CLARK COUNTY
STAFF REPORT

DEPARTMENT: Community Services

DATE: 08/24/15

REQUESTED ACTION: That the County Manager approve a contract with Daybreak Youth Services to provide youth chemical dependency services.

____ Consent ____ Hearing __X__ County Manager

BACKGROUND

This DCS contract in the amount of $95,000 will fund a variety of youth chemical dependency services provided by Daybreak Youth Services. Services include intervention & referral, outreach, education, assessment, outpatient & intensive outpatient treatment, transportation, and case management.

COUNCIL POLICY IMPLICATIONS

There are no known council policy implications.

ADMINISTRATIVE POLICY IMPLICATIONS

There are no known administrative policy implications.

COMMUNITY OUTREACH

None

BUDGET IMPLICATIONS

YES	NO	
X		Action falls within existing budget capacity.
	X	Action falls within existing budget capacity but requires a change of purpose within existing appropriation
	X	Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.

BUDGET DETAILS

Local Fund Dollar Amount	$0
Grant Fund Dollar Amount	$95,000
Account	Fund 1954 Alcohol and Drug
Company Name	Daybreak Youth Services

DISTRIBUTION:

Board staff will post all staff reports to The Grid. http://www.clark.wa.gov/thegrid/

DeDe Sieler, Program Manager

Vanessa Gaston, Director

APPROVED:_____
CLARK COUNTY, WASHINGTON
BOARD OF COUNTY COUNCILORS

DATE: _____

SR#_____

APPROVED:_____
Mark McCauley, Acting County Manager

DATE: 8/25/15

BUDGET IMPACT ATTACHMENT – NONE

Part I: Narrative Explanation

I. A – Explanation of what the request does that has fiscal impact and the assumptions for developing revenue and costing information

Part II: Estimated Revenues

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Total	$0	$0	$0	$0	$0	$0

II. A – Describe the type of revenue (grant, fees, etc.)

Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	Current Biennium		Next Biennium		Second Biennium	
		GF	Total	GF	Total	GF	Total
Total	$0	$0	$0	$0	$0	$0	$0

III. B – Expenditure by object category

Fund #/Title	Current Biennium		Next Biennium		Second Biennium	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables						
Capital Outlays						
Inter-fund Transfers						
Debt Service						
Total	$0	$0	$0	$0	$0	$0

CONTRACT #2016-A-26
CLARK COUNTY
DEPARTMENT OF COMMUNITY SERVICES
P.O. BOX 5000, VANCOUVER, WA 98666-5000

This contract is between Clark County, by and through its Department of Community Services and the Contractor identified below.

Daybreak Youth Services	Contract Start Date:	July 1, 2015
960 E. Third Avenue	Contract End Date:	May 31, 2016
Spokane, WA., 99202	Budget Authority:	**$95,000**
Tel: (866) 370-4092	Budget Fund Number:	1954
Fax: (360) 750-9718	CFDA #:	93.959

Director:	Annette Klinefelter (509) 661-0851, aklinefelter@daybreakinfo.org
Fiscal/Alt Contact:	Gretchen Hoffman, (509) 444-7033, ghoffman@daybreakinfo.org
County Contact:	DeDe Sieler, (360) 397-2075 ext. 7823, dede.sieler@clark.wa.gov
County Fiscal:	John Jokela, (360) 397-2075 ext. 7883, john.jokela@clark.wa.gov

The following exhibits are attached to and incorporated into this contract by reference:

Exhibit A – TARGET Verification Form
Exhibit B – DBHR Service Rates;
Exhibit C – BAA/QSOA
Exhibit D – Data Security Requirements

Clark County, hereinafter referred to as the County, and the Daybreak Youth Services, hereinafter referred to as the Contractor, agree to the terms and conditions of the County Basic Interagency Agreement and this Contract, including all terms and exhibits, by signing below:

FOR CLARK COUNTY:

Mark McCauley, Acting County Manager

8/25/15
Date

FOR THE CONTRACTOR:

Signature

Executive Director
Title

8/18/15
Date

APPROVAL AS TO FORM ONLY:

Deputy Prosecuting Attorney

BUDGET SUMMARY
CONTRACT # 2016-A-26
DAYBREAK YOUTH SERVICES

SOW #	SERVICE CATEGORY	PAYMENT TYPE	REVENUE SOURCE	TXIX MATCH	DIRECT FUNDS	TOTAL BUDGET
1	Youth Services	Fee-for-Service	State GIA	$50,000	$35,000	$85,000
			A & D Reserves		$10,000	$10,000
TOTALS				**$50,000**	**$45,000**	**$95,000**

Note: The minimum Program Match requirement for this Contract is **$10,556.** Eligibility, limitations and reporting requirements are addressed in the Special Terms and Conditions of this Contract.

STATEMENT OF WORK # 1
CONTRACT 2016-A-26
DAYBREAK YOUTH SERVICES

SERVICE CATEGORY	PAYMENT TYPE	REVENUE SOURCE	TXIX MATCH	DIRECT FUNDS	TOTAL BUDGET
Youth Services	Fee-for Service	State GIA	$50,000	$35,000	$85,000
		A & D Reserves		$10,000	$10,000
STATEMENT OF WORK TOTALS			**$50,000**	**$45,000**	**$95,000**

A. YOUTH SERVICES

The purpose of this Contract is to target Medicaid eligible youth and expand treatment capacity for this population.

A1. Services

The Contractor shall provide any of the following chemical dependency treatment services to youth on a fee-for-service basis and as described in the DBHR BARS Supplement:

566.12 – Continuing Education/Training
566.31 – Intervention and Referral
566.37 – Outreach
566.36 – Interim Services
566.57 – Outpatient Treatment Youth - Group
566.57.7 – Intensive Outpatient Treatment Youth – Group
566.58 – Outpatient Treatment Youth - Individual
566.58.8 – Intensive Outpatient Treatment Youth – Individual
566.62 – Transportation
566.66 – Case Management - Youth
566.74 – Assessment – Youth
566.77 – Screening Test/Urinalysis
566.79 – TB Testing
566.99 – Miscellaneous

A2. Program Standards and Guidelines - Youth Services

A2.1. Eligibility. Services shall be provided to youth ages 10 through 17. Young adult patients age 18 to 20, who may be more appropriate for services in a youth outpatient treatment setting, may be admitted by exception with approval of the County Alcohol & Drug Program

Manager or designee. These young adults would be billed as youth patients, using youth funding. The Contractor shall provide the services described below for youth that meet the financial and eligibility standards for publicly funded chemical dependency treatment services. Funds may also be used for family support services. The age of consent for outpatient treatment for youth is 13 years of age. The Contractor shall ensure the maximization of the Title XIX funding for youth in treatment. Youth who are ineligible for Title XIX must have their ineligibility documented within the patient case file.

A2.2. Assessment Services. The Contractor shall assure the County that each youth receives a multi-dimensional assessment per WAC 388-805.

A2.3. Treatment Services.

A2.3.1. Youth outpatient services shall include treatment appropriate for substance abuse disorder in addition to treatment for substance dependency.

A2.3.2. Youth outpatient services shall address the needs of those youth waiting for placement in youth residential treatment, and those youth requiring continuing care (aftercare) following youth residential treatment. Outpatient programs shall be involved in the continuum of services and the treatment planning for youth in residential treatment programs.

A2.3.3. Urinalysis (UA) is an allowable cost only within the context of a treatment plan and not to exceed four UAs in a 31-day period of time per patient.

A2.4. Outreach Services. Outreach services shall be provided as a part of youth outpatient treatment related cost, but outreach contacts may not be counted toward outpatient patients served or hours of outpatient treatment services provided.

A2.5. Medicaid Eligibility. The Contractor shall ensure that all youth are screened for Title XIX financial eligibility and referred to the local DSHS Community Services Office (CSO) for Title XIX eligibility determination if the financial screen so warrants.

A2.6. Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services. To assure that youth making application for services receive the full benefit of the County's EPSDT Program, the Contractor shall refer each Title XIX eligible youth that has not previously received an EPSDT health screen to an EPSDT primary health care provider for such services and document such referrals.

A2.7. Waiting List Interim Services: Waiting List Interim Services are defined

as services offered to a patient denied admission due to a lack of capacity. The purpose of the services is to reduce the adverse health effects of substance abuse, promote the health of the individual, and reduce the risk of transmission of disease.

A2.7.1. At a minimum, waiting list interim services must include, but are not limited to:

A2.7.1.1. Screening to determine any acute patient needs and to confirm patient eligibility for comprehensive services.

A2.7.1.2. Counseling and education about HIV and tuberculosis (TB) risks of transmission and prevention measures.

A2.7.1.3. For pregnant women, interim services include counseling on the effects of alcohol and drug use on the fetus, as well as referral for prenatal care.

A2.7.1.4. Referral to other health services (such as HIV or TB treatment services if necessary) and social services depending on the patient.

A2.7.1.5. Periodic contacts with the patient in individual or group settings to provide supportive counseling and to provide updated information regarding treatment availability.

A2.7.1.6. Development of a service plan, which includes proposed services and target dates.

A2.8. Waiting List and Initial Appointment Requirements: All publicly-funded treatment agencies shall:

A2.8.1. Collect patient information as required on the DBHR Target Data Elements Waiting List-First Contact form, DSHS Form #04-444.

A2.8.2. Enter the "Date of First Contact" into TARGET, at least every (7) days, by collecting data at the time the patient first contacts the agency to request services and is given a specific date for when services will begin.

A2.9. Hardship Insured Eligibility: The Contractor shall ensure that clients who cannot afford to pay health insurance deductibles and co-pays sign a "Hardship/No Insurance" agreement attesting that payment for health insurance, deductibles, or co-pays is a financial hardship.

A2.9.1 If a client does not have insurance, the client must sign an agreement attesting that he/she does not have insurance.

A2.9.2 If a client does have insurance, the client must sign an agreement attesting that he/she has insurance, but cannot afford the deductibles and co-pays based on his/her current income.

A3. Payment: The fee-for-service rates for services identified in this Statement of Work are based on Exhibit B.

SPECIAL TERMS AND CONDITIONS
ALCOHOL & DRUG PROGRAMS
EFFECTIVE JULY 2015

I. APPLICABLE LAW

This Contract contains links to both DSHS and Federal websites to provide references, information and forms for your use. Links may break or become inactive if a website is reorganized; the County is not responsible for links that do not respond as expected.

These legal resources identified below are incorporated by reference and include, but are not limited to, the following:

A. 21 Code of Federal Regulations Food and Drugs, Chapter 1, Subchapter C, Drugs: General
http://www.ecfr.gov/cgi-bin/text-idx?SID=27c8fd2c8e33e25e5d1411544f59c7cf&mc=true&tpl=/ecfrbrowse/Title21/21CIsubchapC.tpl

B. 42 Code of Federal Regulations, Subchapter A, General Provisions

Part 2 -- Confidentiality of Alcohol and Drug Abuse Patient Records:
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title42/42cfr2_main_02.tpl

Part 8 -- Certification of Opioid Treatment Programs
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title42/42cfr8_main_02.tpl

C. 45 Code of Federal Regulations, Public Welfare, Part 96, Block Grants, Subpart L Substance Abuse Prevention and Treatment Block Grant
http://www.ecfr.gov/cgi-bin/text-idx?SID=c1b77276d592a75bd76963a26c2d1cbd&mc=true&node=sp45.1.96.l&rgn=div6

D. 2 Code of Federal Regulations, Subtitle A, Office of Management and Budget Guidance for Grants and Agreements
https://www.whitehouse.gov/omb/circulars_default

E. Washington Administrative Code (WAC) , Department of Social and Health Services (WAC) Chemical Dependency assistance programs 388-810, Certification Requirements 388-877 & 388-877B, WorkFirst 388-310
http://apps.leg.wa.gov/wac/default.aspx?cite=388

F. Washington Administrative Code, Department of Early Learning, Title 170
http://apps.leg.wa.gov/wac/default.aspx?cite=170

G. Revised Code of Washington (RCW), as listed below:
http://apps.leg.wa.gov/rcw/

Counselors – RCW 18.19
Chemical Dependency Professionals – RCW 18.205
Regulation of Health Professions – RCW 18.130
Abuse of Children – RCW 26.44
Public Officers and Agencies – RCW 42
State Government (Executive) – RCW 43
Rules of the Road – RCW 46.61
Uniform Controlled Substances Act – RCW 69.50
Treatment for Alcoholism, Intoxication, and Drug Addiction – RCW 70.96A
Involuntary Commitment – RCW 70.96A.140
Developmental Disabilities – RCW 71.A
Abuse of Vulnerable Adults – RCW 74.34

II. ADMINISTRATION

A. Additional Remuneration Prohibited.
The Contractor shall not charge or accept additional fees from any patient, relative, or any other person for services provided under this Contract other than those specifically authorized by Division of Behavioral Health & Recovery (DBHR). In the event the Contractor charges or accepts prohibited fees, the County shall have a right to assert a claim against the Contractor on behalf of the patient. Any violation of this provision shall be deemed a material breach of this Contract.

B. Background Checks. (RCW 43.43, WAC 388.877 & 388-877B)
The Contractor shall ensure a criminal background check is conducted for all staff members; case managers, outreach staff members, etc.; or volunteers who have unsupervised access to children, adolescents, vulnerable adults, and persons who have developmental disabilities.

When providing services to youth, the Contractor shall ensure that requirements of WAC 388-06-0170 are met.

C. Business Continuity Plan.
The Contractor shall develop a Business Continuity Plan that identifies essential functions and how those services would be continued in the event of a disaster. The plan will identify alternate locations for service provision and contact information. A plan shall be submitted to the County within 90 days of the signing of this Contract.

D. Confidentiality.
1. The Contractor shall have internal policies and procedures related to the privacy and the security of protected health information in compliance with state and federal guidelines.

   By signing this Contract, the Contractor certifies compliance with the applicable provisions of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, codified in 42 USC §1320(d) and 45 CFR parts 160, 162 and 164 the Health Information Technology for Economic and Clinical Health Act (HITECH Act or "The Act") part of the American Recovery and

Reinvestment Act of 2009 (ARRA), 42 CFR Part 2, and state privacy regulations.

2. The Contractor shall provide to the County a Confidentiality Certification attesting that the Contractor has on file a Statement of Confidentiality for each of the Contractor's staff members, subcontractors, and/or volunteers who have access to the Contractor's confidential paper or electronic records. The Confidentiality Certification must acknowledge that the provider understands and agrees to follow all regulations on confidentiality pursuant to WAC 388-865-0275 and all other applicable statutes. This Confidentiality Certification is due within 60 days of the contract start date and once annually thereafter.

E. Consumer Rights.
The Contractor shall comply with state and federal non-discrimination policies and the Health Insurance Portability and Accountability Act (HIPAA) to the extent they are applicable to the subcontract, as well as those delineated in the County Basic Interagency Agreement which is incorporated by this reference. This includes Title VI of the Civil Rights Act of 1964 as implemented by the regulations at 45 CFR Part 80, the Age Discrimination Act of 1975 as implemented by regulations at 45 CFR Part 91, the Rehabilitation Act of 1973, Titles II and III of the Americans with Disabilities Act, and other laws regarding privacy and confidentiality.

F. Contract Number and Correspondence.
The Contractor agrees to utilize the number of this Contract on all correspondence, communications, reports, vouchers and such other data concerning this contract or delivered hereunder.

G. *TARGET* Requirements.
1. Access and Security Requirements

A *TARGET* User ID is assigned to an individual employee and not to the Agency as a whole; therefore the Contractor shall ensure:

(a.) At least one trained primary and one trained backup data operator must have a User ID from the Secure Access Washington (SAW) system.

(b.) Procedures are implemented to ensure that there is no sharing of User IDs, pass phrases or *TARGET* logon information and that new employees requiring access do not make use of User IDs issued to others.

(c.) Computers that access *TARGET* shall be located in secure areas away from general public viewing and traffic.

(d.) The *TARGET* Helpdesk phone number (888-461-8898) is readily available to the trained operator(s).

(e.) The Helpdesk is notified within three (3) business days regarding a staff member who holds a User ID for access to *TARGET* who resigns

or is terminated.

(f.) The Helpdesk is notified when new staff needs access to *TARGET* data so an ID can be created.

(g.) Relevant Contractor staff has access to the technical assistance through the *TARGET* Helpdesk to keep *TARGET* resources operational.

(h.) The Contractor may enter into a qualified Service Agreement with another organization to meet *TARGET* Program Agreement reporting requirements and shall ensure section G. 1. (a-g) above are included in the Service Agreement.

(i.) The instructions for new users are available through the DBHR website or through the *TARGET* Helpdesk.

2. Data Protection

The Contractor shall:

(a.) Not share *TARGET* user ID's or passwords between staff members or other workers.

(b.) Ensure that there is at least one trained back-up data-entry worker at the service agency throughout the Program Agreement period.

(c.) Take due care to protect said data from unauthorized physical and electronic access.

3. Data Disposition

The data provided to DSHS shall be maintained in a secure fashion until such time as DSHS determines that it should be destroyed.

4. Requirements for Patient and Client Treatment Encounter Data

Documentation of non-compliance with any reporting requirements may result in corrective actions towards the Contractor or the withholding of funds.

The Contractor shall:

(a.) Enter the date of first contact into *TARGET* at least every seven (7) days.

(b.) Work towards entering all information into *TARGET* by the end of the 7th calendar day after the date of service.

(c.) Ensure all reporting requirements are met.

(d.) Enter full and complete patient and client information including but not

limited to Interim Waiting List Services, Assessment Services and Treatment Services, is entered into *TARGET*.

(e.) Provide special *TARGET*-based reports to the DSHS RA and/or County as requested.

(f.) Prior to the implementation of a new program of service, the Contractor and DSHS shall agree upon a program guidance/instruction document that will specify the process for reporting the service activity under that program.

(g.) To ensure on-time payment of submitted invoices

1. All *TARGET* data must be input no later than the 10th of the month after the month in which service was provided.

2. Verification of *TARGET* data input will be made prior to payment.

H. Employee Standards.

The Contractor must comply with WAC 388-865-0405. As such, the Contractor is prohibited from employing or utilizing any person to provide services who has pled guilty or been convicted of any felony crime involving the physical neglect, injury, death or sexual abuse of either an adult or minor and/ or exploitation of a minor. The Contractor shall have policies and procedures to ensure that a criminal history background check through the Washington State Patrol, consistent with the standards in RCW 43.43.830, is completed prior to each new hire or placement. Evidence of a satisfactory background check shall be maintained in personnel files. The policies and procedures shall require new background checks for all current employees upon hire, volunteers and interns prior to placement, and when indicated. Failure of the Contractor to comply with this section may be grounds for immediate termination of this Contract.

I. E-Verify Program.

1. If the amount of this Contract is equal to or greater than $25,000, the Contractor shall enter into a Memorandum of Understanding (MOU) with the Department of Homeland Security (DHS) agreeing to participate in the E-Verify Program. The Contractor shall submit a copy of the MOU to the County prior to starting work under this Contract and shall verify employment eligibility using the E-Verify website throughout the term of the Contract.

2. If the Contractor has sub-contracts in an amount equal to or greater than $25,000 working in support of this Contract, the Contractor is responsible for ensuring that the sub-contractor provide a DHS MOU or proof of pending application (followed by an MOU) within 30 days after the contract start date.

3. Pre-employment searches must be conducted by the Contractor (and its covered subcontractors) *prior to* making offers of employment. Evidence of search results must be maintained in each employee's personnel file.

Upon completion of this Contract, the Contractor shall provide the County with a written document certifying the authorized employment status of its employees and those of any sub-contractors assigned to the perform work under the Contract.

4. E-Verify program and enrollment information is available at the Department of Homeland Security web page: http://www.uscis.gov/e-verify.

J. False Claims Recovery.

The Contractor must have a Fraud and Abuse Plan which outlines the administrative and managerial procedures in place to guard against fraud and abuse. The Fraud and Abuse Plan must include the provisions stated below. The Contractor shall submit a current Fraud and Abuse Plan to the County within ninety (90) days of the contract start date. Said plan must address the provisions of the False Claims Act (31 U.S.C. § 3729 et seq.).

1. Provisions against Physician Incentive Plan. This must include provisions that ensure that the Contractor does not a) operate any physician incentive plan as described in 42 CFR §422.208; and b) contract with any subcontractor operating such a plan.

2. A mandatory compliance plan;

3. Written policies, procedures, and standards of conduct, which articulate the Contractor's commitment to comply with all applicable federal and state standards;

4. Designation of a compliance officer who is accountable to senior management;

5. Effective ongoing training and education for the compliance officer and staff;

6. Effective lines of communication between the compliance officer and the County's Fraud and Abuse Compliance Officer;

7. Enforcement of standards through well-publicized disciplinary guidelines;

8. Provision of internal monitoring and auditing; and

9. Provision for prompt response to detected offenses, development of corrective action initiatives, and notification of the County.

K. Financial Management.

The Contractor's accounting system shall ensure that revenues are accounted for on an accrual basis and are reported against the programs by source of funding. This includes the ability to track federal funds separately from state or local funds.

L. Funding Adjustment.

If the service levels for treatment services/activities provided by the Contractor falls below 85 percent of projected contracted service levels, the County reserves the right to reduce the treatment/activity funds awarded in this Contract. The County may also require the contractor to submit an annual outreach plan specific to the targeted youth population. The plan shall address goals and outcomes for non-treatment activity delivered as outreach, referral and intervention services.

M. Grievance Process.

The Contractor shall maintain a written policy and procedure that specifies how service applicants and recipients will be informed of their right to a grievance in the case of denial or termination of service and/or failure to act upon a request for services with reasonable promptness. Contract termination shall not be grounds for a fair hearing for the service applicant or a grievance for the recipient if similar services are immediately available in the County.

N. Subcontractor Termination Requirements.

When terminating a subcontract, the Contractor shall withhold the final payment of any treatment sub-contract until the open (admitted for treatment services) cases in the *TARGET* reporting system have been discharged from the system. This applies for all subcontractor closures. For subcontract termination, only publicly funded cases must be discharged.

O. Subcontractor Monitoring – Treatment Only.

The Contractor shall conduct a subcontractor review which shall include at least one on-site visit to each subcontractor providing treatment services during the period of performance of this Contract in order to monitor compliance with subcontract performance criteria for the purpose of documenting that the subcontractors are fulfilling the requirements of the subcontract.

P. Integrated Screening and Assessment.

1. The Contractor shall establish an integrated comprehensive screening and assessment process for chemical dependency and mental disorders and co-occurring chemical dependency and mental disorders per RCW 70.96C.010.

2. The Contractor shall use the GAIN-SS as the tool for conducting the integrated comprehensive screen on all new patients and document the scores into *TARGET*.

3. The Contractor shall provide an integrated assessment for patients with a positive screen for the possibility of a co-occurring disorder.

4. The Contractor shall document the quadrant placement during the assessment process and again on discharge into *TARGET*.

5. The Contractor shall ensure all applicable staff members receive training

on the integrated screening and assessment process

6. The maximum number of DBHR-funded assessments provided to each client, within a one year period, is two (2).

Q. Licensing and Certification.

The Contractor shall hold and maintain all necessary licenses, certifications and/or permits as required by law for the performance of the services to be performed under this Contract. The Contractor shall notify the County in the event of a loss or restriction of any required license or certification of a practitioner in its employ, of a subcontractor, or of the Contractor itself. Failure to comply with this provision will result in corrective action and may lead to immediate termination of this Contract.

R. Monitoring Cooperation.

The Contractor agrees to allow the County and its auditors or their designees to have immediate access to all records, including medical records and the financial statements related to this agreement and/or service performed under this agreement. This shall include contracts and agreements the Contractor has with other entities in fulfillment of this Contract.

1. The Contractor shall obtain prior approval before entering into any subcontracting arrangement. In addition, the Contractor shall submit to the Alcohol and Drug Program Manager at least one of the following for review and approval purposes.

   (a.) Copy of the proposed subcontract to ensure it meets all DSHS/DCS requirements; or

   (b.) Copy of the subcontractor's standard contract template to ensure it meets all DSHS/DCS requirements; or

   (c.) Certify in writing that the subcontractor meets all requirements under the contract and that the subcontract contains all required language under the contract, including any data security, confidentiality, and/or Business Associate language, as appropriate.

S. Program Income.

Program income is defined as revenue generated by the Contractor during the provision of services to eligible patients funded under the statement(s) of work of this Contract. This includes revenue such as fees from low-income patients found to be eligible to receive services partially supported by the County. This revenue shall be reported to the County, and shall be deducted from the funds earned in accordance with each statement of work to determine the net due the Contractor from the County.

T. Program Development Participation.

1. The Contractor shall participate in provider meetings and other meetings as scheduled by the County Alcohol and Drug Program Manager.

Participation shall include at least one Contractor representative at each meeting, plus any TANF Outstationed staff, DCFS Outstationed staff, Case Management staff and others as requested by the County Alcohol and Drug Program Manager. The Contractor shall also participate with County program and contract staff in the process of developing reporting requirements, fee schedules and other program or contract changes needed for 2015-2017 Biennium.

2. The Contractor shall be represented at all Substance Abuse Advisory Board meetings as scheduled by the County Alcohol and Drug Program manager. Participation shall include at least one representative at each meeting. The representative, upon request, will present monthly progress reports and be available to answer technical questions and provide input as requested by the Substance Abuse Advisory Board and County staff.

3. The Contractor shall work collaboratively with the County and other substance abuse systems to address substance abuse issues or efforts as identified by the County. Working Agreements will be developed and/or revised between the Clark County Department of Community Services Alcohol and Drug Program and the Division of Children and Family Services, Provider Agencies, DSHS Community Service Office and other system entities as required.

U. Service Availability.

The County shall budget funds awarded under this contract that are allocated for prevention, assessments and treatment services in such a manner to ensure availability of such services throughout the entire term of this Contract subject to available funds.

V. Title XIX Services.

1. The Contractor shall maintain policies and procedures to screen all potential applicants for Title XIX and shall adhere to the approved policies and procedures. The Contractor shall document all efforts made to assist patients in accessing Title XIX benefits. The Contractor shall refer potential patients for Title XIX funded services to the Columbia River Community Services Office (CSO) to apply for medical assistance and charge all services rendered to eligible patients to their Title XIX contract.

2. Funds available to the Contractor include state funds set-aside to meet the state match share requirement for Title XIX chemical dependency treatment services in the County. Title XIX services are billed to the Medical Assistance Administration on a fee-for-service basis consistent with the MAA TXIX rate schedule. Federal Title XIX funds are earned in the same manner at the current Federal Medical Assistance Percentage rate as set by MAA. The budgeted amounts for "Title XIX Match" and "Direct Funding" within a single revenue source for a statement of work may be reallocated by the County without formal contract modification so long as the budgeted amount for "Total Revenue Source" does not change. The County shall notify the Contractor in writing of any changes to the

allocation. Title XIX funding shall be maximized as a primary funding source whenever possible.

3. Charges to non-Title XIX funds for Title XIX services rendered to Title XIX eligible patients provided under this Contract shall constitute an overpayment.

4. If the Contractor provides Title XIX services, the Contractor shall secure and maintain all agreements with DSHS necessary for billing Medicaid services.

W. Determine Patient Financial Eligibility for Low-Income Services.

1. The Contractor shall ensure that all persons applying for services supported by Community Services Funds are screened for financial eligibility and shall:

   (a) Conduct an inquiry regarding each patient's continued financial eligibility no less than once each month.

   (b) Document the evidence of each financial screening in individual patient records.

   (c.) Refer client to Health Plan Finder Website for eligibility determination at http://www.wahbexchange.org/.

2. Low-Income

   The Contractor and its subcontractors are authorized to and shall determine financial eligibility for patients.

3. Charging Fee Requirements for Low-Income Patients

   (a.) If any service defined in this Contract is available free of charge from the Contractor to persons who have the ability to pay, the Contractor shall ensure DSHS is not charged for Fee Requirements for low-income patients.

   (b.) The Contractor shall use 220% of the Federal Poverty Guidelines to determine low-income service eligibility and shall provide this information to its subcontractors. The Federal Poverty Guidelines can be found by accessing the Provider page of the DSHS website at http://www.dshs.wa.gov/DBHR.

   (c.) The Contractor shall ensure sliding fee schedules are used in determining the fees for low-income eligible services.

   (d.) The Contractor shall ensure that persons who have a gross monthly income (adjusted for family size) that does not exceed the 220% of the Federal Poverty Guidelines are eligible to receive services

partially supported by funds included in this Contract.

(e.) The Contractor shall charge fees in accordance with the Low-income Service Eligibility Table to all patients receiving assessment and treatment services that are determined through a financial screening, to meet the requirements of the Low-income Service Eligibility Table.

(f.) If a Contractor's subcontractor determines that the imposition of a fee on an individual will preclude the low-income eligible patient from continuing treatment, the fee requirement may be waived by the subcontractor.

(g.) The minimum fee per counseling visit is $2.00. The maximum fee per service is the reimbursement cost of the service provided as identified on the SRP.

i. Indigent patients are exempt from this fee requirement.

ii. Interim Services are exempted from this fee requirement.

III. APPLICABLE REGULATIONS

The Contractor shall provide services described in the Statement(s) of Work in accordance with all applicable state and federal regulations, including but not limited to the Washington Administrative Code (WAC) and the Revised Code of Washington (RCW). The Contractor shall fulfill its obligations relating to the Health Insurance Portability and Accountability Act and regulations promulgated thereunder, 45 C.F.R. Part 160, 162 and 164. Where more stringent, the Contractor will follow 42 C.F.R. Part 2 and applicable Washington State law.

IV. CERTIFICATION REGARDING DEBARMENT, SUSPENSION OR INELIGIBILITY AND VOLUNTARY EXCLUSION

A. This certification is required by the regulations set forth in Title 2 Code of Federal Regulations Part 180. The terms "covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded," as used in this clause, have the meanings set out in Title 2 CFR Part 180.995.

B. By signing this Contract, the Contractor certifies that neither it nor its principals, (as defined by Title 2 Code of Federal Regulations Part 180) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. The Contractor shall provide immediate written notice to the Clark County Department of Community Services if at any time the Contractor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

C. Before entering into a "covered transaction" with another party at the next lower tier, the Contractor agrees by signing this Contract that it will first verify that the person or party with whom it intends to do business is not excluded or disqualified. The Contractor may do this by:

i. Checking the federal Excluded Parties List System (EPLS) at sam.gov

ii. Collecting a certification from the person or party; or

iii. Adding a clause or condition to the covered transaction with that person or party that fully meets the requirements set out in Title 2 Code of Federal Regulations Part 180

D. The Contractor agrees by signing this Contract that it shall not knowingly enter into any lower tier covered transaction with a person or party who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.

E. The certification in this clause is a material representation of fact upon which reliance is placed at the time of Contract execution and at the time of any subsequent modification(s). If it is at any time determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

F. Before hiring any new employee, the Contractor shall conduct a search of the Federal Excluded Parties List System referenced above to ensure that the individual is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. The search must be conducted by the Contractor *prior to* making an employment offer. Evidence of search results must be maintained in the employee's personnel file.

G. The Contractor shall maintain written documentation of its compliance with the above-stated requirements and make said documentation available to Clark County for review upon request.

V. DOCUMENTS INCORPORATED BY REFERENCE

Each of the documents listed below are by this reference incorporated into this Contract as though fully set forth herein, including any amendments, modifications or supplements thereto:

A. The Clark County Basic Interagency Agreement;

B. The 2015-2016 Division of Behavioral Health & Recovery (DBHR) CD Treatment Interlocal Agreement #1563-43672 and its exhibits;

C. The 2015-2017 Division of Behavioral Health & Recovery (DBHR) Prevention

Services County Program Agreement #1563-42467 and its exhibits;

D. The DBHR BARS Supplement;

E. The Department of Social & Health Services (DSHS) and County Agreement on General Terms and Conditions, the State Medicaid Manual (SMM) as applicable, the Budget and Reporting System (BARS) Manual;

F. The Code of Federal Regulations at Title 45 CFR Part 74, "Uniform Administrative Requirements for Awards and Sub awards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations;"

G. The Code of Federal Regulations at Title 2 CFR, Subtitle A, Chapter II, Part 200. "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards"

H. State regulations including the Revised Code of Washington (RCW) and the Washington Administrative Code (WAC).

I. Substance Abuse Prevention and Treatment Block Grant, CFDA #93.959, as authorized by the Public Health Service Act, Title XIX, Part B, Subpart 11, as amended, Public Law 106-310;

J. Medical Assistance Program, CFDA #93.959, as authorized by the Social Security Act, Title XIX, as amended;

K. Health Care Authority and DSHS Title-19 Contractors Outpatient Billing Instructions effective July 2, 2011

VI. DUPLICATION OF COSTS

The Contractor shall not request reimbursement for costs under this agreement if the Contractor also receives payment for the same costs from another funding source.

VII. ENTIRE AGREEMENT

The parties agree that this Contract is the complete expression of the terms hereto, and any oral representations or understanding not incorporated herein are excluded. Further, any modification of this Contract shall be in writing and signed by both parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. Both parties recognize that time is of the essence in the performance of this Contract. It is agreed by the parties that the forgiveness of non-compliance with any provision of this agreement does not constitute a waiver of the provisions of this Contract.

VIII. FEDERAL FUNDS

NOTICE OF FEDERAL BLOCK GRANT FUNDING REQUIREMENTS

1. Charitable Choice (42 USC 300x-65 and 42 CFR Section 54)

(a.) The Contractor shall ensure that Charitable Choice Requirements of 42 CFR Part 54 are followed and that Faith-Based Organizations (FBO) are provided opportunities to compete with traditional alcohol/drug abuse prevention and treatment providers for funding.

(b.) If the Contractor subcontracts with FBOs, the Contractor shall require the FBO to meet the requirements of 42 CFR Part 54 as follows:

i. Applicants for/recipients of services shall be provided with a choice of prevention and treatment providers.

ii. The FBO shall facilitate a referral to an alternative provider within a reasonable time frame when requested by the recipient of services.

iii. The FBO shall report to the Contractor all referrals made to alternative providers.

iv. The FBO shall provide recipients with a notice of their rights.

v. The FBO provides recipients with a summary of services that includes any inherently religious activities.

vi. Funds received from the federal block grant must be segregated in a manner consistent with Federal regulations.

vii. No funds may be expended for religious activities.

(c.) The County shall:

i. Notify subcontractors in writing of the federal funds, when federal block grant funds are allocated by the Contractor to subcontractors for the delivery of services and activities under this Contract.

ii. Ensure all subcontractors comply with all conditions and requirements for the use of federal block grant funds within any subcontracts or other agreements.

iii. Inform all subcontractors of the block grant requirement for an independent peer review pursuant to 42 USC 300x-53(a) and 45 CFR 96.136. The peer review will be conducted by DSHS and performed by individuals with expertise in the field of drug abuse treatment. At least five percent of treatment providers will be reviewed. The Contractor is required to participate in the peer review process when requested by DSHS.

iv. Ensure that all facilities receiving Federal Block Grant Funding provide the same services to all patients who are financially eligible to receive state or federal assistance and are in need of services. The County shall make no distinction between state and federal funding in regard to these

services which include, but are not limited to, Women's services, Intravenous Drug User services, Tuberculosis services, Childcare services for parenting patients, and Interim services.

2. In consideration of Federal Block Grant Funds received, the Contractor must comply with the following requirements:

   (a.) The Contractor shall comply with all conditions and requirements for use of federal block grant funds within any subcontracts or other agreements.

   (b). The Contractor shall provide continuing education for all employees providing treatment services or prevention activities.

   (c.) The Contractor shall ensure pregnant and parenting women in need of treatment or who are referred for treatment shall be given admission preference to treatment facilities receiving block grant funds.

   (d.) The Contractor shall, by referral, make available prenatal care and childcare to women receiving treatment services.

   (e.) The Contractor shall ensure the provision of chemical dependency assessment and treatment services to Injecting Drug Users (IDUs) no later than fourteen (14) days after the service has been requested by the individual. If the individual cannot be placed in treatment within fourteen days, interim services, as defined in the DBHR county contract must be made available to the individual.

   (f.) The Contractor shall provide or make referral, as a priority, to outreach activities designed to reduce the transmission of HIV disease and encourage IDUs to undergo treatment.

   (g.) The Substance Abuse Prevention and Treatment (SAPT) Block Grant requires annual peer reviews by individuals with expertise in the field of drug abuse treatment, of at least five percent of treatment providers. The Contractor shall participate in the peer review process when requested by DBHR.

   (h.) The Contractor that receives SAPT Block Grant funds shall address how it will, directly or through arrangements with other entities, make available tuberculosis services as defined in the SAPT Block Grant and WAC 388-805.

3. Costs must be allowable in accordance with federal and state guidelines and the DBHR contract. The following costs are considered Unallowable Uses of SAPT Block Grant Funds for this Contract:

   (a.) Cost of hospital inpatient services;

   (b.) Cash payments to patients;

(c.) Purchase or improvement of lands or facilities without written approval from DBHR and the federal granting authority.

(d.) Purchase of equipment with a cost of more than $5,000 without written approval from DBHR and the federal granting authority;

(e.) Costs used as cost-sharing or matching for other federal funds requiring non-federal matching funds;

(f.) Carrying out any program of distributing sterile needles for the hypodermic injection of an illegal drug, or distributing bleach for the purpose of cleansing needles for such hypodermic injection;

(g.) Carrying out any testing for the etiologic agent for acquired immune deficiency syndrome (AIDS), unless such testing is accompanied by appropriate pre-test counseling and post-test counseling;

(h.) Services in a correctional setting, whether state, county, city, adult or juvenile;

(i.) The salary for an individual in excess of $180,100 per year pursuant to Section 204 of Public Law 108-447;

(j.) Lobbying activities or an attempt to influence the award of, or amendment to, any federal contract, grant, loan, or cooperative agreement;

(k.) Youth tobacco enforcement.

4. The Contractor shall provide the County with a Federal Block Grant Annual Report that contains the following information:

(a.) Needs Assessment – (See 45 CFR 96.133, 45 CFR 96.122 and 42 USC 300x.29)

i. How have the needs of the population identified in the county strategic plan or other demographic report been met?

ii. What strategies have been used to improve existing programs, create new programs, or actions taken to remove barriers?

(b.) Provide specialized services for pregnant women and women with dependent children – (See 42 USC 300x-22(b)(1)(C) and 45 CFR 96.124(c)(e))

i. Treatment services designed for pregnant women and women with dependent children

ii. How the contractor makes available prenatal care and child care.

(c.) Capacity Management

i. Is the contractor at or above capacity?

ii. Describe how the contractor ensures treatment admission is provided within 14-120 days.

iii. What activities or initiatives are in place to ensure that IVDUs and PPWs receive treatment, referrals, or interim service?

(d.) Provide continuing education for treatment and prevention staff - (See 42 USC 300x-28(b) and 45 CFR 96.132(b))

i. Describe efforts made to ensure that training is made available to treatment and prevention staff.

ii. What has the Contractor done to ensure opportunities for staff to attend trainings?

(e.) Coordinate prevention activities and treatment services with other appropriate services - (See 42 USC 300x-29(c) and 45 CFR 96.132(c))

IX. FISCAL AUDIT

A. The Contractor shall comply with Generally Accepted Accounting Principles (GAAP) and/or Governmental Generally Accepted Accounting Principles (GGAAP) and meet the financial management systems requirements of the contract.

B. The above requirement may be demonstrated either by submission of an annual independent auditor's report, review report, or by the submission of semi-annual financial reports based upon the mid-point and end of the Contractor's fiscal year.

C. If an annual audit or review by an accountant is not performed, financial statements shall be submitted within ninety (90) days of the mid-point and end of the Contractor's fiscal year. The financial reports shall include:

1. Non-Profit Contractors – A Statement of Financial Position, Statement of Activities, and Statement of Changes in Net Assets and Statement of Cash Flows.

2. For-Profit Contractors – A Balance Sheet, Income Statement, and Statement of Cash Flows.

3. Public Entities are exempt from the semi-annual financial reporting requirement.

D. If the Contractor is a non-profit organization or public entity, and expends federal funds or has federally-funded loan balances at the end of the

Contractor's fiscal year, the Contractor shall prepare a Schedule of Expenditures of Federal Awards (SEFA) in accordance with 2 C.F.R §200.508. The Contractor shall submit the SEFA to Clark County within ninety (90) days of the end of the Contractor's fiscal year.

E. If the Contractor expends $750,000 or more in federal funds during the fiscal year, a single audit is required. The Contractor shall provide the County with a Corrective Action Plan for any audit findings as well as a copy of any Management Letter, SAS 114, or Governance Letter within thirty (30) days of issuance by the auditor. Failure to fulfill this requirement may result in corrective action, including withholding payment until the financial information or audit is received.

1. Non-Profit Contractors and Public Entities – The audit report must meet the requirements of 2 C.F.R §200 with assurances of financial record-keeping that identifies all federal funds received and expended by the OMB Catalog of Federal Domestic Assistance number. 2 C.F.R §200 requires the Contractor to provide the auditor with a Schedule of Expenditures of Federal Awards (SEFA) for the fiscal year(s) being audited. Audits for fiscal years that include this Contract shall be completed and submitted to the County within nine (9) months from the end of the Contractor's fiscal year unless otherwise approved by the County in writing.

2. For-Profit Contractors – An independent audit, an independent limited scope audit, or other evidence negotiated with and approved by the County that provides positive assurance of meeting GAAP or GGAAP. Independent audits for fiscal years that include this Contract shall be completed and submitted to the County within nine (9) months from the end of the Contractor's fiscal year unless otherwise approved by the County in writing.

X. INSURANCE

A. At the execution of this Contract, the Contractor must provide an original ACORD Form with the Commercial General Liability (CGL) or Business Owners Policy (BOP), showing the broker of record, insurance limits, renewal dates, deductible that is less than or equal to $25,000, and $1,000,000 of annually renewing occurrence based coverage. A "Claims-Made Policy" is not acceptable. In the case where the underlying insurance policy is expended due to excessive defense and/or indemnity claims, before renewal, the Contractor warrants and guarantees the coverage limits, to include indemnity and defense up to the listed limit, from its own resources regardless of coverage status due to cancellation, reservation of rights, or any other no-coverage-in-force reason. Coverage shall not contain any endorsements excluding nor limiting product/completed operations, contractual liability or cross liability. In all cases, the Contractor's policy is primary and they waive their right of subrogation.

B. The Contractor agrees to endorse the County as an "Additional Insured" on the CGL or BOP policy with the following, or similar, endorsement providing equal or broader additional insured coverage: the CG2026 07 04 Additional Insured – Designated Person or Organization endorsement, or the CG2010 10 01 Additional Insured – Owners, Contractor, or the CG2010 07 04 Contractor, or Contractor endorsement, including the "Additional Insured" endorsement of CG2037 10 01 Additional Insured – Owners, Contractor – Completed Operations, which shall be required to provide back coverage for the Contractor's "your work" as defined in the policy and liability arising out of the products-completed operations hazard. The Additional Insured Endorsement shall read "Clark County Washington."

C. At the execution of this Contract, and assuming vehicles are used in the Contractor's business, an ACORD Form shall be provided with $1,000,000 in annually renewing occurrence based coverage for all vehicles owned, used, or leased by Contractor. If vehicles are not used, on letterhead, a letter to the County must state the same. This coverage may be added to the above CGL or BOP ACORD Form(s).

D. The Contractor shall provide to the County proof of a professional liability/errors and omissions insurance policy to protect against legal liability arising out of Contract activity. Coverage shall include medical malpractice if medical services are provided. Such insurance shall provide a minimum of $1,000,000 per occurrence, with a $3,000,000 aggregate, with a maximum deductible of $25,000. It should be an occurrence based policy. However, if the policy is a claims-made policy, then tail coverage must be provided for three (3) years after the end of the Contract.

E. All insurers used must have an AM Best's Rating of A-VII or better. The Contractor shall provide its own insurance protection at its own expense for any property (contents or personal property) maintained on the premises. In addition, the Contractor shall insure the real property and all fixtures and improvements for its full insurable replacement value against loss or damage by fire and other hazards included within the term "extended coverage." All policies and renewals on the real property shall be in a form and with a carrier acceptable to the County. The Contractor shall maintain insurance throughout the Contract term and if a policy is cancelled or terminated, it is the Contractor's responsibility to provide evidence of continuing coverage during the overlap periods of the policy and to notify the County of any change in its insurance. The address for all certificates will be written as follows: Clark County Washington, Department of Community Services, Contracts Unit, PO BOX 5000, Vancouver, WA 98666-5000.

XI. PAYMENT PROVISIONS

Subcontracts shall be fee-for-service, cost related, or price related as defined in Fiscal/Program Requirements.

The County shall make payment to the Contractor based upon the Statement(s) of Work

in the Contract, not to exceed the budget identified for each Statement of Work; and subject to the following provisions:

A. The Contractor shall submit an invoice in accordance with each Statement of Work on or before the 15th of the month following the month the service was provided (e.g. February service is billed by March 15th). Payment to the Contractor will be processed within twenty (20) days of the receipt of a complete and accurate invoice. Invoices shall be submitted along with all required written reports and shall include the following:

1. The month/year for which payment is requested;

2. An invoice number;

3. The Contract number and the Statement of Work number;

4. The name and address of the Contractor;

5. A payment request form;

6. The *TARGET* verification report attached hereto as Exhibit A;

7. Signature by a duly authorized individual. The Contractor is responsible for ensuring invoice requests issued against the contract are signed by an authorized individual.

B. For Statements of Work to be paid on a cost reimbursement basis, the Contractor shall provide the following:

1. A summary of expenses incurred in support of all cost reimbursement statements of work, by statement of work number, and accompanied by general ledger detail or equivalent.

(a.) For direct costs, detail will include:

i. Salaries and benefits: Names or employee ID number, salary and benefits paid, and dates;

ii. Other direct costs: Include vendor/payee names, dates of service, purpose and amount.

(b.) For allocated costs, the Contractor shall provide a copy of an allocation method or plan to the County for review and approval by the Department of Community Services Finance Staff prior to the first invoice being reimbursed. Approval will be in writing and copied to both the Contractor and the contract file. The Contractor will submit one of the following documents to meet this requirement:

i. Cost Allocation Plan that defines how direct, shared, and administrative costs are allocated; or

ii. A Cost Allocation methodology that defines how direct, shared, and administrative costs are allocated.

2. For services that are also funded by a third party, the Contractor shall provide a detailed cost itemization by cost center and funding source. Detail shall identify which services or work was funded by the County and by other parties.

C. For Statements of Work paid on a fee-for-service basis, the Contractor shall be reimbursed based upon the total units of service delivered for each Statement of Work modality less any fees charged to patients. Fees shall be based on the Clark County Service Rates included as exhibits to the Contract and/or any other fees specified in the Statement of Work. Updates to the service rates, an effective date included, will be provided to the Contractor by mail or email and will not require a formal modification. The billing request documentation shall clearly support the basis for the amount requested, i.e. a schedule that identifies the applicable rate(s) times the unit(s) of service for each service in each statement of work and equals the amount requested for payment. The Contractor will maintain records to justify the fees being claimed. Costs covered by fee-for-service payment shall not be submitted for cost reimbursement. The Contractor is responsible for controlling admissions and caseloads to ensure they do not exceed contracted funds available for chemical dependency services. Services provide beyond contracted amounts will not be paid without a formal contract amendment.

D. The County will review monthly the utilization of Contract funds including TXIX match. If Contract funds are underutilized, the County may modify the Contract to reallocate funds and/or reduce the funds authorized in this Contract.

E. Unless otherwise specified in this Contract, the County shall not pay any claims for payment for services submitted more than sixty (60) days after the calendar month in which the services were performed. Exception to the sixty (60) day billing limitation is as follows:

1. When additional funds are added to or funds are decreased from the contract by written amendment, those services previously provided shall be entered in *TARGET*.

2. When a billing submitted to the Medicaid payment system is denied due to ineligibility, the Contractor may submit a billing for the denied service using the monthly billing forms. The Contractor shall attach a copy of the Medicaid payment system denial to the monthly billing form to document the denial.

F. Payment requests under this Contract received after this date may not be

processed if funding has expired. This obligation remains in effect until fulfilled by the Contractor and may be grounds for corrective action in subsequent contracts.

G. The Contractor shall complete a calendar year closeout process by January 25th of each year billing for all eligible expenses or funds earned during that previous calendar year. This is necessary because the County's fiscal year is the calendar year, and the County must close its records for the previous calendar year in January. The Contractor may submit payment requests at any point during the Contract period. However, at a minimum, payment requests must be processed for costs incurred during the calendar year in which they occur. Any payment request received after January 25th will be subject to a late processing surcharge equal to the County's actual cost of processing the request.

H. The County shall reimburse the Contractor based upon the DSHS approved Service Rates as shown in Exhibit B.

I. The Contractor agrees to allow the County to make adjustments to the individual budget lines of this Contract when necessary and in the interests of both parties. In the event that the County needs to adjust the stated budget amounts specified in the Statements of Work of this Contract, the Contractor grants the County the right to unilaterally modify said budget lines by issuing a contract amendment that, provided the total contract amount remains unchanged, will not require the signature of the Contractor.

XII. PERIOD OF PERFORMANCE AND CONTRACT PERIOD

The performance period of this Contract is from **July 1, 2015 through March 31, 2016.** The Contract will, however, remain in effect through May 31, 2016 in order to allow for reconciliation of services and payment adjustments for services that were provided during the performance period.

The County reserves the right to offer a new contract upon satisfactory Contractor performance. The Contractor agrees to provide to the County ninety (90) days written notice of intent to terminate or to not renew this Contract.

XIII. RECORDS RETENTION

A. Retain all financial, statistical, property, materials, supplies, participant records, and supporting documentation for a period of seven (7) years from the termination of the Contract. Upon termination of the contract, the County reserves the right to request that all records be returned to the County.

B. Retain records for non-expendable property for a period of seven (7) years after final disposition of the property.

C. If any litigation, audit or bankruptcy is begun, or if a claim is instituted involving the Contract or any agreement covered by the records, retain the related records until the litigation, audit, or claim has been finally resolved.

D. Make available to the County for review any documents and records that relate to the performance of duties or other requirements of this agreement. Withholding of relevant documents may result in termination of this Contract.

XIV. REPORTING REQUIREMENTS

The Contractor shall submit all required written reports identified in this section and in the Statement(s) of Work.

A. The Contractor shall submit the following documents on a monthly basis for reporting purposes:

1. County *TARGET* Verification Form. The Contractor shall enter monthly data into the *TARGET* system for all patients receiving services no later than the 10th calendar day of the month following the month the service was delivered. The Contractor shall complete the *TARGET* Verification Form and return the report to the County when requesting payment for services. *TARGET* Review of Data Quality Reports from DBHR will be monitored on a regular basis. Corrective action may be initiated if the delinquency rate exceeds the ten percent threshold.

2. Title XIX Match Utilization Report. For County-funded Title XIX eligible services, the Contractor shall report Title XIX billings and the amount of match utilized for the prior month on a County required form. The report shall be submitted by the 20th of the month following the month reported. The County will monitor match utilization to determine level of use.

3. Program Match. The program match requirement for this Contract is identified in the Budget Summary. Program match must be expended in support of services provided under this Contract and must be provided from local public or private sources, exclusive of any federal funds. The Contractor shall report program match on forms provided by the County and shall include a Contractor authorized signature. The program match report shall be submitted within thirty days of the end of the reporting month (e.g., February match is submitted by April 20). The Contractor shall maintain records to support match certified to the County.

4. Other Reports. Any other reports identified in the Statements of Work of this Contract or which may be required by the County.

B. The Contractor shall provide other required reports to the County per County request.

C. Failure to Maintain Reporting Requirements. Requests for payment will not be processed by the County if the Contractor fails to maintain its reporting obligations. Payment requests will be processed when required reports are received.

XV. SERVICE REQUIREMENTS

A. Other Requirements

1. The Contractor shall not deny services to eligible patients who are Washington state residents based upon their county of residence. The Contractor shall, subject to available funds and service availability, serve all eligible Washington State residents who may be transient and require services.

2. The Contractor shall ensure that treatment services are not denied to any individual solely on the basis of that individual's drug(s) of choice.

3. The Contractor shall ensure that access to treatment services is not denied solely on the basis that a patient is taking medically prescribed medications.

4. The Contractor shall ensure that access to treatment services is not denied solely on the basis that a patient is using over the counter nicotine cessation medications or actively participating in a Nicotine Replacement Therapy regimen.

B. Services and Activities to Ethnic Minorities and Diverse Populations

The Contractor shall:

1. Ensure all services and activities provided by the Contractor or subcontractor under this Contract shall be designed and delivered in a manner sensitive to the needs of all diverse populations.

2. Initiate actions to ensure or improve access, retention, and cultural relevance of treatment, prevention or other appropriate services, for ethnic minorities and other diverse populations in need of treatment and prevention services as identified in their needs assessment.

3. Take the initiative to strengthen working relationships with other agencies serving these populations. The Contractor shall require its subcontractors to adhere to these requirements.

C. Continuing Education for Employees and Youth

The Contractor shall:

1. Ensure that continuing education is provided for employees of any entity providing treatment services or prevention activities. (42 USC 300x-28(b) and 45 CFR 96.132(b)).

2. When working with youth, the Contractor shall require that Chemical Dependency Professionals (CDPs) who are working with the youth

outpatient treatment population dedicate 10 of the 40 required Continuing Education credits for CDP recertification to adolescent-specific training or professional development activities.

D. Single Source Funding

Single Source Funding means that the Contractor can use only one source of funds at any given time.

1. All Treatment services provided to an individual patient during any one period of time must be funded from a sole source of funds under this Contract.

2. The funding designated by the treatment contractor in *TARGET* defines the single source of funds to be used to fund the treatment services provided to an individual patient.

E. Collaboration with other Systems (42 USC 300x-28 (c) and 45 CFR 96.132 (c))

The Contractor shall take the initiative to work with other systems to reduce fragmentation or duplication and to strengthen working relationships by addressing at least one substance abuse system issue or a collaborative effort mutually identified by the County and a respective system such as treatment issues or efforts, corrections, juvenile rehabilitation, mental health, child protection and welfare, adult protection and welfare, and primary health care plans.

F. Report Forms – Treatment Only

The Contractor shall ensure use of the DBHR-provided report forms which can be found on the Provider page at: https://www.dshs.wa.gov/fsa/forms

XVI. SURVIVABILITY

Certain terms and conditions are intended to survive the expiration of the Contract. Surviving terms include, but are not limited to, the Contractor's requirements in regard to records retention, confidentiality, monitoring cooperation, financial management and data, payment terms for the last month of service, and insurance provisions for potential claims through their statute of limitations, including tolling.

XVII. TREATMENT OF ASSETS

Unless otherwise provided in this Contract, the Contractor shall ensure that any adult patient receiving services from the Contractor under a Contract has unrestricted access to the patient's personal property. The Contractor shall not interfere with any adult patient's ownership, possession, or use of the patient's property. The Contractor shall provide patients under age eighteen (18) with reasonable access to their personal property that is appropriate to the patient's age, development and needs. Upon termination of the Contract, the Contractor shall immediately release to the patient and/or the patient's guardian or custodian all of the patient's personal property. This section does not prohibit the Contractor from implementing such lawful and reasonable

policies, procedures and practices as the Contractor deems necessary for safe, appropriate, and effective service delivery (for example, appropriately restricting patients' access to, or possession or use of, lawful or unlawful weapons and drugs).

XVIII. SPECIAL TERMS AND CONDITIONS FOR TREATMENT STATEMENT(S) OF WORK

A. Outpatient Treatment

The Contractor shall ensure outpatient chemical dependency services are provided to eligible patients according to the requirements set forth in Washington Administrative Codes 388-877 & 388-877B.

B. Other Treatment

The Contractor shall, subject to allocated funds, ensure that treatment services to eligible persons are not denied to any person regardless of:

(1.) The person's drug(s) of choice.

(2.) The fact that a patient is taking medically-prescribed medications.

(3.) The fact that that a person is using over the counter nicotine cessation medications or actively participating in a Nicotine Replacement Therapy regimen.

(4.) Washington State resident's County of residence. The Contractor shall, subject to allocated funds and service availability, serve all eligible Washington State residents who may be transient and require services.

C. Interim Services (42 USC 300x-23 and 45 CFR 96.126) The Contractor shall, as required by the SAPT Block Grant:

(1.) Ensure interim services are provided by the agency, or referred outside the agency for services the agency is not qualified to provide, for pregnant and parenting women and intravenous drug users.

(a.) Interim services shall be made available within 48 hours of seeking treatment for pregnant and parenting women and intravenous drug users.

(b.) Admission to treatment services for the intravenous drug user shall be provided within 14 days after the patient makes the request, regardless of funding source.

(c.) If there is no treatment capacity within 14 days of the initial patient request, the Contractor shall have up to 120 days, after the date of such request, to admit the patient into treatment, while offering or referring to interim services within 48 hours of the initial request for treatment services. Interim services must be documented in *TARGET* and include, at a minimum:

i. Counseling on the effects of alcohol and drug use on the fetus for the pregnant patient.

ii. Prenatal care for the pregnant patient.

iii. Human immunodeficiency virus (HIV) and tuberculosis (TB) education.

iv. HIV or TB treatment services if necessary for an intravenous drug user.

The interim service documentation requirement is specifically for the admission of priority populations with any funding source; and any patient being served with SAPT Block Grant funds.

(2.) A pregnant woman who is unable to access residential treatment due to lack of capacity and is in need of detoxification, can be referred to a Chemical Using Pregnant (CUP) program for admission, typically within 24 hours. The directory for these hospital-based detoxification programs for pregnant women is located in Appendix F in the DBHR Directory of Certified Chemical Dependency Programs in Washington State located at: https://www.dshs.wa.gov/bhsia/division-behavioral-health-and-recovery/directory-certified-chemical-dependency-services-washington-state

D. Waiting List and Initial Appointment Requirements

All publicly funded agencies shall:

(1.) Collect patient information as required on the DBHR *TARGET* Data Elements Waiting List-First Contact form, DSHS Form #04-444.

(2.) Enter the "Date of First Contact" into *TARGET*, at least every seven (7) days, by collecting data at the time the patient first contacts the agency to request services and is given a specific date for when services will begin.

E. Tuberculosis Screening, Testing, and Referral 42 USC 300x-24 (a) and 45 CFR 96.127

(1.) The Contractor shall either directly, or through arrangements through other entities, makes tuberculosis services available to each individual receiving chemical dependency treatment funded through the federal SAPT Block Grant. Services must include tuberculosis counseling, testing, and treatment.

(a.) Follow the Centers for Disease Control TB Guidelines located at: http://www.dshs.wa.gov/pdf/dbhr/certforms/TB-TAGuidelines.pdf

(b.) Follow the Tuberculosis Infection Control Program Model Policies for Chemical Dependency Treatment Agencies in Washington State,

located at: http://www.dshs.wa.gov/pdf/dbhr/certforms/TBPolicy.pdf

(2.) WAC 246-101-101 requires all health care providers to report every case of tuberculosis to the local health department immediately at the time of diagnosis or suspected diagnosis.

F. Determine Patient Financial Eligibility: Low-income Services

(1.) The Contractor shall ensure that all persons applying for services supported by County Community Services are screened for financial eligibility and shall:

(a.) Conduct an inquiry regarding each patient's continued financial eligibility no less than once each month.

(b.) Document the evidence of each financial screening in individual patient records.

(c.) Refer client to Health Plan Finder Website for eligibility determination.

(2.) Low-Income

The County and its subcontractors are authorized to and shall determine financial eligibility for patients.

Charging Fee Requirements – Low-Income Patients

(a.) If any service defined in this Contract is available free of charge from the County to persons who have the ability to pay, the County shall ensure DSHS is not charged for Fee Requirements for low-income patients.

(b.) The County shall use 220% of the Federal Poverty Guidelines to determine low-income service eligibility and shall provide this information to its subcontractors. The Federal Poverty Guidelines can be found by accessing the Provider page of the DSHS website at http://www.dshs.wa.gov/DBHR/.

(c.) For patients who are already receiving services who did not qualify for low- income services under the former eligibility requirement, but do qualify under the new eligibility requirement, the Contractor shall convert those patients to low-income treatment services.

(d.) The Contractor shall ensure sliding fee schedules are used in determining the fees for low-income eligible services.

(e.) The Contractor shall ensure that persons who have a gross monthly income (adjusted for family size) that does not exceed the 220% of the Federal Poverty Guidelines are eligible to receive services partially supported by funds included in this Contract.

(f.) The Contractor shall charge fees in accordance with the Low-income Service Eligibility Table to all patients receiving assessment and treatment services that are determined through a financial screening, to meet the requirements of the Low-income Service Eligibility Table.

(g.) If a Contractor's subcontractor determines that the imposition of a fee on an individual will preclude the low-income eligible patient from continuing treatment, the fee requirement may be waived by the subcontractor.

(h.) The minimum fee per counseling visit is $2.00.

i. Indigent patients are exempt from this fee requirement.

ii. Interim Services are exempted from this fee requirement.

G. Screening and Assessment

RCW 70.96C.010 Integrated, comprehensive screening and assessment process for chemical dependency and mental disorders.

The Contractor shall ensure:

(1.) The GAIN-SS screening tool is used for conducting the integrated comprehensive screen on all new patients and ensures the GAIN-SS scores are documented in *TARGET*. Additional information can be found by accessing the Contractor and Provider page of the DSHS website at http://www.dshs.wa.gov/DBHR/daprovider.shtml#dbhr.

(2.) If the results of the GAIN-SS are indicative of the presence of a co-occurring disorder, this information shall be considered in the development of the treatment plan including appropriate referrals.

(3.) Documentation of the quadrant placement during the assessment process and again on discharge is input to *TARGET*.

(4.) Training on the GAIN-SS process and is encouraged to work with the County on this.

(5.) The maximum number of DBHR-funded assessments provided to each client, within a one (1) year period, is two (2). In the event an additional medically necessary assessment is required, contact the County Alcohol & Drug Program manager for an exception.

H. Detoxification Services

(1.) The Contractor may arrange/coordinate detoxification services to those patients qualifying for those services.

(2.) The Contractor providing detox service shall have a protocol established on

how they will serve methadone patients who need detoxification from other substances.

I. Youth Outpatient Services (WAC 388-877 & 388-877B)

(1.) Service Eligibility

The Contractor shall ensure:

(a.) Services are provided to youth ages 10 through 17.

(b.) The age at which a youth may self-refer for treatment without parental consent (age of consent) is 13 years of age.

(c.) Patients under age 10 may be served with the approval of DSHS.

(d.) Young adult patients, age 18 through 20 who, based on developmental needs, may be more appropriately served in a youth outpatient treatment setting. The case file shall contain documentation supporting the clinical decision.

(e.) Youth patients who, based on developmental needs, may be more appropriately served in an adult outpatient treatment setting. The case files shall contain documentation supporting the clinical decision.

(2.) Youth Family Support Services

(a.) The Contractor shall ensure that young adults who have been approved for youth treatment shall be billed as youth patients.

(b.) Youth funds may be used for family support services using Fiscal/Program Requirements codes including:

i. 566.57 Youth Group Therapy (Youth and young adults ages 10 through 20).

Services to family members of persons admitted to treatment and costs incurred to provide supervised recreational activities in conjunction with a chemical dependency outpatient program. Family Services shall be coded as family support services and Supervised Therapeutic Recreation shall be coded as group therapy.

ii. 566.58. Youth Individual Therapy (Youth and young adults ages 10 through 20).

This also includes services to family and significant others of persons in treatment. These expenses should be coded as defined in the *TARGET* Data dictionary.

(c.) The Contractor shall ensure Fiscal/Program Requirements coding

instructions are followed for billing purposes.

(3.) Title-XIX funding for youth in treatment

The Contractor shall ensure:

(a.) Treatment services provided to youth are billed under Title-XIX unless the youth is determined to be ineligible for this funding.

(b.) Documentation identifying a youth as ineligible for Title-XIX is documented within the patient case file.

(4.) Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services

The Contractor shall refer Title-XIX eligible youth that have not previously received an EPSDT health screen to an EPSDT primary health care provider for an EPSDT health screen.

(5.) Assessment Services

The Contractor shall ensure that each youth receives a multi-dimensional assessment per Chapter WAC 388-877-0610 and 388-877B.

(6.) Treatment Services

For youth that meet the financial and eligibility standards for publicly-funded chemical dependency treatment services the Contractor shall ensure:

(a.) Youth outpatient services include treatment appropriate for substance abuse disorder in addition to treatment for substance dependency.

(b.) Youth outpatient services address the needs of youth waiting for placement in youth residential treatment, and youth requiring aftercare following youth residential treatment.

(c.) Involvement in the continuum of services and the treatment planning for youth they have referred to residential treatment programs.

(7.) Youth Outpatient Services, described in the Statement of Work above, will be delivered in accordance with the DSHS Guiding Principles listed below:

Guiding Principles for Youth Services

(a.) Family and Youth Voice and Choice: Family and youth voice, choice and preferences are intentionally elicited and prioritized during all phases of the process, including planning, delivery, transition, and evaluation of services.

(b.) Family-focused and Youth-centered: Services and interventions are family- focused and child-centered from the first contact with or about the family or child.

(c.) Team-based: Services and supports are planned and delivered through a multi-agency, collaborative teaming approach. Team members are chosen by the family and connected to them through natural, community, and formal support and service relationships. The team works together to develop and implement a plan to address unmet needs and work toward the family's vision.

(d.) Natural Supports: The team actively seeks out and encourages the full participation of team members drawn from family members' networks of interpersonal and community relationships (e.g. friends, neighbors, community and faith-based organizations). The recovery plan reflects activities and interventions that draw on sources of natural support to promote recovery and resiliency.

(e.) Collaboration: The system responds effectively to the behavioral health needs of multi-system involved youth and their caregivers, including children in the child welfare, juvenile justice, developmental disabilities, substance abuse, primary care, and education systems.

(f.) Culturally Relevant: Services are culturally relevant and provided with respect for the values, preferences, beliefs, culture, and identity of the youth and family and their community.

(g.) Individualized: Services, strategies, and supports are individualized and tailored to the unique strengths and needs of each youth and family. They are altered when necessary to meet changing needs and goals or in response to poor outcomes.

(h.) Outcome-based: Based on the family's needs and vision, the team develops goals and strategies, ties them to observable indicators of success, monitors progress in terms of these indicators, and revises the plan accordingly. Services and supports are persistent and flexible so as to overcome setbacks and achieve their intended goals and outcomes.

J. Intravenous Drug Users Outpatient Services (42 USC 300x-23 and 45 CFR 96.126)

The Contractor shall ensure:

(1.) Outreach is provided to IVDUs.

(a.) Outreach activities shall be specifically designed to reduce transmission of HIV and encourage IVDUs to undergo treatment.

(b.) Outreach models shall be used, or if no models are available which apply in the local situation, an approach is used which reasonably can be expected to be an effective outreach method.

(c.) Outreach activities may include:

a. Street outreach activities

b. Formal education

c. Risk-reduction counseling at the treatment site

(2.) Assessment and treatment services are provided to IVDU patients (42 USC 300x-22 and 45 CFR 96.128)

(a.) Comprehensive chemical dependency assessment and treatment services shall be provided to males and non-pregnant women within 14 days of request.

(b.) Interim Services shall be provided to males or non-pregnant women if the patient cannot be placed in treatment within 14 days and comprehensive services are not immediately available.

(c.) The DSHS provided IVDU Report shall be completed and provided as part of the State annual reporting process.

K. Pregnant, Post-Partum and Parenting Persons Outpatient Services

The Contractor shall ensure:

(1.) Parenting Persons

(a.) Persons Identified as Parents or Parenting Persons include:

i. Persons currently under DSHS supervision who are attempting to regain custody of their children.

ii. Postpartum women for up to one-year post delivery.

(b.) Low-income eligibility applies to women who are pregnant or post-partum up to one year post delivery.

(c.) That if they are receiving SAPT grant funding they give admission preference to pregnant and parenting persons who have been referred to treatment.

(d.) Upon request for services, pregnant, post-partum and parenting persons shall be offered Interim Services when comprehensive services are not immediately available.

(e.) Whenever possible, the assignment of gender specific counselors as primary counselors for pregnant, postpartum, and parenting patients.

(f.) Information/education is available to treatment staff for addressing the specific issues related to pregnant, postpartum, and parenting

patients.

(2.) Chemical Dependency Assessment Services Specific to Pregnant Women

The Contractor shall ensure assessment requirements in addition to standard assessment services:

(a.) Are provided within 48 hours of referral or request for services.

(b.) Include a review of the gestational age of fetus, mother's age, and living
arrangements and family support data.

(c.) Pregnant women identified through assessment to be eligible and appropriate for outpatient care shall be:

i. Admitted to outpatient treatment services no later than seven (7) days after the assessment has been completed.

ii. Provided a referral for prenatal care.

iii. Assessed as priority for placement in an inpatient treatment program or a Chemical Using Pregnant (CUP) detoxification facility if identified as actively using substantial amounts of alcohol or other substances in any stage of pregnancy.

(3.) Services Specific to Pregnant Women and Women with Children (CFR Title 45, Part 96.124)

The Contractor shall ensure:

(a.) Pregnant women and women with children receiving treatment are treated as a family unit.

(b.) The following services are provided directly or arrangements are made for provision of the following services:

i. Primary medical care for women, including referral for prenatal care and, while the women are receiving such services, child care.

ii. Primary pediatric care including immunization for their children.

d. Gender specific substance abuse treatment and other therapeutic interventions for women which may address issues of relationships, sexual and physical abuse and parenting are provided and child care while the women are receiving these services.

iv. Therapeutic interventions for children in custody of women in treatment which may, among other things, address their developmental needs, their issues of sexual, physical abuse and neglect.

v. Sufficient case management and transportation to ensure women and their children have access to services provided by sections i. through iv.

(4.) Services Specific to Post-partum Women

The Contractor shall ensure:

(a.) Assessment and treatment services are scheduled within 14 days after the service has been requested.

(b.) Interim services shall include counseling on the effects of alcohol and drug use on the fetus.

(c.) Services may continue to be provided for up to one year postpartum.

(5.) Services Specific to Parenting Persons

The Contractor shall ensure:

(a.) Assessment and treatment services are scheduled within 120 days after the service has been requested.

(b.) Notification of the availability of childcare.

L. Opiate Substitution Treatment Services (OST)

(1.) A County funding OST services shall ensure they are provided through a service provider that maintains accreditation from the Center for Substance Abuse Treatment (CSAT) and complies with the following rules:

(a.) WAC 388-877 & 388-877B

(b.) 42 CFR, Part 8

(c.) Washington State Board of Pharmacy WAC 246-887; as such regulations now exist or are hereafter amended.

(2) The Contractor shall ensure that OST patients utilizing the Medicaid transportation broker services will receive priority for filling a vacant slot at another publicly- funded OST facility if the transfer would result in a savings in transportation costs. The patient will not be required to transfer to a closer agency if there are clinical reasons to support not transferring the patient.

M. Performance-based Goals

The Contractor shall make progress toward, meet or exceed the statewide average 90 day retention rate as determined by DSHS. The 90-day retention performance measure will be determined by using a rolling 6-month average and be monitored on a monthly basis through SCOPE or a report generated by DSHS. Baseline

outcomes for completion will be set according to past Contractor performance.

For purposes of this contract, the word "progress" means achieving a minimum improvement increase of 1.5% in a fiscal quarter.

(1.) Youth

(a.) Effective July 1, 2015, if the Contractor's baseline is in good standing at or above the statewide goal of 76.2% for 90-day retention, the Contractor shall maintain good standing.

If, during any monitored calendar quarter, the Contractor falls below the statewide goal, the Contractor shall follow the process for correction in Section "N." below.

(b.) Effective July 1, 2015, if the Contractor's baseline for 90-day retention performance is lower than the statewide goal, the Contractor shall increase the 90-day retention performance rate by 10% of their individual baseline or reach the statewide goal by the end of the fiscal contract year. For example, if the Contractor has a baseline completion rate of 62%, the expectation would be an increase of 6.2%.

If, during any monitored calendar quarter, the Contractor does not demonstrate progress towards the expected 90 day-retention goal, the Contractor shall follow the process for correction in Section "o." below.

(2) Adults

(a.) Effective July 1, 2015, if the Contractor is in good standing at or above the statewide average of 70.7% for 90-day retention, the Contractor shall maintain good standing.

If, during any monitored calendar quarter, the Contractor falls below the statewide goal, the Contractor shall follow the process for correction in Section "N." below.

(b.) Effective July 1, 2015, if the Contractor's baseline for 90-day retention performance is lower than the statewide goal, the Contractor shall increase the 90-day retention performance rate by 10% of their individual baseline or reach the statewide goal, by the end of the fiscal contract year. For example, if the Contractor has a baseline completion rate of 62%, the expectation would be an increase of 6.2%.

N. Performance Goals Results/Actions for a Contractor falling below the statewide goal.

If performance outcome falls below the statewide goal or performance expectation within a calendar quarter, as determined through SCOPE or report generated by DSHS, the Contractor shall:

(1.) Submit a Performance Improvement Plan (PIP) to the County Alcohol & Drug Program Manager within 45 days of notice by the County.

(2.) Have 90 days to return to the original individual 90-day retention baseline percentage.

Submit an updated PIP requesting an additional 90 days for performance improvement to the County Alcohol & Drug Program Manager, if after the original 90 days, the 90-day retention baseline percentage has still not been reached.

O. Performance Goals Results/Actions for a Contractor starting below the statewide goal

If performance outcome does not demonstrate progress toward the expected rate for 90-day retention within a calendar quarter, as determined through SCOPE or report generated by DSHS, the Contractor shall:

(1.) Submit a Performance Improvement Plan (PIP) to the County Alcohol & Drug Program Manager within 45 days of notice by the County.

(2.) Have 90 days to demonstrate progress toward the expected rate for 90-day retention.

(3.) Submit an updated PIP requesting an additional 90 days for performance improvement to the County Alcohol & Drug Program Manager, if after the original 90 days, the 90-day retention baseline percentage has still not been reached.

P. Out-Stationed Staff

The Contractor shall ensure Out-stationed staff reports all client data in *TARGET*, monthly, using the DSHS *TARGET* Client Support Activities (Non-treatment) form.

Q. Case Management (WAC 388-877 & 388-877B)

The Contractor shall ensure:

(1.) Case Management Services being billed under the Contract shall only include the following activities:

(a.) Services that assist patients in accessing needed medical, social, or education services

(b.) Services designed to engage, maintain, and retain patients in treatment

(c.) Case planning, case consultation, and referral for other services

(2.) Requirements for Billing for Case Management Services are met as follows:

(a.) Low-income eligible patients

Case management services provided to patients eligible for low-income services and billed under this Contract may be provided by a Chemical Dependency Professionals (CDP), CDP Trainee, or other staff as deemed appropriate by the County.

(b.) Medicaid eligible patients

Case management services provided to patients who are Medicaid eligible and billed under this Contract shall be provided by a Chemical Dependency Professionals (CDP) or CDP Trainee, under the clinical supervision of a CDP.

(c.) Written documentation in the patient's case file giving date, duration, and referral information of each contact. The Contractor shall maintain files and forms to document case management activities and services received and recorded in *TARGET* using form #DSHS 04-418 (REV. 10/2006) which can be accessed through Provider page of the DSHS website at http://www.dshs.wa.gov/DBHR/.

(d.) Referrals for service must include contact information of other agencies that are involved in providing services to the person.

(e.) Required release(s) of information are in the case file.

(f.) Documentation of the outcome of case management services.

(3) Limitations to billing for Case Management Services

The Contractor shall not bill for case management under the following situations:

(a.) If a pregnant woman is receiving maternity case management services under the First Steps Program.

(b.) If a person is receiving HIV/AIDS Case Management Services through the Department of Health.

(c.) If a youth is in foster care through the Division of Children and Family Services (DCFS).

(d.) If a youth is on parole in a non-residential setting and under Juvenile Rehabilitation Administration (JJRA) supervision; youth served under the CDDA program are not under JJRA supervision.

(e.) If a patient is receiving case management services through any other funding source from any other system (i.e. Mental Health, Children's Administration, and Juvenile Justice and Rehabilitation Administration). For Medicaid billings, youth in foster care through

the DCFS who are receiving case management services through DCFS.

(f.) DSHS funds shall be the dollar of last resort for case management services. (4) The Contractor shall not bill for Case Management for the following activities:

(4.) The Contractor shall not bill for Case Management for the following activities:

(a.) Outreach activities

(b.) Services for people in residential treatment

(c.) Time spent by a CDP reviewing a CDP Trainee's file notes and signing off on them

(d.) Time spent on internal staffing

(e.) Time spent on writing treatment compliance notes and monthly progress reports to the court

(f.) Direct treatment services or treatment planning activities as required in WAC 388-877 & 388-877B

(g.) Maximum time limitations for services billed under the County Contract are as follows:

i. Case Management Services are limited to a maximum of five (5) hours per month per patient.

ii. Exceptions to the five-hour limitation may be granted on an individual basis based on the clinical needs of the individual patient. The County shall be responsible for monitoring and granting exceptions to the five- hour limit. Exceptions may not be granted to Medicaid-billed services.

R. Other Required Services

(1.) Childcare Services (45 CFR 96.131)

The Contractor shall provide, directly or through arrangements with other public or nonprofit private entities, childcare to patients participating in assessment and treatment activities, and support activities such as support groups, parenting education and other supportive activities when those activities are recommended as part of the recovery process and noted in the patient's treatment plan.

The Contractor shall ensure:

(a.) Childcare and prenatal services are provided at the treatment facility or arrangements for provision of these services are made for patients

receiving chemical dependency assessment and treatment services from subcontracted providers.

(b.) All parenting recipients of treatment services are informed that childcare services are available and are offered such services while participating in treatment. Documentation regarding the offer and parent acknowledgement of such offer shall be maintained in the patient file.

(c.) Off-site childcare services (with the exception of care provided in the child's or relative's home) are delivered by childcare providers licensed or certified by the Department of Early Learning in accordance with WAC 170-296A.

(d.) They supply the parent with information to assist them in making a responsible decision regarding the selection of an off-site childcare provider when on-site childcare is not available. The information supplied by the Contractor shall include at a minimum:

i. Direction to the DEL website address for information on childcare services at http://www.del.wa.gov/care

ii. Direction to the DEL website address for information on selecting childcare services at: http://www.del.wa.gov/care/find-facility/Default.aspx

iii. Written verification indicating the location of the childcare services, the number of hours and length of child care authorization and the payment process for the type of care selected

(2.) Screens and Urinalysis (UA) Testing

(a.) General Requirements

The Contractor shall ensure:

i. Screens and UA testing is an allowable cost only within the context of a treatment plan.

ii. Screens and UA tests are limited to no more than eight (8) tests per month for each patient. All UA tests paid for with public funds shall be documented in *TARGET*.

iii. Medicaid Eligible Methadone Patients and Pregnant Women

Urinalysis testing is provided by the DSHS contracted vendor.

iv. Low-income Eligible Patients

If UA testing on these patients is done by a laboratory other than the DSHS contracted vendor, the Contractor shall use the testing standards identified on the County Minimum Urinalysis Testing Requirements document found accessing the Provider page of the DSHS Website: http://www.dshs.wa.gov/DBHR/.

(b.) Screens and UA Testing Standards and Protocols for Low-Income Eligible Patients

The Contractor shall ensure the following standards and protocols are used as minimum requirements when contracting for urinalysis testing services with testing laboratories:

i. Certification

The testing laboratory must maintain current laboratory certifications with the Department of Health and Human Services (HHS) and one of the following:

(A.) Substance Abuse and Mental Health Services Administration (SAMHSA)

(B.) Other national laboratory certification body

ii. Screening Tests

(A.) Screening tests shall meet all forensic standards for certified laboratories.

(B.) The use of "Instant Test Kits" is allowed only as a screen and requires laboratory confirmation of positive test results.

iii. Confirmation Testing

(A.) Gas Chromatography/Mass Spectrometry (GC/MS) or Liquid Chromatography/Tandem Mass Spectroscopy must automatically confirm all positive screens, with the exception of methadone. For individuals on methadone, an immunoassay-screening reagent that detects EDDP (methadone) may be utilized.

(B.) Confirmation testing is not required on negative requests. If a client requests confirmation of a negative test, it shall be done at the client's expense.

iv. Chain of Custody and Tampering

The laboratory shall provide a secure chain of custody for handling and processing of specimens. The laboratory's procedures shall be acceptable by a court of law.

v. Specimen Retention

(A.) Laboratories shall retain samples in a frozen condition, for those samples that tested positive, for a period of not less than six (6) months after the test results are sent to the provider.

(B.) All specimens subject to any court action shall be retained in a frozen condition until such time as the matter is disposed of by the court.

vi. Test Result Reporting

(A.) Initial results may be communicated by fax, carrier delivery, mail or electronically downloaded. Results communicated other than with the original report must be confirmed by mailing the originals to the subcontractor where the specimen originated, upon request.

(B.) Negative results will be communicated to the subcontractor where the specimen originated within twenty-four hours from receipt of specimens at the laboratory.

(C.) Positive results will be communicated to the subcontractor where the specimen originated within seventy-two (72) hours receipt of specimens at the laboratory.

vii. Forms and Supplies

The laboratory shall supply order forms, and all other necessary supplies for sample collection and transportation, which are unique to the services provided.

(c.) Alcohol Testing

Alcohol testing should be part of the drug testing panel only when the donor is suspect by odor or overt behavior.

(3.) Tuberculosis Services (CFR 45 96.121, 96.127, WAC 388-877 & 388-877B)

(a.) The Contractor shall ensure all programs that receive SAPT block grant funds shall provide tuberculosis services whether directly or through arrangements with other entities.

(b.) Tuberculosis services include but are not limited to:

i. Counseling the individual with respect to tuberculosis

ii. Screening to determine whether the individual has been infected with mycobacteria tuberculosis to determine the appropriate referral for treatment of the individual

iii. Providing treatment for or referring the individuals infected by mycobacteria tuberculosis for appropriate medical evaluation and treatment

(4.) Employee Education about False Claims Recovery

If the Contractor makes or receives payments under Title-XIX (Medicaid) of at least $5,000,000 annually the Contractor shall:

(a.) Establish written policies for all employees and subcontractors that provide detailed information about the False Claims Act established in section 1902(a)(68)(A) of the Social Security Act

(b.) Include detailed information about the Contractor's policies and procedures for detecting and preventing waste, fraud, and abuse

(c) Include a specific discussion of the laws described in the written policies in the Contractor's employee handbook, if there is one. The discussion shall emphasize the right of employees to be protected as whistleblowers and include a specific discussion of the Contractor's policies and procedures for detecting and preventing fraud, waste, and abuse

S. Specific Eligibility and/or Funding Requirements for Criminal Justice Services.

(1.) Criminal Justice Treatment Account (CJTA) (RCW 70.96A, RCW 70.96A.055: Drug Courts, RCW2.28.170; Drug Courts) and Drug Court funding.

(2.) The Contractor shall provide alcohol and drug treatment and treatment support services per Chapter 70.96A RCW: Treatment for alcoholism, intoxication, and drug addiction (formerly uniform alcoholism and intoxication treatment) to the following eligible offenders:

(a.) Adults with an addiction or a substance abuse problem that, if not treated, would result in addiction, against which a prosecuting attorney in Washington State has filed charges

(b.) Alcohol and drug treatment services and treatment support services to adult or juvenile offenders within a drug court program as defined in RCW 70.96A.055: Drug courts and RCW 2.28.170: Drug courts

(3.) CJTA Annual Report Requirements for Innovative Project

The Contractor shall submit to the following information on an annual basis:

(a.) Identify the project (innovation, best practice, or regional project)

(b.) Status of project (innovation, best practice, or regional project)

How has implementing the project enhanced treatment services?

(c.) Capacity – number of people serve in the report period

(d.) Progress in meeting project's goals and objectives

(e.) Evaluation strategy that addresses at a minimum:

i. Treatment retention/completion

ii. Reduced involvement in criminal activity

(4.) CJTA Funding Guidelines

(a.) The County shall use:

i. No more than ten percent of the total CJTA funds for County administration.

ii. No more than ten percent of the CJTA funds for administrative and overhead costs associated with the operation of a drug court.

iii. No more than ten percent of the total CJTA funds for the following support services combined:

(A) Transportation

(B) Child Care Services

iv. At a minimum, thirty percent of the CJTA funds for special projects that meet any or all of the following conditions:

(A.) An acknowledged best practice (or treatment strategy) that can be documented in published research, or

(B.) An approach utilizing either traditional or best practice approaches to treat significant underserved population(s).

(C.) A regional project conducted in partnership with at least one other County.

(b.) Allowable/Unallowable Services

The Contractor may provide any of the following services:

i. Title-XIX Set Aside

ii. Community Outreach, Intervention, and Referral services. Restriction: Although Alcohol/Drug Information School is a component of Community Outreach, Intervention, and Referral Services, CJTA funds cannot be used to purchase Alcohol/Drug Information School services.

iii. Interim Services

iv. Crisis Services

v. Detoxification Services

vi. Outpatient Treatment, (adult and youth)

vii. Opiate Substitution Treatment

viii. Case Management, (adult and youth)

ix. Residential Treatment Services

(A.) Intensive inpatient

(B.) Long Term Care

(C.) Recovery House

(D.) Parenting and Pregnant Women's Services including Residential

(E.) Services and Therapeutic Childcare

(F.) Youth Intensive Inpatient Level 1

(G.) Youth Intensive Inpatient Level 2

(H.) Youth Recovery House

(I.) Youth Acute Detoxification

(J.) Youth Sub-acute Detoxification

(K.) Involuntary Commitment

x. Screens and UA tests are limited to no more than eight (8) tests per month for each patient.

T. Driving Under the Influence (DUI) Repeat Offender Services

(1.) For the performance period of this Contract, the Contactor shall provide court ordered chemical dependency assessment and treatment services for low-income or Medicaid eligible "repeat DUI offenders." Eligible individuals, defined as "repeat DUI offenders", must meet the following conditions:

(a.) Have a current offense for a violation of RCW 46.61.502 (Driving Under the Influence) or 46.61.504 (Physical Control of Vehicle Under the Influence).

(b.) Have at least one prior offense under RCW 46.61.5055 (14)(a).

(2.) The Contractor shall:

(a.) Prioritize the use of the DUI funds as the first source for reimbursement of services to the DUI repeat offenders

(b.) Use no more than ten percent of the total DUI funds for the combined cost of the following support services:

i. Transportation

ii. Child Care Services

(3.) The Contractor may provide any of the following treatment services for adults and youth:

(a.) Community Intervention and Referral

(b.) Interim Services

(c.) Outreach

(d.) Crisis Services

(e.) Detoxification Services

(f.) Involuntary Commitment

(g.) Outpatient Treatment

(h.) Opiate Substitution Treatment

(i.) Case Management

(j.) Assessment

(k.) Screens and UA tests limited to no more than eight (8) tests per month for each repeat DUI offender.

(l.) Expanded Assessment

(m.) Residential Treatment Services:

i. Intensive Inpatient

ii. Long Term Care

iii. Recovery House

iv. Parenting and Pregnant Women's Services including Residential Services and Therapeutic Childcare

v. Youth Intensive Inpatient Level 1

vi. Youth Intensive Inpatient Level 2

vii. Youth Recovery House

viii. Youth Acute Detoxification

ix. Youth Sub-acute Detoxification

(4.) *TARGET* Requirements. The Contractor shall document "repeat DUI Offender" services in *TARGET* using the following codes:

(a.) Contract Type – Criminal Justice

(b.) State Special projects – the County shall use one of the following:

i. CJ – DUI Court - to be used in those cases where the client is enrolled in a state-recognized DUI Court.

ii. CJ – Non-DUI Court - to be used in those cases where the client is not enrolled in a state-recognized DUI Court.

(5.) The Contractor shall maintain documentation in the client's file of the following:

(a.) That both the previous and current offense occurred within ten years of the arrest for the current offense; and

(b.) The order by a court that the client participates in chemical dependency assessment and treatment services for low-income or Medicaid eligible clients.

U. Admission Priority Populations

(1.) The Contractor shall ensure treatment admissions to all Medicaid eligible individuals as a service priority.

(2.) The Contractor shall ensure treatment admissions are prioritized in the order as follows, per the Substance Abuse Prevention and Treatment (SAPT) Block Grant (45 CFR 96.131 and 42 USC 300x-27):

(a.) Pregnant injecting drug users

(b.) Pregnant substance abusers

(c.) Injecting drug users

V. Billing for Medicaid-eligible Patients

(1.) The Contractor shall ensure the Medicaid billing process is used for all

Medicaid- eligible patients.

(2.) Services to Medicaid patients shall be billed directly through the Medicaid billing process. Billing instructions for Medicaid can be found by accessing the Provider page of the DSHS website at http://www.dshs.wa.gov/DBHR/.

W. Non-Compliance

(1.) Failure to Maintain Reporting Requirements:

In the event the Contractor fails to maintain its reporting obligations under this Contract, the County reserves the right to withhold reimbursements to the Contractor until the obligations are met.

(2.) Recovery of Costs Claimed in Error:

If the Contractor claims and DSHS reimburses for expenditures under this Contract which the County later finds were (1) claimed in error or (2) not allowable costs under the terms of the Contract, the County shall recover those costs and the Contractor shall fully cooperate with the recovery.

(3.) Stop Placement:

DSHS may stop the placement of clients in a treatment facility immediately upon finding that the County or a subcontractor is not in substantial compliance, as determined by DSHS, with provisions of any WAC related to chemical dependency treatment or Contract. The treatment facility will be notified by DSHS of this decision in writing.

(4.) Additional Remuneration Prohibited:

The Contractor shall not charge or accept additional fees from any patient, relative, or any other person, for services provided under this Contract other than those specifically authorized by DSHS. The Contractor shall require its subcontractors to adhere to this requirement. In the event the Contractor or subcontractor charges or accepts prohibited fees, DSHS shall have the right to assert a claim against the Contractor or subcontractors on behalf of the client, per RCW 74.09. Any violation of this provision shall be deemed a material breach of this Contract.

z. "Pregnant and Post-partum Women and Parenting Persons" (PPW) means

(1.) Women who are pregnant.

(2.) Women who are postpartum during the first year after pregnancy completion regardless of the outcome of the pregnancy or placement of children.

(3.) Men or women who are parenting children under the age of six, including those attempting to gain custody of children supervised by the Department of Social and Health Services, Division of Children and Family Services (DCFS).

aa. "*TARGET*" means the Treatment and Assessment Report Generation Tool, the management information system maintained by DSHS that retains demographic, treatment, and ancillary service data on each individual receiving publicly-funded outpatient and residential chemical dependency treatment services in Washington State, as well as data on other general services provided.

bb. "Treatment Data" means information input to *TARGET* to record treatment services provided to patients.

cc. "Waiting List" means a list of SAPT-qualified clients for whom a date for service has not been scheduled due to a lack of capacity. A person will be selected from the list to fill an opening based on the required order of precedence identified in the Contract.

dd. "Young adult" means a person or patient from age 18 through ages 20.

ee. "Youth" means a person or patient from age 10 through ages 17.

ff. "Appointment time" means the time set for assessment or treatment service for Medicaid-qualified clients; appointments are set based on priority populations.

EXHIBIT A

Clark County Department of Community Services

TARGET Verification Report

CONTRACT # **2016-A-26**

CONTRACTOR **DAYBREAK YOUTH SERVICES**

MONTH/YEAR: _____

By signing this form, I am verifying that all of the required information has been entered into the DBHR TARGET system for the month and year identified above.

Data entry of the required information
was completed on: _____
(month, day, year)

CONTRACTOR SIGNATURE: _____

PRINTED NAME: _____

DATE: _____

EXHIBIT B

DIVISION OF BEHAVIORAL HEALTH AND RECOVERY SERVICE RATES PLAN
SERVICE RATE PLAN
SFY 2015-2016
Clark County

566		Medicaid Rates	Negotiated Rate	Type of Unit
11	County Administration			
12	Continuing Education/Training			
13	Direct Service Provider - Agency Admin			
31	Intervention and Referral		$35.00	Service Hour
32	Alcohol/Drug Information School		$90.00	Students
33	Opiate Dependency/HIV Services		$35.00	Service Hour
34	Outreach		$35.00	Service Hour
36	Interim Services		$15.00	Service Hour
39	Brief Intervention		$32.00	Per 15 Minutes
41	Crisis Services			Client Hour
42	Acute Detoxification Services	252	$170.61	Per Day
43	Sobering Services		$7.00	Service Hour
44	Involuntary Commitment		$44.00	Service Hour
45	Sub-Acute Detoxification Services	108.36	$124.61	Per Day
53	Outpatient Treatment Adult-Group	5.1	$6.00	Per 15 Minute
53	3. Intensive Outpatient Tx Adult-Group	5.1	$6.00	Per 15 Minute
54	Outpatient Treatment Adult-Individual	19.26	$22.14	Per 15 Minute
54	4. Intensive Outpatient Tx Adult-Individual	19.26	$22.14	Per 15 Minute
55	Outpatient Treatment PPW-Group	5.1	$6.00	Per 15 Minute
55	5. Intensive Outpatient Tx PPW-Group	5.1	$6.00	Per 15 Minute
56	Outpatient Treatment PPW-Individual	19.26	$22.14	Per 15 Minute
56	6. Intensive Outpatient Tx PPW-Individual	19.26	$22.14	Per 15 Minute
57	Outpatient Treatment Youth-Group	6.3	$7.00	Per 15 Minute
57	7. Intensive Outpatient Tx Youth-Group	6.3	$7.00	Per 15 Minute
58	Outpatient Treatment Youth-Individual	19.26	$22.14	Per 15 Minute
58	8. Intensive Outpatient Tx Youth-Individual	19.26	$22.14	Per 15 Minute
59	Opiate Substitution Treatment	14.71	$14.70	Per Day
61	Therapeutic Childcare Services			Service Hour
62	Transportation			
64	Case Management - Adult	10.12	$11.63	Per 15 Minute
65	Case Management - PPW	10.12	$11.63	Per 15 Minute
66	Case Management - Youth	10.12	$11.63	Per 15 Minute
67	Childcare Services			Service Hour
69	PPW Housing Support Services			

72	Assessment - Adult	115.17	$132.45	Per Assessment
73	Assessment - PPW	115.17	$132.45	Per Assessment
74	Assessment - Youth	115.17	$132.45	Per Assessment
75	Assessment - DUI	115.17	$132.45	Per Assessment
76	Brief Therapy			
77	Screening Tests and Urinary Analysis	8.74	$20.00	Per Screen
78	Expanded Assessment	177.69		Per Assessment
79	TB Skin Tests	5.01	5.76	Per Test
81	Intensive Inpatient Residential			
	1. Adult	90.18	90.18	Bed Day
	2. Youth Level I	150		Bed Day
	3. Youth Level II	188.68		Bed Day
82	PPW Long-term Residential			
	1. W/children	136.21		Bed Day
	2. without children	116.06		Bed Day
83	Recovery House			
	1. Adult	41.14		Bed Day
	2. Youth	128.4		Bed Day
99	Miscellaneous			

EXHIBIT C

Business Associate Agreement and Qualified Service Organization Agreement

This Business Associate Agreement (BAA) and Qualified Service Organization Agreement (QSOA), (the "Agreement") is entered into between Clark County Department of Community Services (the "Covered Entity") and Daybreak Youth Services (the "Business Associate").

Recitals

A. Business Associate provides services to Covered Entity (the "Services") which sometimes may involve (i) the use or disclosure of Protected Health Information (as defined below) by Business Associate, (ii) the disclosure of Protected Health Information by Covered Entity (or another business associate of Covered Entity) to Business Associate, or (iii) the creation, receipt, maintenance, or transmission of Electronic Protected Health Information (as defined below) by Business Associate. Accordingly, the use, disclosure, transmission, or maintenance of Protected Health Information by Business Associate is subject to the privacy regulations (the "HIPAA Privacy Regulations") and the security regulations (the "HIPAA Security Regulations") promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and 45 C.F.R. Parts 160 and 164 with respect to such Services. This Agreement is intended to document the business associate assurances required by the HIPAA Privacy Regulations (at 45 C.F.R. § 164.504(e)), and the HIPAA Security Regulations (at 45 C.F.R. § 164.314(a)).

B. This Agreement will govern the terms and conditions under which Covered Entity may disclose or have disclosed to Business Associate, and Business Associate may create, use, disclose, maintain, transmit or receive, Protected Health Information on behalf of Covered Entity. This Agreement will also govern the terms and conditions under which Covered Entity may disclose or have disclosed to Business Associate, and Business Associate may create, receive, maintain or transmit, EPHI on behalf of Covered Entity.

Agreement

1. Definitions. Capitalized terms used in this Agreement, but not otherwise defined in this Agreement, shall have the same meanings as those terms in the HIPAA Privacy Regulations and the HIPAA Security Regulations. Unless otherwise stated, a reference to a "Section" is to a Section in this Agreement. For purposes of this Agreement, the following terms shall have the following meanings.

1.1 Breach. "Breach" shall have the same meaning as the term "breach" in 45 C.F.R. § 164.402.

1.2 Designated Record Set. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.

1.3 Electronic Protected Health Information or EPHI. "Electronic Protected Health Information" or "EPHI" shall have the same meaning as the term "electronic protected health

information" in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

1.4 Individual. "Individual" shall mean the person who is the subject of Protected Health Information as provided in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

1.5 Individually Identifiable Health Information. "Individually Identifiable Health Information" shall have the same meaning as the term "individually identifiable health information" in 45 C.F.R. § 160.103.

1.6 Protected Health Information or PHI. "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

1.7 Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.

1.8 Secretary. "Secretary" shall mean the Secretary of the federal Department of Health and Human Services or that person's designee.

1.9 Security Incident. "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.

1.10 Unsecured Protected Health Information. "Unsecured Protected Health Information" shall have the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

2. Permitted Uses and Disclosures by Business Associate.

2.1 General. Except as otherwise specified in this Agreement, Business Associate may use or disclose PHI to perform its obligations for, or on behalf of, Covered Entity, provided that such use or disclosure would not violate the HIPAA Privacy Regulations if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity.

2.2 Other Permitted Uses. Except as otherwise limited by this Agreement, Business Associate may use PHI it receives or creates in its capacity as a business associate of Covered Entity, if necessary:

2.2.1 for the proper management and administration of Business Associate;

2.2.2 to carry out the legal responsibilities of Business Associate; or

2.2.3 to provide Data Aggregation services to Covered Entity which relate to the health care operations of Covered Entity in accordance with the HIPAA Privacy Regulations.

2.3 Other Permitted Disclosures. Except as otherwise limited by this Agreement, Business Associate may disclose to a third party PHI it receives or creates in its capacity as a business associate of Covered Entity for the proper management and administration of Business Associate, provided that:

2.3.1 The disclosure is required by law; or

2.3.2 Business Associate obtains reasonable assurances from the third party to whom the information is disclosed that (i) the PHI will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party, and (ii) the third party notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

2.4 De-Identified Information. Health information that has been de-identified in accordance with the requirements of 45 C.F.R. §§ 164.514 and 164.502(d) and is therefore not Individually Identifiable Health Information ("De-Identified Information") is not subject to the provisions of this Agreement. Covered Entity may disclose PHI to Business Associate to use for the purpose of creating De-Identified Information, whether or not the De-Identified Information is to be used by Covered Entity.

3. Obligations and Activities of Business Associate Regarding PHI.

3.1 Limitations on Uses and Disclosures. Business Associate will not use or further disclose PHI other than as permitted or required by this Agreement or as Required By Law.

3.2 Safeguards. Business Associate will use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement.

3.3 Mitigation. Business Associate will mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

3.4 Reporting. Business Associate will report to Covered Entity any use or disclosure of the PHI not provided for by this Agreement of which it becomes aware.

3.5 Agents and Subcontractors. Business Associate will ensure that any agent, including any subcontractor, to whom Business Associate provides PHI received from, or created or received by Business Associate on behalf of, Covered Entity agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

3.6 Access. Where PHI held by Business Associate is contained in a Designated Record Set, within fifteen (15) days of receiving a written request from Covered Entity, Business Associate will make such PHI available to Covered Entity or, as directed by Covered Entity to an Individual, that is necessary for Covered Entity to respond to Individuals' requests for access to PHI about them in accordance with 45 C.F.R. § 164.524. Business Associate will provide such PHI in an electronic format upon request by Covered Entity unless it is not readily producible in such format in which case Business Associate will provide Covered Entity a standard hard copy format.

3.7 Amendment of PHI. Where PHI held by Business Associate is contained in a Designated Record Set, within fifteen (15) days of receiving a written request from Covered Entity or an Individual, Business Associate will make any requested amendment(s) or correction(s) to PHI in accordance with 45 C.F.R. § 164.526.

3.8 Disclosure Documentation. Business Associate will document its disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

3.9 Accounting of Disclosures. Within thirty (30) days of receiving a request from Covered Entity, Business Associate will provide to Covered Entity information collected in accordance with Section 3.8 of this Agreement, as necessary to permit Covered Entity to make an accounting of disclosures of PHI about an Individual in accordance with 45 C.F.R. § 164.528.

3.10 Access to Business Associate's Internal Practices. Except to the extent that it violates or interferes with attorney-client privilege, the duty of client confidentiality, or the applicable rules of professional responsibility, Business Associate will make its internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of (a) PHI received from, or created or received by Business Associate on behalf of, Covered Entity; and (b) EPHI created, received, maintained, or transmitted by Business Associate on behalf of Covered Entity, available to the Secretary or to Covered Entity, in a time and manner designated by the Secretary or reasonably specified by Covered Entity, for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Privacy Regulations and HIPAA Security Regulations.

3.11 Breach Notification. Business Associate, following the discovery of a Breach of Unsecured Protected Health Information, shall notify Covered Entity of such breach. Except as otherwise required by law, Business Associate shall provide such notice without unreasonable delay, and in no case later than thirty (30) calendar days after discovery of the Breach.

3.11.1 Notice to Covered Entity required by this Section 3.11 shall include: (i) to the extent possible, the names of the individual(s) whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been accessed, acquired, used or disclosed during the Breach; (ii) a brief description of what happened including the date of the Breach and the date of the discovery of the Breach, if known; (iii) a description of the types of Unsecured Protected Health Information that were involved in the Breach; (iv) a brief description of what Business Associate is doing or will be doing to investigate the Breach, to mitigate harm to the individual(s), and to protect against further Breaches; and (v) any other information that Covered Entity determines it needs to include in notifications to the individual(s) under 45 C.F.R. § 164.404(c).

3.11.2 After receipt of notice, from any source, of a Breach involving Unsecured Protected Health Information used, disclosed, maintained, or otherwise possessed by Business Associate or of a Breach, involving Unsecured Protected Health Information, for which the Business Associate is otherwise responsible, Covered Entity may in its sole discretion (i) require Business Associate, at Business Associate's sole expense, to use a

mutually agreed upon written notice to notify, on Covered Entity's behalf, the individual(s) affected by the Breach, in accordance with the notification requirements set forth in 45 C.F.R. § 164.404, without unreasonable delay, but in no case later than sixty (60) days after discovery of the Breach; or (ii) elect to provide notice to the individual(s) affected by the Breach.

4. Obligations of Covered Entity.

4.1 Requested Restrictions. Covered Entity shall notify Business Associate, in writing, of any restriction on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, which permits an Individual to request certain restrictions of uses and disclosures, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

4.2 Changes in or Revocation of Permission. Covered Entity will notify Business Associate in writing of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes or revocation may affect Business Associate's use or disclosure of PHI.

4.3 Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy Regulations and HIPAA Security Regulations if done by Covered Entity, except to the extent that Business Associate will use or disclose PHI for Data Aggregation or management and administrative activities of Business Associate.

5. Security Restrictions on Business Associate.

5.1 General. Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the EPHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity as required by the HIPAA Security Regulations.

5.2 Agents; Subcontractors. Business Associate will ensure that any agent, including a subcontractor, to whom Business Associate provides EPHI agrees to implement reasonable and appropriate safeguards to protect the confidentiality, integrity, and availability of such EPHI.

5.3 Reporting of Security Incidents. Business Associate shall report to Covered Entity any Security Incident affecting EPHI created, received, maintained, or transmitted by Business Associate on behalf of Covered Entity, of which Business Associate becomes aware. This Section constitutes notice to Covered Entity of routine and ongoing attempts to gain unauthorized access to Business Associate's information systems (each an "Unsuccessful Attack"), including but not limited to pings, port scans, and denial of service attacks, for which no additional notice shall be required provided that no such incident results in unauthorized access to Electronic PHI.

5.4 HIPAA Security Regulations Compliance. Business Associate agrees to comply with Sections 164.308, 164.310, 164.312, and 164.316 of title 45, Code of Federal Regulations.

6. Term and Termination.

6.1 Term. This Agreement shall take effect on the Effective Date (as defined below), and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section 6.

6.2 Termination for Cause. If Covered Entity determines that Business Associate has breached a material term of this Agreement, Covered Entity will provide written notice to Business Associate which sets forth Covered Entity's determination that Business Associate breached a material term of this Agreement, and Covered Entity may:

6.2.1 Provide written notice to Business Associate which provides an opportunity for Business Associate to cure the breach or end the violation, as applicable. If Business Associate does not cure the breach or end the violation within the time specified by Covered Entity, then Covered Entity may immediately thereafter terminate this Agreement; or

6.2.2 Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible.

6.2.3 If neither termination nor cure is feasible as provided in Sections 6.2.1 and 6.2.2 of this Agreement, Covered Entity will report the violation to the Secretary.

6.3 Effect of Termination.

6.3.1 Except as provided in Section 6.3.2 of this Agreement, upon termination of this Agreement, for any reason, Business Associate will return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision also applies to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate will retain no copies of the PHI.

6.3.2 In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate will provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon reasonable determination that return or destruction of PHI is infeasible, Business Associate will extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

7. Qualified Service Organization Agreement. Covered Entity and Business Associate hereby acknowledge that Business Associate and its agents and employees have, as applicable, complied, and will comply, with 42 USC §290dd-2 and 42 CFR Ch. 1, part 2, §§2.11 et seq. (the "Federal Drug and Alcohol Regulations") in that:

7.1 The parties acknowledge that if Business Associate receives, processes, reviews, or otherwise deals with any Covered Entity patient records during the course of the Services Business Associate and its employees will be providing to Covered Entity, that each

and every one of said employees will be fully bound by the Federal Drug and Alcohol Regulations;

7.2 Each of Business Associate's employees and agents will maintain Covered Entity's patient identifying information in accordance with federal and state confidentiality rules governing drug and alcohol treatment records;

7.3 Each of Business Associate's employees and agents will comply, as applicable, with the limitations on disclosure, re-disclosure and use set forth in 42 CFR Ch. 1, part 2, §§ 2.16 and 2.53; and

7.4 If necessary, each of Business Associate's employees and agents will resist in judicial proceedings any efforts to obtain access to patient records except as permitted by the Federal Drug and Alcohol Regulations.

8. Miscellaneous.

8.1 Regulatory References. A reference in this Agreement to a section in the HIPAA Privacy Regulations or the HIPAA Security Regulations means the section as in effect or as amended.

8.2 Amendment. If any new state or federal law, rule, regulation, or policy, or any judicial or administrative decision, affecting the use or disclosure of PHI is enacted or issued, including but not limited to any law or regulation affecting compliance with the requirements of the HIPAA Privacy Regulations or the HIPAA Security Regulations, the parties agree to take such action in a timely manner and as is necessary for Covered Entity and Business Associate to comply with such law, rule, regulation, policy or decision. If the parties are not able to agree on the terms of such an amendment, either party may terminate this Agreement on at least thirty (30) days' prior written notice to the other party.

8.3 Survival. The respective rights and obligations of Business Associate under Section 6.3 of this Agreement ("Effect of Termination") shall survive the termination of this Agreement.

8.4 Interpretation. Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the HIPAA Privacy Regulations, the HIPAA Security Regulations, and the Federal Drug and Alcohol Regulations. The section and paragraph headings of this Agreement are for the convenience of the reader only, and are not intended to act as a limitation of the scope or meaning of the sections and paragraphs themselves.

8.5 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than Business Associate and Covered Entity and their respective successors or assigns, any rights, remedies, obligations or liabilities whatsoever.

8.6 Assignment. This Agreement shall not be assigned or otherwise transferred by either party without the prior written consent of the other, which consent shall not be unreasonably withheld; provided that no such consent shall be required for either party's assignment or transfer of this Agreement in connection with a sale or transfer of all or

substantially all of the business or assets of the assigning party. This Agreement shall be binding on and inure to the benefit of the parties hereto and their permitted successors and assigns.

8.7 Entire Agreement. This Agreement constitutes the entire agreement between the parties as to its subject matter and supersedes all prior communications, representations, and agreements, oral or written, of the parties with respect to its subject matter.

8.8 Severability and Waiver. The invalidity of any term or provision of this Agreement will not affect the validity of any other provision. Waiver by any party of strict performance of any provision of this Agreement will not be a waiver of or prejudice any party's right to require strict performance of the same provision in the future or of any other provision of this Agreement.

8.9 Notices. Any notices permitted or required by this Agreement will be addressed as follows or to such other address as either party may provide to the other:

If to Covered Entity:
Clark County
Department of Community Services
ATTN: Contract Section
P.O. Box 5000
Vancouver, WA 98666-5000

If to Business Associate:
Daybreak Youth Services
ATTN: Annette Klinefelter, Director
960 E. Third Ave.
Spokane, WA 99202

EXHIBIT D

Data Security Requirements

1. **Definitions**. The words and phrases listed below, as used in this Exhibit, shall each have the following definitions:

   a. "Authorized User(s)" means an individual or individuals with an authorized business requirement to access DSHS Confidential Information.

   b. "Hardened Password" means a string of at least eight characters containing at least one alphabetic character, at least one number and at least one special character such as an asterisk, ampersand or exclamation point.

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

2. **Data Transport**. When transporting DSHS Confidential Information electronically, including via email, the Data will be protected by:

   a. Transporting the Data within the (State Governmental Network) SGN or Contractor's internal network, or;

   b. Encrypting any Data that will be in transit outside the SGN or Contractor's internal network. This includes transit over the public Internet.

3. **Protection of Data**. The Contractor agrees to store Data on one or more of the following media and protect the Data as described:

   a. **Hard disk drives**. Data stored on local workstation hard disks. Access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.

   b. **Network server disks**. Data stored on hard disks mounted on network servers and made available through shared folders. Access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data as outlined in Section 5. Data Disposition may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.

c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secured Area. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only Authorized Users have the key, combination or mechanism required to access the contents of the container. Workstations which access DSHS Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secured Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

e. **Paper documents.** Any paper records must be protected by storing the records in a Secured Area which is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.

f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract.

g. **Data storage on portable devices or media.**

(1) Except where otherwise specified herein, DSHS Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:

(a) Encrypt the Data with a key length of at least 128 bits

(b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.

(c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.

Physically secure the portable device(s) and/or media by:

(d) Keeping them in locked storage when not in use

(e) Using check-in/check-out procedures when they are shared, and

(f) Taking frequent inventories

(2) When being transported outside of a Secured Area, portable devices and media with DSHS Confidential Information must be under the physical control of Contractor staff with authorization to access the Data.

(3) Portable devices include, but are not limited to; smart phones, tablets, flash memory devices (e.g. USB flash drives, personal media players), portable hard disks, and laptop/notebook/netbook computers if those computers may be transported outside of a Secured Area.

(4) Portable media includes, but is not limited to; optical media (e.g. CDs, DVDs), magnetic media (e.g. floppy disks, tape), or flash media (e.g. CompactFlash, SD, MMC).

h. **Data stored for backup purposes.**

(1) DSHS data may be stored on portable media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements in Section 5. Data Disposition

(2) DSHS Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster

recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements in Section 5. Data Disposition.

4. Data Segregation.

a. DSHS Data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.

b. DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS data. And/or,

c. DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,

d. DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,

e. DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.

f. When stored as physical paper documents, DSHS Data will be physically segregated from non- DSHS data in a drawer, folder, or other container.

g. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

5. Data Disposition. When the contracted work has been completed or when no longer needed, except as noted in Section 3. Protection of Data b. Network Server Disks above, Data shall be returned to DSHS or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

Data stored on:	Will be destroyed by:
Server or workstation hard disks, or	Using a "wipe" utility which will overwrite the Data at least three (3) times using either random or single character data, or

Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Degaussing sufficiently to ensure that the Data cannot be reconstructed, or Physically destroying the disk
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

6. **Notification of Compromise or Potential Compromise**. The compromise or potential compromise of DSHS shared Data must be reported to the DSHS Contact designated in the Contract within one (1) business day of discovery. If no DSHS Contact is designated in the Contract, then the notification must be reported to the DSHS Privacy Officer at dshsprivacyofficer@dshs.wa.gov. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.

7. **Data shared with Subcontractors**. If DSHS Data provided under this Contract is to be shared with a subcontractor, the Contract with the subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract. If the Contractor cannot protect the Data as articulated within this Contract, then the contract with the sub- Contractor must be submitted to the DSHS Contact specified for this contract for review and approval.