors, if applicable.
2. Require a plan of correction and specified status reports that becomes a contract performance objective.
3. Place the CONTRACTOR on provisional contract status until a plan of correction is accepted by CMHSP and CONTRACTOR is able to successfully demonstrate its compliance.
4. CMHSP reserves the right to withhold payment until full compliance is achieved.
5. If the above mentioned actions are not successful in achieving full compliance, the CMHSP reserves the right to initiate contract termination according to the Termination Article of this Contract.

The implementation of any of these actions does not require a contract amendment; the sanction notice to CONTRACTOR is sufficient authority according to this provision. The use of remedies and sanctions will typically follow a progressive approach, but CMHSP reserves the right to deviate from the progression as needed to seek correction of serious or repeated breaches, or patterns of substantial non-compliance or performance problems.

The following are examples of compliance or performance problems for which remedial actions, including sanctions, can be applied to address repeated or substantial breaches, or a pattern of non-compliance or substantial poor performance. This listing is not meant to be exhaustive, but only representative.

1. Reporting timeliness, quality and accuracy.
2. Performance Indicator Standards.
3. Repeated Site-Review non-compliance (repeated failure on the same item).
4. Failure to complete or achieve contractual performance objectives.
5. Repeated failure to honor appeals/grievance assurances.
6. Substantial or repeated health and/or safety violations.
7. Substantial inappropriate denial of services or requests for services required under this Contract, or substantial services not corresponding to condition. Substantial can mean a pattern, large volume or small volume, but with a severe impact.
8. Inappropriate or inconclusive documentation of services for which a claim has been submitted.

## **ARTICLE XXXI. DISPUTE RESOLUTION**

Issues between CONTRACTOR and CMHSP involving contractual terms shall be addressed by their respective designated representatives as indicated in dispute resolution process described in Attachment E. All decisions to authorize, continue, or discontinue CMHSP payments for services provided by CONTRACTOR to CMHSP consumers shall be those of CMHSP's Executive Director.

If the respective designated Executives of both parties do not resolve differences as to essential terms of this contract, these issues shall be referred to the CMHSP's and CONTRACTOR's governing body. If CMHSP's and CONTRACTOR's governing body cannot resolve disputes, either party may seek resolution through exercise of any available legal and/or equitable remedies.

## **ARTICLE XXXII. NOTICE**

Any and all notices, designations, consents, offers, acceptances or other communications provided for herein shall be given to either party in writing either by receipted personal delivery or by registered or certified mail, return receipt requested, addressed to the addressee shown below, unless notice of a change of address is furnished to all parties.

To CMHSP:  
Kathleen M. Reynolds, Director  
Washtenaw Community Health Organization  
555 Towner Blvd, PO Box 915  
Ypsilanti, MI 48197

To CONTRACTOR:  
Name  
Hospital  
Address  
Address

**ARTICLE XXXIII. CONTINUING CONTRACT**

In the event that a new contract between the parties hereto is not signed by the termination date of this contract, the terms and conditions contained herein may remain in effect for a period not to exceed one (3) months from the scheduled termination date, unless either party hereto has notified the other party of its intent not to renew this contract. By written agreement of the parties hereto, this continuation may be extended for an additional three (3) months thereafter. Any continuation beyond the extensions authorized in this Article shall be based on the full-year cost of any amendment that has been executed in accordance with the terms of this contract.

**ARTICLE XXXIV. AUTHORITY TO SIGN**

The persons signing on behalf of the parties hereto certify by their signatures that they are duly authorized to sign this Contract on behalf of the party they represent and that this Contract has been authorized by said party.

IN WITNESS WHEREOF, the authorized representatives of the parties hereto have fully signed this Contract on the day and year first above written.

**Contractor: Name**

**Washtenaw Community Health Organization**

\_\_\_\_\_, Chief Executive Officer

\_\_\_\_\_  
Kathleen Reynolds, Executive Director

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## ATTACHMENT A

### RECIPIENT RIGHTS

- **If CONTRACTOR provides mental health services, CONTRACTOR agrees:**
  1. To establish an Office of Recipient Rights (ORR), designating a Rights Advisor in compliance with the MMHC Section 330.1755. The Rights Advisor shall be subordinate only to the hospital director. The Rights Advisor shall be responsible for the provision of rights protection including investigations for complaints on behalf of CMHSP recipients who are receiving inpatient psychiatric services and, if applicable, partial hospitalization or outpatient psychiatric services from the CONTRACTOR. The Advisor shall be responsible for coordinating and communicating with the CMHSP ORR in its monitoring function.
  2. To comply with Chapter 7 and 7A relative to complaint investigations, reports and remediation. Copies of the complaints and/or acknowledgement letters, Investigative Reports, and Summary Reports relative to CMHSP consumers will be made readily available at the request by the CMHSP ORR for monitoring and/or coordination purposes.
  3. To notify by telephone initially, then fax to the CMHSP ORR immediately if possible, but no later than the next working day, a recipient rights investigation appeal for a complaint case investigated by the Rights Advisor on behalf of a CMHSP consumer. The CONTRACTOR's staff, including the Rights Advisor, shall cooperate to the fullest extent as required in the MMHC Chapter 7A during the appeal process.
  4. To strictly comply with all Recipient Rights provisions of the Michigan Mental Health Code (Public Act 290 of 1995) and Michigan Department of Community Health Administrative Rules.
  5. To post a copy of the Summary of Rights as guaranteed by the Mental Health Code and Administrative Rules in a conspicuous place at the service site.
  6. To develop and implement rights policies as required by MHC 752. CONTRACTOR shall provide a copy of all Rights policies annually to the CMHSP ORR, either via email to <[virgod@eWashtenaw.org](mailto:virgod@eWashtenaw.org)>, on a diskette, or by hard copy within 30 days of the full execution of this contract. The Rights Advisor shall have reviewed the hospital's Rights policies to ensure compliance with the MMHC, as evidenced by a completed MDCH ORR form "LPH/U RIGHTS POLICY REVIEW" (referred to as "Attachment B, specific to inpatient") and shall provide the CMHSP ORR with a copy of the completed form at the time of submission of the Rights policies.
  7. To comply with the mechanisms established by Chapter 7 and 7A of the Michigan Mental Health Code for protecting recipient rights and to accept the final jurisdiction of the CMHSP Recipient Rights Office. To implement appropriate remedial action for substantiated violations of rights guaranteed by the Michigan Mental Health Code and Administrative Rules. The CMHSP Rights Office representatives shall have access at any time to CONTRACTOR's premises, all staff, recipients, service records, and services of the CONTRACTOR in order to fulfill the monitoring function of that Office. CONTRACTOR's employees are required to cooperate with the Rights Advisor during an investigation, and with the CMHSP ORR when fulfilling its monitoring function. **The Rights Advisor shall document Rights Investigations, Summary Reports, and Intervention Reports with the detail and thoroughness described in the MDCH ORR Attachment C (I-III).**
  8. To provide or assure that appropriate action is taken to ensure protection for complainants and Rights staff if evidence of harassment or retaliation occurs regarding an alleged rights violation or rights complaint.
  9. To monitor the safety and welfare of consumers while they are under its service supervision pursuant to this contract. To provide immediate comfort and protection to, and assure immediate medical treatment for, any consumer who has suffered physical injury. To verbally report the death, serious injury, suspected abuse, neglect, or sexual abuse, or any other serious alleged rights violation of a consumer to the CMHSP Rights Office/designee immediately if possible, but no later than the next working day. To document on designated forms within 24 hours of the alleged occurrence.
  10. To notify the appropriate public agency as required by law regarding any suspected abuse, neglect,

sexual abuse, or death of any consumer (Family Independence Agency, Protective Services - Adults and Children, CIS Licensing, law enforcement and other public agencies as applicable). The CONTRACTOR shall post a copy of said laws in a conspicuous place.

11. To allow individuals who properly identify themselves as representatives of Michigan Protection and Advocacy access to program premises, consumers, and service records in compliance with Sections 748(8) and 931 of the Mental Health Code. Such access will be utilized in a reasonable manner so as not to interfere with the program participants' planned activities.
12. To maintain the confidentiality of information regarding recipient in compliance with Sections 330.1748 and 330.1750 of the Mental Health Code and other applicable state and federal laws.
13. That all employees shall receive training on recipient rights within 30 days of hire. Such training shall be the responsibility of the CONTRACTOR. **The Rights Advisor and (if applicable) the Alternate Rights Advisor shall attend the MDCH-ORR trainings "Basic Skills Curricula" and "Developing Effective Rights Training (DERT)" within 3 months of hire.** It is the responsibility of the CONTRACTOR to keep track of their employees' Rights training and to maintain clear and easily accessible records of all Rights training received by staff. Staff training records shall be readily accessible and subject for review by the CMHSP-ORR, upon request, in its monitoring function.
14. To comply with CMHSP mechanisms required by the MDCH Managed Specialty Supports and Services Contract for consumers/applicants to pursue resolution of complaints regarding services and supports managed and/or delivered by CMHSP. Specifics of these mechanisms (Rights complaint, and, if applicable, Medicaid appeal, DCH fair hearing) are set forth in the Consumer Grievance and Appeals policy, which can be found in the Provider Manual and which is incorporated by reference into this contract.
15. To be in compliance with the Bullard-Plawecki Employee Right to Know Act, PA 397 of 1978, by assuring that employees are given written notice under the conditions and as detailed in that Act.

CMHSP AGREES:

1. That the CMHSP's Recipient Rights Officer will notify CONTRACTOR's Rights Advisor of any complaint received regarding CONTRACTOR's consumers within twenty-four hours when consumer abuse or neglect is alleged, and within one week for all other complaints.
2. To provide technical assistance and consultation to the CONTRACTOR and the Rights Advisor as necessary to develop and maintain a recipient rights protection system.
3. To provide the CONTRACTOR with the approved copy of the MDCH ORR form "LPH/U RIGHTS POLICY REVIEW" (Said form is referred to as "Attachment B, specific to inpatient.")

CMHSP reserves the right to terminate this contract for failure to comply with Recipient Rights policies and/or remedial actions if consumer abuse and/or neglect is substantiated, and to remove any consumer placed pursuant to this contract whom the CMHSP deems is in immediate danger at the CONTRACTOR's facility.

• **If CONTRACTOR provides services for a substance abuse disorder under this agreement, CONTRACTOR 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 in a conspicuous place a Recipient Rights Poster indicating the Rights Advisor's name and number, and the Regional Rights Consultant's name and number.
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, CONTRACTOR 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 CMHSP mechanisms required by the MDCH Managed Specialty Supports and Services Contract for recipients/applicants to pursue resolution of complaints regarding services and supports managed and/or delivered by CMHSP. Specifics of these mechanisms (Rights complaints, Medicaid appeals, grievances, DCH fair hearings) are set forth in the CMHSP Consumer Grievances and Appeals policy, which is available in the provider manual and is incorporated by reference into the 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 CMHSP. Notification regarding proposed changes in principal investigators or other key research and evaluation staff shall be given to the CMHSP at least 30 days prior to the change.

CMHSP reserves the right to terminate this contract for failure to comply with Recipient Rights policies and/or remedial actions if consumer abuse and/or neglect is substantiated, and to remove any consumer placed pursuant to this contract whom the CMHSP deems is in immediate danger at the CONTRACTOR's site.

## ATTACHMENT B

### SCOPE OF SERVICES INPATIENT AND PARTIAL HOSPITALIZATION (Psychiatric)

A. Hospitalization Services and Beds: CONTRACTOR shall provide voluntary and involuntary psychiatric hospitalization and services to CMHSP consumers who have been referred to the CONTRACTOR by the CMHSP Executive Director or designee for admission to CONTRACTOR's psychiatric inpatient unit. Beds will be provided as available to be used by individuals authorized for admission by the CMHSP.

The scope of service to be provided by CONTRACTOR may include:

1. Social Work
2. Recreational Therapy
3. Nursing
4. Ancillary and support services (i.e., lab, radiology, ERG)
5. Occupational Therapy
6. Psychological Testing/Evaluation
7. Electroconvulsive Therapy
8. Administrative Services
9. Individual, family, and group psychotherapy
10. Personal items
11. Emergency and admission services shall be available twenty-four (24) hours a day seven (7) days a week.
12. Psychiatrist services

**B. Partial Hospitalization**: Provide adult partial hospitalization and adolescent partial hospitalization, including psychiatric services by CONTRACTOR's physicians, to CMHSP consumers who have been referred to the CONTRACTOR by the CMHSP Executive Director or designee for admission to CONTRACTOR's partial hospitalization program.

The scope of services to be provided by the CONTRACTOR shall include:

1. Psychiatric Care
2. Social Work Services
3. Nursing Services
4. Recreational/Activity Services
5. Ancillary and Support Services (i.e. substance abuse assessment)
6. Administrative Services
7. Educational Services

C. Access to Services: CONTRACTOR agrees to ensure that access to care and service delivery is timely.

## **SCOPE OF SERVICES**

### **Substance Abuse Treatment Services**

#### **A. Clinical Data & Information:**

1. **Treatment Plan & Review:** CONTRACTOR shall develop an Individual Treatment Plan for each client which lists objectives that are behaviorally specific and measurable. CONTRACTOR shall deliver services in accordance with each client's Individual Treatment Plan as authorized for each client by CMHSP or its agent. CONTRACTOR shall ensure that both the client and therapist sign the Individual Treatment Plan. CONTRACTOR shall review Individual Treatment Plans at least every ninety (90) days in all programs and document patient progress in treatment review forms.
2. **Assessment:** CONTRACTOR 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

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

CONTRACTOR 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. CONTRACTOR agrees to provide information to intravenous drug users about local resources for Hepatitis C testing. CONTRACTOR 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:** CONTRACTOR 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:** CONTRACTOR shall document medical services received by clients in its client records. If ongoing medical issues are documented, CONTRACTOR shall release the information to the primary care physician. CONTRACTOR shall document all contact with the primary care physician. CONTRACTOR shall develop and use an assessment tool to determine client's level of pain and document any implementation of detoxification protocols in client records.
5. **Discharge/Transfer Information:** CONTRACTOR shall document discharges and transfers with a signed and dated discharge summary which includes the reason for

discharge or transfer and 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 the Encompass system as soon as possible, or within thirty-five (35) days following discharge. The discharge summary shall be completed within six (6) weeks of the date of discharge from the program.

6. Miscellaneous Information: CONTRACTOR shall document client's need and readiness for vocational rehabilitation, education, and employment in all client records. CONTRACTOR shall document referrals to vocational, educational and employment services. When applicable, CONTRACTOR 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**: CONTRACTOR agrees to make a good faith effort to facilitate a client's achievement of the goals and objectives defined in his/her Individual Treatment Plan.

**D. Rejection or Termination of Referral/Placement**: CONTRACTOR 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. CONTRACTOR 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 CONTRACTOR is terminating existing services, CONTRACTOR must demonstrate that a good faith effort to meet the client's needs and to implement the PCP has been made.

CONTRACTOR 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 CONTRACTOR is terminating existing services, CONTRACTOR 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, CONTRACTOR 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**: CONTRACTOR agrees that authorized representatives of CMHSP shall have access to each service site, clients, staff, and client records upon request.

F. **Administration**:

1. **Financial Records**: CONTRACTOR agrees to maintain complete and current financial records, supporting receipts, and other documentation.
2. **Record Availability**: CONTRACTOR 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 CMHSP or law.
3. **Securing Entitlements**: CONTRACTOR 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**: CONTRACTOR 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 CMHSP or law. Destruction of clinical records after seven (7) years must be pre-approved by CMHSP.

G. **Participation in Small Business Health Plan**:

1. If providing outpatient substance abuse services under this agreement, the CONTRACTOR agrees to participate as a provider of outpatient substance abuse treatment services in the Washtenaw Small Business Health Plan
2. CONTRACTOR agrees that the CPT codes for these services will be the same as those set forth in Attachment C. CONTRACTOR 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. Contractor shall contact US Health and Life Insurance Company if necessary to determine the number of remaining visits available to an individual seeking treatment.
5. CONTRACTOR'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 CONTRACTOR provides 90-day written notice of its withdrawal from the program or the program ceases to exist.

## **SCOPE OF SERVICES**

## **SUBSTANCE ABUSE PREVENTION**

Insert program description and expected outcomes (based on RFP submission)

### **COMMUNICABLE DISEASES – SUBSTANCE ABUSE PROVIDERS**

If CONTRACTOR is providing substance abuse treatment or prevention services under this agreement, CONTRACTOR will comply with the following:

#### **Tuberculosis**

CONTRACTOR 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).

CONTRACTOR 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 CONTRACTOR to admit the individual, CONTRACTOR will refer the individual to a provider of tuberculosis services.

#### **HIV/AIDS and Other Communicable Diseases**

CONTRACTOR 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.

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

**CONTRACTORS WHO PROVIDE SUBSTANCE ABUSE TREATMENT SERVICES must additionally:**

- 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.
- CONTRACTORS providing Residential Treatment Services must ensure all clients will be tested for TB upon admission.

**CONTRACTORS providing treatment services for injecting drug users (IDUs)** 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, CONTRACTOR must provide for access to Hepatitis C testing for IDUs.

Outreach efforts should include the following:

1. Selecting, training, and supervising outreach workers;
2. 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;
3. Promoting awareness among injecting drug users about the relationship between injecting drug abuse and communicable diseases such as HIV;
4. Recommending steps that can be taken to ensure that HIV transmission does not occur; and
5. Encouraging entry into treatment.

## ATTACHMENT C

### RATES - INPATIENT and PARTIAL HOSPITALIZATION (Psychiatric)

The per diem rate structure for psychiatric inpatient hospital day will be \$\_\_\_\_\_.

Service	CPT Code	Description	Rate	Unit
Psychiatric Inpatient Hospital Day	0114	Private medical or general-psychiatric	\$575.00	Day
	0124	Semi-private 2 bed (medical or general) – psychiatric	\$575.00	Day
	0134	Semi-private 3 and 4 beds-psychiatric	\$575.00	Day
	0144	Private (deluxe) – psychiatric	\$575.00	Day
Partial Hospitalization Day	0154	Room & Board ward (medical or general) – psychiatric	\$575.00	Day
	0912	Psychiatric/psychological services - day care	\$209.00	Day
	0913	Psychiatric/psychological services - night care	\$209.00	Day
Medicaid Co-Pay	0114	Private medical or general-psychiatric	Federally Mandated	Day
	0124	Semi-private 2 bed (medical or general) - psychiatric	Federally Mandated	Day
	0134	Semi-private 3 and 4 beds-psychiatric	Federally Mandated	Day
	0154	Room & Board ward (medical or general) – psychiatric	Federally Mandated	Day
Electroconvulsive Therapy Treatment	0901	Electroconvulsive therapy (includes necessary monitoring); single seizure.	\$800.00	Per Session (series)

The above rates are all-inclusive and include physician costs, medications, and other hospital services. Within the funding limitations set forth in this agreement, CMHSP shall reimburse CONTRACTOR at the above-stated per diem rate for each day of actual preauthorized inpatient or partial hospitalization care given to each CMHSP consumer. Days of care shall be defined as the day of admission and all subsequent days, prior to the date of discharge, that have been authorized. CMHSP will not reimburse for days included in either overnight leaves of absence or unauthorized leaves of absence, or for days that a consumer was scheduled to receive care but did not show up for the appointment. CMHSP will not pay for days of care provided prior to notification if a consumer has not been admitted through the CMHSP Psychiatric Emergency Services.

### RATES - SUBSTANCE ABUSE TREATMENT

Fixed Unit Rate Reimbursement: CONTRACTOR will be reimbursed a specific amount for the provision of substance abuse treatment services as set forth below. This amount is determined by the 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. Any rate increase must be agreed to and authorized by CMHSP.

The fixed unit rates established for Fiscal Year [redacted] for program name at address, (License# [redacted]) are:

CPT or HCPCS Codes	Description	Units	Rate
H0001	Intake	One Hour (minimum)	\$60/session
H0005	Group Counseling by clinician	45-50 minutes	\$25/session
H0004	Behavioral Health counseling	15 minute intervals	\$15.00/ 15 minute intervals
90804	Outpatient ½ session	Individual Therapy 20-30 minutes	\$30/ half session
90806	Outpatient full session	Individual 45-50 mins.	\$60/session
90807	Outpatient full session	Ind. 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	Ind. Therapy 20-30 minutes Interactive w/ medical Evaluation & mgmt.	\$30/half session
90812	Outpatient full session	Ind. Therapy 45-50 minutes interactive	\$60/session
90813	Outpatient full session	Ind. Therapy 45-50 minutes, Interactive Medical Evaluation & mgmt.	\$60/session
90847	Family Therapy w/patient	45-50 minutes	\$60/session
90849	Multi Family Group Psychotherapy	1 hour	\$25/session
90853	Group Psychotherapy	1 ½ hours	\$25/session
90857	Interactive Group Psychotherapy	45-50 minutes	\$25/session
90862	Medication Management	Per encounter	\$30.00/encounter
H0004	Individual Counseling by a Physician	Individual Counseling by Dr.	\$15/15 minute intervals
H0015	IOP	3 hr. min.- 3 days wk	\$75/day

## RATES - SUBSTANCE ABUSE PREVENTION SERVICES

Performance Reimbursement: CMHSP under the terms of this agreement will provide MDCH/ MHSAS funding for prevention services on a performance reimbursement basis in an annual amount not to exceed \$ [redacted] ([redacted] dollars) for the program name.

A Financial Status Report (FSR) (FIN-130) shall be submitted on a monthly basis, not later than five (5) days after the close of each calendar month, except for the September FSR which will be due in accordance with the notification sent to CONTRACTOR annually by the Finance Department. For performance reimbursement budgets, the monthly FSR must reflect total actual program expenditures by category regardless of the source of funds. Total funding, plus fees, must equal the amount on the total expenditure line where appropriate.

For performance reimbursement element budgets, a deviation allowance increasing an established expenditure category by \$10,000 or 15%, whichever is greater, is permissible without prior written approval of CMHSP. Any modifications or deviations in excess of this provision, including any adjustment to the total amount of this agreement, must be made in writing and executed by all parties to this agreement before the modifications may be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items, or positions not shown in the Program Budget Summary and supporting detail schedules, nor does this allow for an increase in total allocation.

## ATTACHMENT D

### PERFORMANCE IMPROVEMENT

CONTRACTOR shall comply with the following and develop, implement, and monitor a Continuous Performance Improvement Program that is conducted in accordance with CMHSP's Performance Improvement Program by:

1. Implementing performance outcome objectives that are consistent with the Community Mental Health Partnership of Southeast Michigan's (CMHPSM) Vision Statement, Mission and Values, and Strategic Plan.
2. Collecting quarterly data on the following performance indicators if CONTRACTOR serves six or more individuals per quarter (group home providers must report regardless of the number of individuals served in the quarter):

#### INPATIENT AND PARTIAL HOSPITALIZATION (Psychiatric)

<b>Network Indicators for Hospitals</b>			
Area to be reported	Reporting Requirements	Information Source	Frequency
Satisfaction with services provided	Satisfaction rate and response rate (number of surveys distributed/ number surveys collected)	Survey	Annually
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

#### **SUBSTANCE ABUSE TREATMENT**

Submission of data is REQUIRED within FIVE (5) business days following Admission to Treatment and Discharge from Treatment.

<b>Network Indicators for Substance Abuse Treatment</b>			
Area to be reported	Reporting Requirements	Information Source	Frequency
Client Satisfaction	Satisfaction on Survey Aggregate Form electronic format in Encompass 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)	Quarterly

Co-Occurring	COMPASS, Co-Occurring Clinical Assessments, Outcome Indicator	Tools in provider manual	Annually – due July 30th
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3. Referring to the Performance Improvement Section of the Provider Manual for further information on Network Indicators including definitions, tools to use, data reporting formats, and so forth.
4. Submitting to the WCHO's Performance Improvement Coordinator within thirty (30) days after the close of each quarter and in the format outlined in the Provider Manual, a Quarterly Indicator Data Report that measures performance on the required indicators as listed above.

If modifications to the Network Indicators should occur, updated Network Indicators will be provided to CONTRACTOR within thirty (30) days.

### **SUBSTANCE ABUSE PREVENTION SERVICES**

Required Quarterly Reports summarizing/delineating the service/activities conducted in accordance with the Scope of Services (Attachment A) shall describe the extent to which the projected outcome measures were accomplished. CONTRACTOR shall work directly with their Prevention Liaison in meeting contractual requirements and report submission.

CONTRACTOR shall submit to CMHSP Quarterly Reports by the 15<sup>th</sup> day of the month following the close of each quarter. The CMHSP fiscal year is October 1 through September 30.

Reimbursement will be withheld until the CMHSP receives a timely and accurate Quarterly Report. CONTRACTOR must not, as a result of the withholding of reimbursement, inappropriately limit or withhold the services set forth in Attachment B of this contract that would otherwise be provided to consumers. The CONTRACTOR also agrees to participate in the outcome measurement of targets and milestones of the program developed through the Rensselaerville Institute and implemented throughout the contract year.

**Satisfaction Surveys** are required of all CONTRACTORS receiving state-administered substance abuse prevention funds. Compilations of the surveys will be submitted to the CMHSP quarterly.

## ATTACHMENT E

### DISPUTE RESOLUTION

The Parties acknowledge that certain disputes may arise during the term of this agreement. Disputes will be identified by the CMHSP and CONTRACTOR liaisons who will attempt to resolve the issues. The Parties further agree that it is the best interest of CMHSP and CONTRACTOR to resolve those disputes within the framework of this contract. Parties will in good faith participate in the following procedures for the purpose of resolving disputes and continuing to provide patient care:

#### **A. Clinical Concerns**

The Program Director or designee of CONTRACTOR and the Director or Designee for CMHSP agree to discuss any concerns arising out of the clinical component of this agreement. CMHSP shall specify its concerns by written notification prior to termination of this agreement.

#### **B. Patient Rights**

CMHSP's Recipient Rights Officer shall notify CONTRACTOR's Program Vice President and CONTRACTOR's Patient Representative of complaints received regarding clients of CONTRACTOR within twenty-four (24) hours when client abuse or neglect is alleged and within (1) week for all other complaints. CMHSP's Recipient Rights Officer and CONTRACTOR's Patient Representative shall meet to discuss each case when client abuse or neglect is alleged, to determine if any action should be taken. Both Parties shall work to assure that proper procedures are developed to assure that all provisions of Chapter VII of the Michigan Mental Health Code are observed.

#### **C. Fiscal Concerns**

In the event that any problems regarding CMHSP's Reimbursement Policy arise or in the event that CONTRACTOR does not receive reimbursement as contracted, CONTRACTOR shall reduce these concerns to writing and CMHSP's chief financial officer or designee shall respond within one (1) week upon receipt of that notice.

#### **D. Administrative and Contractual Issue**

Disputes that cannot be resolved at lower levels of the organization would be referred as follows: First to both CONTRACTOR's and CMHSP's Program or Unit Director. Then, if necessary, to both CONTRACTOR's Vice President and CMHSP's Executive Director. Then, if necessary, to both the CONTRACTOR's Executive Vice President and CMHSP's Executive Director.