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11321-08-JKT

**INTERLOCAL AGREEMENT
DASA 2007-2009 TREATMENT**

This INTERLOCAL AGREEMENT is entered into and effective March 14, 2008 through June 30, 2009 between CLALLAM COUNTY, STATE OF WASHINGTON, hereinafter referred to as "County" and JAMESTOWN S'KLALLAM CHEMICAL DEPENDENCY CENTER, hereinafter referred to as "Provider".

CLALLAM COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES

Address:	223 E 4th Street, Suite 14 Port Angeles, WA 98362-3015	Main Phone:	(360) 417-2303
		Fax:	(360) 417-2583
Contact Person:	Jude Anderson, Treatment Coordinator		
Contact Phone:	(360) 417-2417		

Contractor:	Jamestown S'Klallam Chemical Dependency Program 1033 Old Blyn Highway Sequim, WA 98382	Funding Authority:	DSHS Basic Agreement # 0683-8858 DASA County Provider Agreement # 9493
Phone:	(360) 681-6767		
Fax:	(360) 681-7288		
Contact Person:	Liz Mueller Administrator	IRS #:	91-0963298
		UBI #:	05-0504-00

PURPOSE:

- To provide Substance Abuse services to Indigent and Low Income individuals and other eligible individuals as defined by the County.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be entered this 22nd day of April 2008.

**BOARD OF CLALLAM COUNTY
COMMISSIONERS:**



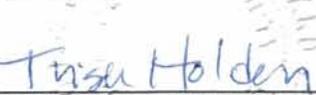
 Michael C. Chapman, Chair

**JAMESTOWN S'KLALLAM
CHEMICAL DEPENDENCY CENTER:**

 4/11/08

 Authorized Signature Date

ATTEST:



 Trish Holden, CMC, Clerk of the Board

APPROVED AS TO FORM:



 Douglas Jensen, Deputy Prosecuting Attorney

GENERAL TERMS AND CONDITIONS - TRIBAL

1. RELATIONSHIP OF THE PARTIES

The parties agree that an "Independent Contractor – County" relationship is created by this Agreement. The implementation of contracted activities and the results to be achieved are solely the responsibility of the Contractor. No agent, employee, servant, or representative of the Contractor shall be deemed to be an employee, agent, servant or representative of the County for any purpose and the employees of the Contractor are not entitled to any of the benefits the County provides for County employees, including vacation and medical benefits, holiday and sick leave pay, and any other rights and/or privileges afforded to Clallam County employees. The Contractor will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, subcontractors, or otherwise during the performance of this Agreement. The Contractor shall assume full responsibility for payment of all federal, state, and local taxes or contributions imposed or required under, but not limited to, social security and income tax laws and business and occupation tax laws. In the performance of the contracted activities herein contemplated, the Contractor is an independent contractor with the responsibility and authority to control and direct the performance and the details of the work in accordance with the terms and conditions of this Agreement. However, the results of the work contemplated herein must meet the approval of the County and shall be subject to the County's general rights of examination, inspection and review to secure the satisfactory completion thereof. In the event that either the state or federal government determines that an employer-employee relationship exists rather than an independent contractor relationship such that the County is deemed responsible for federal withholding, social security contributions and the like, the Contractor agrees to reimburse the County for any payments made or required to be made by the County. For the sole purpose of enforcing this Agreement, the Contractor waives its sovereign immunity and subjects itself to the jurisdiction of the Courts of the State of Washington. For the sole purpose of enforcing this Agreement, the Contractor waives its sovereign immunity and subjects itself to the jurisdiction of the Courts of the State of Washington.

2. NON-COMPLIANCE

- A. Recovery of Costs Claimed in Error: If the Contractor claims and is reimbursed for costs under a cost-reimbursement contract which the County later finds were (1) claimed in error or (2) not allowable costs under the terms of this Agreement, the Contractor agrees to cooperate fully in the recovery of these costs, including participation in auditing procedures and subsequent full reimbursement of applicable funds to the County.
- B. Stop Placement: The County may stop the placement of clients in a treatment facility immediately upon finding that the Contractor or Subcontractor is not in compliance with provision of applicable Federal and State laws and regulations or these General Terms and Conditions.
- C. Additional Remuneration Prohibited: The Contractor shall not charge or accept additional remuneration from any client or relative, friend, payee, guardian or attorney of the client, or any other person, for services provided under this Agreement other than those specifically authorized by the County. In the event the Contractor charges or accepts prohibited remuneration, the County shall have the right to assert a claim against the Contractor on behalf of the client, for double the amount charged, and recoup reasonable attorney's fees incurred in connection with the claim. Any violation of this provision shall be deemed a material breach of this Agreement and shall constitute grounds for termination.
- D. In the event the Contractor fails to maintain its reporting obligations, the County reserves the right to withhold reimbursements to the Contractor in an amount proportional to the data estimated to be outstanding until such time that the data is current.

3. THE CONTRACTOR AND SUBCONTRACTOR(S)

- A. The Contractor assumes all responsibility for the actions of any subcontractors.

- B. The Contractor may enter into written subcontracts with persons, partnerships, corporations, "limited liability companies", or government entities, only upon notifying the County in writing of its intent to subcontract with such entities. County approval will be in writing.
- C. In the event that the Contractor employs the use of any subcontractors with the written approval of the County, the subcontract between the Contractor and the subcontractor shall specify that the subcontractor is bound by the terms of this Provider Agreement between the County and the Contractor. The Contractor shall ensure that in all subcontracts entered into, Clallam County is named as an express third-party beneficiary of such contracts with full rights as such.
- D. Subcontractor Duplication of Work: The Contractor ensures that work to be performed under any subcontract does not duplicate work to be charged to the County under any other contract or agreement with the subcontractor.

4. DUPLICATION OF WORK

The Contractor shall assure that work to be performed does not duplicate work to be charged to the State of Washington or Clallam County under any other contract or agreement.

5. CREDENTIALS

All Contractor personnel shall possess the necessary license/registration/certification as required by law and DSHS policy and in accordance with WAC 388-805, WAC 246-811, and RCW 70.96A. as applicable.

6. STAFF CONTINUING EDUCATION

The Contractor shall make available continuing education in such services or activities to employees of the provider who provide services or activities with federal block grant funds.

7. DRUG-FREE WORKPLACE

A. The Contractor shall maintain a drug-free workplace in accordance with WAC 388-805-200, with the following information documented in the agency personnel manual :

- 1. A philosophy of non-tolerance of illegal drug-related activity;
- 2. Agency standards of prohibited conduct; and
- 3. Actions to be taken in the event a staff member misuses alcohol or other drugs.

B. Over the course of the biennium, the Contractor will take and report measurable steps towards integrating nicotine dependence interventions into treatment. These steps should include the provision of nicotine cessation treatment to any staff members who use tobacco, with the goal of attaining a tobacco-free staff by the end of the biennium. Contractors should also work towards addressing tobacco dependence as part of the treatment continuum, including it where relevant in assessment, treatment planning, individual and group therapy sessions, and aftercare plans. Evidence of such interventions is to be documented in client files and subject to review by the County at the time of monitoring visits.

8. CLIENT ABUSE

The Contractor shall immediately report all instances of suspected client abuse to DSHS in accordance with State and Federal laws and DSHS policy.

9. NON-DISCRIMINATION

The Contractor shall comply with all applicable federal, state, and local laws, regulations, rules, and ordinances relating to nondiscrimination.

10. CRIMINAL HISTORY BACKGROUND CHECK

All employees and volunteers of contractors or subcontractors who have unsupervised access to children, adolescents, or vulnerable adults are required to have a background check. Criminal Background Check requirements are listed in RCW 43.20A.710, RCW 43.43.832, RCW 74.34, and RCW 71A.10.020. All persons convicted of crimes listed in RCW 43.43.830 through 43.43.842 are prohibited from having access to clients. Unsupervised access is defined in RCW 43.43.830(9). Contractors are required to abide by all requirements of RCWs and WACs related to background checks, which are detailed in the Background Check Resource Guide available at: <http://www1.dshs.wa.gov/dasa/services/certification/agencycertification.shtml>.

11. CHEMICAL DEPENDENCY TREATMENT REQUIREMENTS

Pursuant to the Omnibus Alcohol and Controlled Substances Act of 1989, Violence Reduction and Enforcement Act, 1995, the Contractor will deliver the services and programs in accordance with RCW 70.96A as implemented by WAC 388-805.

12. DEBARMENT CERTIFICATION

The Contractor, by signature to this Agreement, certifies that the Contractor is not presently debarred, suspended, proposed for debarment or suspension, declared ineligible, or voluntarily excluded from participating in this Agreement or any Program Agreement by any Federal or State department or agency.

13. COUNTY MONITORING

The County shall conduct at least one on-site visit annually to the Contractor in order to monitor compliance with the terms of this Contract and the accuracy of billings to the County and, if applicable, Title XIX (Medicaid). The Contractor shall make all clinical and financial client records and TARGET entry files available to the County during monitoring visits, and supply all requested documentation. The Contractor shall also have staff available to assist the County during the time of monitoring visits.

14. AUDITING AND COST RECOVERY CODE

- A. The Contractor shall perform and submit an independent financial audit, at a minimum on an annual basis. An audit report must be submitted to the County with a letter from management that addresses the adequacy of internal controls within the Contractor's organization.

In accordance with the Single Audit Act, and the State to County Basic Agreement, should the Contractor's total federal funds deem an audit level required by OMB A-133, this audit type is required. The Contractor must notify County of the Contractor's total federal funding and the determination of the applicability.

The audit must be in accordance with Generally Accepted Accounting Principles (GAAP) and include in the management letter to the County any audit findings. Contractors must take corrective action on any audit findings and provide the County documentation on the timely resolution of such findings. The audit and/or any corrective action will be at no cost to the County.

The Contractor shall establish and maintain an adequate system of internal controls to ensure the efficient use and proper processing of contract funds.

Documentation and records shall be maintained to support levels of service billed. These records and supportive materials shall be available to the County upon request. Annual monitoring by the County shall be conducted to determine compliance with the rules and regulations of each service modality. In accordance with RCW 74.09.290(1), only those client records, or portions thereof, for which services were reimbursed by the County or Title XIX (Medicaid) may be examined.

Contractors are required to maintain client clinical and financial records for a minimum of six (6) years from the date of services. Failure to submit or failure to retain adequate documentation for services billed to the County or to Title XIX (Medicaid) may result in recovery of payments for services not adequately or correctly documented, and may result in contract termination.

An independent review may take the place of an audit if that process is able to reasonably assure the financial stability of the Contractor's operations. The review/audit should cover the entire operations of the Contractor. Any exceptions to this process must be granted by the County in writing.

Based upon findings of an audit, investigation, field visit, examination, or other proceeding, the County may order a repayment of excess payments and may assess civil penalties. Civil penalties may be assessed in an amount not to exceed three times the amount of excess benefits or payments as defined by RCW 74.09.210-280 for fraudulent or abusive practices.

- B. Property: Property furnished to the Contractor by the County or financed or prepaid by the County, or provided by the County, shall:
 - 1. Be used only for the performance of this Agreement.
 - 2. Be reasonably protected from damage or loss.
 - 3. Be surrendered to County prior to settlement upon completion, termination, or cancellation of this Agreement.

15. CORRECTIVE ACTION PROCESS

If the County finds evidence of potential non-compliance during the monitoring process or learns that the Contractor or its subcontractors are out of compliance with any of the terms or conditions of this Agreement, the following process will be pursued:

- A. The Contract Manager named on the face of this Agreement notifies in writing the appropriate Contractor staff of the potential non-compliance and an agreeable solution is reached.
- B. If the process described in (A) does not result in resolution, the County will establish a date when representatives of the County and the Contractor shall meet and discuss areas of contention and attempt to resolve the issues involved.
- C. The County will provide by registered mail to the Contractor Director and Board President a written summary of the areas of non-compliance or potential non-compliance.
- D. Within twenty (20) days of the date of the written notification was mailed, a discussion between the County and the Contractor Director or Board designee regarding the areas of non-compliance or potential non-compliance shall be conducted.
- E. If the County and the Contractor cannot agree upon a resolution, the County shall withhold payments related to the area(s) of non-compliance or potential non-compliance, unless a written extension of the period to agree upon corrective action is issued by the County.

Nothing in this section shall preclude audits by other duly authorized representatives of the County, the Department of Social and Health Services or other departments of State government, nor shall it preclude the recouping of overpayments identified through those audit procedures.

16. DEFEND, INDEMNIFY, AND HOLD HARMLESS

Defense and Indemnity Agreement: The Contractor agrees to defend, indemnify and save harmless the County, its appointed and elected officers, agents and employees, from and against all loss or expense, including but not limited to claims, demands, actions, judgments, settlements, attorneys' fees and costs by reason of any and all claims and demands upon the County, its elected or appointed officials or

employees for damages because of personal or bodily injury, including death at any time resulting therefrom, sustained by any person or persons and on account of damage to property including loss of use thereof, whether such injury to persons or damage to property is due to the negligence of the Contractor, his/her subcontractors, its successor or assigns, or its or their agent, servants, or employees, the County, its appointed or elected officers, employees or their agents, except only such injury or damage as shall have been occasioned by the sole negligence of the County, its appointed or elected officials or employees. It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein.

17. MODIFICATION, TERMINATION, SANCTIONS AND RENEWAL

Any change in the Agreement or its attachments shall be approved in writing by a representative from each party and documented as a written amendment before becoming effective. Either party may request that the Agreement terms be renegotiated when circumstances, which were neither foreseen nor reasonably foreseeable, arise during the period of performance of this Agreement. Such circumstances must have a substantial and material impact upon the performance projected under this Agreement and must be outside of the control of either party.

Termination for Default: If the Contractor defaults by failing to perform any of the obligations of the Agreement or becomes insolvent or is declared bankrupt or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Contractor in the U.S. Mail, postage prepaid, terminate the Agreement, and at the County's option, obtain performance of the work elsewhere. If the Agreement is terminated for default, the Contractor shall not be entitled to receive any further payments under the Agreement. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor agrees to bear any extra expenses incurred by the County in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

If a notice of termination for default has been issued and it is later determined for any reason that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the Termination for Public Convenience paragraph hereof.

Termination for Public Convenience: The County may terminate the Agreement in whole or in part whenever the County determines, in its sole discretion that such termination is in the interests of the County. Whenever the Agreement is terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed for completed items of work. An equitable adjustment in the contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the County at any time during the term, whether for default or convenience, shall not constitute a breach of contract by the County.

Termination Due to Insufficient Funds: If sufficient funds for payment under this contract are not appropriated or allocated or are withdrawn, reduced, or otherwise limited, the County may terminate this Agreement upon five (5) days written notice to the Contractor. No penalty or expense shall accrue to the County in the event this provision applies.

Termination Procedure: The following provisions apply in the event that this Agreement is terminated:

- A. The Contractor shall cease to perform any services required hereunder as of the effective date of termination and shall comply with all reasonable instructions contained in the notice of termination, if any.
- B. The Contractor shall provide the County with an accounting of authorized services provided through the effective date of termination.
- C. If the Agreement has been terminated for default, the County may withhold a sum from the final payment to the Contractor that the County determines necessary to protect itself against loss or liability.

Nothing in this Agreement shall be construed to limit either party's legal remedies including, but not limited to, the right to sue for damages or specific performance should either party materially violate any of the terms of this Agreement. Failure to act on any default shall not constitute waiver of rights on such default or on any subsequent default.

Any civil action brought by any party under or pursuant to this Agreement shall be commenced and maintained in the Superior Court of Washington, Clallam County.

18. DISPUTE RESOLUTION

The parties to this Agreement shall resolve all disputes at the most relevant level. The Contractor shall bear responsibility for resolving any dispute that occurs between a client and the Contractor.

Differences between the Contractor and the County, arising under and by virtue of the contract documents shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. The records, orders, rulings, instructions, and decision of the County Contracts Manager shall be final and conclusive thirty (30) days from the date of mailing unless the Contractor mails or otherwise furnishes to the County Administrator a written notice of appeal. The notice of appeal shall include facts, law, and argument as to why the conclusions of the County Contracts Manager are in error.

In connection with any appeal under this clause, the Contractor and County shall have the opportunity to submit written materials and argument and to offer documentary evidence in support of the appeal. Oral argument and live testimony will not be permitted. The decision of the County Administrator for the determination of such appeals shall be final and conclusive. Reviews of the appellate determination shall be brought in the Superior Court of Clallam County within fifteen (15) days of mailing of the written appellate determination. Pending final decision of the dispute, the Contractor shall proceed diligently with the performance of this Agreement and in accordance with the decision rendered.

Notice of Potential Claims: The Contractor shall not be entitled to additional compensation or to extension of time for (1) any act or failure to act by the County Contracts Manager or the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.

Detailed Claim: The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

19. CLIENT RIGHTS

- A. Client eligibility will be determined in accordance with DSHS regulations for each modality.
- B. The Contractor shall develop policies which specify how clients will be informed of their right to a hearing in the case of:
 1. Denial or termination of service and/or
 2. Failure to act upon a request for services with reasonable promptness.
- C. The Contractor shall develop policies that provide that termination of this Agreement between the County and the Contractor shall not be grounds for a fair hearing for the client if:
 1. Similar services are immediately available in the County; or

2. The termination was the result of DSHS's termination of its funding contract with the County due to the withdrawal, reduction or limitation in any way of expected or actual funding.
- D. The Contractor shall develop policies which clearly state that the County and DSHS shall retain overall responsibility for the conduct of any hearing process or appeal for the client.

20. DATA SHARING ARRANGEMENT

The Contractor shall participate fully and completely in the DASA Management Information System (TARGET), or its successor, for all DASA-funded service recipients. To assure this capability, the Contractor must have a functional personal computer using a Windows operating system (NT Workstation 4.0, Windows 2000 Workstation, or Windows XP or above) that has a connection to the Internet. The Contractor must have at least one trained primary and one trained backup data operator who has a functional Universal Serial Bus (USB) token protected high security level digital certificate from the State of Washington Certification Authority (Digital Signature Trust) and registered for TARGET access. The Contractor shall implement procedures to ensure that since the digital certificate is issued to an individual staff member (not to an agency) there shall be no sharing of digital certificates, pass phrases or TARGET logon information. The Contractor will notify DASA, in writing, of staff who arrive or depart and need access to TARGET data. Computers that access TARGET are to be located in secure areas away from general public viewing and traffic. The Contractor must have access to the technical expertise necessary to keep these resources operational. A Contractor may enter into a Qualified Service Agreement with another organization to meet these contract-reporting requirements. Participation shall include the prompt and orderly submission of all required data, completed in the detail and submitted in the manner and timeframes prescribed by DASA, including timely discharge and closure methods. Generally, prompt submission means data will be entered by the tenth calendar day of the month following the month of service. Documentation of a pattern of failure to comply with this expectation may result in corrective action requirements and/or the withholding of funds.

- A. The Contractor shall submit the full set of TARGET information as determined by the current version of the TARGET data collection forms and as described in the current version of the TARGET Data Dictionary. The data will be submitted in a timely and accurate fashion.
- B. Data is to be submitted on a regular and consistent basis, with all service documented in the system within thirty days of the service delivery date. The expectation is that the data for a given month of service will be entered into the system by the tenth day of the month following.
- C. Security of Data:
 1. The Contractor shall not share digital certificates, user ID's or passwords between staff members or other workers.
 2. The Contractor shall ensure that there is at least one trained back-up data-entry worker at the service agency throughout the contract period.
 3. The Contractor shall take due care to protect said data from unauthorized physical and electronic access.
- D. Confidentiality and Nondisclosure:
 1. The Contractor may use Personal Information and other information or data gained by reason of this Agreement only for the purpose of this Agreement. The Contractor shall not disclose, transfer, or sell any TARGET information to any party, except as provided by law, or in the case of specific client information, with the prior written consent of the person to whom the information pertains. The Contractor shall maintain the confidentiality of all client information and other information gained by reason of this Agreement.

2. No information that identifies an individual client is to be shared with any other agency (county, state, federal or other) unless the request is specifically approved in writing by the client or the sharing meets one of the exceptions described in CFR42 Part 2.

E. Persons Having Access to Data:

Access to data shall be limited to staff whose duties specifically require access to such data in the performance of their assigned duties. Prior to making data available, the data recipient shall notify all staff with access to data of the use and disclosure requirements.

21. CLIENT RECORDS

The Contractor shall comply with all state and federal requirements regarding the confidentiality of client records including, but not limited to, the Federal Regulations for the Confidentiality of Alcohol and Drug Client Records, 42 CFR Part 2; and applicable provisions of the Health Insurance Portability and Accountability Act (HIPPA) of 1996, codified in 42 USC 1320(d) et.seq. and 45 CFR parts 160, 162, and 164. In addition:

- A. All fiscal and clinical records pertaining to services delivered under the terms of this Agreement shall be maintained for a minimum of six years after the discharge or transfer of the client. Records must be retained for two years in the event of client death.
- B. Documentation and records as specified by WAC 388-502 must be maintained to support the services and levels of service billed. The records and supportive material must be available to the County and to DASA upon written request. County monitoring visits and DASA reviews will be conducted to determine compliance with the rules and regulations of the program.

22. CONFIDENTIALITY

In addition to any other confidentiality requirements set forth above, the Contractor shall comply with the following provisions if it constitutes a "business associate" as that term is defined in 45 CFR §160.103, as now or hereafter amended.

- A. The Contractor is not authorized to use or further disclose "Protected Health Information" (PHI) as that phrase is defined in 45 CFR § 164.501, as now or hereafter amended, in a manner that would violate the requirements of 45 CFR § 165.504(e), as now or hereafter amended, except that:
 1. The Contractor may use and disclose PHI for the proper management and administration of the Contractor, as provided in paragraph 45 CFR § 164.504(e)(4); and
 2. The Contractor may provide data aggregation services relating to the health care operations of Clallam County.
- B. The Contractor will:
 1. Not use or further disclose Protected Health Information other than as permitted or required by this contract or as required by law;
 2. Use appropriate safeguards to prevent use or disclosure of the information other than as provided for by this Agreement;
 3. Report to Clallam County any use or disclosure of the information not provided for by this Agreement of which it becomes aware;
 4. Ensure that any agents, including a subcontractor, to whom it provides PHI received from, or created or received by the Contractor on behalf of Clallam County, agree to the same restrictions and conditions that apply to the Contractor with respect to such information;

5. Make available PHI in accordance with 45 CFR § 164.524;
 6. Make available PHI for amendment and incorporate any amendments to PHI in accordance with 45 CFR §164.526;
 7. Make available the information required to provide an accounting of disclosures in accordance with 45 CFR § 164.528;
 8. Make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the Contractor on behalf of Clallam County, available to the Secretary of DSHS for purposes of determining Clallam County's compliance with this subpart; and
 9. At termination of the contract, if feasible, return or destroy all PHI received from, or created or received by the Contractor on behalf of Clallam County that the Contractor still maintains in any form, and retain no copies of such information; or, if such return or destruction is not feasible, extend the protections of the contract to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.
- C. In addition to any other termination clause herein, this Agreement may be terminated by Clallam County if Clallam County determines that the Contractor has violated a material term of this provision.
- D. The Contractor may use the information it has received in its capacity as a business associate to Clallam County, if necessary:
1. For the proper management and administration of the Contractor; or
 2. To carry out the legal responsibilities of the Contractor.
- E. The Contractor may disclose the information it has received in its capacity as a business associate, if:
1. The disclosure is required by law; or
 2.
 - a. The Contractor obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person; and
 - b. The person notifies the Contractor of any instances of which it is aware in which the confidentiality of the information has been breached.

23. **INSURANCE**

The Contractor shall purchase and maintain such insurance as will provide protection from claims set forth below which may arise out of or result from Contractor's operations under this Agreement whether such operations be by the Contractor or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- A. Claims under Workers' Compensation, disability benefit and similar employee benefit acts which are applicable to the work to be performed.
- B. Claims for damages because of bodily injury, occupational sickness or disease, or death of employees under any applicable employer's liability law.
- C. Claims for damages because of bodily injury or death of any person other than employees.

- D. Claims for damages insured by usual personal injury liability coverage.
- E. Claims for damages because of injury to or destruction of tangible property, including loss of use therefrom.
- F. Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

The requirements of this section shall not limit the Contractor's responsibility to defend and/or indemnify under Section 16 of this Agreement.

1. COVERAGE FORMS

- a. With respect to Workers' Compensation insurance in the state of Washington, the Contractor shall secure its liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington. If the Contractor is qualified as a self-insurer in accordance with Chapter 51.14 of the Revised Code of Washington, the Contractor shall so certify by a letter signed by a corporate officer. Such letter shall set forth the limits of any excess insurance covering its employees.

With respect to the performance of this Agreement as to claims against the County, its officers, elected and appointed officials, employees, agents, and volunteers, the Contractor expressly waives its immunity under RCW, Title 51, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to defend, indemnify and hold harmless provided in this Agreement extend to any claim brought by or on behalf of any employee of the Contractor. The County, its officers, elected and appointed officials, employees, agents and volunteers shall be named as additional insureds. As with other provisions of this Agreement, this provision was mutually negotiated between the parties to this Agreement.

- b. General Liability insurance shall be written on an insurance industry standard Commercial General Liability Occurrence policy form, and shall provide insurance for bodily injury and property damage liability to include the following: premises and operations; blanket contractual liability insuring obligations assumed under this section; explosion, collapse and underground hazard perils; broad form property damage; and personal injury liability. In addition, the following coverage extensions shall also be included: Amendment of Contractual Liability for Personal Injury Liability, Per Project Aggregate limits, and Stop Gap Employers Liability.

The County, its officers, elected and appointed officials, employees, agents and volunteers shall be named as additional insureds with respect to work performed by or for Contractor on behalf of the County.

Contractor's General Liability insurance shall be primary with respect to the County, and any other insurance maintained by the County shall be excess and not be contributing insurance with Contractor's insurance.

Contractor shall maintain product and completed operations liability coverage for a period of at least thirty-six months following completion of Contractor's work.

- c. If automobiles are used in the rendering of services, auto liability insurance shall be written on an insurance industry standard Business Auto Liability policy form. Covered autos shall be designated as "Symbol 1" - Any Auto.

The County, its officers, elected and appointed officials, employees, agents and volunteers shall be named as additional insureds on the policy.

- d. Errors and Omissions liability insurance, providing coverage for claims for professional acts, errors or omissions arising out of services performed by Contractor, shall be written on a Professional Liability policy form appropriate to the Contractor's profession.

If such policy is written on a claims made form, the retroactive date shall be prior to or coincidental with the date of this Agreement. The policy shall state that coverage is provided on a claims made coverage basis, and shall also state the retroactive date. Contractor shall maintain Errors & Omissions Liability coverage for a period of thirty-six months following completion of Contractor's work, and Contractor shall annually provide the County with written proof of renewal. If renewal of claims made coverage becomes unavailable, or economically prohibitive, Contractor shall extend the then existing coverage under an Extended Reporting Period endorsement for a period of thirty-six months, or execute another form of guarantee acceptable to the County to assure financial responsibility of the Contractor.

- 2. Contractor's liability insurance, as required by subparagraphs above shall be written for not less than the following limits of liability:

- a. Workers' Compensation
Statutory Bodily Injury including Death by Accident or Disease
- b. Stop Gap Employers' Liability
\$1,000,000 Bodily Injury including Death by Accident - Each Accident
\$1,000,000 Bodily Injury including Death by Disease - Policy Limit
\$1,000,000 Bodily Injury including Death by Disease - Each Employee
- c. General Liability - Bodily Injury, Personal Injury & Property Damage
\$2,000,000 General Aggregate
\$2,000,000 Products and Completed Operations Aggregate
\$1,000,000 Personal Injury
\$1,000,000 Each Occurrence
- d. Automobile Liability
\$1,000,000 Bodily Injury including Death and Property Damage - Per Accident
- e. Professional Liability
\$ 2,000,000 Per Occurrence
\$ 2,000,000 Annual Aggregate

or

\$1,000,000 Per Occurrence
\$3,000,000 Annual Aggregate

- 3. Certificates of Insurance evidencing the above coverages that identify the County as an additional insured must be filed with the County prior to commencement of the work. Such certificates shall state that the County, its officers, elected and appointed officials, employees, agents and volunteers have been named as additional insureds on all the liability policy forms, and that the general liability policy provides primary coverage as respects the County and any other insurance maintained by the County shall be excess and not contributing insurance with Contractor's insurance. In addition, such certificates shall provide the County with 30 days prior written notice in case of cancellation or non-renewal, except 10 days for non-payment of premium.

Acceptance by the County of deficient evidence of insurance does not constitute a waiver of contract requirements as provided by the conditions of this contract Agreement.

24. BONDING

The Contractor agrees to maintain a fidelity bond in the amount of Twenty Thousand Dollars (\$20,000) which covers all individuals responsible for the administration of funds. Evidence of the fidelity bond shall be provided to the County within thirty (30) days of the date of this Agreement. The Contractor will inform the County in writing of any change in the bond and provide evidence of continuing bonding coverage within thirty (30) days of the change.

25. TRANSPORTATION

The Contractor shall assure provision of transportation to and from residential treatment located outside of the Contractor's county for all pregnant/postpartum/parenting women and youth clients in need of this transportation.

The Contractor is entitled to recover all costs of said transportation, PROVIDED, however, that the transportation has been provided in accordance with Transportation Policies published by DASA.

The Contractor shall arrange said transportation with the residential provider, who generally will provide the reimbursement for transportation costs.

All claims to the County for recovery of transportation costs not provided through Medicaid must be separately identified on the Contractor's monthly claim for reimbursement per this Agreement and include documentation as may be required by the County to substantiate the claims.

It shall be understood by all parties hereto that costs incurred and payments received pursuant to this section shall be separate from and exclusive of all other budgeted items and awards incorporated in this Agreement.

26. PRIORITY POPULATIONS: INDIGENT AND LOW-INCOME

- A. Admission priority shall be given to the following indigent populations in order to ensure use and expenditure of Treatment Expansion funds:
 - 1. SSI Clients
 - 2. GA-U and GAX Clients
 - 3. Other Medicaid Clients, including TANF.
- B. Financially-eligible indigent or low income youth ages 10 through 17.
- C. Financially-eligible indigent or low-income pregnant women must be provided comprehensive assessment services within 48 hours of referral, and treatment services no later than seven days after the assessment has been completed. Waiting List Interim Services must commence upon request for services when comprehensive services are not immediately available.
- D. The Contractor shall establish admission priorities for financially-eligible indigent or low-income injecting drug users (IDUs). The Contractor shall notify the County in writing if it falls below 90% of its capacity to admit IDUs into its program. The Contractor shall ensure chemical dependency assessment and treatment services shall be provided to IDUs no later than 14 days after the service has been requested by the individual. If the individual cannot be placed in treatment within 14 days, interim services must be made available to the individual.
- E. The Contractor shall provide financially-eligible indigent or low income parents (female or male) with dependent children comprehensive assessment and treatment services no later than 90 days after the service has been requested. Waiting List Interim Services must commence upon

request for services when comprehensive services are not immediately available. Dependent children are defined as children under age 18 living with the parent, or through age 20 if enrolled in school and financially supported by the parent. Parents include persons who are attempting to regain custody of their children under Children's Administration supervision. Parents also include postpartum women for up to one year post-delivery, regardless of birth outcome, adoption, or foster care placement of children.

- F. The Contractor must give outpatient admission priority to clients who are completing ADATSA residential treatment and are returning to the community for continuing services. In general, admission priority is to be granted to any clients who have completed DASA-funded residential treatment and have further outpatient treatment prescribed in their treatment plan.
- G. The Contractor shall establish admissions priorities for individuals infected with HIV/AIDS.
- H. Waiting List Interim Services must be reported in Target on the DSHS 04-419 form.

27. FEE REQUIREMENTS: LOW-INCOME CLIENTS

Low-Income Clients are defined as those individuals whose gross monthly household income falls below the monthly income as documented in the DASA Low Income Service Eligibility Table. All clients who qualify as Low-Income and are of a priority population as defined in Section 26 above are to receive priority admission status. Other low-income individuals who are not in a priority population may be eligible for DASA funding if the County has sufficient funds available, and if the services are authorized by the DASA County Coordinator. The County reserves the right to restrict funding for all low income populations if sufficient funds are not available to treat them.

Subcontractors are required to charge fees in accordance with the County-provided Sliding Fee Scale to all clients receiving assessment and treatment services who are identified as low-income. Low-income clients who are in a priority population as defined in Section 26 may be exempted from the fee requirement if it is determined that the imposition of a fee would preclude the client from entering or continuing treatment.

Waiting list Interim Services are exempted from the sliding fee requirement.

The minimum sliding fee per counseling visit is \$2.00. The maximum fee per service visit is the actual cost of the service provided.

28. ADATSA ASSESSMENTS

ADATSA assessments must be conducted within 30 working days of date of request. The ADATSA Assessment Center must notify the County Coordinator if clients cannot be seen within this timeframe. Clients must receive an assessment through the designated ADATSA assessment agency in order to receive funding for any form of treatment as an ADATSA client. The assessing agency is the responsible party for securing placement for the client after the assessment has been conducted.

29. CASE MANAGEMENT

DASA funds shall not be used to finance case management services for a client that is eligible for this service under any other DSHS funding source. DASA funds shall be the dollar of last resort for case management services.

DASA funding (Medicaid and low income) for case management is available for youth drug court clients only. Case management services for youth drug court low income clients can be provided by a chemical dependency professional (CDP), a CDP trainee, or any person under the clinical supervision of a CDP. Case management for youth drug court Medicaid clients can be provided by a CDP or CDP Trainee only.

30. URINALYSIS

The County provides low income funding for drug court urinalysis screens only. A positive screen must be confirmed if the client admits to use. The County supplies providers with the urinalysis testing standards and protocols issued by DASA.

31. INTEGRATED SCREENING AND ASSESSMENT

The Contractor must use the GAIN-SS screening tool provided by DASA for conducting an initial screen of all clients for the presence of chemical dependency, mental disorders, and co-occurring disorders as part of the assessment process, per RCW 70.96C.010.

The Gain-SS score obtained as part of the assessment process must be entered into TARGET.

The Contractor must conduct an integrated assessment for clients with a positive screen for the possibility of a co-occurring disorder.

The Contractor must document Quadrant Placement (as defined in the TARGET Data Dictionary, part Q-1 and 2) during the assessment process and again upon discharge into TARGET.

32. FEDERAL BLOCK GRANT FUNDING

Contractors receiving Federal Block Funds must comply with all requirements & restrictions related to federal block grants:

- A. Financially-eligible pregnant and parenting women in need of treatment or who are referred for treatment shall be given admission preference to treatment facilities receiving block grant funds.
- B. The Contractor shall inform the County how the Contractor will, directly or through arrangements with other entities, make available tuberculosis services as defined in the SAPT Block Grant and the WAC 388-805.
- C. Unallowable Uses of Federal Funds:
 1. Inpatient hospital services;
 2. Cash payments to department clients;
 3. The purchase or improvement of lands or buildings without written approval from DASA and the federal granting authority;
 4. The purchase of equipment with a cost of more than \$5,000 without written approval from DASA and the federal granting authority;
 5. Matching other Federal funds;
 6. The distribution of syringes (or bleach for cleaning syringes) for the injection of an illegal drug;
 7. Testing for the etiologic agent for Acquired Immune Deficiency Syndrome (AIDS);
 8. Services in a correctional setting, whether state or county or city or adult or juvenile;
 9. Lobbying activities or an attempt to influence the award of any Federal contract, grant, loan or cooperative agreement;
 10. Underage tobacco enforcement.

33. UNALLOWABLE TREATMENT EXCLUSIONS

- A. The Contractor shall ensure that treatment services are not denied to any financially-eligible individual solely on the basis of that individual's drug(s) of choice.
- B. The Contractor shall ensure that access to treatment services is not denied solely on the basis that a financially-eligible client is taking medically-prescribed medications.
- C. The Contractor shall ensure that access to treatment services is not denied solely on the basis that a financially-eligible client is using over the counter nicotine cessation medications or actively participating in a Nicotine Replacement Therapy regimen.

34. RESIDENCY REQUIREMENT PROHIBITED

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

35. SERVICES TO ETHNIC MINORITIES AND DIVERSE POPULATIONS

All services provided by the Contractor shall be designed and delivered in a manner sensitive to the needs of all ethnic minorities and other diverse populations. Contractor shall ensure access, retention, and cultural relevance of treatment to these populations.

36. REQUIREMENT OF SERVICES TO MEDICAID TITLE XIX ELIGIBLE CLIENTS

Contractors must screen all clients who are candidates for the funds under consideration for Medicaid eligibility, using the Title XIX financial eligibility screening processes. Those clients deemed potentially eligible for Title XIX funded services must be referred to the DSHS Community Services Office (CSO) to apply for financial assistance.

A. DESCRIPTION OF WORK

Contractors approved by the County to provide services to clients with Medicaid coverage shall deliver alcohol and drug treatment services to state priority populations (pregnant and parenting women, intravenous drug users, parenting adults, youth, and HIV positive individuals or other individuals as designated by the County). Contractors must:

- 1. Maintain a chemical dependency treatment Medicaid/Title XIX contract with DSHS.
- 2. Screen all potential clients for Title XIX eligibility using the Title XIX Financial Eligibility Screening processes. Eligibility for all clients shall be re-assessed on a monthly basis.
- 3. Refer those clients potentially eligible for Title XIX funded services to the appropriate DSHS Community Services Office (CSO) to apply for financial assistance.
- 4. Conduct all required procedures to become fully operational with the Provider One billing system.

B. FUNDING

- 1. The County shall designate county-specific set-aside funds to pay for TXIX treatment services provided by the Contractor.
- 2. Funds are accessed by the Contractor through the Health and Recovery Services Administration (HRSA) billing system. HRSA verifies eligibility of clients for services claimed, and will issue payment or deny the claim.

3. The County shall monitor the TXIX county specific funds and shall control expenditures drawn from the fund to assure availability through the term of the biennium.
4. The Contractor may be required to establish waiting lists for Title XIX eligible clients if the county set-aside fund is over-utilized.
5. Charging for services rendered to clients eligible for Title XIX services to non-Title XIX expenditures in this Agreement shall constitute an overpayment.
6. If a Contractor submits a claim to Title XIX which is denied due to ineligibility, the Contractor may seek low income reimbursement from the County, provided it is submitted within 45 days of receiving the denial. The Contractor must submit a copy of the Title XIX denial to the County.
7. No charges for services in a correctional setting, whether state, county, city, adult or juvenile may be billed.

37. ORDER OF PRECEDENCE

In case of conflict, or in the event of inconsistency in this Agreement, said conflict or inconsistency shall be resolved by giving precedence in the following order:

- A. Applicable Federal and State Statutes and Regulations;
- B. The DSHS Basic Agreement;
- C. The Terms of the Conditions of this Agreement;
- D. Any other provisions of this Agreement incorporated by reference.

38. SEVERABILITY

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not effect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this Agreement are declared severable.

39. SURVIVAL

Without being exclusive, Sections 16, 17, 18 and 38 above shall survive any re-negotiation, termination, expiration, or determination of invalidity of this Agreement in whole or in part. Any other Sections of this Agreement which, by their sense and context, are intended to survive shall also survive.

SPECIAL TERMS AND CONDITIONS

1. DEFINITIONS

The words and phrases listed below, as used in the Agreement, shall each have the following definitions:

- A. **Provider Agreement/Interlocal Agreement/Agreement** means the contract between Clallam County Department of Health and Human Services and the Contractor, and includes the Special Terms and Conditions, General Terms and Conditions, and any other documents attached or incorporated by reference.
- B. **Contractor** means the entity performing services pursuant to the Agreement and includes the Contractor's officers, employees and/or agents. For purposes of any permitted Subcontract, **Contractor** includes any Subcontractor and its owners, members, officers, directors, partners, employees, and/or agents.
- C. **County** means Clallam County and its appointed and/or elected officials, officers, employees and/or authorized agents.
- D. **DSHS** means the Department of Social and Health Services of the State of Washington and its employees and authorized agents.
- E. **DASA** means the Division of Alcohol and Substance Abuse and its employees and authorized agents.
- F. **Client** or **Patient** shall mean any individual applying for or receiving services under this Agreement.
- G. **Subcontract** means a separate Agreement or Contract between the Contractor and an individual or entity (Subcontractor) to perform all or a portion of the duties and obligations which the Contractor is obligated to perform pursuant to the Agreement.
- H. **RCW** means the Revised Code of Washington. All references in the Agreement to RCW chapters or sections shall include any successor, amended, or replacement regulation.
- I. **WAC** means the Washington Administrative Code. All references in the Agreement to WAC chapters or sections shall include any successor, amended, or replacement regulation.

2. TERM OF AGREEMENT

Contractor will offer chemical dependency treatment services for individuals and their families March 14, 2008 through June 30, 2009.

3. SERVICE DESCRIPTION

Contractor shall provide services and programs in compliance with WAC 388-805, RCW 70.96A. 120-140, and the BARS Manual as now or hereafter amended.

4. PROGRAM FUNDING

Contractor program funds shall be administered in compliance with the DSHS, DASA BARS fiscal guidelines. Total maximum consideration represented in this Agreement for the service descriptions set forth above shall be \$1,000. For planning purposes, the allocation of this amount shall initially be as set forth in the allocation sheets attached hereto and incorporated herein by reference. However, the County

contract officer may, at his or her sole discretion, reallocate funds from one service modality to another based upon the contract officer's assessment of need for the specified service modalities. While the contract officer has the retained authority to reallocate funds from one modality to another notwithstanding the initial allocations set forth on the attached allocation sheets, nothing herein shall be construed to permit a total allocation from the County to the Contractor in an amount greater than that set forth above. In order to increase the total maximum consideration set forth above, a contract amendment between the County and the Contractor shall be executed in writing by those having authority to bind both the County and the Contractor.

Contractor shall match and account for services valued at no less than twelve percent (12%) of the contracted funds.

Distribution of the allocated funds shall be on a fee for service basis according to the rates set forth in the designated Alcohol and Drug Treatment Outpatient Service Reimbursement Schedule or the rate established with the County for that service.

The Contractor is responsible for ensuring that funding used is proportionate to the granting period, e.g., one year of funding is expected to be spent at approximately 1/12 of the total funds per month.

5. PAYMENT, BILLING AND REPORTS

All persons applying for services supported by DASA funds are to be screened for financial eligibility. Written documentation regarding clients' continued financial eligibility is to be conducted no less than once each month. Evidence of each financial screening shall be documented in individual client records.

All clients will be screened for financial eligibility for Title XIX on a monthly basis. Charging for services rendered to clients eligible for Title XIX services to non-Title XIX expenditures in this Agreement shall constitute an overpayment.

For clients on Medicaid, evidence of denied claims must be submitted when requesting low income funds due to denials.

TARGET summary service reports shall be submitted to Clallam County by the 15th day of the following month for all County and Title XIX billings. TARGET data is to be entered for DASA by the 10th calendar day of the month following the month of service.

Contractors are to bill for services no later than 45 days after said services have been rendered. Any exceptions (e.g. Title XIX denials) must be submitted to the County with full background documentation and minus client names. The County specifically must approve any exceptions to the 45-day requirement prior to granting reimbursement.

Sole source funding: All DASA-reimbursed services provided to an individual client must be funded from one source of funds. The funding designated in the TARGET 2000 system defines the source of funds to be used to fund the services provided.

Contractors with Core Provider Agreements with DSHS must submit Title XIX billings to the Washington State Department of Social and Health Services, Medical Assistance Administration no later than the 15th of the month following the month in which such expenses were incurred.

Contractor will submit monthly invoices for payment of non-Title XIX services provided under this Agreement to: CLALLAM COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES, 223 East 4th Street, Suite 14, Port Angeles, WA 98362 by the 15th day of the month following the month the service was provided.

Documentation of a pattern of failure to comply with billing and reporting obligations outlined above may result in corrective action requirements and/or the withholding of funds.

**PROVIDER ALLOCATION
FY 2008**

Jamestown S'Klallam Chemical Dependency Center

TOTAL: \$ 1,000