

August 18, 2016

Board of Commissioners  
Clackamas County

Members of the Board:

Approval of an Agency Service Contract with  
Cascadia Behavioral Healthcare for  
Residential Treatment Services

<b>Purpose/Outcomes</b>	This contractor provides mental health residential treatment services to Clackamas County residents.
<b>Dollar Amount and Fiscal Impact</b>	Contract maximum value is \$ \$779,318.00
<b>Funding Source</b>	Oregon Health Authority 2015-2015 CMHP Agreement # 147783 - no County General Funds are involved.
<b>Duration</b>	Effective July 1, 2016 and terminates June 30, 2017
<b>Previous Board Action</b>	The previous contract was approved by the Board of County Commissioners on August 12, 2015, agenda item 081315-A2
<b>Strategic Plan Alignment</b>	1. Individuals and families in need are healthy and safe. 2. Ensure safe, healthy and secure communities.
<b>Contact Person</b>	Mary Rumbaugh Director – Behavioral Health Division 503.742.5305
<b>Contract No.</b>	7771

**BACKGROUND:**

The Behavioral Health Division of the Health, Housing & Human Services Department requests the approval of an Agency Service Contract with Cascadia Behavioral Healthcare for Residential Treatment Services to residents of Clackamas County. Such services are provided to persons enrolled in services through Clackamas County Behavioral Health Division.

The contract is effective July 1, 2016 and continues through June 30, 2017. County Counsel has reviewed and approved this contract on July 6, 2016.

This contract is retroactively effective due to awaiting signature and approval from agency past the effective date.

**RECOMMENDATION:**

Staff recommends the Board approval of this contract and authorizes Richard Swift, H3S Director to sign on behalf of Clackamas County.

Respectfully submitted,

Richard Swift, Director  
Health, Housing and Human Services Department

**AGENCY SERVICES CONTRACT  
RESIDENTIAL TREATMENT SERVICES**

**Contract # 7771**

This Residential Treatment Agency Services Contract is between Clackamas County acting by and through its Health, Housing and Human Services Department, Behavioral Health Division, hereinafter called "COUNTY," and CASCADIA BEHAVIORAL HEALTHCARE, hereinafter called "AGENCY." Throughout this contract and all exhibits, the term "DEPARTMENT" shall refer to and mean the State of Oregon, Oregon Health Authority, and "this agreement" means Contract #7771 and all exhibits.

**CONTRACT**

**1.0 Engagement**

COUNTY hereby engages AGENCY to provide *Residential Treatment* services as described in Exhibit B, Scope of Work, attached hereto and incorporated herein. This agreement sets forth the terms under which AGENCY will contract with COUNTY to provide residential treatment services to clients.

**2.0 Term**

Services provided under the terms of this agreement shall retroactively commence upon the **July 1, 2016** and shall terminate **June 30, 2017** unless terminated by one or both parties as provided for in paragraph 6.0 below. This contract can be amended by mutual consent of both parties.

**3.0 Compensation and Fiscal Records**

3.1 Compensation. Oregon Health Authority or COUNTY shall compensate AGENCY as specified in Exhibit C, Compensation and Payment. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, mileage, and incidentals necessary to perform the work and services.

Maximum contract value not to exceed **\$779,318.00**

3.2 Withholding of Contract Payments. Notwithstanding any other payment provision of this agreement, should AGENCY fail to perform or document the performance of contracted services, COUNTY shall immediately withhold payments hereunder. Such withholding payment for cause may continue until AGENCY performs required services or establishes to COUNTY'S satisfaction that such failure arose out of causes beyond the control, and without the fault or negligence, of AGENCY.

3.3 Financial Records. AGENCY and its subcontractors shall maintain complete and legible financial records pertinent to authorized Covered Services delivered and payments received. Such records shall be maintained in accordance with Generally Accepted Accounting Principles and/or other applicable accounting guidelines such as outlined in Office of Management and Budget circulars A-87, A-122 and A-133. Financial records and supporting documents shall be retained for at least five (5) years after final payment is made under this agreement or until all pending matters are resolved, whichever period is longer. If an audit of financial records discloses that payments to AGENCY were in excess of the amount to which AGENCY was entitled, AGENCY shall repay the amount of the excess to COUNTY.

**4.0 Manner of Performance**

4.1 Compliance with Applicable Laws and Regulations. AGENCY shall comply with all Federal, State, local laws and ordinances applicable to the work to be done under this agreement. AGENCY must, throughout the duration of this Contract and any extensions, comply with all tax laws of this state and all applicable tax laws of any political subdivision of this state. Any violation of this section shall constitute a material breach of this contract. Further, any violation of AGENCY'S warranty, in this contract that AGENCY has complied with the tax laws of this state and the applicable tax laws of any political subdivision of this state also shall constitute a material breach of this Contract. Any violation shall entitle AGENCY to terminate this Contract, to pursue and recover any and all damages that arise from the breach and the termination of this Contract, and to pursue any or all of the remedies available under this Contract, at law, or in equity, including but not limited to:

- i. Termination of this Contract, in whole or in part;
- ii. Exercise of the right of setoff, and withholding of amounts otherwise due and owing to AGENCY, in an amount equal to COUNTY'S setoff right, without penalty; and
- iii. Initiation of an action or proceeding for damages, specific performance, declaratory or injunctive relief. COUNTY shall be entitled to recover any and all damages suffered as the result of AGENCY'S breach of this Contract, including but not limited to direct, indirect, incidental and consequential damages, costs of cure, and costs incurred in securing replacement performance.

These remedies are cumulative to the extent the remedies are not inconsistent, and COUNTY may pursue any remedy or remedies singly, collectively, successively, or in any order whatsoever.

4.2 Subcontracts. AGENCY shall not enter into any subcontracts for any of the work scheduled under this agreement without obtaining prior written approval from COUNTY.

4.3 Independent Contractor. AGENCY certifies that it is an independent contractor and not an employee or agent of COUNTY, State, or Federal Government as those terms are used in ORS 30.265. Responsibility for all taxes, assessments, and any other charges imposed upon employers shall be the sole responsibility of AGENCY.

4.4 Workers' Compensation. AGENCY certifies that it is an insured employer for purposes of the Oregon Workers' Compensation law (ORS Chapter 656) and is solely liable for any Workers' Compensation coverage under this agreement.

4.5. Tax Laws. The AGENCY represents and warrants that, for a period of no fewer than six calendar years preceding the effective date of this Contract, has faithfully complied with:

- i. All tax laws of this state, including but not limited to ORS 305.620 and ORS chapters 316, 317, and 318;
- ii. Any tax provisions imposed by a political subdivision of this state that applied to AGENCY, to AGENCY'S property, operations, receipts, or income, or to AGENCY'S performance of or compensation for any work performed by AGENCY;
- iii. Any tax provisions imposed by a political subdivision of this state that applied to AGENCY, or to goods, services, or property, whether tangible or intangible, provided by AGENCY; and
- iv. Any rules, regulations, charter provisions, or ordinances that implemented or enforced any of the foregoing tax laws or provisions.

## 5.0 General Conditions

5.1 Indemnification. AGENCY agrees to indemnify, save, hold harmless, and defend COUNTY, its officers, commissioners, agents and employees from and against all claims and actions, and all expenses incidental to the investigation and defense thereof, arising out of actions, suits, claims or demand attributable in whole or in part to the acts or omissions of AGENCY, and AGENCY's officers, agents, and employees, in performance of this agreement.

AGENCY shall defend, save, hold harmless and indemnify the State of Oregon, AMH/SPD and their officers, agents and employees from and against all claims, suits, actions, damages, liabilities, costs and expenses of whatsoever nature resulting from, arising out of, or relating to the activities or omissions of AGENCY, or its agents or employees under this agreement.

If AGENCY is a public body, AGENCY's liability under this agreement is subject to the limitations of the Oregon Tort Claims Act.

5.2 Insurance. During the term of this agreement, AGENCY shall maintain in force at its own expense each insurance noted below:

5.2.1 Commercial General Liability

Required by COUNTY  Not required by COUNTY

AGENCY shall obtain, at AGENCY's expense, and keep in effect during the term of this agreement, Commercial General Liability Insurance covering bodily injury and property damage on an "occurrence" form in the amount of not less than \$2,000,000 per occurrence/ \$4,000,000 general aggregate for the protection of COUNTY, its officers, commissioners, and employees. This coverage shall include Contractual Liability insurance for the indemnity provided under this agreement. This policy(s) shall be primary insurance as respects to the COUNTY. Any insurance or self-insurance maintained by COUNTY shall be excess and shall not contribute it.

5.2.2 Commercial Automobile Liability

Required by COUNTY  Not required by COUNTY

AGENCY shall also obtain at AGENCY's expense, and keep in effect during the term of the agreement, Commercial Automobile Liability coverage including coverage for all owned, hired, and non-owned vehicles. The combined single limit per occurrence shall not be less than \$2,000,000.

5.2.3 Professional Liability

Required by COUNTY  Not required by COUNTY

AGENCY agrees to furnish COUNTY evidence of professional liability insurance in the amount of not less than \$2,000,000 combined single limit per occurrence/\$4,000,000 general annual aggregate for malpractice or errors and omissions coverage for the protection of COUNTY, its officers, commissioners and employees against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and damages because of negligent acts, errors and omissions in any way related to this agreement. COUNTY, at its option, may require a complete copy of the above policy.

5.2.4 Tail Coverage. If liability insurance is arranged on a "claims made" basis, "tail" coverage will be required at the completion of this contract for a duration of thirty-six (36) months or the maximum time period the CONTRACTOR'S insurer will provide "tail" coverage as subscribed, or continuous "claims made" liability coverage for thirty-six (36) months following the contract completion. Continuous "claims made" coverage will be acceptable in lieu of "tail" coverage, provided its retroactive date is on or before the effective date of this contract.

5.2.5 Additional Insured Provisions. The insurance, other than the professional liability insurance, Workers' Compensation, and Personal Automobile Liability insurance, shall include "Clackamas County, its commissioners, agents, officers, and employees" as an additional insured.

5.2.6 Notice of Cancellation. There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 60 days written notice to COUNTY. Any failure to comply with this provision will not affect the insurance coverage provided to COUNTY. The 60 days' notice of cancellation provision shall be physically endorsed on to the policy.

5.2.7 Insurance Carrier Rating. Coverages provided by AGENCY must be underwritten by an insurance company deemed acceptable by COUNTY. Insurance coverage shall be provided by companies admitted to do business in Oregon or, in the alternative, rated A- or better by Best's Insurance Rating. COUNTY reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

5.2.8 Certificates of Insurance. As evidence of the insurance coverage required by this agreement, AGENCY shall furnish a Certificate of Insurance to COUNTY. No contract shall be in effect until the required certificates have been received, approved and accepted by COUNTY. The certificate will specify that all insurance-related provisions within this agreement have been complied with. A renewal certificate will be sent to COUNTY 10 days prior to coverage expiration.

5.2.9 Primary Coverage Clarification. AGENCY's coverage will be primary in the event of a loss.

5.2.10 Cross Liability Clause. A cross-liability or separation of insured's condition will be included in all general liability, professional liability, and errors and omissions policies required by this agreement.

5.3 Controlling State Law. This agreement shall be governed and construed in accordance with the laws of the State of Oregon. Any action or suit involving this agreement shall be filed and tried within the Circuit Court for Clackamas County, State of Oregon. Provided however, that if any such action may only be brought in a federal forum, it shall be brought and conducted exclusively within the U.S. District Court, for the District of Oregon.

5.4 Amendments. The terms of this agreement shall not be waived, altered, modified, supplemented or amended, in any manner whatsoever, except by written instrument signed by AGENCY and COUNTY.

5.5 Severability. If any term or provision of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.

5.6 Waiver. The failure of either party to enforce any provision of this agreement shall not constitute a waiver of that or any other provision.

5.7 Future Support. COUNTY makes no commitment of future support and assumes no obligation for future support of the activity contracted herein except as set forth in this agreement.

5.8 Oregon Constitutional Limitations. This agreement is expressly subject to the debt limitation of Oregon counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent upon funds being appropriated therefore. Any provision herein, which would conflict with such law, is deemed inoperative to that extent.

5.9 Public Contracting Requirements. Pursuant to the requirements of ORS 279B-020 and ORS 279B.220 through 279B.335 and Article XI, Section 10, of the Oregon Constitution, the following terms and conditions are made a part of this agreement:

5.9.1 AGENCY shall:

- a. Make payments promptly, as due, to all persons supplying to AGENCY labor or materials for the performance of the work provided for in this agreement.
- b. Pay all contributions or amounts due the Industrial Accident Fund from such AGENCY or subcontractor incurred in performance of this agreement.
- c. Not permit any lien or claim to be filed or prosecuted against Clackamas County on account of any labor or material furnished.
- d. Pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.

5.9.2 If AGENCY fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to AGENCY or a subcontractor by any person in connection with this agreement as such claim becomes due, the proper officer representing Clackamas County may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due AGENCY by reason of this agreement.

5.9.3 AGENCY shall pay employees at least time and a half for all overtime work performed under this agreement in excess of 40 hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 and the Fair Labor Standards Act of 1938 (29 U.S.C. 201 to 209) from receiving overtime.

5.9.4 AGENCY shall promptly, as due, make payment to any person or partnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention incident to sickness and injury, to the employees of AGENCY, of all sums that AGENCY agrees to pay for the services and all monies and sums that AGENCY collected or deducted from the wages of its employees pursuant to any law, contract or agreement for the purpose of providing or paying for such services.

5.9.5 All employers working under this agreement are either subject employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126.

5.10 Integration. This agreement contains the entire agreement between COUNTY and AGENCY and supersedes all prior written or oral discussions or agreements.

## **6.0 Termination**

6.1 Termination Without Cause. This agreement may be terminated by mutual consent of both parties, or by either party, upon ninety (90) days' notice, in writing delivered by certified mail or in person.

6.2 Termination With Cause. COUNTY may terminate this agreement effective upon delivery of written notice to AGENCY, or at such later date as may be established by COUNTY, under any of the following conditions:

6.2.1 The terms of the 2015-2017 Community Mental Health Provider (CMHP) Intergovernmental Agreement between the COUNTY and the Oregon Health Authority are modified, changed or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding authorized by this agreement.

6.2.2 The termination, suspension or expiration of the 2015-2017 Community Mental Health Provider (CMHP) Intergovernmental Agreement between the COUNTY and the Oregon Health Authority.

6.2.3 If COUNTY funding from federal, state, or other sources is not obtained and continued at levels sufficient to allow for purchase of the indicated quantity of services. The agreement may be modified to accommodate a reduction in funds.

6.2.4 If the COUNTY has evidence that AGENCY has endangered or is endangering the health or safety of consumers, staff or the public. AGENCY shall ensure the orderly and reasonable transfer of care in progress with consumers and shall work with COUNTY staff to accomplish the same.

6.2.5 The lapse, relinquishment, suspension, expiration, cancellation or termination of any required license, certification or qualification of AGENCY, or the lapse relinquishment, suspension, expiration, cancellation or termination of AGENCY's insurance as required in this agreement.

6.2.6 AGENCY's filing for protection under United States Bankruptcy Code, the appointment of a receiver to manage AGENCY's affairs, or the judicial declaration that AGENCY is insolvent.

6.2.7 If AGENCY fails to perform any of the other provisions of this agreement, or fails to pursue the work of this agreement in accordance with its terms, and after written notice from the COUNTY, fails to correct such failures within ten (10) business days or such longer period as COUNTY may authorize.

6.3 Notice of Default. COUNTY may also issue a written notice of default (including breach of contract) to AGENCY and terminate the whole or any part of this agreement if AGENCY substantially fails to perform the specific provisions of agreement. The rights and remedies of COUNTY related to default (including breach of contract) by AGENCY shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

6.4 Transition. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination. AGENCY and COUNTY shall continue to perform all duties and obligations under this agreement to the date of termination.

**7.0 Notices**

If to AGENCY:

Cascadia Behavioral HealthCare  
**PO Box 8459**  
Portland, OR 97207

If to COUNTY:

Clackamas County Behavioral Health Division  
Attention: Contracts and Credentialing Analyst  
2051 Kean Road, #154  
Oregon City, OR 97045

This agreement consists of seven (7) sections plus the following attachments which by this reference are incorporated herein:

- |              |                                |
|--------------|--------------------------------|
| Exhibit A    | Definitions                    |
| Exhibit B    | Scope of Work                  |
| Exhibit C    | Compensation and Payment       |
| Exhibit D    | Performance Standards          |
| Exhibit E    | Compliance with Applicable Law |
| Attachment 1 | FY 2016-2017 Rate Chart        |

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized officers.

**CASACADIA BEHAVIORAL HEALTHCARE**

By:   
\_\_\_\_\_  
Derald Walker, CEO/President  
8/11/2016  
\_\_\_\_\_  
Date  
PO Box 8459  
\_\_\_\_\_  
Mailing Address  
Portland, Oregon 97207  
\_\_\_\_\_  
City/State/Zip  
(503) 963-7766 (503) 963-7711  
\_\_\_\_\_  
Phone / Fax

**CLACKAMAS COUNTY**

Commissioner: John Ludlow, Chair  
Commissioner: Jim Bernard  
Commissioner: Paul Savas  
Commissioner: Martha Schrader  
Commissioner: Tootie Smith

**Signing on Behalf of the Board:**

\_\_\_\_\_  
Richard Swift, Director  
Health, Housing and Human Services

\_\_\_\_\_  
Date

**EXHIBIT A  
DEFINITIONS**

Whenever used in this Residential Treatment Service Agreement, the following terms shall have the meanings set forth below;

"Agreement": This Residential Treatment Services Agreement between COUNTY and AGENCY for the provision of services.

"Client": with respect to a particular service provided by Agency, any individual receiving that service, in whole or in part, with funds provided under this agreement

"Community Mental Health Program" or "CMHP": a centrally organized and coordinated program of services for persons with mental and emotional disorders, developmental disabilities, and addiction dependencies operated by, or contractually affiliated with a LMHA and operated in a specific geographic area of the State of Oregon

Community Outcome Management and Performance Accountability Support System (COMPASS): the AMH project to implement a new contracts system, roll out an optional free electronic health records systems (OWITS), and enhance the collection of data through MOTS

"County": Clackamas County, a political subdivision of the State of Oregon.

"Intergovernmental Agreement": the 2015-2017 Intergovernmental agreement for the Financing of Community Addictions and Mental Health Services between the State of Oregon, acting by and through its Oregon Health Authority and Clackamas County, as amended from time to time.

Measures and Outcomes Tracking System (MOTS): the AMH data system that stores client data submitted by AGENCY and/or COUNTY

"OAR": Oregon Administrative Rules as promulgated by the Oregon Health Authority and as amended from time to time.

"Oregon Health Authority": Department of the State of Oregon that contracts with County to establish and finance community mental health, developmental disability and addiction programs. County, in turn, subcontracts certain services to Agency.

Oregon Web Infrastructure for Treatment Services (OWITS): is

- 1) an optional free electronic health records system available to Counties and their Providers to submit the MOTS data, and
- 2) a system to manage the AMH services

## EXHIBIT B SCOPE OF WORK

AGENCY agrees to provide the services described below in accordance with OAR 309-035-0100 through 309-035-0190 and OAR 309-035-0250 through 309-035-0460, and shall comply with the following service description and performance requirements. Services provided are to be within the scope of AGENCY's licenses and certification, and the licenses, certifications and training of its employed and contracted staff providing direct services under this agreement.

### 1. Residential Treatment Services

Treatment and supervision (including medication supervision) services delivered on a 24-hour basis to individuals 18 years of age or older with mental or emotional disorders who have been hospitalized or are at immediate risk of hospitalization, who need continuing services to avoid hospitalization or who are a hazard to themselves or others or who otherwise require long-term care to remain in the community. Residential treatment services will support clients in moving toward successful independence, and will assist each Client served in transitioning to the least restrictive living environment appropriate for that individual.

Only those clients whom the COUNTY determines are unable to live independently without supervised intervention, training or supports are eligible for Residential Treatment Services funded through this agreement.

The specific services delivered to a Client are determined based upon an individualized assessment of care and treatment needs (Plan of Care Request) and are intended to promote the wellbeing, health and recovery of the individual through the availability of a wide-range of residential treatment services. Residential treatment services may include, but are not limited to, the following:

- A. Provision of care including assumption of a responsibility for the safety and well-being of the individual.
- B. Crisis stabilization services, such as accessing psychiatric, medical, or qualified professional intervention to protect the health and safety of the individual and others;
- C. Timely, appropriate access to crisis intervention to prevent or reduce acute, emotional distress, which might necessitate psychiatric hospitalization;
- D. Management of aggressive or self-destructive behavior;
- E. Supervision of daily living activities such as eating, personal hygiene, clothing care and grooming;
- F. Skills training, including social skills, money and household management, independence in activities of daily living, and use of community resources;
- G. Administration and supervision of prescribed and non-prescribed medication;
- H. Management of physical or health problems, including seizures or incontinency;
- I. Management of a diet, prescribed by a physician, requiring extra effort or expense in preparation of food;
- J. Provision or arrangement of routine and/or emergency transportation; and
- K. Room and board and personal care services.

### 2. Facilities

Leland  
Pearl  
Portland Avenue

**3. Level of Care; Admission, Continued Stay and Discharge Criteria**

AGENCY shall administer, or cooperate with COUNTY in the administration of, the Level of Care Utilization System (LOCUS) instrument to assist with treatment planning. AGENCY shall maintain the LOCUS as part of the Client record and shall make such records available to COUNTY upon request.

AGENCY shall participate in the COUNTY admission, continued stay and discharge authorization process, as outlined in the COUNTY practice guidelines. AGENCY understands that authorization for services will be based upon this review process.

**4. Coordination of Care**

A. AGENCY shall provide coordination and integration of services with physical health care providers and chemical dependency providers as medically appropriate and within the laws governing confidentiality.

B. AGENCY shall coordinate with COUNTY on referral of clients to specialty behavioral health services or to a higher intensity of service. Specifically:

(1) AGENCY shall coordinate with COUNTY on both admission and discharge of clients to psychiatric acute care or sub-acute psychiatric care. AGENCY shall coordinate with COUNTY and the acute or sub-acute care provider on discharge planning to aid in the timely discharge of the Client.

(2) AGENCY shall coordinate with COUNTY on referral of clients to crisis respite services, particularly as those services are used to divert the admission of the Client to acute care.

(3) AGENCY shall coordinate with COUNTY to obtain Long Term Care Determination for appropriate clients.

C. AGENCY shall participate in Client staffing with COUNTY and Oregon Health Authority on a regular, scheduled or ad hoc basis in order to ensure most appropriate care.

**5. Standards of Care**

COUNTY promotes resilience in and recovery of the clients it serves. COUNTY supports a system of care that promotes and sustains a Client's recovery from a mental health condition by identifying and building upon the strengths and competencies within the person to assist them in achieving a meaningful life within their community. Consistent with these values and pursuant to OAR 309-035-0100 through 309-035-0190 and OAR 309-035-0250 through 309-035-0460, AGENCY shall:

A. Provide services in a manner that assures continuity and coordination of the health care services provided to each Client;

B. Comply with the following timelines upon receipt of a referral:

(1) Contact the referent within two (2) business days with decision of whether to screen the referred Client;

(2) Conduct screening within five (5) business days from receipt of referral; and

(3) Determine whether to accept the referral, and complete the referral cover sheet and return it to the referent within two (2) business days of the screening

C. AGENCY shall not discriminate against clients because of source of income, race, color, national origin, religion, creed, marital status, sex or sexual orientation (except as may be limited by room arrangement), age (except under 18 years), familial status, or disability in addition to the mental or emotional disorder;

D. Conduct its practice and treat all clients using that degree of care, skill and diligence which is used by ordinarily careful providers in the same or similar circumstances in the provider's community or a similar community (see ORS 677.095);E. Ensure that clients are served in the most normative, least restrictive, least intrusive and most cost effective level of care appropriate to their diagnosis and current

symptoms, degree of impairment, level of functioning, treatment history, and extent of family and community supports;

- F. Assure that an adequate number of staff are available at all times to meet the treatment, health and safety needs of clients;
- G. Advise or advocate on behalf of clients in regard to treatment options, without restraint from COUNTY;
- H. Provide clients with access to services without undue delay and as soon as necessary in light of the member's mental health condition;
- I. Ensure that all personnel providing services to clients under this agreement are properly trained and qualified to render the services they provide. AGENCY shall arrange for continuing education of personnel rendering services under this agreement as necessary to maintain such competence and satisfy all applicable licensing, certification or other regulatory requirements; and
- J. Maintain facilities and equipment appropriate for provision of services to clients of a type and quality consistent with administrative rules promulgated by the State of Oregon Department of Human Services and the American's with Disabilities Act.

**EXHIBIT C  
COMPENSATION AND PAYMENT**

**1. Compensation**

AGENCY shall be compensated by the Oregon Health Authority or COUNTY for satisfactorily performing the services as specified in Exhibit b, Scope of Work.

Maximum contract value not to exceed **\$779,318.00**

AGENCY shall only conduct transactions that are authorized by COUNTY for transactions with the Oregon Health Authority that involve COUNTY funds directly related to this agreement. AGENCY understands that it may be prosecuted under applicable federal and state criminal and civil laws for submitting false claims, concealing material facts, misrepresentation, falsifying data system input, other acts of misrepresentation, or conspiracy to engage therein.

**2. Method of Payment**

AGENCY will be compensated on a monthly basis as specified in Attachment 1, Rate Chart. AGENCY may expend the funds paid to AGENCY under this agreement solely on the delivery of residential treatment services, and may not expend funds in excess of the amount reasonable and necessary to provide quality delivery of residential treatment services.

A. Disbursement by Oregon Health Authority. Payments will be made directly by Oregon Health Authority based on monthly rates authorized by COUNTY as claimed by AGENCY through the Medicaid Managed Care Information System (MMIS), subject to the following:

- (1) AGENCY, in coordination with COUNTY, must submit a Plan of Care Request for each individual in AGENCY's care to Oregon Health Authority to determine a particular individual rate;
- (2) The monthly rate will be prorated for any month in which the individual is not served for a portion of a month;
- (3) Payment will be reduced (offset) by the amount of Client resources received by AGENCY from the Client or the Client's health insurance in support of Client care and services provided; and
- (4) Oregon Health Authority is not obligated to pay for services that are not properly reported through the Oregon Health Authority (OHA)'s Enhanced Data Capture by the date 60 days after the earlier of termination of this Contract, termination of the Oregon Health Authority's obligation to provide financial assistance for services or termination of the Intergovernmental Agreement.

B. Disbursement by COUNTY. Funds for personal incidentals, rent subsidies and certain other services may be disbursed through COUNTY to AGENCY. COUNTY will disburse funds in monthly allotments as specified by the Oregon Health Authority. Disbursement will be based on the monthly rates as negotiated by COUNTY and approved by Oregon Health Authority.

**3. Contract Settlement**

Contract settlement will reconcile any discrepancies that may have occurred during the term of this Contract between actual COUNTY disbursement of funds and the actual amount of services delivered during the period specified as properly reported in MOTS or through other method required or permitted by this Service Description or an applicable Specialized Service Requirement.

## EXHIBIT D PERFORMANCE STANDARDS

### 1. Interpretation and Administration of Agreement

AGENCY acknowledges that this agreement between COUNTY and AGENCY is subject to the underlying Intergovernmental Agreement between COUNTY and the Oregon Health Authority and applicable Oregon statutes and administrative rules concerning residential treatment services. If AGENCY believes that any provision of this agreement or COUNTY's interpretation thereof is in conflict with Federal and State statutes or regulations, AGENCY shall notify COUNTY in writing immediately.

### 2. General Performance Standards

COUNTY shall monitor services provided by AGENCY and has the right to require AGENCY's compliance with Oregon Health Authority established standards and other performance requirements relative to the quantity and quality of service and care, access to care, and administrative and fiscal management, and with all obligations and conditions stated in this agreement.

A. Licenses and Certifications. By signing this agreement, AGENCY assures that all licenses and certifications required by statute or administrative rule are and will remain current and valid for all of AGENCY's employees and independent contractors providing direct service and for all of AGENCY's facilities in which services are provided. AGENCY assures that it is certified under OAR 309-012-0130 et seq. or licensed under ORS Chapter 443 by the State of Oregon to deliver specified services.

B. Quality Assurance. AGENCY shall cooperate with, and participate in, COUNTY's quality assurance review program. Further, AGENCY shall have a planned, systematic, and ongoing process for monitoring, evaluating and improving the quality and appropriateness of residential treatment services provided to clients consistent with the requirements of the Intergovernmental Agreement and with practice guidelines established by COUNTY.

C. AGENCY shall work with COUNTY staff to ensure that authorized services provided by AGENCY to clients are the most appropriate and cost efficient, and least restrictive. AGENCY staff shall make records available to COUNTY staff on site upon reasonable notice for purposes of utilization review.

D. Contractual Compliance. AGENCY shall ensure that all providers and staff employed or contracted by AGENCY who provide services to clients or are otherwise engaged in activities under this agreement are fully aware of and in compliance with the terms and conditions of this agreement.

E. Provider Appeal Process. AGENCY shall have the right to appeal actions by COUNTY or decisions concerning interpretation of the Intergovernmental Agreement as they apply to this agreement. Appeals shall be made in writing. Appeals related to administrative decisions and all other matters shall be made to COUNTY Administration within thirty (30) calendar days of the date of the action being appealed. A decision shall be issued within twenty-one (21) business days of receipt of the written appeal. An appeal of that decision can be made in writing to the Director of Clackamas County Behavioral Health Division within fourteen (14) business days of the date of the decision. The Director will issue a decision within twenty-one (21) business days, and that decision will be final.

### 3. Staff Credentials

COUNTY delegates to AGENCY the credentialing and re-credentialing of employed and contracted staff who provide services to clients under this agreement. AGENCY must, at a minimum, obtain and verify documents that provide evidence of credentials and complete database queries, as follows:

A. Appropriate education and academic degrees, as required;

B. Licenses or certificates, as required;

C. Relevant work history or qualifications, as required;

D. Completion of a successful criminal history records check through the Background Check Unit, a Shared Service of the Department of Human Services and the Oregon Health Authority and compliant with ORS 181A.200. and OAR 943-007-0001 to 943-007-0501;

AGENCY assures that all of AGENCY's employees and independent contractors providing direct service under this agreement will work within the scope of their credentials and any applicable licensure or registration, or criteria for certification if not required to be licenses or registered. AGENCY shall not allow services to be provided by an employee or independent contractor who does not have a valid license or certification required by state or federal law.

COUNTY reserves the right to review, upon reasonable notice and at AGENCY's site, the actual documents describing the degrees, licenses and certifications of AGENCY's employees and independent contractors for purposes of verification. AGENCY shall provide COUNTY with a list of all staff and independent contractors who will provide services to clients under this agreement. The list shall be submitted to COUNTY within thirty (30) days of the effective date of this agreement and shall be updated as information changes or as changes are made to AGENCY's staff. The list shall document the academic degree, license, certification, and/or qualifications of each employee and independent contractor providing services under this agreement.

#### **4. Records Maintenance, Access and Confidentiality**

##### **A. Clinical Records, Access and Confidentiality**

- (1) Access to Records and Facilities. COUNTY, the Oregon Health Authority, the Secretary of State's Office of the State of Oregon, the Federal Government, and their duly authorized representatives shall have access to the books, documents, papers and records of AGENCY that are directly related to this agreement, the funds paid to AGENCY hereunder, or any services delivered hereunder, for purposes of making audits, examinations, excerpts, copies and transcriptions.
- (2) Retention of Records. AGENCY shall retain and keep accessible all books, documents, papers, and records that are directly related to this agreement, the funds paid to AGENCY hereunder or to any services delivered hereunder, for a minimum of six (6) years, or such longer period as may be required by other provisions of this agreement or applicable law, following the termination or expiration of this agreement. If there are unresolved audit or other questions at the end of the six-year period, AGENCY shall retain the records until the questions are resolved.
- (3) Expenditure Records. AGENCY shall document the expenditure of all funds paid to AGENCY under this agreement. Unless applicable federal law requires AGENCY to utilize a different accounting system, AGENCY shall create and maintain all expenditure records in accordance with Generally Accepted Accounting Principles and in sufficient detail to permit COUNTY and the Oregon Health Authority to verify how the funds paid to AGENCY under this agreement were expended.
- (4) Client Records. AGENCY shall create and maintain a record for each Client who receives residential treatment services under this agreement. The client record must contain, at a minimum, the following information:
  - (i) Client identification;
  - (ii) Problem assessment;
  - (iii) Treatment, training and/or care plan;
  - (iv) Medical information when appropriate; and
  - (v) Progress notes including current assessment or evaluation instrument as designated by the Oregon Health Authority in administrative rules and service termination summary.

AGENCY shall retain client records in accordance with OAR 166-150-0005 through 166-150-0215. Client records must be retained for a minimum of six (6) years from termination or expiration of this agreement.

- (5) Safeguarding of Client Information. AGENCY shall maintain the confidentiality of Client records as required by applicable state and federal law, including without limitation, ORS 179.495 to 179.507, 45 CFR Part 205, 42 CFR Part 2, any administrative rule adopted by the Oregon Health Authority

implementing the forgoing laws, and any written policies made available to AGENCY by COUNTY or by the Oregon Health Authority. AGENCY shall create and maintain written policies and procedures related to the disclosure of Client information, and shall make such policies and procedures available to COUNTY and to the Oregon Health Authority upon request.

**B. Financial Records**

- (1) AGENCY shall establish and maintain policies and procedures related to financial management and financial records consistent with Generally Accepted Accounting Principles. AGENCY shall make such policies and procedures available to COUNTY upon request.
- (2) AGENCY shall maintain up-to-date accounting records that accurately reflect all revenue by source, all expenses by object of expense, and all assets, liabilities and equities consistent with Generally Accepted Accounting Principles and Oregon Administrative Rules. AGENCY shall make reports and fiscal data generated under and for this agreement available to COUNTY upon request.
- (3) COUNTY shall conduct a fiscal compliance review of AGENCY as part of compliance monitoring of this agreement. AGENCY agrees to provide, upon reasonable notice, access to all financial books, documents, papers and records of AGENCY which are pertinent to this agreement to ensure appropriate expenditure of funds under this agreement. COUNTY shall monitor compliance with COUNTY's financial reporting and accounting requirements.
- (4) AGENCY may be subject to audit requirements. AGENCY agrees that audits must be conducted by Certified Public Accountants who satisfy the independence requirement outlined in the rules of the American Institute of Certified Public Accountants (Rule 101 of the AICPA Code of Professional Conduct), the Oregon State Board of Accountancy, the independence rules contained within Governmental Auditing Standards (1994 Revision), and rules promulgated by other federal, state and local government agencies with jurisdiction over AGENCY.
- (5) AGENCY shall establish and maintain systematic written procedures to assure timely and appropriate resolution of review or audit findings and recommendations. AGENCY shall make such procedures and documentation of resolution of audit findings available to COUNTY upon request.
- (6) Limited Scope and Full Audits shall be completed within nine (9) months of the close of AGENCY's fiscal year. Audit reports, including the Management Letter associated with the audit shall be submitted to COUNTY within two weeks from the date of the report. Failure to submit required audit reports and Management Letters shall be cause for withholding of contract payment until audits are submitted.

**C. Consumer Complaints**

- (1) AGENCY shall maintain a record of all complaints made to AGENCY by the Client related to services provided under this agreement. A complaint means any expression of dissatisfaction, whether oral or written, submitted by a Client or representative, related to any aspect of AGENCY's operations, activities or behavior that pertains to availability, delivery or quality of care. The expression may be in whatever form or communication or language that is used by the Client. If the Client is an Oregon Health Plan Member, AGENCY must incorporate the Oregon Health Plan Complaint Form (OHP 3001), and state the reason for the dissatisfaction and the Client's desired resolution.
- (2) AGENCY shall submit to COUNTY by facsimile or portable document format (PDF) each complaint received by AGENCY submitted by a Client or representative. The complaint shall be transmitted to COUNTY the day it is received.
- (3) AGENCY shall submit to COUNTY a summary of Client complaints on a quarterly basis, within thirty (30) calendar days of the end of each calendar quarter, using the form provided by COUNTY for that purpose.
- (4) AGENCY shall post information on Client rights and responsibilities and its consumer complaint process in a visible location in all facilities and other service locations.

(5) AGENCY shall provide a copy of its consumer complaint policy and procedure to COUNTY upon request.

## 5. Reporting

### A. Abuse Reporting

CONTRACTOR shall comply with all processes and procedures of abuse reporting, investigations, and protective services as described in ORS 430.735 through 430.768, "Abuse Reporting for adults with mental illness or developmental abilities", and OAR 943-045-0250 through 943-045-0370, "Abuse Reporting and Protective Services in Community Programs and Community Facilities".

### B. Reporting of Critical Incidents

AGENCY shall submit a report of any critical incident involving a Client occurring on AGENCY's premises and/or involving AGENCY's staff and/or occurring during the course of treatment by AGENCY. Incidents that shall be reported include, but are not limited to, injury, accident, major illness, death, act of physical aggression, medication error, suspected abuse or neglect, or any other unusual incident that presents a risk to health and safety of the Client. Incident reports shall be submitted in writing and shall include, at a minimum, the date of the incident, the persons involved, the details of the incident, and the quality and performance actions taken by AGENCY to initiate investigation of the incident and correct any identified deficiencies. Incident reports shall be submitted to COUNTY within 24 hours of the occurrence of the incident.

### C. Behavioral Health Electronic Data System

AGENCY shall participate in the Oregon Health Authority (OHA)'s Enhanced Data Capture for all clients receiving Covered Services under this agreement. AGENCY shall submit all data to OHA via formats approved by OHA. AGENCY shall submit data in accordance with OHA timelines.

### D. Reporting Requirements

AGENCY shall prepare and furnish Client, service and financial information as specified in the Intergovernmental Agreement to COUNTY and the Oregon Health Authority when a service is delivered under this agreement.

## 6. Alternative Forms of Communication

In connection with the delivery of residential treatment services, AGENCY shall:

- A. Make available to a Client without charge upon the Client's, the COUNTY's, or the Oregon Health Authority's request, any and all written materials in alternate, if appropriate, formats as required by the Oregon Health Authority's administrative rules or written policies made available to AGENCY.
- B. Make available to a Client without charge, upon the Consumer's, COUNTY's or Oregon Health Authority's request, any and all written materials in the prevalent non-English languages in the area served by AGENCY.
- C. Make available to a Client without charge upon the Consumer's, COUNTY's or Oregon Health Authority's request, oral interpretation services in all non-English languages in the area served by AGENCY.
- D. Make available to a Client with hearing impairments without charge upon the Consumer's, COUNTY's or Oregon Health Authority's request, sign language interpretation services and telephone communications access services.

## 7. Monitoring

### A. Agreement Compliance Monitoring

COUNTY shall conduct compliance and quality assurance monitoring related to this agreement. AGENCY shall cooperate with COUNTY by providing access to records and facilities for the purpose of an annual external, independent professional review of the quality outcomes and appropriateness of services under this agreement. COUNTY shall provide AGENCY twenty (20) business days written notice of any compliance monitoring activity that requires any action or cooperation by AGENCY.

Notice of monitoring shall include the date the monitoring shall occur, names of individuals conducting the monitoring, and instructions and requests for information.

Should AGENCY found to be out of compliance with any requirement of this contract, the following actions may be taken by COUNTY until the issue is resolved:

- Request a conference of the parties to determine the need for technical assistance
- Require a corrective action plan
- Disallow referral of new clients to AGENCY
- Put AGENCY on probationary status and suspend billing authority

Should the issue remain unresolved, COUNTY may consider AGENCY in breach and may terminate this agreement.

B. Evaluation Projects

AGENCY agrees to participate with COUNTY in any evaluation project or performance report as designed by COUNTY or applicable State or Federal agency. AGENCY shall make all information required by any such evaluation project or process available to COUNTY or COUNTY's designee within thirty (30) business days of request.

**EXHIBIT E**  
**COMPLIANCE WITH APPLICABLE LAW**

AGENCY shall comply and, as indicated, cause all employees, agents and subcontractors to comply with the following Federal requirements. For purposes of this agreement, all references to Federal and State laws are references to Federal and State laws as they may be amended from time to time.

**1. Miscellaneous Federal Provisions**

AGENCY shall comply with all Federal laws, regulations, and executive orders applicable to this agreement or to the delivery of services. Without limiting the generality of the foregoing, AGENCY expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to this agreement, and as they are amended from time to time: (a) Title VI and VII of the Civil Rights Act of 1964, (b) Sections 503 and 504 of the Rehabilitation Act of 1973, (c) the Americans with Disabilities Act of 1990, (d) Executive Order 11246, (e) the Health Insurance Portability and Accountability Act of 1996, (f) the Age Discrimination in Employment Act of 1967, and the Age Discrimination Act of 1975, (g) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, (h) all regulations and administrative rules established pursuant to the foregoing laws, (i) all other applicable requirements of Federal civil rights and rehabilitation statutes, rules and regulations, (j) all Federal law governing operation of Community Mental Health Programs, including without limitation, all Federal laws requiring reporting of client abuse. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the agreement and required by law to be so incorporated. No Federal funds may be used to provide Covered Services in violation of 42 USC 14402.

**2. Equal Employment Opportunity**

If this agreement, including amendments, is for more than \$10,000, then AGENCY shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).

**3. Non-Discrimination**

AGENCY shall comply with all Federal and State laws and regulations including Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972 (regarding education programs and activities) the Age Discrimination Act of 1975, the Rehabilitation Act of 1973, the Americans with Disabilities Act (ADA) of 1990, and all amendments to those acts and all regulations promulgated thereunder. AGENCY shall also comply with all applicable requirements of state civil rights and rehabilitation statutes and rules. AGENCY shall comply with the requirements of Title II of the Americans with Disabilities Act and Title VI of the Civil Rights Act by assuring communication and delivery of Covered Services to clients who have difficulty communicating due to a disability, or limited English proficiency or diverse cultural and ethnic backgrounds, and shall maintain written policies, procedures and plans in accordance with the requirements of OAR 410-141-0220.

**4. Pro-Children Act**

AGENCY shall comply with the Pro-Children Act of 1994 (codified at 20 USC Section 6081 et. seq.).

**5. Drug Free Workplace**

AGENCY shall maintain a drug-free workplace and shall notify employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in AGENCY's workplace. AGENCY shall establish a drug-free awareness program and provide each employee to be engaged in the provision of services under this agreement with information about its drug-free workplace program.

**6. Clinical Laboratory Improvement Amendments**

All laboratory testing sites providing services under this agreement shall have either a Clinical Laboratory Improvement Amendments (CLIA) certificate of waiver or a certificate of registration along with CLIA identification number. Those laboratories with certificates of waiver will provide only the eight types of tests permitted under the terms of the waiver. Laboratories with certificates of registration may perform a full range of laboratory tests.

**7. Clean Air, Clean Water, Environmental Protection Agency Regulations**

If this agreement, including amendments, exceeds \$100,000 then AGENCY shall comply with all applicable standards, orders or requirements issued under Section 206 of the Clean Air Act (42 USC 7606), Federal Water Pollution Control Act, (33 USC 1251 to 1387), Executive Order 11738, and Environmental Protection Agency (EPA) regulations which prohibit the use of facilities included on the EPA List of Violating Facilities. Any violations shall be reported to the Department of Health and Human Services and to the appropriate Regional Office of the Environmental Protection Agency.

**8. Energy Efficiency**

AGENCY shall comply and cause all employees and subcontractors to comply with applicable mandatory standards and policies relating to energy efficiency that are contained in the Oregon energy conservation plan issued in compliance with the Energy Policy and Conservation Act 42 USC 6201 et. seq. (Pub. L. 94-163).

**9. Resource Conservation and Recovery**

AGENCY shall comply and cause all subcontractors to comply with all mandatory standards and policies that relate to resource conservation and recovery pursuant to the Resource Conservation and Recovery Act (42 USC 6901 et. seq.). Section 6002 of that Act requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency. Current guidelines are set forth in 40 CFR Parts 247-253.

**10. Audits**

AGENCY shall comply and, if applicable, cause a subcontractor to comply, with the applicable audit requirements and responsibilities set forth in the Office of Management and Budget Circular A-133 entitled "Audits of States, Local Governments and Non-Profit Organizations."

**11. Truth in Lobbying**

AGENCY certifies, to the best of AGENCY's knowledge and belief that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of AGENCY, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

**12. Conflict of Interest**

AGENCY and its subcontractors shall have in effect safeguards, including, but not limited to, policies and procedures against conflict of interest with any State of Oregon Department of Human Services employees or other agents of the State who have responsibilities relating to this agreement. These safeguards must be at least as effective as the safeguards specified in Section 27 of the Office of Federal Procurement Policy Act (41 USC 423) and must include safeguards to avoid conflicts that could be prohibited under 18 USC 207 or 208 if the Department of Human Services employee or agent was an officer or employee of the United States Government. For purposes of implementing policies and procedures required in this section, AGENCY shall apply the definitions in the State Public Ethics Law as if they applied to AGENCY for "Actual conflict of interest," ORS 244.020(1), "potential conflict of interest," ORS 244.020(14), and "Client of household," ORS 244.020(12).

**13. Protected Health Information**

AGENCY is a "covered entity" for the purposes of the provisions of the Health Insurance Portability and Accountability Act (HIPAA), Title II, Subtitle F, Administrative Simplification, or the Federal regulations implementing the Act. AGENCY shall develop and implement such policies and procedures for maintaining the privacy and security of records and authorizing the use and disclosure of records consistent with HIPAA and/or other Federal, State, and local laws, rules and regulations applicable to the work performed under this agreement. AGENCY shall ensure that confidential records are secure from unauthorized disclosure. Electronic storage and transmission of confidential Client information and records shall assure accuracy, backup for retention and safeguards against tampering, back dating or alteration.

**RESIDENTIAL TREATMENT SERVICES RATES 2016-2017  
 ATTACHMENT 1**

**CASCADIA BEHAVIORAL HEALTHCARE**  
 RESIDENTIAL TREATMENT SERVICES  
 2016-2017 RATES

Location	# of Slots	Type of Payment	Service Element	Rate per month	Total Amount
Pearl	12	Service Payment	MHS 28		\$ 265,218
Leland	10	Service Payment	MHS 28		\$ 317,892
Portland Ave	4	Rent Subsidy	MHS 20		\$ 11,890
	4	Service Payment	MHS 28		\$ 184,318
				MHS 20	\$767,428.00
				MHS 28	\$11,890.00
					\$779,318.00