AGENDA REVISION NOTICE
FOR JANUARY 10, 2017
(DISTRIBUTED AT 3:45 P.M. ON JANUARY 5, 2017)

THE FOLLOWING ITEMS HAVE BEEN REPLACED IN THE COUNCIL PACKET TO CORRECT AGENDA BILL AND PACKET PAGE NUMBERS (REPLACEMENT PAGES ATTACHED):

1. Resolution for Washington State Legislature support of funding for core public health services (AB2017-033)  
   Pages 65-71

2. Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Pacific Northwest Guardian Ad Litem, LLC for the provision of guardian ad litem services for youth subject to dependencies in Whatcom County Superior Court in the amount of $40 per hour, up to 4,000 billable hours for 2017 (AB2017-034)  
   Pages 72-127

3. Request authorization for the County Executive to enter into an interagency agreement between Whatcom County and North Sound Behavioral Health Organization to support the County’s behavioral health program and to support regional behavioral health activities in the amount of $498,867 (AB2017-035)  
   Pages 128-132

1. Resolution for Washington State Legislature support of funding for core public health services (AB2017-035)  
   Replacement Pages 65-69

2. Request authorization for the County Executive to enter into a contract amendment between Whatcom County and Pacific Northwest Guardian Ad Litem, LLC for the provision of guardian ad litem services for youth subject to dependencies in Whatcom County Superior Court in the amount of $40 per hour, up to 4,000 billable hours for 2017 (AB2017-033)  
   Replacement Pages 70-76

3. Request authorization for the County Executive to enter into an interagency agreement between Whatcom County and North Sound Behavioral Health Organization to support the County’s behavioral health program and to support regional behavioral health activities in the amount of $498,867 (AB2017-034)  
   Replacement Pages 77-132
Support of WA State Funding for Core Public Health Services

The purpose of the proposed resolution is to support State funding for Core Public Health Services.
AGENDA ITEM: Resolution Supporting Funding for Core Public Health Services

PRESENTER: Regina Delahunt

BOARD ACTION: ☑ Action Item  Discussion  FYI - Only

SIGNIFICANT POINTS

Providing public health services is a shared state and local responsibility. Some public health services are so critical that they must be provided to every resident of Washington State. Other public health needs may be unique to certain regions of our state, so each community determines and implements local priorities. The foundational public health services model ensures all residents can depend on a core set of services which only governmental public health can provide.

Our public health system has agreed on a set of core services that the state should financially support so that every community in Washington has equal access to public health protections. The legislature is being asked to support these core services, and to allow us to rebuild our system with added efficiency, by providing the following down payment:

$50 Million for Local Health Departments
Local health departments track, respond to, and prevent public health epidemics at the community level – this funding will fill critical gaps in disease prevention and response.

$6 Million for State Department of Health
Our State Department of Health also needs to improve its capacity for disease monitoring and investigations – and expand its laboratory capacity to meet increased demand.
$4 Million for Modernization

Local public health must respond quickly and efficiently to outbreaks. Over the last four years, state and local public health leaders have developed a plan to modernize the state’s public health system, ensuring core services are available everywhere and designating others that can be effectively and efficiently shared between health departments.

Rebuilding and refocusing our public health services means we can better monitor and coordinate emergency response -- keeping our communities safe, reducing costs for taxpayers, and protecting our local economy. Disease epidemics like Ebola and Zika are more complex and taking longer to investigate, and our population is expected to grow by another two million residents by 2025. Yet the new, complex threats and recession budget cuts have made it harder for the public health system to protect and serve Washington’s families and communities.

Local boards of health from around the state are being asked to pledge their support to the effort by adopting resolutions requesting the state legislature to provide this critical core funding during this legislative session.

BOARD ROLE / ACTION REQUESTED

- Approve Resolution As Drafted

ATTACHMENT

Resolution: Washington State Legislature Support of Funding for Core Public Health Services
PROPOSED BY: 
INTRODUCED: 

RESOLUTION NO.

WASHINGTON STATE LEGISLATURE SUPPORT OF FUNDING FOR CORE PUBLIC HEALTH SERVICES

WHEREAS, the public health system in Washington provides the foundation for the larger health care framework, working to prevent illness and disease while supporting the work of community partners; and

WHEREAS, tracking, responding to, and preventing costly food and water contamination and disease outbreaks is essential to protecting the public’s health; and

WHEREAS, state and local public health officials, together with local leaders, have identified an agreed-upon set of core public health services that should be available for every Washingtonian; and

WHEREAS, after a century of increasing life expectancies, today these gains are threatened by new and more complex diseases, continued tobacco use and preventable chronic diseases, putting today’s children at risk of becoming the first generation to have shorter life expectancies than their parents; and

WHEREAS, the public’s well-being is also threatened by public health’s inability to meet its basic responsibility to provide these core services due to changes in its funding structure, complex and new diseases, and growing populations; and

WHEREAS, the motor vehicle excise tax was repealed in 2000, leaving the public health system without an adequate and sustainable funding source; and

WHEREAS, Washington state’s population has grown by more than one million residents since 2000, and is expected to grow by another two million residents by 2025; and

WHEREAS, Washington state spends less on public health protection ($38.08 per person) than other states like Idaho ($54.35 per person) and Wyoming ($89.75 per person); and

WHEREAS, Whatcom County Health Department resources have been stretched over the last several years to appropriately respond to more than 30 disease outbreaks of norovirus, influenza, E.coli, measles, and varicella.

WHEREAS, Whatcom County ranks 2nd highest in the state for the demand for opiate addiction treatment, but lacks the resources needed to make short and long term system improvement to help stem the tide of the opiate epidemic in our community.

WHEREAS, over the last four years, state and local public health leaders have developed a plan to modernize the state’s public health system, ensuring core services are available everywhere and designating others that can be effectively and efficiently shared between health departments; and
WHEREAS, without securing ongoing, stable, and dedicated funding for core public health services, our communities are left unprepared for emergencies like the SR 530 Slide, and vulnerable to the spread of communicable diseases like Zika and whooping cough; and

WHEREAS, rebuilding and refocusing our public health services means we can better monitor and coordinate emergency responses – keeping our families and communities safe, reducing costs for taxpayers, and protecting our local economy.

NOW, THEREFORE, BE IT RESOLVED, the Whatcom County Board of Health calls on the Washington state legislature to recognize that public health is essential and provide the critical down-payment to support core services in all communities and allow public health to rebuild its statewide system with added efficiency.

APPROVED this 10th day of January, 2017.

ATTEST:

Dana Brown-Davis, Clerk of the Council

APPROVED AS TO FORM:

Karen Frakes, Civil Deputy Prosecutor

WHATCOM COUNTY HEALTH BOARD
WHATCOM COUNTY, WASHINGTON

Barry Buchanan, Council Chair
TITLE OF DOCUMENT:
Contract between Whatcom County and Pacific Northwest Guardian Ad Litem LLC

ATTACHMENTS:
Contract for service between Whatcom County and Pacific Northwest Guardian Ad Litem LLC

SUMMARY STATEMENT OR LEGAL NOTICE LANGUAGE: (If this item is an ordinance or requires a public hearing, you must provide the language for use in the required public notice. Be specific and cite RCW or WCC as appropriate. Be clear in explaining the intent of the action.)

The purpose of this contract is to provide professional Guardian Ad Litem Services for youth subject to dependency actions in Whatcom County Superior Court.

COMMITTEE ACTION:  

COUNCIL ACTION:

Related County Contract #: Related File Numbers: Ordinance or Resolution Number:

Please Note: Once adopted and signed, ordinances and resolutions are available for viewing and printing on the County’s website at: www.co.whatcom.wa.us/council.
Originating Department: Superior Court
Division/Program: Pacific Northwest Guardian Ad Litem LLC
Contract or Grant Administrator: David Reynolds, Director
Contractor’s / Agency Name: Pacific Northwest Guardian Ad Litem LLC

Is this a New Contract? No
If this amendment or renewal is an amendment or renewal to an existing contract?
Yes No
If amendment or renewal, (per WCC 3.08.100 (a)) Original Contract #: 201007012

Does contract require Council Approval? No
If No, include WCC:
(see Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)

Is this a grant agreement? No
If yes, grantor agency contract number(s): CFDA#

Is this contract grant funded? No
If yes, Whatcom County grant contract number(s): 13-78

Is this a result of a RFP or Bid process? No
Cost Center:

Is this agreement excluded from E-Verify? Yes
If no, include Attachment D Contractor Declaration form

If YES, indicate exclusion(s) below:
☑ Professional services agreement for certified/licensed professional.
☐ Contract work is for less than $100,000.
☐ Contract work is for less than 120 days.
☐ Interlocal Agreement (between Governments).
☐ Contract for Commercial off the shelf items (COTS).
☐ Work related subcontract less than $25,000.
☐ Public Works - Local Agency/Federally Funded FHWA.

Contract Amount:(Sum of original contract amount and any prior amendments):
$40.00 per hour

This Amendment Amount:
$0

Total Amended Amount:
$40.00 per hour

Council approval required for all property leases, contracts or bid awards exceeding $40,000, and professional service contract amendments that have an increase greater than $10,000 or 10% of contract amount, whichever is greater, except when:

1. Exercising an option contained in a contract previously approved by the council.
2. Contract is for design, construction, r-o-w acquisition, professional services, or other capital costs approved by council in a capital budget appropriation ordinance.
3. Bid or award is for supplies or equipment included approved in the budget.
4. Contract is for manufacturer’s technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.

Summary of Scope: Provide up to 4,000 hours of professional Guardian Ad Litem services for youth subject to dependencies in Whatcom County Superior Court.

Term of Contract: 1-1-2017 Expiration Date: 12-31-2017

Contract Routing:
1. Prepared by: Stephanie Lewis
2. Attorney signoff: bbennett
3. AS Finance reviewed:
4. IT reviewed (if IT related):
5. Contractor signed:
6. Submitted to Exec.: Date: 11/16/2016
7. Council approved (if necessary): Date: 12-29-16
8. Executive signed: Date: 12/05/2016
9. Original to Council: Date: 12/14/16

Last edited 1031/16
MEMORANDUM

TO: Jack Louws, County Executive
FROM: David Reynolds, Director
RE: Professional Services Agreement Amendment with PNW GAL, LLC
DATE: November 15th, 2016

Enclosed are two (2) originals of the Professional Services Agreement Amendment between Whatcom County, *Pacific Northwest Guardian Ad Litem LLC* for your review and signature.

- **Background and Purpose**

  The purpose of this contract is to provide professional Guardian Ad Litem Services for youth subject to dependency actions in Whatcom County Superior Court.

- **Funding Amount and Source**

  The amount of this contract is $40.00 per hour, and the contract shall not exceed 4,000 hours the 2017 calendar year.

- **Differences from Previous Contract**

  This amendment extends the term of the contract for one year and amends Section 34.1*Proof of Insurance*. All other terms and conditions of the previous contract remain in full force and effect.

  Please contact me at extension 5495 if you have any questions or concerns regarding the terms of this agreement,

  Encl.
Amendment 6
Whatcom County Contract No. 201007012
CONTRACT BETWEEN WHATCOM COUNTY AND
PACIFIC NORTHWEST GUARDIAN AD LITEM, LLC

THIS AMENDMENT is to the Contract between Whatcom County and PACIFIC NORTHWEST GUARDIAN AD LITEM, LLC, dated and designated “Whatcom County Contract No. 201007012”. In consideration of the mutual benefits to be derived, the parties agree to the following:

1. This Amendment extends the term of this Agreement through December 31, 2017.
2. This amendment provides for up to 4,000 hours during the calendar year.
3. Section 34.1 Proof of Insurance is amended to read as follows:

   The Contractor shall carry for the duration of this Agreement general liability and property damage insurance with the following minimums:
   
   Property Damage -- $500,000.00 per occurrence
   General Liability & Property Damage for bodily injury-- $1,000,000.00 per occurrence

   A Certificate of insurance, that also identifies the County as an additional insured, is attached hereto as Exhibit "C". This insurance shall be considered as primary and shall waive all rights of subrogation. The County insurance shall be noncontributory.

   In addition, the Contractor shall carry professional liability insurance for the duration of this agreement in the amount of $1,000,000.00 per occurrence. If the professional liability insurance is a claims made policy, and should the contractor discontinue coverage either during the term of this contract or within three years of completion, the contractor agrees to purchase tail coverage for a minimum of three years from the completion date of this contract or any amendment to this contract.

Unless specifically amended by this agreement, all other terms and conditions of the original contract shall remain in full force and effect.

This Amendment takes effect: January 1, 2017, regardless of the date of signature.

IN WITNESS WHEREOF, Whatcom County and ________________________ have executed this Amendment on the date and year below written.

DATED this __________ day of _______________, 201__.

CONTRACTOR:

PACIFIC NORTHWEST GUARDIAN AD LITEM, LLC

Stacy Ziegler, President

STATE OF WASHINGTON }  ss.
COUNTY OF WHATCOM  

73
On this 14th day of December, 2016, before me personally appeared Stacy Ziegler to me known to be the President of the Pacific Northwest Guardian Ad Litem Services and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.

Robby L. Jones


WHATCOM COUNTY:

Approved as to form:

[Signature]
12-9-16

Department Director Date

[Signature]
12-29-16

Prosecuting Attorney Date

Approved:
Accepted for Whatcom County:

By:______________________________
Jack Louws, Whatcom County Executive

STATE OF WASHINGTON )
COUNTY OF WHATCOM ) ss

On this _____ day of __________, 2016, before me personally appeared Jack Louws, to me known to be the Executive of Whatcom County, who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.

Robby L. Jones

NOTARY PUBLIC in and for the State of Washington, residing at __________________________. My commission expires ____________

CONTRACTOR INFORMATION:

CONTRACTOR

PACIFIC NORTHWEST GUARDIAN AD LITEM, LLC.

222 Grand Avenue Suite E
Bellingham, WA 98226
CERTIFICATE OF LIABILITY INSURANCE

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFER NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
LESA M BOXX (16252)
1610 GROVER STREET
SUITE B1
LYNDEN, WA 98264-0000

INSURED
7352476
PACIFIC NW GUARDIAN AD LITEM
114 W MAGNOLIA
SUITE 412
BELLINGHAM, WA 98225

CONTACT NAME: LESA M BOXX
PHONE: 360-354-2975
FAX: 360-354-4785
ADDRESS: LESA.BOXX@COUNTRYFINANCIAL.COM

INSURER(S) AFFORDING COVERAGE
NAC#: 20980
INSURER A: COUNTRY Mutual Insurance Company

COVERAGES
CERTIFICATE NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

WAIVERS:
THE INSURING COMPANY WAIVES ITS RIGHTS OF SUBROGATION (RIGHTS TO RECOVER) AGAINST THE CERTIFICATE HOLDER NAMED BELOW WITH RESPECT TO ANY PAYMENTS MADE FOR LIABILITY COVERAGE(S) UNDER THE POLICY(IES) SHOWN IN THE GENERAL LIABILITY SECTION OF THIS CERTIFICATE. THE INSURANCE AFFORDED BY THIS POLICY FOR THE ADDITIONAL INSURED(S) IS (CONTINUED)

CERTIFICATE HOLDER

WHATCOM COUNTY
IT'S EMPLOYEES, OFFICERS AND/OR AGENTS
322 N COMMERCIAL ST
BELLINGHAM, WA 98225

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ACORD 25 (2010/05)

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**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**

**FORM NUMBER:** ACORD 25  **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

(WAIVER CONTINUED)

PRIMARY INSURANCE AND ANY OTHER INSURANCE MAINTAINED BY OR AVAILABLE TO THE ADDITIONAL INSURED(S) IS NON-CONTRIBUTORY.

ADDITIONAL INSURED(S):

WHATCOM COUNTY ITS EMPLOYEES, OFFICIALS AND/OR AGENTS

322 N COMMERCIAL ST

BELLINGHAM, WA 98225
### WHATCOM COUNTY COUNCIL AGENDA BILL

**CLEARANCES**

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<th>Agenda Date</th>
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<td>01/10/17</td>
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**JAN 03 2016**

WHATCOM COUNTY COUNCIL

**TITLE OF DOCUMENT:** Interagency Agreement between Whatcom County and North Sound Behavioral Health Organization

**ATTACHMENTS:**

1. Info Sheet
2. Executive Memo
3. 2 copies of contract

**SEPA review required?** ( ) Yes (X) NO
**SEPA review completed?** ( ) Yes (X) NO

**Should Clerk schedule a hearing?** ( ) Yes (X) NO
**Requested Date:**

This contract provides Whatcom County with administrative services funding to support the County's behavioral health program and to support regional behavioral health activities.

**COMMITTEE ACTION:**

**COUNCIL ACTION:**

**Related County Contract #:**

**Related File Numbers:**

**Ordinance or Resolution Number:**

Please Note: Once adopted and signed, ordinances and resolutions are available for viewing and printing on the County's website at: www.co.whatcom.wa.us/council.
MEMORANDUM

TO: Jack Louws, County Executive
FROM: Regina A. Delahunt, Director

RE: North Sound Behavioral Health Organization (NSBHO) Administration Contract 2017

DATE: December 1, 2016

Enclosed are two (2) originals of a contract between Whatcom County and North Sound Behavioral Health Organization (NS BHO) for your review and signature.

• Background and Purpose
This contract provides Whatcom County with funding to support the County’s behavioral health program administration and participation in regional behavioral health activities. It also includes funding to support housing for people living with mental illness.

• Funding Amount and Source
This contract provides $498,867 for 2017 from NS BHO’s Medicaid and State mental health funds. Council approval is required per RCW 39.34.030(2).

Please contact Anne Deacon at extension 6054, if you have any questions or concerns regarding the terms of this contract.

Encl.
**WHATCOM COUNTY CONTRACT INFORMATION SHEET**

<table>
<thead>
<tr>
<th>Originating Department:</th>
<th>Health</th>
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<tr>
<td>Program/Project: (i.e. Dept. Division and Project)</td>
<td>Human Services</td>
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<tr>
<td>Contract or Grant Administrator:</td>
<td>Anne Deacon</td>
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<tr>
<td>Contractor's / Agency Name:</td>
<td>North Sound Behavioral Health Organization</td>
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<tr>
<td>Is this a New Contract?</td>
<td>Yes ☒ No ☐</td>
</tr>
<tr>
<td>Does contract require Council Approval?</td>
<td>Yes ☒ No ☐</td>
</tr>
<tr>
<td>Is this a grant agreement?</td>
<td>Yes ☐ No ☒</td>
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<td>Is this contract grant funded?</td>
<td>Yes ☐ No ☒</td>
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<tr>
<td>Is this contract the result of a RFP or Bid process?</td>
<td>Yes ☐ No ☒</td>
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<tr>
<td>Is this agreement excluded from E-Verify?</td>
<td>No ☐ Yes ☒</td>
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</table>

If YES, indicate exclusion(s) below:
- ☐ Professional services agreement for certified/licensed professional.
- ☐ Contract work is for less than $100,000.
- ☒ Contract work is for less than 120 days.
- ☐ Interlocal Agreement (between Governments).
- ☐ Contract for Commercial off the shelf items (COTS).
- ☐ Work related subcontract less than $25,000.
- ☐ Public Works - Local Agency/Federally Funded FHWA.
- Contracts that require Council Approval (incl. agenda bill & memo)
  - Professional Services Agreement above $20,000.
  - Bid is more than $50,000.
  - Professional Service Contract Amendments that have an increase greater than $20,000 and other contracts with a cumulative increase greater than $50,000.

Summary of Scope: The purpose of this contract is to provide Whatcom County with funding to support the County’s mental health program administration and participation in regional mental health activities. It also includes funding to support housing for the mentally ill.

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<td>This Amendment Amount:</td>
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<td>Total Amended Amount:</td>
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Last edited 10/01/15
NORTH SOUND
BEHAVIORAL HEALTH ORGANIZATION

INTERAGENCY AGREEMENT

WITH

WHATCOM COUNTY

CONTRACT #NORTH SOUND BHO-WHATCOM-ADMIN-17

JANUARY 1, 2017 TO DECEMBER 31, 2017
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<tr>
<th>Section</th>
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<tr>
<td>A.</td>
<td>DEFINITIONS</td>
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<td>B.</td>
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<td>1.</td>
<td>Regional Advisory Board (PIHP, BHSC)</td>
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<td>2.</td>
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<td>Community Coordination (BHSC)</td>
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<td>6.</td>
<td>Housing and Recovery Through Peer Supports (HARPS) Housing Subsidies (BHSC Exhibit J)</td>
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ATTACHMENTS

1. Attachment I – North Sound BHO 7.01 Policy, Provider P&P Grid and Quality Management Plan – links
2. Attachment II – Business Associate Agreement
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5. Attachment V – Deliverables
INTERAGENCY AGREEMENT

THIS INTERAGENCY AGREEMENT (the "Agreement"), pursuant to RCW Chapter 71.24 and all relevant and associated statutes, as amended, is made and entered into by and between the NORTH SOUND REGIONAL SUPPORT NETWORK, dba THE NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC (North Sound BHO), 301 Valley Mall Way, Suite 110, Mt. Vernon, WA 98273, and WHATCOM COUNTY (Contractor), 509 Girard Street 37, Bellingham, WA 98225.

This Agreement incorporates the Agreement’s Attachments to the Agreement and other documents incorporated by reference.

The effective date of this Agreement is January 1, 2017, through December 31, 2017.

A. DEFINITIONS
As used anywhere within this Agreement or Attachments, the following terms have the indicated meanings:

7.01 Plan is North Sound BHO’s Board approved plan, which outlines North Sound BHO’s commitment to planning and service delivery for American Indian governments and communities (Attachment I).

Access to Care Standards (ACS) means the Division of Behavioral Health and Recovery (DBHR) Minimum Eligibility Requirements for Medicaid Adults & Medicaid Older Adults Guidelines reflect the most restrictive eligibility criteria that can be applied. North Sound BHO may expand coverage based on availability of local resources.

Accountability means responsibility of Contractor for achieving defined outcomes, goals, and contract obligations.

Act is the Social Security Act.

Administrative costs means costs for the general operation of the public behavioral health system. These activities cannot be identified with a specific direct or direct services support function.

Advance Directive means a written instruction, such as a living will or durable power of attorney for health care, recognized under State law (whether statutory or as recognized by the courts of the State), relating to the provision of health care (including behavioral health care) when the individual is incapacitated.

Aging and Long-Term Support Administration (ALTSA) means the Department of Social and Health Services (DSHS) governing public health care, behavioral health care and substance abuse services, and its employees and authorized agents.

Agreement means this Agreement, including all documents attached or incorporated by reference.
Allied Systems means State or local services which provide individuals with assistance to reduce the impact of disabilities, functional impairments, or skill deficits, and which promote stable community living.

Annual revenue means all revenue received by Contractor pursuant to the contract for January of any year through December of the next year.

Arbitration: means the process by which the parties to a dispute submit their differences to the judgment of an impartial person or group appointed by mutual consent or statutory provision.

Assessment means a process, which provides sufficient information to determine medical necessity for behavioral health services covered under this Agreement.

Behavioral Health Agency (BHA) means BHAs that are subcontracted by Prepaid Inpatient Health Plan (PIHP) and licensed to provide behavioral health/chemical dependency services.

Behavioral Health Organization (BHO) means a county authority or group of county authorities or other entity recognized by the Secretary that contracts for behavioral health services, substance use disorder (SUD) treatment services within a defined Regional Service Area, doing business as (dba) North Sound BHO.

Behavioral Health Professional (BHP) means as defined in RCW 71.34.020(13) for children and RCW 71.05.020(12) for adults (WAC 388-865-0150).

BHO Advisory Board means the behavioral health advisory board appointed by each BHO, which reviews and provides comments on plans and policies related to service delivery and outcomes. The BHO must promote active engagement with persons with behavioral disorders, their families, and service providers by soliciting and using their input to improve its services, and appoints a BHO Advisory Board to fulfill this purpose.

Benefit Period means the period of service authorization, typically a one (1) year period. The individual may be open (actively receiving services) or closed during this period of time.


Chemical Dependency Professional (CDP) means an individual licensed through the Washington State Department of Health (DOH). A CDP is the individual with primary responsibility for implementing an individualized plan for SUD treatment services.

Chemical Dependency Professional Trainee (CDPT) means an individual working toward the education and experience requirements for certification as a CDP, and who has been credentialed as a CDPT.
Child means a person under the age of 18 years. For persons eligible for the Medicaid program, child means a person who is under the age of 21 years.

Code of Federal Regulations (CFR) means all references in the Agreement to CFR chapters or sections shall include any successor, amended, or replacement regulation.

Complaint means a verbal or written statement by an individual or enrollee that expresses dissatisfaction with some aspect of services covered under this Agreement, the Primary Care Provider, or Contractor.

Coordinated Quality Improvement Program (CQIP) Health care institutions and medical facilities, other than hospitals, that are licensed by the department, professional societies or organizations, health care service Contractors, health maintenance organizations, health carriers approved pursuant to RCW Chapter 48.43, and any other person or entity providing health care coverage under RCW Chapter 48.42 that is subject to the jurisdiction and regulation of any state agency or any subdivision thereof may maintain CQIP for the improvement of the quality of health care services rendered to patients and the identification and prevention of medical malpractice as set forth in RCW 70.41.200.

Corrective Action/Compliance Review means when findings from a North Sound BHO/DBHR review or other monitoring efforts or audits show there are apparent violations of this Agreement, Contractor shall implement corrective action within specified timeframes determined by North Sound BHO/DBHR/Department’s other auditors.

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

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

Crisis Intervention means intervention activities of duration of less than 24 hours (with a 24-hour period) to stabilize a individual in a psychiatric emergency (Health Care Procedural Coding System [HCPCS] procedure codes).

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

Crisis Stabilization Services means services provided to individuals who are experiencing a behavioral health emergency or crisis. This service is provided through telephone/faceto-face in-vivo services.

Cross-System Team meetings and consultations means participation and involvement with systems beyond the behavioral health system, who are also providing behavioral health services (i.e., Division of Child and Family Services (DCFS), Developmental Disabilities Administration (DDA), Juvenile Rehabilitation Administration (JRA), Department of Corrections (DOC), schools, etc.), to ensure communication, and integrated, coordinated treatment planning and provision.
Cultural Competency is a set of congruent behaviors, attitudes and policies that come together in a system
or agency and enable that system or agency to work effectively in cross-cultural situations. A culturally
competent system of care acknowledges and incorporates at all levels the importance of language and
culture, cultural differences, expansion of cultural knowledge, and adaptation of services to meet
culturally unique needs (WAC 388-865-0150).

The ability to serve individuals with mental illness of all ages, all ethnic groups (including American
Indians) and who identify as a sexual minority, in a manner which is responsive to their age and unique
cultural background.

Delegation Plan means a document or an identified set of documents that show the Contractor’s
compliance with the Subcontracts Section of this Agreement.

Disaster Outreach is persons contacted in their place of residence or in non-traditional settings for the
purpose of:

1. Assessing their behavioral health, or social functioning following a disaster; or
2. Increasing their utilization of human services and resources.
3. There are two basic approaches to outreach:
   a. Mobile (ongoing to person to person); and
   b. Community settings (e.g., temporary shelters, disaster assistance sites, disaster information
      forums).

Regardless of the approach, the outreach process has five (5) important components:

1. Locating persons in need of disaster relief services;
2. Assessing their needs;
3. Engaging or linking persons to an appropriate level of support or disaster relief services; and
4. Providing follow-up behavioral health services when clinically indicated.

Disaster outreach can be performed by trained volunteers, peers/persons hired under a Federal Crisis
Counseling Grant. These persons should be trained in disaster outreach, which is different than traditional
behavioral health crisis intervention.

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

Exempt American Indians means Medicaid eligible and non-eligible American Indians as defined by 25 USC
1603 that have received an exemption, which permits Medicaid, reimbursed services to be delivered by
Indian health service programs or tribal clinics.

Fair Hearing means a Grievance hearing before the Washington State Office of Administrative Hearings.
Fraud means an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to him or some other person. It includes any act that constitutes fraud under applicable Federal or State law (Medicaid Managed Care Fraud and Abuse Guidelines).

Geographic Area means North Sound BHO Service Area consisting of the following geographic areas:

1. Island County
2. San Juan County
3. Skagit County
4. Snohomish County
5. Whatcom County

Gravely Disabled as defined in RCW 71.34.020(8) for children, and 71.05.020(1) in the case of adults.

Grievance means an expression of dissatisfaction about any matter other than the action as “action” is defined above. The term is also used to refer to the overall process that includes grievance and appeals handled at the PIHP level and access to the State Fair Hearing process. Possible subjects for grievances include, but are not limited to, the quality of care or services provided, and aspects of interpersonal relationships such as rudeness, or failure to respect the enrollee’s rights.

Health Insurance Portability and Accountability (HIPAA) Act of 1996

Indirect Costs are costs incurred for activities other than those that qualify as direct costs. Indirect costs include, but are not limited to: activities, staff, tools, depreciation and equipment, transportation, education or training related to financial, facilities, or data management, quality management, resource management (except for direct costs incurred pursuant to RCW 71.24.025) and RSN/PIHP or subcontractor administration. Indirect costs do not include capital items or unexpended reserves.

Individual means a person with lived experience who is now or has in the past received behavioral health services.

Local Funds Eligible for Match are sources of revenue that are eligible to be used as Federal match are broad based taxes at the County or other local taxing authority level that are spent and have been certified by the local authority as public funds for behavioral health services allowable under this Agreement. Funds used for Federal match under this Agreement may not be used as match for any other Federal program. It can be State or local funds that have not been previously matched with Federal funds at any point. Local funds do not include donations. Although State funds (non-Medicaid) can be used for local match, these funds are intended to be used for non-Medicaid services and non-Medicaid individuals and can only be used as match once these obligations are met.

Management Information System (MIS) means a computer system designed to provide management personnel with up-to-date information on an organization’s performance.
Mental Health Care Provider (MHCP) means the individual with primary responsibility for implementing an individualized plan for mental health rehabilitation services. Minimum qualifications are B.A. level education in a related field or A.A. level education with two (2) years' experience in the mental health or related fields.

North Sound Behavioral Health Organization (North Sound BHO) dba North Sound Mental Health Administration (NSMHA)

Office of Management and Budget (OMB) Circular A-133 audits of States, Local Governments and Non-Profit Organizations.

Ombuds means an individual performing an Ombuds service as defined at WAC 388-865-0250 as existing or hereafter amended.

Public Funds are State, Federal, or local government funds gained by a taxing authority.

Regional Support Network (RSN) means a county authority or group of county authorities recognized and certified by the Secretary of DSHS which enter into joint operating agreements to contract with the Secretary pursuant to RCW 71.24 to operate a single managed system of services for persons with mental illness living in the Service Area covered by the county or group of counties. The RSN shall assume all duties assigned to county authorities by RCW 71.24, 71.34, and 71.05.

Revised Code of Washington (RCW) is all references in the Agreement to RCW chapters or sections shall include any successor, amended, or replacement statute.

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

Subcontract is any written agreement between Contractor and subcontractor or between Contractor, subcontractor, and another subcontractor to provide services or activities otherwise performed under this Agreement.

Subcontractor is an individual or entity performing all or part of the services under this Agreement under a separate contract with Contractor or its subcontractors.

Title 42 is the CFR Public Health Service.

Title XIX is grants with states for Medical Assistance Program.

Title XXI is State Children's Health Insurance Program.

Transition Age Youth is anyone age 17-21.
Underserved are persons who are minorities, children, elderly, disabled, and low-income (see WAC 388-865-0150).

Washington Administrative Code (WAC) is all references in the Agreement to WAC chapters or sections shall include any successor, amended, or replacement regulation.

Waiver is the document by which DSHS/DBHR requests sections of the Social Security Act be waived in order to operate a capitated managed care system to provide services to enrolled recipients. Section 1915(b) of the Act, authorizes the Secretary to waive the requirements of sections 1902 of the Act to the extent he/she finds proposed improvements or specified practices in the provision of services under Medicaid to be cost-effective, efficient, and consistent with the objectives of the Medicaid program.

Youth is anyone age 13-17.
B. DELEGATED FUNCTIONS

Contractor shall furnish the necessary personnel and services and do all things necessary for the performance of the delegated functions set forth herein as presently written or as may be later amended.

1. REGIONAL ADVISORY BOARD (PIHP, BHSC)

Contractor shall appoint individuals with lived experience/advocate representatives to the North Sound BHO Regional Advisory Board in accordance with the Interlocal Agreement forming North Sound BHO, the Prepaid Inpatient Health Plan (PIHP) and State Behavioral Health Contracts (BHSC) and in accordance with WAC 388-865-0222, or any successor.

Contractor shall appoint individuals with Behavioral Health lived experience (mental health, substance use disorder, and/or co-occurring disorders) through their own experiences and/or their experiences as family members. Contractor shall appoint individuals whose experiences reflect the breadth of experience of individuals affected by Behavioral Health Disorders.

Contractor shall appoint representatives that reflect the demographic character of the county which shall include, but not be limited to, representatives of individuals, families, and law enforcement. Composition and length of terms of board members may differ between counties. Regional membership shall be comprised of at least 51% individuals with lived experience or family members as defined in WAC 388-865-0222.

2. GOVERNING BOARD (PIHP; BHSC)

Member Counties shall establish a Governing Body responsible for oversight of the Regional Support Network in compliance with the Interlocal Agreement and the State PIHP and BHSC Agreements. The Governing Body can be an existing executive or legislative body within a county government. Each member of the Governing Body must be free from conflicts of interest and from any appearance of conflicts of interest between personal, professional and fiduciary interests. Members of the Governing Body must act within the best interests of North Sound BHO, individuals and/or families with lived experiences. Contractor shall participate with North Sound BHO in the development and creation of an LLC and any appropriate policies.

3. QUALITY MANAGEMENT SUPPORT (PIHP; BHSC)

Contractor shall invite enrolled and non-enrolled individuals and their families that are representative of the community being served, including all age groups, to participate in planning activities and in the implementation and evaluation of the public behavioral health system. Contractor must be able to demonstrate how this requirement is implemented.

Member Counties shall encourage local efforts to provide services that are integrated and coordinated with other formal/informal service delivery systems.
a. Contractor’s County Coordinator shall assist North Sound BHO in conducting quality management programs and activities, in accordance with Attachment I. Activities include regularly participating in North Sound BHO’s Quality Management Oversight Committee and other quality management processes as appropriate, which are designed to allow North Sound BHO to:

i. Assess the degree to which Behavioral Health Services and planning is driven by and incorporates individual and family voice.

ii. Assess the degree to which behavioral health services are age, culturally, and linguistically competent.

iii. Assess the degree to which behavioral health services are provided in the least restrictive environment.

iv. Assess the degree to which uninterrupted linkages occur that move the individual toward recovery and resiliency.

v. Assess the continuity in service linkages and integration with other formal/informal systems and settings.

vi. Assess the strengths and barriers of resource management mechanism, access standards, and the utilization management activities.

b. Quality management activities specified in this Quality Management Support section shall be subject to requirements of North Sound BHO, including requirements to maintain confidentiality of information in accordance with federal and state privacy laws and requirements applicable to North Sound BHO for maintaining protection of confidentiality under its coordinated quality improvement program.

4. ALLIED SYSTEM COORDINATION (PIHP)
Contractor shall coordinate with North Sound BHO in the following area to ensure individuals in the community are receiving continuity of care.

Contractor shall develop in collaboration with North Sound BHO a new or update an existing allied system coordination plan with the Criminal Justice (courts, jails, law enforcement, public defender, Department of Corrections [DOC]) and Chemical Dependency and Substance Abuse (CD/SA) service providers in their respective county at least every three (3) years, or as requested by North Sound BHO, DSHS or as necessary. The allied system coordination plan must contain all of the following elements:

a. Contractor shall work with North Sound BHO to identify the need for local resources, including initiatives to address those needs. This will include a process to evaluate progress in cross-system coordination and integration of services.

b. Contractor shall work with North Sound BHO on a process for facilitation of community integration from out of home placements, Children’s Long-term inpatient facilities, Juvenile Rehabilitation facilities, foster care, nursing homes, and acute inpatient settings for individuals of all ages.
c. Contractor shall facilitate the Community Treatment Team that is made up of
service providers from the county. This group coordinates services for individuals
with behavioral health issues involved in multi-systems.

d. Contractor shall, when requested, provide information, referral and training to the
community in how to access the public behavioral health system.

5. COMMUNITY COORDINATION (BHSC)
Contractor shall coordinate and participate with North Sound BHO in all disaster
preparedness activities and respond to emergency/disaster events (e.g., natural disasters,
acts of terrorism) when requested by North Sound BHO. Contractor shall work with North
Sound BHO in the event of a disaster to ensure the following activities are implemented:

a. Collaborate in the development of the regional transition services plan.
b. Collaborate in the regional expansion of medication assisted treatment.
c. Coordinate with North Sound BHO on community integration for parenting
women.
d. Participate in local emergency/disaster planning activities when county Emergency
Operation Centers and local public health jurisdictions request collaboration;
e. Locating persons in need of disaster relief services;
f. Engaging or linking persons to an appropriate level of support or disaster relief
services;
g. Conduct post-disaster outreach to determine the need for disaster related crisis
counseling and assess the availability of local resources in meeting those needs;
h. Partner in disaster preparedness and response activities with DBHR and other
DSHS entities, the State Emergency Management Division, Federal Emergency
Management Administration (FEMA), the American Red Cross and other volunteer
organizations;
i. Participation when requested in local and regional disaster planning and
preparedness activities;
j. Coordination of disaster outreach activities following an event.

6. HOUSING AND RECOVERY THROUGH PEER SUPPORTS (HARPS) HOUSING SUBSIDIES
(BHSC EXHIBIT J)
Contractor shall provide time-limited financial assistance to individuals and families who
are homeless and in need of short-term assistance to acquire and/or sustain housing. This
funding is part of a DBHR grant received by North Sound BHO for housing support services
and financial housing assistance. For the purposes of this Agreement, the funding is to be
used exclusively for financial assistance to individuals and families who are homeless. No
administrative costs may be paid out of the HARPS housing assistance allocation.

a. The priority population for the housing assistance is as follows:

i. Individuals with Behavioral Health Disorders (mental health, SUD and/or
COD) who meet Access to Care Standards (ACS), or
ii. Individuals who experience behavioral health issues and who meet ACS, or

iii. Individuals who experience substance abuse issues and who do not meet ACS.

b. Who are released from:

i. Psychiatric Inpatient settings, or

ii. SUD Treatment Inpatient settings.

c. Who are homeless/at risk of homelessness:

Broad definition of homeless (couch surfing included).

d. Allowable expenses for the subsidies:

i. Monthly rent and utilities and any combination of first and last months’ rent for up to three (3) months. Rent may only be paid one (1) month at a time, although rental arrears, pro-rated rent and last month’s may be included with the first month’s payment.

ii. Rental and/or utility arrears for up to three (3) months. Rental and/or utility arrears may be paid if the payment enables the household to remain in the housing unit for which the arrears are being paid or allows the household to move to another unit.

iii. Security deposits and utility deposits for a household moving into a new unit.

iv. HARPS rental assistance may be used for move-in costs including, but not limited to, deposits and first month’s rent associated with housing, including project- or tenant-based housing.

v. Application fees, background and credit check fees for rental housing.

vi. Lot rent for RV or manufactured home.

vii. Costs of parking spaces when connected to a unit.

viii. Landlord incentives (provided there are written policies and/or procedures explaining what constitutes landlord incentives, how they are determined and who has approval and review responsibilities).

ix. Reasonable storage costs.

x. Reasonable moving costs, such as, truck rental and hiring a moving company.

xi. Hotel/Motel expenses for up to 30 days if unsheltered households are actively engaged in housing search and no other shelter option is available.

xii. Temporary absences, if a household must be temporarily away from his or her unit, but is expected to return (e.g., participant violates conditions of their DOC supervision and is placed in confinement for 30 days or re-hospitalized), Contractor may pay for the household’s rent for up to 60 days.
The funding is flexible depending on the specific individual/family situation, with the ultimate goal of procuring placement in permanent housing. The funding may be used in a lump sum or over a period of time in increments.

The funding is not to be used for Residential Treatment Facilities, Adult Family Homes, or housing that is contingent on treatment compliance.

Contractor shall accept referrals for housing subsidy from the HARPS team for individuals and families residing in their respective county.

Contractor shall report monthly on housing subsidies on the HARPS Housing Subsidy template found at the following link: http://nsmha.org/Contracts/Deliverable_Templates/Default.htm

7. CRIMINAL JUSTICE TREATMENT ACCOUNT (CJTA)

Contractor will continue to establish working relationships with the local CJTA Panel to ensure an active and collaborative working relationship in developing the plan and CJTA requirements as provided by the BHO.

Contractor shall act as liaison on behalf of the BHO with county drug courts, funding sources, and providers.

Contractor shall host meetings and workgroups as needed to develop an agreed upon local CJTA plan within the state allocation of the designated County CJTA committee members.

Contractor shall provide the County CJTA biennial plan to the BHO as scheduled.

Contractor shall promote and sustain successful working relationships between designated Drug Court and CJTA community SUD providers and the County Drug Court personnel to meet the state goals of CJTA, as well as, defined local goals RCW 70.96A.350.

The plan must:

a. Describe in detail how SUD treatment and support services will be delivered within the region.

b. Address the CJTA Account Match Requirement by providing a local participation match of all DSHS-provided criminal justice awards.

c. Include details on special projects such as best practices/treatment strategies, significant underserved population(s), or regional endeavors, including the following:

   i. Describe the project and how it will be consistent with your strategic plan.

   ii. Describe how the project will enhance treatment services for offenders.

   iii. Indicate the number of offenders who were served using innovative funds.

   iv. Detail the original goals and objectives of the project.
C. CONTRACTOR RESPONSIBILITIES

Contractor shall furnish the necessary personnel and services and do all things necessary for the performance of the work set forth herein as presently written or as may be later amended.

1. APPOINTMENT OF COUNTY COORDINATOR

Contractor Program Manager will act as or appoint a County Coordinator and the County Coordinator or designee will participate in North Sound BHO County Coordinator meetings, provide regular reports to North Sound BHO Advisory Board on county specific activities, and facilitate delivery of the services required under this section. In addition to those outlined in this section, responsibilities of County Coordinators include regularly participating in ad hoc committees, advising North Sound BHO of county-specific areas of concern or need and participation in disaster response preparedness activities.

Participate in strategic planning and other ad hoc planning initiatives for resource management and the ongoing evaluation of services provision with recommendations based on results. Provide county data to the BHO for regional and state behavioral health planning/reporting upon request.

2. RESOURCE MANAGEMENT SUPPORT

Contractor's County Coordinator shall assist North Sound BHO in conducting resource management. Activities include regular participation in strategic planning and other ad hoc planning initiatives, and the ongoing evaluation of service provision in the county and the provision of recommendations to North Sound BHO based on the results. Coordinate locally funded services with the BHO's publicly-funded core treatment service delivery system to assure coordination of care for County residents where appropriate to meet the behavioral health needs of the residents.

3. LOCAL OVERSIGHT COMMITTEE

Contractor and North Sound BHO shall convene this committee a minimum of twice per year with the function and purpose as outlined below:

a. This membership will be broad and include all identified stakeholder groups.

b. Will be Co-Chaired by North Sound BHO and the County Coordinator or their designee.

c. Meeting will be facilitated by the County Coordinator or their designee.

d. Will be scheduled by the County Coordinator, but coordinated with North Sound BHO.

e. Will be called on an as needed basis, but at least twice per year.

f. Will cover the following areas:

i. Public Behavioral health System complaints or concerns,

ii. Identifying gaps in the local public behavioral health system, such as; but not limited to outpatient, emergency, inpatient behavioral health services,
iii. Designing county specific protocols, which coordinate services with other community resources, county services and alternative systems of care, and
iv. Provide a venue for community input and cross system networking.

4. COORDINATED QUALITY IMPROVEMENT PROGRAM (CQIP) COMMITTEE
Contractor and North Sound BHO shall convene this committee on an as needed basis with the function and purpose as outlined below:

This is a protected CQIP meeting intended solely for the purpose of assuring Continuous Quality Improvement and Quality Assurance by North Sound BHO, its providers and component Counties. The CQIP program is strictly confidential to the fullest extend allowed by RCW 43.70.510 and WAC 246.50.

a. Membership is limited to North Sound BHO and the county,
b. Other participants will be limited to those community stakeholders that are/or have been involved with the specific case being reviewed,
c. Will be Co-Chaired by North Sound North Sound BHO and the County Coordinator or their designee.
d. Meeting will be facilitated by North Sound BHO.
e. Will be scheduled by North Sound BHO as requested by the County Coordinator and North Sound BHO, but coordinated with North Sound BHO.
f. Will cover the following areas:
   i. Advise North Sound BHO, County Coordinator, Outpatient and Integrated Crisis Response System (ICRS) management on issues, review of critical incidents, exceptional circumstances and integrated crisis response, or outpatient needs that require correcting.
   ii. Address contract non-compliance and available remedies including, but not limited to, fiscal penalties.

5. DELIVERABLES
Contractor shall ensure deliverables are submitted in accordance with Attachment V.

6. BUSINESS ASSOCIATE AGREEMENT
Contractor shall abide by the provisions of North Sound BHO/Whatcom County Business Associates Agreement (Attachment II).
D. FINANCIAL TERMS AND CONDITIONS

1. GENERAL FISCAL ASSURANCES

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

2. FINANCIAL ACCOUNTING REQUIREMENTS

   Contractor shall:

   a. Establish and maintain operating reserves at prudent levels sufficient to ensure that Contractor has the ability to pay for all expenses incurred during this Agreement period, including those whose disposition occurs after the Agreement has been terminated, and to cover the risk of financial loss resulting in the event that the cost of providing services pursuant to this Agreement exceeds the revenues derived therefrom;

   b. Ensure all funds, including interest earned, provided pursuant to this Agreement are used to support the public behavioral health system within the Service Area.

   c. Contractor shall produce annual audited financial statements within 180 days of fiscal year end and make such reports available to North Sound BHO upon request.

3. FINANCIAL REPORTING

   Contractor shall provide the following reports to North Sound BHO:

   a. Within 15 days from the effective date of this Agreement, a program-specific budget that demonstrates to North Sound BHO's reasonable satisfaction, compliance with direct service and indirect cost requirements.

   b. Report Contractor's revenue and expenditure information to North Sound BHO on a quarterly basis. Reports must comply with the provisions in the BARS Supplemental Instructions for Behavioral Health Services promulgated by the Washington State Auditor's Office. Reports are due within 35 days of the biennial quarter end (December, and June of each year). A final report is due February 5, 2018 (applies to all contracts).

4. RULES COMPLIANCE

   Contractor shall ensure:

   a. Funds provided to Contractor are used to provide specific administrative services on behalf of North Sound BHO and not used for direct services, with the exception of funds provided for housing supports.
b. Submit the amount spent throughout the Service Area on specific items at the request of North Sound BHO, Centers for Medicare and Medicaid Services (CMS), the legislature, or DSHS in the timeframe specified.

c. Account for public behavioral health expenditures under this Agreement in accordance with federal circular A-133 and A-87, and state requirements in accordance with the BARS Manual, and BARS Supplemental Instructions.

d. Ensure State or Federal funds are not used to replace local funds from any source, which were being used to finance behavioral health services in the constituent county/counties in the calendar year prior to January 1, 1990. Contractor shall not use State or Federal funds to replace local funds used to administer the Involuntary Treatment Program in the constituent county/county in the calendar year prior to January 1, 1974.

5. FINANCIAL PROVISIONS – REIMBURSEMENT REQUIREMENTS

The consideration to be paid by North Sound BHO for the work to be provided by Contractor pursuant to this Agreement shall consist of the available amount from primary funding sources as described in Attachment III of this Agreement, for a maximum consideration of $498,867.00.

a. The consideration by North Sound BHO to Contractor pursuant to this Agreement shall be paid monthly within 10 working days of North Sound BHO’s receipt of payment by DSHS/DBHR.

b. Payment Methodology: North Sound BHO shall pay to Contractor all allowable and allocable costs incurred as evidenced by proper invoice of Contractor as submitted on a monthly basis to the extent that those costs do not exceed each funding source maximum as set forth in Attachment III.

c. Maximum consideration for this contract shall not exceed $498,867.00
E. OVERSIGHT, REMEDIES AND TERMINATION

1. OVERSIGHT AUTHORITY

North Sound BHO, DSHE, Office of the State Auditor, the Department of Health and Human Services (DHHS), CMS, the Comptroller General, or any of their duly-authorized representatives (e.g., External Quality Review Organizations), have the authority to conduct announced and unannounced: a) surveys; b) audits; c) reviews of compliance with licensing and certification requirements and compliance with this Agreement; d) audits regarding the quality, appropriateness, and timeliness of behavioral health services of Contractor and subcontractors; and e) audits and inspections of financial records of Contractor and subcontractors. Contractor shall notify North Sound BHO when an entity other than North Sound BHO performs any audit described above related to any activity contained in this Agreement.

In addition, North Sound BHO will conduct reviews in accordance with its oversight of resource, utilization and quality management, as well as to ensure that Contractor have the clinical, administrative and fiscal structures to enable them to perform in accordance with the terms of the contract. Such reviews may include, but are not limited to encounter data validation, utilization reviews, clinical record reviews, and reviews of administrative structures, fiscal management and contract compliance. Reviews may include desk reviews, requiring Contractor to submit requested information. North Sound BHO will also review activities delegated under this contract to Contractor.

Contractor shall cooperate with and allow access to North Sound BHO Ombuds in order to conduct surveys and review activities in accordance with the terms of this contract, in accordance with Attachment IV. Contractor shall cooperate with Skagit County Community Action Agency in resolving any disputes that arise in the provision of Ombuds services.

Findings as a result of North Sound BHO conducted reviews may result in remedial action as outlined below. Federal and State agencies may impose remedial action or financial penalties either directly upon Contractor or through North Sound BHO. Contractor shall comply with the terms of such remedial action and be responsible for the payment of financial penalties.

2. REMEDIAL ACTION

North Sound BHO may require Contractor to plan and execute corrective action. Corrective action plans (CAP) developed by Contractor must be submitted for approval to North Sound BHO within 30 calendar days of notification. CAPs must be provided in a format acceptable to North Sound BHO. North Sound BHO may extend or reduce the time allowed for corrective action depending upon the nature of the situation as determined by North Sound BHO.
a. CAPs must include:
   i. A brief description of the finding.
   ii. Specific actions to be taken, a timetable, a description of the monitoring to be performed, the steps taken and responsible individuals that will reflect the resolution of the situation.

b. CAPs may:
   Require modification of any policies or procedures by Contractor relating to the fulfillment of its obligations pursuant to this Agreement.

c. CAPs are subject to approval by North Sound BHO, which may:
   i. Accept the plan as submitted.
   ii. Accept the plan with specified modifications.
   iii. Request a modified plan; or,
   iv. Reject the plan.

d. Contractor agrees that North Sound BHO may initiate remedial action with or without a CAP as outlined in subsection below if North Sound BHO determines any of the following situations exist:
   i. A problem exists that negatively impacts enrollees.
   ii. Contractor has failed to perform any of the behavioral health services required in this Agreement, including delegated functions, which includes the failure to maintain the required capacity as specified by North Sound BHO to ensure that enrollees receive medically necessary services.
   iii. Contractor has failed to develop, produce/deliver to North Sound BHO any of the statements, reports, data, data corrections, accountings, claims/documentation described herein, in compliance with all the provisions of this Agreement.
   iv. Contractor has failed to perform any administrative function required under this Agreement, including delegated functions. For the purposes of this section, “administrative function” is defined as any obligation other than the actual provision of behavioral health services.
   v. Contractor has failed to implement corrective action required by the state and within North Sound BHO prescribed time frames.

e. North Sound BHO may impose any of the following remedial actions in response to findings of situations as outlined above:
   i. Withhold one percent of the next monthly payment and each monthly payment thereafter until the corrective action has achieved resolution. North Sound BHO, at its sole discretion, may return a portion or all of any payments withheld once satisfactory resolution has been achieved;
Compound withholdings identified above by an additional one-half of one percent for each successive month during which the remedial situation has not been resolved;

iii. Revoke delegation of any function delegated under this contract;

iv. Deny any incentive payment to which Contractor might otherwise have been entitled under this Agreement or any other arrangement by which the DBHR provides incentives; or

v. Termination for Default, as outlined in this Agreement.

3. ADDITIONAL FINANCIAL PENALTIES – DBHR IMPOSED SANCTIONS

Financial penalties imposed by DBHR or other regulatory agency due to the action or inaction of Contractor may be paid by North Sound BHO on behalf of Contractor and the amount will be withheld from North Sound BHO’s payments to Contractor.

4. TERMINATION DUE TO CHANGE IN FUNDING

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

5. TERMINATION DUE TO CHANGE IN 1915(B) BEHAVIORAL HEALTH SERVICES WAIVER

In the event that changes to the terms of the 1915(b) (Medicaid) Behavioral Health Services Waiver render this Agreement invalid in any way after the effective date of this Agreement and prior to its normal completion, North Sound BHO may terminate this Agreement, subject to re-negotiation, if applicable, under those new special terms and conditions.

6. TERMINATION FOR CONVENIENCE

Except, as otherwise provided in this Agreement, a party may terminate this Agreement upon 90 days written notification by certified mail to the other party. The effective date of termination shall be the 90 days after receipt of written notification to the other party or the last day of the calendar month in which the 90 days occurs, whichever is later.

7. TERMINATION FOR DEFAULT

North Sound BHO’s Program Manager and his/her designee may terminate this Agreement for default, in whole or in part, by written notice to Contractor if North Sound BHO or DSHS has a reasonable basis to believe that Contractor has:

a. Failed to meet or maintain any requirement for contracting with DSHS;

b. Failed to perform under any provision of this Agreement;

c. Violated any law, regulation, rule, or ordinance applicable to the services provided under this Agreement; and/or

d. Otherwise breached any provision or condition of this Agreement.
Before North Sound BHO’s Program Manager may terminate this Agreement for default, in whole or in part, North Sound BHO shall provide Contractor with written notice of Contractor’s noncompliance with this Agreement which notice shall provide Contractor a reasonable time period to correct its/their noncompliance. If Contractor does not correct the noncompliance within the period of time specified in the written notice of noncompliance, the Program Administrator may then terminate this Agreement. The Program Administrator may terminate this Agreement for default without such written notice and without opportunity for correction, if North Sound BHO has a reasonable basis to believe that a client’s health or safety is in jeopardy, and/or:

a. Contractor has violated any law, regulation, rule or ordinance applicable to services provided under this agreement, or

b. Continuance of this Agreement with Contractor poses a material risk of injury or harm to any person.

Contractor may terminate this Agreement in whole or in part, by written notice to North Sound BHO, if Contractor has a reasonable basis to believe that North Sound BHO has:

a. Failed to meet or maintain any requirement for contracting with Contractor.

b. Failed to perform under any provision of this Agreement.

c. Violated any law, regulation, rule, or ordinance applicable to work performed under this Agreement; and/or

d. Otherwise breached any provision or condition of this Agreement.

8. TERMINATION PROCEDURE

The following provisions shall survive and be binding on the parties in the event this Agreement is terminated:

a. Contractor and any applicable subcontractors shall cease to perform any services required by this Agreement as of the effective date of termination and shall comply with all reasonable instructions contained in the notice of termination which are related to the transfer of clients, distribution of property, and termination of services. Each party shall be responsible only for its performance in accordance with the terms of this Agreement rendered prior to the effective date of termination. Contractor and any applicable subcontractors shall assist in the orderly transfer/transition of the individuals and families served under this Agreement. Contractor and any applicable subcontractors shall promptly supply all information necessary for the reimbursement of any outstanding Medicaid claims.

b. Contractor and any applicable subcontractors shall immediately deliver to North Sound BHO Program Manager or to his/her successor, all DSHS and North Sound BHO assets (property) in Contractor and any applicable subcontractor’s possession and any property produced under this Agreement. Contractor and any applicable subcontractors grant North Sound BHO and DSHS the right to enter upon Contractor and any applicable subcontractor’s premises for the sole purpose of recovering any North Sound BHO or DSHS property that Contractor and any applicable subcontractor fails to return within 10 working days of termination of this Agreement. Upon failure to return North Sound BHO/DSHS property within 10 working days of the termination of this Agreement, Contractor and any applicable
subcontractors shall be charged with all reasonable costs of recovery, including transportation and attorney’s fees. Contractor and any applicable subcontractors shall protect and preserve any property of North Sound BHO/DSHS that is in the possession of Contractor and any applicable subcontractors pending return to North Sound BHO/DSHS.

(c) North Sound BHO shall be liable for and shall pay for only those services authorized and provided through the date of termination. North Sound BHO may pay an amount agreed to by the parties for partially completed work and services, if work products are useful to or usable by North Sound BHO. Should the contract be terminated by either party, North Sound BHO will require the spend-down of all remaining reserves and fund balances within the termination period. Funds will be deducted from the final months’ payments until reserves and fund balances are spent.
F. GENERAL TERMS AND CONDITIONS FOR CONTRACTOR

1. BACKGROUND
North Sound BHO is an entity formed by inter-local agreement between Island, San Juan, Skagit, Snohomish and Whatcom Counties, each a county authority recognized by the Secretary of Department of Social and Health Services (Secretary). These counties entered into an inter-local agreement to allow North Sound BHO to contract with the Secretary pursuant to RCW 71.24.025(13), to operate a single managed system of services for persons with mental illness living in the service area covered by Island, San Juan, Skagit, Snohomish and Whatcom Counties (Service Area). North Sound BHO is party to an interagency agreement with the Secretary, pursuant to which North Sound BHO has agreed to provide integrated community support, crisis response, and inpatient management services to people needing such services in its service area. North Sound BHO, through this Agreement, is subcontracting with Contractor for the provision of specific behavioral health services as required by the agreement with the Secretary. Contractor, by signing this Agreement, attests that it is willing and able to provide such services in the Service Area.

2. MUTUAL COMMITMENTS
The parties to this Agreement are mutually committed to the development of an efficient, cost effective, integrated, person-driven, age specific recovery and resilience model approach to the delivery of quality community behavioral health services. To that end, the parties are mutually committed to maximizing the availability of resources to provide needed behavioral health services in the Service Area, maximizing the portion of those resources used for the provision of direct services and minimizing duplication of effort.

3. ASSIGNMENT
Except as otherwise provided within this Agreement, this Agreement may not be assigned, delegated, or transferred by Contractor without the express written consent of North Sound BHO, and any attempt to transfer or assign this Agreement without such consent shall be void. The terms “assigned”, “delegated”, or “transferred” shall include change of business structure to a limited liability company, of any Contractor Member or Affiliate Agency.

4. AUTHORITY
Concurrent with the execution of this Agreement, Contractor shall furnish North Sound BHO with a copy of the explicit written authorization of its governing body to enter into this Agreement and accept the financial risk and responsibility to carry out all terms of this Agreement including the ability to pay for all expenses incurred during the contract period. Likewise, concurrent with the execution of this Agreement, North Sound BHO shall furnish Contractor with a written copy of the motion, resolution, or ordinance passed by North Sound BHO Board of Directors (North Sound BHO Board) authorizing North Sound BHO to execute this Agreement.
5. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND OPERATIONAL POLICIES

Contractor and its subcontractors shall comply with all applicable federal and state statutes, regulations, and operational policies, as applicable to this Agreement, whether or not a specific citation is identified in various sections of this Agreement, and all amendments thereto that are in effect when the Agreement is signed, or that come into effect during the term of the Agreement, which may include but are not limited to, the following ("Federal/State Law"): 

a. Title XIX and Title XXI of the Social Security Act and Title 42 of the CFR.
b. All applicable Office of the Insurance Commissioner (OIC) statutes and regulations.
c. All local, State, and Federal professional and facility licensing and certification requirements/standards that apply to services performed under the terms of this Agreement.
d. All applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 US 1857(h)), Section 508 of the Clean Water Act (33 US 1368), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 CFR Part 15), which prohibit the use of facilities included on the EPA List of Violating Facilities. Any violations shall be reported to DSHS, DHHS, and the EPA.
e. Any applicable mandatory standards and policies relating to energy efficiency, which are contained in the State Energy Conservation Plan, issued in compliance with the federal Energy Policy and Conservation Act.
f. Those specified for laboratory services in the Clinical Laboratory Improvement Amendments (CLIA).
g. Those specified in RCW Title 18 for professional licensing.
h. Reporting of abuse as required by RCW 26.44.030.
i. Industrial insurance coverage as required by RCW Title 51.
j. RCW 38.52, 70.02, 71.05, 71.24, and 71.34.
k. WAC 388-865.
l. 42 CFR 438, including 42 CFR 438.58 (conflict of interest) and 42 CFR 438.106 (physician incentive plans).
m. The State of Washington Medicaid State Plan and 1915(b) Medicaid Behavioral health Waiver, or their successors, which documents are incorporated by reference.

n. DBHR Quality Strategy.
p. Any applicable federal and state laws that pertain to Medicaid enrollee or individual rights. Contractor shall ensure its staff takes those rights into account when furnishing services.
q. 42 USC 1320a-7 and 1320a-7b (Section 1128 and 1128 (b) of the Social Security Act), which prohibits making payments directly or indirectly to physicians or other providers as an inducement to reduce or limit behavioral health services provided to individuals and/or families.
r. Any policies and procedures developed by Medical Assistance Administration for compliance with WAC 388-519-0110, which governs the spend-down of client assets.

s. Contractor and any subcontractors must comply with 42-USC 1396u-2 and must not knowingly have a director, officer, partner, or person with a beneficial ownership of more than 5% of Contractor, BHA or subcontractor’s equity, or an employee, Contractor, or consultant who is significant or material to the provision of services under this Agreement, who has been, or is affiliated with someone who has been, debarred, suspended, or otherwise excluded by any federal agency.

t. Federal and State non-discrimination laws and regulations.

u. HIPAA, 45 CFR parts 160-164.

v. DBHR-CIS Data Dictionary and its successors.

w. Federal funds must not be used for any lobbying activities.

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

Upon notification from DSHS, North Sound BHO shall notify Contractor in writing of changes/modifications in CMS policies and DSHS/DBHR contract requirement changes, if applicable to this Agreement.

6. COMPLIANCE WITH NORTH SOUND BHO OPERATIONAL POLICIES
Contractor shall comply with all North Sound BHO operational policies that pertain to the delivery of services under this Agreement that are in effect when the Agreement is signed or that come into effect during the term of the Agreement.

Along with all North Sound BHO stakeholders, Contractor will be included in the process for developing relevant operational policies and procedures. North Sound BHO’s Provider Policy & Procedure Grid and successors contain a list of North Sound BHO’s policies and their applicability to Contractor in accordance with Attachment I. The Grid and North Sound BHO’s policies and procedures are posted on North Sound BHO’s website. North Sound BHO shall notify Contractor of new and revised policies through its numbered memoranda. Training shall be provided on policies that impact providers.

North Sound BHO will make best efforts to maintain currency of policies with applicable federal or state law, regulation or policy. In the event of a conflict, federal or state laws, regulations or policies supersede North Sound BHO policies and procedures.

7. CONFIDENTIALITY OF CLIENT INFORMATION
Pursuant to 42 CFR 431.301 and 431.302, information concerning applicants and recipients may be disclosed for purposes directly concerning the administration of this Agreement. Purposes include, but are not limited to:
a. Establishing eligibility.

b. Determining the amount of medical assistance.

c. Providing services for recipients.

d. Conducting or assisting in investigation, prosecution, or civil or criminal proceeding related to the administration of the plan.

e. Assuring compliance with Federal and State laws, regulations, with terms and requirements of this Agreement.

f. Improving quality.

Contractor shall protect all information, records and data collected from unauthorized disclosure in accordance with 42 CFR 431.310 through 431.307, RCW's 70.02, 71.05, and 71.34, HIPAA, and for service recipients receiving alcohol and drug abuse services, in accordance with 42 CFR Part 2. Contractor shall have a process in place to ensure all components of its BHA and system understand and comply with confidentiality requirements for publicly funded behavioral health services.

Contractor shall ensure access to the information is restricted to persons or agency representatives who are subject to standards of confidentiality that are comparable to those of North Sound BHO and DSHS.

The parties acknowledge that coordination, planning, screening, and referral require the sharing of information among the various treatment providers. Disclosure of information to verify eligibility, determine the amount of assistance, and to provide medically necessary behavioral health services are all “purposes directly connected with the administration of the Agreement”, and are all appropriate justifications for sharing information.

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

8. **CONTRACT PERFORMANCE/ENFORCEMENT**

North Sound BHO shall be vested with the rights of a third party beneficiary, including the "cut through" right to enforce performance should Contractor be unwilling or unable to enforce action on the part of its subcontractor(s). In the event that Contractor dissolves or otherwise discontinues operations, North Sound BHO may, at its sole option, assume the right to enforce the terms and conditions of this Agreement directly with Contractor's subcontractors; provided, that North Sound BHO shall keep Contractor reasonably informed concerning such enforcement. Contractor shall include this clause in its contracts with its subcontractors. In the event of the dissolution of Contractor, North Sound BHO's rights in indemnification shall survive.
9. COOPERATION
The parties to this Agreement shall cooperate in good faith to effectuate the terms and conditions of this Agreement.

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

11. DECLARATION THAT CLIENTS UNDER THE MEDICAID AND OTHER BEHAVIORAL HEALTH PROGRAMS ARE NOT THIRD-PARTY BENEFICIARIES UNDER THIS CONTRACT
Although North Sound BHO, Contractor, and subcontractors mutually recognize that services under this Agreement may be provided by Contractor and subcontractors to clients under the Medicaid program, RCW 71.05 and 71.34, and the Community Behavioral health Services Act, RCW 71.24, it is not the intention of either North Sound BHO, or Contractor, that such individuals, or any other persons, occupy the position of intended third-party beneficiaries of the obligations assumed by either party to this Agreement. Such third parties shall have no right to enforce this Agreement.

12. EXECUTION, AMENDMENT AND WAIVER
This Agreement shall be binding on all parties only upon signature by authorized representatives of each party. This Agreement, or any provision, may be amended during the contract period, if circumstances warrant, by a written amendment executed by all parties. Only North Sound BHO Program Manager or North Sound BHO Program Manager's designee has authority to waive any provision of this Agreement on behalf of North Sound BHO.

13. HEADINGS AND CAPTIONS
The headings and captions used in this Agreement are for reference and convenience only, and in no way define, limit, or decide the scope or intent of any provisions or sections of this Agreement.

14. INDEMNIFICATION
Contractor shall be responsible for and shall indemnify and hold North Sound BHO harmless (including all costs and attorney fees) from all claims for personal injury, property damage and/or disclosure of confidential information, including claims against North Sound BHO for the negligent hiring, retention and/or supervision of the Contractor and/or from the imposition of governmental fines or penalties resulting from the acts or omissions of Contractor and its subcontractors related to the performance of this contract. North Sound BHO shall be responsible and shall indemnify and hold Contractor harmless (including all costs and attorney fees) from all claims for personal injury,
property damage and disclosure of confidential information and from the imposition of
governmental fines or penalties resulting from the acts or omissions of North Sound BHO.
Each party agrees to be responsible and assume liability for its own wrongful and/or
negligent acts or omissions or those of their officials, officers, agents, or employees, to the
fullest extent required by law, and further agree to save, indemnify, defend, and hold the
other party harmless from any such liability. For the purposes of these indemnifications,
the Parties specifically and expressly waive any immunity granted under the Washington
Industrial Insurance Act, RCW Title 51. This waiver has been mutually negotiated and
agreed to by the Parties. The provision of this section shall survive the expiration or
termination of the Agreement.

15. INDEPENDENT CONTRACTOR FOR NORTH SOUND BHO
The parties intend that an independent Contractor relationship be created by this
contract. Contractor acknowledges that neither Contractor nor its employees or
subcontractors are officers, employees, or agents of North Sound BHO. Contractor shall
not hold Contractor or any of Contractor’s employees and subcontractors out as, nor claim
status as, officers, employees, or agents of North Sound BHO. Contractor shall not claim
for Contractor or Contractor’s employees or subcontractors any rights, privileges, or
benefits which would accrue to an employee of North Sound BHO. Contractor shall
indemnify and hold North Sound BHO harmless from all obligations to pay or withhold
Federal or State taxes or contributions on behalf of Contractor or Contractor’s employees
and subcontractors unless specified in this Agreement.

16. INSURANCE
North Sound BHO certifies it is a member of Washington Governmental Entity Pool for all
exposure to tort liability, general liability, property damage liability and vehicle liability, if
applicable, as provided by RCW 43.19.

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

17. INTEGRATION
This Agreement, including Attachments contains all the terms and conditions agreed upon
by the parties. No other understandings, oral or otherwise, regarding the subject matter
of this Agreement shall be deemed to exist or to bind any of the parties hereto.
18. MAINTENANCE OF RECORDS
During the term of this Agreement and for six (6) years following termination or expiration
of this Agreement, or if any audit, claim, litigation, or other legal action involving the
records set forth below is started before expiration of the six year period, the records shall
be maintained until completion and resolution of all issues arising therefrom or until the
end of the six year period, whichever is later. Contractor shall maintain records sufficient
to:

a. Maintain the content of all Medical Records in a manner consistent with utilization
   control requirements of 42 CFR 456, 434.34 (a), 456.111 and 456.211.

b. Document performance of all acts required by law, regulation, or this Agreement.

c. Substantiate Contractor statement of its organizations’ structures, tax status,
capabilities, and performance.

d. Demonstrate accounting procedures, practices, and records, which sufficiently and
   properly document Contractor invoices to North Sound BHO and all expenditures
   made by Contractor to perform as required by this Agreement.

e. Contractor and its subcontractors shall cooperate in all reviews, including but not
   limited to, surveys, and research conducted by North Sound BHO, DSHS or other
   Washington State Departments.

f. Evaluations shall be done by inspection or other means to measure quality,
   appropriateness, and timeliness of services performed under this Agreement, and
   to determine whether Contractor and its subcontractors are providing service to
   individuals in accordance with the requirements set forth in this Agreement and
   applicable state and federal regulations as existing or hereafter amended.

19. NO WAIVER OF RIGHTS
A failure by either party to exercise its rights under this Agreement shall not preclude that
party from subsequent exercise of such rights and shall not constitute a waiver of any
other rights under this Agreement unless stated to be such in a writing signed by an
authorized representative of the party and attached to the original Agreement.

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

20. ONGOING SERVICES
Contractor and its subcontractors shall ensure in the event of labor disputes or job actions,
including work slowdowns, so called “sick outs”, or other activities, within its service BHA
network, uninterrupted services shall be available as required by the terms of this
Agreement.
21. ORDER OF PRECEDENCE
In the event of an inconsistency in the terms of this Agreement, or any inconsistency
between the terms of this Agreement and any applicable statute, rule or contract, unless
otherwise provided herein, the conflict shall be resolved by giving precedence in the
following order, to:

a. The applicable Medicaid 1915(b) Waiver, Provisions of Title XIX of the Social
   Security Act and Federal regulations concerning the operations of Prepaid Inpatient
   Health Plans.

b. State statutes and regulations concerning the operation of the community
   behavioral health programs.

c. Federal and State Law.

d. North Sound BHO-DSHS agreement, or its successors, that covers the provision of
   the behavioral health services covered under this Agreement, which shall include
   any document or material incorporated by reference. North Sound BHO shall
   promptly notify Contractor of any amendment to North Sound BHO-DSHS
   agreement which affects any term or condition herein.

e. This Agreement.

22. OVERPAYMENTS
In the event Contractor fails to comply with any of the terms and conditions of this
Agreement and that failure results in an overpayment, North Sound BHO may recover the
amount due DSHS, CMS or other federal or state agency, subject to dispute resolution as
set forth in the contract. In the case of overpayment, Contractor shall cooperate in the
recoupment process and return to North Sound BHO the amount due upon demand.

23. OWNERSHIP OF MATERIALS
Materials created by Contractor and its subcontractors and paid for by North Sound BHO
as a part of this Agreement shall be owned by North Sound BHO and shall be, "works for
hire" as defined by the U.S. Copyright Act of 1976. This material includes but is not limited
to: books, computer programs, documents, films, pamphlets, reports, sound
reproductions, studies, surveys, tapes/training materials. Material which Contractor and
its subcontractors use to perform this Agreement, but which is not created for or paid for
by North Sound BHO, is owned by Contractor or relevant subcontractors; however, North
Sound BHO and DSHS shall have a perpetual license to use this material for DSHS internal
purposes at no charge to DSHS.

24. PERFORMANCE
Contractor shall furnish the necessary personnel, materials/behavioral health services and
otherwise do all things for, or incidental to, the performance of the work set forth here
and as attached. Unless specifically stated, Contractor is responsible for performing or
ensuring all fiscal and program responsibilities required in this contract. No subcontract
will terminate the legal responsibility of Contractor to perform the terms of this
Agreement.
25. RESOLUTION OF DISPUTES

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

a. The parties shall use their best efforts to resolve issues prior to giving written Notice of Dispute.

b. Within 10 working days of receipt of the written Notice of Dispute, the parties (or a designated representative) shall together, or, if both parties agree, with a mediator meet, confer, and attempt to resolve the claim.

c. The terms of the resolution of all claims concluded in meetings shall be memorialized in writing and signed by each party.

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

a. Demand for arbitration shall be made in writing to the other party. The parties shall select one person as arbitrator.

b. If there is a delay of more than 10 days in the naming of the arbitrator, either party can ask the presiding judge of Skagit County to name the arbitrator.

c. The prevailing party shall be entitled to recover from the other party all costs and expenses, including reasonable attorney fees. The arbitrators shall determine which party, if any, is the prevailing party.

d. The parties agree that the arbitrators’ decision shall be binding, final and appealable to Skagit County Superior Court only as provided in RCW Chapter 7.04A.

e. Unless the parties agree in writing otherwise, the unresolved claims in each notice of dispute shall be considered at an arbitration session which shall occur in Skagit County no later than 30 days after the close of the meeting described in paragraph (b) at the top of this page.

f. The Provisions of this section shall, with respect to any controversy or claim, survive the termination or expiration of this Agreement.

g. Nothing contained in this Agreement shall be deemed to give the arbitrator the power to change any of the terms and conditions of this Agreement in any way.

h. The prevailing party in any action to compel arbitration or to enforce an arbitration award shall be awarded its costs, including attorney fees. Venue for any such action is exclusively Skagit County Superior Court.

i. This Agreement shall be governed by laws of the State of Washington, both as to interpretation and performance. Washington statutes of limitation apply to arbitration proceedings under this agreement.
26. SEVERABILITY AND CONFORMITY

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

27. SINGLE AUDIT ACT

If Contractor or its subcontractors is a sub recipient of Federal awards as defined by OMB Circular A-133, Contractor and its subcontractors shall maintain records that identify all Federal funds received and expended. Such funds shall be identified by the appropriate OMB Catalog of Federal Domestic Assistance titles and numbers, award names and numbers, award years, if awards are for research and development, as well as names of the Federal agencies. Contractor and its subcontractors shall make Contractor and its subcontractors’ records available for review or audit by officials of the Federal awarding agency, the General Accounting Office, and DSHS. Contractor and its subcontractors shall incorporate OMB Circular A-133 audit requirements into all contracts between Contractor and its subcontractors who are subrecipients. Contractor and its subcontractors shall comply with any future amendments to OMB Circular A-133 and any successor or replacement Circular or regulation.

If Contractor/its subcontractors are a subrecipient and expend $750,000 or more in Federal awards from any/all sources in any fiscal year, Contractor and applicable subcontractors shall procure and pay for a single or program-specific audit for that fiscal year. Upon completion of each audit, Contractor and applicable subcontractors shall submit to North Sound BHO Program Manager the data collection form and reporting package specified in OMB Circular A-133, reports required by the program-specific audit guide, if applicable, and a copy of any management letters issued by the auditor.

For purposes of “subrecipient” status under the rules of OMB Circular A-133 205(i) Medicaid payments to a subrecipient for providing patient care services to Medicaid eligible individuals are not considered Federal awards expended under this part of the rule unless a State requires the fund to be treated as Federal awards expended because reimbursement is on a cost-reimbursement basis.

28. SUBCONTRACTS

Contractor may subcontract services to be provided under this Agreement subject to the following requirements.

a. Contractor shall be responsible for the acts and omissions of any subcontractor.

b. Contractor must ensure the subcontractor neither employs any person nor contracts with any person or BHA excluded from participation in federal health care programs under either 42 USC 1320a-7 (§§1128 or 1128A Social Security Act) or debarred or suspended per this Agreement’s General Terms and Conditions.

c. Contractor shall require subcontractors to comply with all applicable federal and state laws, regulations, and operational policies as specified in this Agreement.

d. Contractor shall require subcontractors to comply with all applicable North Sound BHO operational policies as specified in this Agreement.
e. Contractor shall ensure a process is in place to demonstrate that all third-party resources are identified and pursued.

f. Contractor shall oversee, be accountable for, and monitor all functions and responsibilities delegated to a subcontractor for conformance with any applicable statement of work in this Agreement on an ongoing basis including written reviews.

g. Contractor will monitor performance of the subcontractors on an annual basis and notify North Sound BHO of any identified deficiencies or areas for improvement requiring corrective action by Contractor.

h. Contractor shall ensure all subcontracts are in writing and subcontracts specify all duties, reports, and responsibilities delegated under this Agreement. Those written subcontracts shall:

   i. Require subcontractors to hold all necessary licenses, certifications/permits as required by law for the performance of the services to be performed under this Agreement.

   ii. Include clear means to revoke delegation, impose corrective action, or take other remedial actions if the subcontractor fails to comply with the terms of the subcontract.

   iii. Require that the subcontractor correct any areas of deficiencies in the subcontractor’s performance that are identified by Contractor, North Sound BHO/DBHR.

   iv. Require best efforts to provide written or oral notification within 15 working days of termination of a Mental Health Care Provider (MHCP) to individuals currently open for services who had received a service from the affected MHCP in the previous 60 days. Notification must be verifiable in the client medical record at the subcontractor.

29. SURVIVABILITY

The terms and conditions contained in this Agreement that by their sense and context are intended to survive the expiration of this Agreement shall so survive. Surviving terms include, but are not limited to: Financial Terms and Conditions, Single Audit Act, Order of Precedence, Contract Performance and Enforcement, Confidentiality of Client Information, Resolution of Disputes, Indemnification, Oversight Authority, Maintenance of Records, Ownership of Materials, Contract Administration, Warranties and Survivability.

30. TREATMENT OF CLIENT PROPERTY

Unless otherwise provided in this Agreement, Contractor shall ensure any adult individual receiving services from Contractor under this Agreement has unrestricted access to the individual’s personal property. Contractor shall not interfere with any adult individual’s ownership, possession, or use of the individual’s property unless clinically indicated. Contractor shall provide individuals under age 18 with reasonable access to their personal property that is appropriate to the individual’s age, development, and needs. Upon termination of this Agreement, Contractor shall immediately release to the individual/the individual’s guardian or custodian all of the individual’s personal property.
31. **WARRANTIES**

   The parties' obligations are warranted and represented by each to be individually binding, for the benefit of the other party. Contractor warrants and represents that it is able to perform its obligations set forth in this Agreement and that such obligations are binding upon Contractor and other subcontractors for the benefit of North Sound BHO.

32. **RATIFICATION**

   This contract will go into effect and shall be fully enforceable when signed by authorized representatives of all parties involved. This contract is subject to ratification after it becomes effective. This contract will be submitted for ratification at the next scheduled meeting of the North Sound BHO County Authorities Executive Committee ("the Committee"). If not ratified by the Committee the North Sound BHO will terminate the contract either immediately or, at the discretion of North Sound BHO, within a reasonable amount of time.

33. **CONTRACT ADMINISTRATION**

   The Program Manager for each of the parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Agreement.

   The Program Manager for North Sound BHO is:

   Joe Valentine, Executive Director
   North Sound Behavioral Health Organization
   301 Valley Mall Way, Suite 110
   Mount Vernon, WA 98273

   The Program Manager for Contractor is:

   Anne Deacon, LICSW
   Human Services Manager
   509 Girard Street
   Bellingham, WA 98225

Changes in Program Managers or addresses shall be provided to the other party in writing within 10 working days.
THIS AGREEMENT, consisting of 38 Pages, plus Attachments, is executed by the persons signing below who warrant that they have the authority to execute this Agreement.

NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC

Joe Valentine
Executive Director

WHATCOM COUNTY

Regina Delahunt
Director

Approved as to Form for North Sound BHO

Basic Form approved by Brad Furlong 10/1/01

Name & Title Date
WHATCOM COUNTY

JACK LOUWS
County Executive

STATE OF WASHINGTON )
COUNTY OF WHATCOM )

On this __________ day of __________, 2016, before me personally appeared Jack Louws, to me known to be the Executive of Whatcom County and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.

NOTARY PUBLIC in and for the State of Washington, residing at Bellingham.

My Commission expires: __________________

APPROVED AS TO FORM

Royce Buckingham, Deputy Prosecuting Attorney

Date
NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION
NORTH SOUND BHO 7.01 Policy – Provider P&P Grid – Quality Management Plan – links

The North Sound BHO 7.01 Policy is available on the North Sound BHO Website at http://northsoundbho.org/policies/Sections/6000/6001.00.pdf

The North Sound BHO Policy and Procedure Grid is available on the North Sound BHO Website at http://northsoundbho.org/policies/

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (the “Agreement”) is made effective the 1st day of January, 2017, by and between NORTH SOUND BEHAVIORAL HEALTH ORGANIZATION, LLC or “North Sound BHO,” hereinafter referred to as “Covered Entity,” and WHATCOM COUNTY, hereinafter referred to as “Business Associate” (individually, a “Party” and collectively, the “Parties”).

RECITALS:

A. WHEREAS, the Parties wish to enter into a Business Associate Agreement to ensure compliance with the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA Privacy and Security Rules”) (45 CFR Parts 160 and 164); and

B. WHEREAS, the Health Information Technology for Economic and Clinical Health (“HITECH”) Act of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, modified the HIPAA Privacy and Security Rules (hereinafter, all references to the “HIPAA Privacy and Security Rules” include all amendments thereto set forth in the HITECH Act and any accompanying regulations); and

C. WHEREAS, the Parties have entered into a written or oral arrangement or arrangements (the “Agreements”) whereby Business Associate will provide certain services to Covered Entity and, pursuant to such Agreements, Business Associate may be considered a “Business Associate” of Covered Entity as defined in the HIPAA Privacy and Security Rules; and

D. WHEREAS, Business Associate may have access to Protected Health Information. (hereinafter “PHI”) or Electronic Protected Health Information (as defined below) in fulfilling its responsibilities under the Agreements; and

E. WHEREAS, Covered Entity wishes to comply with the HIPAA Privacy and Security Rules, and Business Associate wishes to honor its obligations as a Business Associate to Covered Entity.

THEREFORE, in consideration of the Parties’ continuing obligations under the Agreements, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the provisions of this Agreement.

I. DEFINITIONS

Except as otherwise defined herein, any and all capitalized terms in this Agreement shall have the definitions set forth in the HIPAA Privacy and Security Rules. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Privacy and Security Rules, as amended, the HIPAA Privacy and Security Rules in effect at the time shall control. Where provisions of this Agreement are different than those mandated by the HIPAA Privacy and Security Rules, but are nonetheless permitted by the HIPAA Privacy and Security Rules, the provisions of this Agreement shall control.
The term “Breach” means the unauthorized acquisition, access, use, or disclosure of PHI which compromises the security or privacy of such information. The term “Breach” does not include: (1) any unintentional acquisition, access, or use of PHI by any employee or individual acting under the authority of a covered entity or business associate if (a) such acquisition, access, or use was made in good faith and within the course and scope of the employment or other professional relationship of such employee or individual, respectively, with the covered entity or business associate, and (b) such information is not further impermissibly acquired, accessed, used, or disclosed by any person; (2) any inadvertent disclosure by an individual who is otherwise authorized to access PHI at a facility operated by a covered entity or business associate to another similarly situated individual at the same facility, where the information disclosed is not further impermissibly acquired, accessed, used, or disclosed by any person; or (3) an impermissible disclosure of PHI where Covered Entity or Business Associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

The term “HIPAA Privacy and Security Rules” refers to 45 CFR Parts 160 and 164 as currently in effect or hereafter amended.

The term “Protected Health Information” or “PHI” means individually identifiable health information including, without limitation, all information, data, documentation, and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is reasonable basis to believe the information can be used to identify the individual. “Protected Health Information” includes, without limitation, “Electronic Protected Health Information,” as defined below.

The term “Electronic Protected Health Information” means PHI which is transmitted by or maintained in Electronic Media (as now or hereafter defined in the HIPAA Privacy and Security Rules).

The term “Secretary” means the Secretary of the Department of Health and Human Services.

The term “Unsecured Protected Health Information” means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary in guidance published in the Federal Register at 74 Fed. Reg. 19006 on April 27, 2009 and in annual guidance published thereafter.

II. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

A. Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Agreements, provided that such use or disclosure would not violate the HIPAA Privacy and Security Rules if done by Covered Entity.

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BUSINESS ASSOCIATE AGREEMENT

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B. Business Associate may use PHI in its possession for its proper management and administration and to fulfill any present or future legal responsibilities of Business Associate, provided that such uses are permitted under state and federal confidentiality laws.

C. Business Associate may disclose PHI in its possession to third parties for the purposes of its proper management and administration or to fulfill any present or future legal responsibilities of Business Associate, provided that:

1. The disclosures are required by law; or
2. Business Associate obtains reasonable assurances from the third parties to whom the PHI is disclosed that the information will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party, and that such third parties will notify Business Associate of any instances of which they are aware in which the confidentiality of the information has been breached.

D. Until such time as the Secretary issues regulations pursuant to the HITECH Act specifying what constitutes "minimum necessary" for purposes of the HIPAA Privacy and Security Rules, Business Associate shall, to the extent practicable, access, use, and request only PHI that is contained in a limited data set (as defined in Section 164.514(e)(2) of the HIPAA Privacy and Security Rules), unless Business Associate requires certain direct identifiers in order to accomplish the intended purpose of the access, use, or request, in which event Business Associate may access, use, or request only the minimum necessary amount of PHI to accomplish the intended purpose of the access, use, or request. The Parties shall collaborate in determining what quantum of information constitutes the "minimum necessary" amount for Business Associate to accomplish its intended purposes.

III. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

A. Business Associate acknowledges and agrees that all PHI that is created or received by Covered Entity and disclosed or made available in any form, including paper record, oral communication, audio recording, and electronic display by Covered Entity or its operating units to Business Associate or is created or received by Business Associate on Covered Entity's behalf shall be subject to this Agreement.

B. Business Associate agrees to not use or further disclose PHI other than as permitted or required by this Agreement or as required by law.

C. Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement. Specifically, Business Associate will:

1. Implement the administrative, physical, and technical safeguards set forth in Sections 164.308, 164.310, and 164.312 of the HIPAA Privacy and Security Rules that reasonably and appropriately protect the confidentiality, integrity, and availability of any PHI that it creates, receives, maintains, or transmits on behalf
of Covered Entity, and, in accordance with Section 164.316 of the HIPAA Privacy and Security Rules, implement and maintain reasonable and appropriate policies and procedures to enable it to comply with the requirements outlined in Sections 164.308, 164.310, and 164.312; and

2. Report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including any Security Incident, of which Business Associate becomes aware, regardless of whether the Security Incident rises to the level of a Breach. For purposes of this Agreement, “Security Incident” means the successful unauthorized access, use, disclosure, modification, or destruction of PHI or interference with system operations in an information system, of which Business Associate has knowledge or should, with the exercise of reasonable diligence, have knowledge, excluding (i) “pings” on an information system firewall; (ii) port scans; (iii) attempts to log on to an information system or enter a database with an invalid password or user name; (iv) denial-of-service attacks that do not result in a server being taken offline; or (v) “malware” (e.g., a worm or a virus) that does not result in unauthorized access, use, disclosure, modification or destruction of PHI. The report shall be made as soon as practical, and in any event within 10 days of Business Associate’s discovery of the Security Incident. A Security Incident shall be treated as discovered by Business Associate as of the first day on which such Security Incident is known to Business Associate or, through the exercise of reasonable diligence, would have been known to Business Associate.

D. Business Associate agrees to ensure that any agent, including a subcontractor, to whom it 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.

E. Business Associate agrees to comply with any requests for restrictions on certain disclosures of PHI to which Covered Entity has agreed in accordance with Section 164.522 of the HIPAA Privacy and Security Rules and of which Business Associate has been notified by Covered Entity. In addition, and notwithstanding the provisions of Section 164.522 (a)(1)(ii), Business Associate agrees to comply with an individual’s request to restrict disclosure of PHI to a health plan for purposes of carrying out payment or health care operations if the PHI pertains solely to a health care item or service for which Covered Entity has been paid by in full by the individual or the individual’s representative. The restriction can only apply to disclosures beginning the next business day after the request for restriction is received.

F. At the request of Covered Entity, and in a reasonable time and manner, Business Associate agrees to make available PHI required for Covered Entity to respond to an individual’s request for access to his or her PHI in accordance with Section 164.524 of the HIPAA Privacy and Security Rules. If Business Associate maintains PHI electronically, it agrees to make such PHI available electronically to the applicable individual or to a person or entity specifically designated by such individual, upon such individual’s request.
G. At the request of Covered Entity, and in a reasonable time and manner, Business Associate agrees to make available PHI required for amendment by Covered Entity in accordance with the requirements of Section 164.526 of the HIPAA Privacy and Security Rules.

H. Business Associate agrees to document any disclosures of, and make PHI available, for purposes of accounting of disclosures, as required by Section 164.528 of the HIPAA Privacy and Security Rules.

I. Business Associate agrees that it will make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity, available to the Secretary for the purpose of determining Covered Entity’s compliance with the HIPAA Privacy and Security Rules, in a time and manner designated by the Secretary.

J. Business Associate agrees that, while present at any Covered Entity facility and/or when accessing Covered Entity’s computer network(s), it and all of its employees, agents, representatives and subcontractors will at all times comply with any network access and other security practices, procedures and/or policies established by Covered Entity including, without limitation, those established pursuant to the HIPAA Privacy and Security Rules.

K. Business Associate agrees that it will not directly or indirectly receive remuneration in exchange for any PHI of an individual without the written authorization of the individual or the individual’s representative, except where the purpose of the exchange is:

1. For public health activities as described in Section 164.512(b) of the HIPAA Privacy and Security Rules;
2. For research as described in Sections 164.501 and 164.512(i) of the HIPAA Privacy and Security Rules, and the price charged reflects the costs of preparation and transmittal of the data for such purpose;
3. For treatment of the individual, subject to any further regulation promulgated by the Secretary to prevent inappropriate access, use, or disclosure of PHI;
4. For the sale, transfer, merger, or consolidation of all or part of Business Associate and due diligence related to that activity;
5. For an activity that Business Associate undertakes on behalf of and at the specific request of Covered Entity;
6. To provide an individual with a copy of the individual’s PHI pursuant to Section 164.524 of the HIPAA Privacy and Security Rules; or
7. Other exchanges that the Secretary determines in regulations to be similarly necessary and appropriate as those described in this Section III.K.

L. Business Associate agrees that it will not directly or indirectly receive remuneration for any written communication that encourages an individual to purchase or use a product or service without first obtaining the written authorization of the individual or the individual’s representative, unless:
1. Such payment is for a communication regarding a drug or biologic currently prescribed for the individual and is reasonable in amount (as defined by the Secretary); or
2. The communication is made on behalf of Covered Entity and is consistent with the terms of this Agreement.

M. Business Associate agrees that if it uses or discloses patients’ PHI for marketing purposes, it will obtain Covered Entity’s written approval and such patients’ authorization before making any such use or disclosure.

IV. BUSINESS ASSOCIATE’S MITIGATION AND BREACH NOTIFICATION OBLIGATIONS

A. Business Associate agrees to 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.

B. Following the discovery of a Breach of Unsecured Protected Health Information, Business Associate shall notify Covered Entity of such Breach without unreasonable delay and in no case later than 10 calendar days after discovery of the Breach. A Breach shall be treated as discovered by Business Associate as of the first day on which such Breach is known to Business Associate or, through the exercise of reasonable diligence, would have been known to Business Associate.

C. Notwithstanding the provisions of Section IV.B., above, if a law enforcement official states to Business Associate that notification of a Breach would impede a criminal investigation or cause damage to national security, then:

1. If the statement is in writing and specifies the time for which a delay is required, Business Associate shall delay such notification for the time period specified by the official; or
2. If the statement is made orally, Business Associate shall document the statement, including the identity of the official making it, and delay such notification for no longer than 30 days from the date of the oral statement unless the official submits a written statement during that time.

Following the period of time specified by the official, Business Associate shall promptly deliver a copy of the official’s statement to Covered Entity.

D. The Breach notification provided shall include, to the extent possible:

1. The identification of each individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired, used, or disclosed during the Breach;
2. A brief description of what happened, including the date of the Breach and the date of discovery of the Breach, if known;
3. A description of the types of Unsecured PHI that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
4. Any steps individuals should take to protect themselves from potential harm resulting from the Breach;
5. A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further Breaches and when such steps were taken; and
6. Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

E. Business Associate shall provide the information specified in Section IV.D. above, to Covered Entity at the time of the Breach notification, if possible, or promptly thereafter as information becomes available. Business Associate shall not delay notification to Covered Entity that a Breach has occurred in order to collect the information described in Section IV.D., and shall provide such information to Covered Entity even if the information becomes available after the 10-day period provided for initial Breach notification.

V. OBLIGATIONS OF COVERED ENTITY

A. Upon request of Business Associate, Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with Section 164.520 of the HIPAA Privacy and Security Rules.
B. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an individual to use or disclose PHI, if such changes affect Business Associate’s permitted or required uses and disclosures.
C. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI to which Covered Entity has agreed in accordance with Section 164.522 of the HIPAA Privacy and Security Rules, and Covered Entity shall inform Business Associate of the termination of any such restriction, and the effect that such termination shall have, if any, upon Business Associate’s use and disclosure of such PHI. Business Associate shall have a reasonable period of time to act on such notice.

VI. TERM AND TERMINATION

A. Term. The Term of this Agreement shall be effective as of the date first written above, and shall terminate upon the later of the following events: (i) in accordance with Section VI.C., 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 such return or destruction is infeasible, when protections are extended to such information; or (ii) upon the expiration or termination of the last of the Agreements.
B. **Termination.** Upon either Party’s knowledge of a material breach by the other Party of its obligations under this Agreement, the non-breaching Party shall, within 20 days of that determination, notify the breaching Party, and the breaching Party shall have 30 days from receipt of that notice to cure the breach or end the violation. If the breaching Party fails to take reasonable steps to effect such a cure within such time period, the non-breaching Party may terminate this Agreement and the Agreements.

Where either Party has knowledge of a material breach by the other Party and determines that cure is infeasible, prior notice of the breach is not required, and the non-breaching Party shall terminate the portion of the Agreements affected by the breach.

Where neither cure nor termination is feasible, the non-breaching Party shall report the violation to the Secretary.

C. **Effect of Termination.**

1. Except as provided in paragraph (2) of this subsection C., upon termination of this Agreement, the Agreements or upon request of Covered Entity, whichever occurs first, Business Associate shall within 10 days return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Neither Business Associate nor its subcontractors or agents shall retain copies of the PHI.

2. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide within 10 days to Covered Entity notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of PHI is not infeasible; Business Associate shall 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.

**VII. MISCELLANEOUS**

A. **Indemnification.** Each Party shall indemnify and hold the other harmless from and against all claims, liabilities, judgments, fines, assessments, penalties, awards, or other expenses, of any kind or nature whatsoever, including, without limitations, attorneys’ fees, expert witness fees, and costs of investigation, litigation or dispute resolution, relating to or arising out of any breach or alleged breach of this Agreement, or any Breach, by that Party or its subcontractors or agents.

B. **No Rights in Third Parties.** Except as expressly stated herein, in the HIPAA Privacy and Security Rules, the Parties to this Agreement do not intend to create any rights in any third parties.
C. **Survival.** The obligations of Business Associate under Section VI.C. of this Agreement shall survive the expiration, termination, or cancellation of this Agreement, the Agreements, and/or the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein. Furthermore, the Parties' indemnification obligations pursuant to Section VII.A. of this Agreement shall survive the expiration, termination, or cancellation of this Agreement, the Agreements, and/or the business relationship of the Parties, and shall continue to bind the Parties, their agents, employees, contractors, successors, and assigns as set forth herein.

**Amendment.** This Agreement may be amended or modified only in a writing signed by the Parties. The Parties agree that they will negotiate amendments to this Agreement to conform to any changes in the HIPAA Privacy and Security Rules as are necessary for Covered Entity to comply with the current requirements of the HIPAA Privacy and Security Rules. In addition, in the event that either Party believes in good faith that any provision of this Agreement fails to comply with the then-current requirements of the HIPAA Privacy and Security Rules or any other applicable legislation, then such Party shall notify the other Party of its belief in writing. For a period of up to 30 days, the Parties shall address in good faith such concern and amend the terms of this Agreement, if necessary to bring it into compliance. If, after such thirty (30)-day period, the Agreement fails to comply with the HIPAA Privacy and Security Rules or any other applicable legislation, then either Party has the right to terminate this Agreement and the underlying arrangement upon written notice to the other Party.

D. **Assignment.** Neither Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party.

E. **Independent Contractor.** None of the provisions of this Agreement are intended to create, nor will they be deemed to create, any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship.

F. **Governing Law.** To the extent this Agreement is not governed exclusively by the HIPAA Privacy and Security Rules or other provisions of federal statutory or regulatory law, it will be governed by and construed in accordance with the laws of the State of Washington.

G. **No Waiver.** No change, waiver, or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.

H. **Interpretation.** Any ambiguity of this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the HIPAA Privacy and Security Rules.

I. **Severability.** In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect.
J. **Notice.** Any notification required in this Agreement shall be made in writing to the representative of the other Party who signed this Agreement or the person currently serving in that representative’s position with the other Party.

K. **Certain Provisions Not Effective in Certain Circumstances.** The provisions of this Agreement relating to the HIPAA Security Rule shall not apply to Business Associate if Business Associate does not receive any Electronic PHI from or on behalf of Covered Entity.

L. **Entire Agreement.** This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written. In the event of any inconsistency between this Agreement and any other agreement between the Parties concerning the use and disclosure of PHI and the Parties’ obligations with respect thereto, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year written above.

**NORTH SOUND BHO**

[Signature]

Joe Valentine
Executive Director

[Signature]

Date

**WHATCOM COUNTY**

[Signature]

Regina Delahunt
Director

[Signature]

Date
## SOURCES OF FUNDS

<table>
<thead>
<tr>
<th></th>
<th>January-16</th>
<th>February-16</th>
<th>March-16</th>
<th>April-16</th>
<th>May-16</th>
<th>June-16</th>
<th>July-16</th>
<th>August-16</th>
<th>September-16</th>
<th>October-16</th>
<th>November-16</th>
<th>December-16</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Admission of Admission Services</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
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<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$450,592.00</td>
</tr>
<tr>
<td>State HAPPS Sinda</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
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<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
<td>$44,529.50</td>
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<td>TOTAL SOURCES OF FUNDS</td>
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<td>$86,110.75</td>
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<td>$86,110.75</td>
<td>$86,110.75</td>
<td>$86,110.75</td>
<td>$1,000,777.00</td>
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## USES OF FUNDS

<table>
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<th></th>
<th>Payment Method</th>
<th>January-16</th>
<th>February-16</th>
<th>March-16</th>
<th>April-16</th>
<th>May-16</th>
<th>June-16</th>
<th>July-16</th>
<th>August-16</th>
<th>September-16</th>
<th>October-16</th>
<th>November-16</th>
<th>December-16</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative and Client Services</td>
<td>Cost</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$38,216.00</td>
<td>$450,592.00</td>
<td></td>
</tr>
<tr>
<td>HAPPS Housing Supporter</td>
<td>Cost</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>6,712.50</td>
<td>40,275.00</td>
<td></td>
</tr>
<tr>
<td>TOTAL USES OF FUNDS</td>
<td></td>
<td>$44,928.50</td>
<td>$44,928.50</td>
<td>$44,928.50</td>
<td>$44,928.50</td>
<td>$44,928.50</td>
<td>$44,928.50</td>
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<td>$44,928.50</td>
<td>$44,928.50</td>
<td>$500,867.00</td>
<td></td>
</tr>
</tbody>
</table>

*HAPPS funds 12 months at $6,712.50 a month for a total of $80,950.71/16 to 6/30/17.

*HAPPS funds for 7/1/17 to 6/30/18 will be added when the North Sound gets the HAPPS contract from the state.
NORTH SOUND MENTAL HEALTH ADMINISTRATION

OMBUDS SERVICES

I. PURPOSE
Ombuds, when requested, investigate and advocate on behalf of consumers while working to resolve any complaint regarding mental health services for service recipients.

WHATCOM COUNTY shall ensure:

a. Ombuds have access to WHATCOM COUNTY and all subcontractors regarding:
   i. The quality of care provided to public mental health consumers;
   ii. The degree to which services are service recipient focused/directed;
   iii. WHATCOM COUNTY quality management activities;
   iv. The extent of development of alternatives to hospitalizations, cross-system coordination and range of treatment options; and

b. Ombuds shall have the authority to enter into a WHATCOM COUNTY facility for purposes of outreach, fact finding, assessing systemic customer service issues, and to resolve individual complaints or systemic issues related to the contracted services, provided that reasonable time, notice, and confidentiality requirements are met.

c. Ombuds shall have access to WHATCOM COUNTY personnel for purposes of outreach, fact-finding, assessing systemic consumer service issues, and to resolve individual complaints or systemic issues related to the contracted services, provided that reasonable time, notice, and confidentiality requirements are met.

d. Ensure Ombuds have the ability to perform their duties free of retaliation and demonstrate effective intervention on behalf of Ombuds should retaliation issues arise.

II. PROCEDURE
Ombuds submit semi-annual reports for broad distribution to at least the following stakeholders:

a. WHATCOM COUNTY Administrator/Governing Board/Advisory Board
b. Local consumer/family advocate groups
c. Service Area mental health advisory boards
d. Public mental health providers
e. DBHR

WHATCOM COUNTY and all subcontractors shall consider Ombuds findings and reports in good faith. WHATCOM COUNTY and subcontractors shall demonstrate how Ombuds reports, recommendations and findings are analyzed, and how decisions are made regarding follow-up activities and interventions, as well as, demonstrate how issues are addressed and incorporated into ongoing operations, including but not limited to, contracting activities and other management decisions.
**WHATCOM COUNTY**
**CONTRACT #NORTH SOUND BHO-WHATCOM-ADMIN-17**
*January 1, 2017 – December 31, 2017*

**CONTRACT DELIVERABLES**

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>DUE DATES</th>
<th>Contract Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Concurrent with the execution of this Agreement, Whatcom County shall</td>
<td>1/15/17</td>
<td>F.4</td>
</tr>
<tr>
<td>furnish North Sound BHO with a copy of the explicit written authorization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of their governing bodies to enter into this Agreement and accept the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>financial risk and responsibility to carry out all terms of this</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agreement including the ability to pay for all expenses incurred</td>
<td></td>
<td></td>
</tr>
<tr>
<td>during the contract period.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Contractor shall provide North Sound BHO with a report on the following</td>
<td></td>
<td></td>
</tr>
<tr>
<td>measures:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Contractor will work with North Sound BHO on regional facilities</td>
<td>When</td>
<td>B.5</td>
</tr>
<tr>
<td>planning</td>
<td>requested</td>
<td></td>
</tr>
<tr>
<td>b. County will work with North Sound BHO Advisory Board to annually</td>
<td></td>
<td></td>
</tr>
<tr>
<td>appoint new members to the Board;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Contractor will identify areas to coordinate locally funded services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>with publically funded services to enhance services in the County</td>
<td></td>
<td></td>
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<tr>
<td>and avoid redundancy and provide them monthly at the county</td>
<td></td>
<td></td>
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<tr>
<td>coordinators meeting.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Contractor shall provide annual updates on Delegated Functions to</td>
<td></td>
<td></td>
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<tr>
<td>include Community and Allied System Coordination activities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. County will provide county-specific data for regional behavioral</td>
<td></td>
<td></td>
</tr>
<tr>
<td>health planning upon request.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. If the Contractor is not a member of a risk pool, the Contractor shall</td>
<td>1/15/17</td>
<td>F.16</td>
</tr>
<tr>
<td>carry CGL to include coverage for bodily injury, property damage, and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>contract liability, with the following minimum limits: Each Occurrence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- $1,000,000; General Aggregate - $2,000,000.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All non-risk pool policies shall name North Sound BHO as a covered</td>
<td></td>
<td></td>
</tr>
<tr>
<td>entity under said policy(s).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Contractor shall report revenue and expenditure information to North</td>
<td>Within 35</td>
<td>D.3.b</td>
</tr>
<tr>
<td>Sound BHO on a quarterly basis. Reports must comply with the provisions</td>
<td>days of the</td>
<td></td>
</tr>
<tr>
<td>in the BARS Supplemental Instructions for Mental Health Services</td>
<td>quarter end</td>
<td></td>
</tr>
<tr>
<td>promulgated by the Washington State Auditor's Office.</td>
<td>(March, June</td>
<td></td>
</tr>
<tr>
<td></td>
<td>and September)</td>
<td></td>
</tr>
<tr>
<td>5. Contractor shall report monthly on housing subsidies on the HARPS</td>
<td>Due by the</td>
<td>B.6</td>
</tr>
<tr>
<td>Housing Assistance template found at the following link:</td>
<td>end of business on the 15th day following the end of the reporting period.</td>
<td></td>
</tr>
<tr>
<td><a href="http://northsoundbho.org/contracts/">http://northsoundbho.org/contracts/</a></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>