

SERVICE CONTRACT

Between

ST. CLAIR COUNTY COMMUNITY MENTAL HEALTH AUTHORITY

And

LAPEER COUNTY COMMUNITY MENTAL HEALTH

FY2021

October 1, 2020 through September 30, 2021

Regarding:

Administrative Services Organization (ASO)

&

Software

(Services to be Provided)

This Contract is made by and between **the ST. CLAIR COUNTY COMMUNITY MENTAL HEALTH AUTHORITY** (hereinafter called "**St. Clair CMH**"), and **LAPEER COUNTY COMMUNITY MENTAL HEALTH** (hereinafter called "**CMH**").

The term of this Agreement shall be from **October 1, 2020 through September 30, 2021**. In the event a new Contract or Contract Amendment is not signed by the expiration date of this Agreement, all the terms, conditions, and funding levels contained herein shall remain in effect automatically until a new Contract or Contract Amendment is entered into or termination occurs, as provided pursuant to the termination provisions.

This Contract is entered into under the authority granted by Act 258 Public Acts of 1974, as amended, and in accordance with the Rules and Regulations of the Michigan Department of Health and Human Services (MDHHS).

It is expressly understood and agreed that the CMH is an independent Contractor at all times and for all purposes hereunder. The officers, agents, employees, and representatives of the CMH shall in no way be deemed to be and shall not hold themselves out as employees, servants, or agents of St. Clair CMH and shall not be entitled to any fringe benefits of St. Clair CMH such as, but not limited to, health and accident insurance, life insurance, professional liability insurance, paid vacation or sick leave, or longevity. The CMH shall be responsible for paying all salaries, wages, and other compensation which may be due its officers, agents, employees, or servants for performing services under this Agreement and for the withholding and payment of all applicable taxes, including, but not limited to, income and Social Security taxes to the proper Federal, State, and local governments. St. Clair CMH shall not be responsible for providing the CMH or its officers, agents, employees, or servants with workers' compensation coverage or unemployment insurance coverage.

The CMH shall demonstrate it has the administrative capacity and organizational structure to support a high quality, comprehensive managed care program.

CONTRACT PROVISIONS

1.0 SERVICES:

- 1.1 St. Clair CMH agrees to provide those services to the CMH as agreed upon and in accordance with the *Services Description*, Attachments A1.
- 1.2 All services shall be provided in a manner that conforms to standards in the industry.

- 1.3 The CMH has final decision-making and overall governing responsibility for this Contract. St. Clair CMH is responsible for the day-to-day management to make this Contract operational.
- 1.4 Both parties agree that they and their staff shall work cooperatively and shall meet together as necessary for the purpose of program planning, coordination and service delivery in order to implement the terms and conditions of this Contract.
- 1.5 Both parties agree to provide and facilitate ready access of information for referral of consumer and for transmittal of information as required to assure continuity of services to the consumer.

2.0 REIMBURSEMENT/BUDGET:

- 2.1 CMH agrees to reimburse St. Clair CMH in accordance with timeframes specified in Attachments B1 and B2 (*Budget Detail*).

3.0 POLICY MANDATES:

- 3.1 The parties agree to follow the previously established policies that impact the entire region. Specifically, the CMH agrees to follow the OASIS Policy on E-Prescribing (#08-003-0030). The parties may, from time to time, review and update policies. To access CMH policies:
 - <http://www.scccmh.org/>
 - Click on “Provider Login” tab
 - Click on “Policy Index”

NOTE: A user name and password is no longer required to access the Policy Index.

- 3.2 CMH will participate with St. Clair CMH in a review of both parties’ compliance with this Contract and standard reviews as applicable.
- 3.3 Both parties will be in compliance with the Mental Health Code, MDHHS Administrative Rules, and MDHHS Managed Care Contract, as applicable to each entity.
- 3.4 The parties agree that all customer information maintained by the parties and/or reviewed or shared with the parties shall be deemed confidential, as the term confidential is defined by applicable law, MDHHS Rule or Regulation or any other applicable law, rule or regulation. All customer information submitted to and maintained by the parties shall be deemed confidential, as the term

confidential is defined by applicable law, MDHHS Rule or Regulation or any other applicable law, rule or regulation.

4.0 STANDARD PROVISIONS:

4.1 The parties will be in compliance with all applicable federal, state, and local laws, including those provisions prohibiting discrimination on the basis of age, religion, race, color, national origin, sex, or other criteria protected by the law, and all applicable labor laws. Such laws/acts include but are not limited to: Rehabilitation Act of 1973 (29 USC sec. 794), Americans with Disabilities Act of 1990, Fair Housing Act Amendments of 1988, Michigan Handicapper Civil Rights Act of 1990, Education for all Handicapped Children Act of 1972, Michigan Mandatory Special Education Act, Whistle Blower's Act of 1980. Breach of this covenant may be regarded as a material breach of the Contract and cause for termination.

4.2 All liability, loss or damage as a result of claims, demands, costs or judgment arising out of activities to be carried out pursuant to the obligations of CMH under this Contract shall be the responsibility of CMH, and not the responsibility of St. Clair CMH, if the liability, loss or damages caused by, or arises out of, the actions or failure to act on the part of any CMH customer, employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity CMH or employees have as provided by statute or modified by court decisions. CMH agrees to save harmless and indemnify St. Clair CMH from and against all loss, liability, or expense that may be incurred by reason of any claim arising out of or in connection with CMH's work.

All liability, loss or damage as a result of claims, demands, costs or judgment arising out of activities to be carried out pursuant to the obligations of St. Clair CMH under this Contract shall be the responsibility of St. Clair CMH, and not the responsibility of the CMH, if the liability, loss or damages caused by, or arises out of, the actions or failure to act on the part of any St. Clair CMH customer, employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity for St. Clair CMH or employees have as provided by statute or modified by court decisions. St. Clair CMH agrees to save harmless and indemnify the CMH from and against all loss, liability, or expense that may be incurred by reason of any claim arising out of or in connection with St. Clair CMH's work.

4.3 In the event that circumstances occur which substantially reduce or otherwise interfere with the parties' ability to perform their respective obligations under the Contract, immediate notification to the other party is required. A meeting shall be

convened as soon as possible in order to determine the immediate course of action and possible resolution of the situation.

- 4.4 The Contract and its referenced Attachments are intended by the parties to constitute the entire and integrated understanding between them. No oral Amendments can be made to this Contract. Additional service may be added to the Contract through the development of an additional Contract Attachment, as signed by both parties and affixed hereto.
- 4.5 Contract performance evaluations may be conducted by either party's personnel/designees on Contract related services only.
- 4.6 Both parties affirm that no principal, representative, agent or employee of the parties or anyone acting on behalf of or legally capable of acting on behalf of the parties shall engage in activities which are incompatible or in conflict with the discharge of their duties and responsibilities under the Contract. At the discretion of either party, breach of this covenant may be regarded as a material breach of the Contract and cause for termination.
- 4.7 Neither this Agreement nor any part of it shall be assigned or Sub-Contracted without the mutual prior written consent of both parties.
- 4.8 An action for breach of this Contract cannot be brought more than six (6) years after the occurrence of the cause of action.
- 4.9 This Agreement shall be governed by and enforced in accordance with the laws of the State of Michigan.
- 4.10 If any provision of this Contract is deemed to be invalid or unenforceable by a Court this Contract shall be considered divisible as to such provision and such provisions shall be inoperative. The remaining provisions of this Contract, however, shall be valid and binding and of like effects as though such provisions were not included herein.
- 4.11 The waiver of either party of any breach or breaches of any provision of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach of any provision of this Agreement.

5.0 CONTRACT SPECIFIC:

- 5.1 Both parties shall ensure that any staff providing services under this Contract have the technical and administrative competencies necessary to meet the terms and conditions of this Contract.

- 5.2 Both parties agree to keep such licensure and certifications for appropriate employees current in CMH personnel files.
- 5.3 Both parties agree to notify the other immediately of:
1. any action or proceeding against either party with respect to licenses or any change in certification or accreditation by any association or professional organization;
 2. any legal action filed or threatened against either party in connection with services rendered to a consumer under this Agreement;
 3. any adverse judgments (whether or not involving a customer) against either party arising out of either party's service activities under this Agreement (whether or not involving incidents prior to the term of this Agreement); and
 4. the occurrence of any event that could result in termination under section 6.0.
- 5.4 Any correspondence, reports or other communication necessary to the implementation or performance of this Contract is to be directed as follows:

To St. Clair CMH: ST. CLAIR COUNTY CMH
ATTENTION: Contract Manager
3111 Electric Avenue, Port Huron, MI 48060

To CMH: LAPEER COUNTY CMH
ATTENTION: Executive Director
1570 Suncrest Drive
Lapeer, MI 48446

- 5.5 That Attachments to this Agreement by reference herein and attached hereto are incorporated into this Agreement and do not require individual signatures.

Attachment A1 Services Description
Attachment B1 Budget Detail: Non-Medicaid
Attachment B2 Budget Detail: Software

- 5.6 This Agreement shall be binding upon the parties and their respective successors and assigns.

6.0 TERMINATION:

- 6.1 Upon termination of Contract, CMH agrees to give St. Clair CMH any specific records or equipment it has in its possession that are the property of St. Clair CMH. Likewise St. Clair CMH forwards any property that is the property of the CMH.

6.2 This Contract may be terminated at the discretion of either party with written notification to the other for any of the following reasons:

1. Reduction in funding
2. Material breach of the Contract
3. The party determines or has reason to believe that the health, safety, and welfare of a customer is jeopardized by continuation of Agreement
4. The party commits any fraud or misrepresentation relating to the services performed under this Contract
5. End of the term of the Contract
6. Advance written notice of 60 days

6.3 In the event a new Contract or Contract Amendment is not signed by the expiration date of this Agreement the terms, conditions and funding levels contained herein shall remain in effect automatically until a new Contract or Contract Amendment is entered into or termination occurs, as provided pursuant to the termination provisions set forth herein.

6.4 Upon termination of this Agreement for any reason, St. Clair CMH shall assist CMH in effecting an orderly takeover of the processing of claims and related data so as to prevent disruption of CMH's operations. Specifically, all data shall be transferred, in a form acceptable to CMH, to CMH's computers. Such assistance shall be rendered in a manner consistent with usual and customary industry practice and with applicable vendor Contracts between St. Clair CMH and any third party.

7.0 OWNERSHIP OF RECORDS AND ACCESS TO RECORDS:

7.1 Ownership of and Access to Records

7.1.1 All records relating to the operation of CMH, including but not limited to, all books of account, eligibility records and general administrative records, shall be and remain the sole property of CMH, provided however, that St. Clair CMH may obtain copies of such records at its own expense. In addition, all reports generated by St. Clair CMH pertaining to CMH shall also be and remain the property of CMH.

7.1.2 Copies of records related to this Contract shall be available for inspection by authorized representatives of CMH and authorized representatives of the state.

- 7.2. Confidentiality of Records. St. Clair CMH shall protect the confidentiality of the records of CMH and shall to the extent of its authority and responsibility hereunder comply in all material respects with all applicable laws and regulations relating to the records of CMH. In this connection, medical records and other privileged Member information will not be disclosed by St. Clair CMH without customer consent except when required for the completion of quality assurance activities or pursuant to law, regulations or court order.
- 7.3 Computer Programs. Except as otherwise expressly agreed by the parties or provided herein, all computer programs and computer software developed or utilized by St. Clair CMH or its affiliates shall remain the property of St. Clair CMH or its affiliates, and CMH shall not use, or have any rights to, such programs and software unless St. Clair CMH agrees in writing that CMH will have a license thereto on terms specified therein; provided, however, that any computer software developed by St. Clair CMH solely for CMH or purchased on behalf of CMH, the costs of which are identified as Development Costs or otherwise specifically paid by CMH, and which is a stand-alone system and not derived from, or subject to third party license or other rights, shall be licensed or otherwise transferred or assigned by St. Clair CMH to CMH on a royalty-free basis.
- 7.4 Proprietary Information. Each party acknowledges that the other, in performing its obligations hereunder, may by necessity divulge to and provide the other with confidential and proprietary plans, health services programs, formulae, methods and other products and information (“Proprietary Material”) relating to its Business services and activities, including Proprietary Material developed solely for CMH in the course of providing services to CMH pursuant to this Agreement. Each party agrees that during the term of the Agreement and thereafter, it shall maintain the confidentiality of the other’s Proprietary Material and shall not use, divulge, furnish or make accessible such proprietary material to any third party other than as strictly necessary in the furtherance of CMH’s and St. Clair CMH’s business and operations. This provision shall only apply to information which is clearly marked or otherwise identified as “Proprietary” at the time of disclosure.

8.0 DISPUTE RESOLUTION

- 8.1 Dispute Resolution. Except as otherwise stated herein, any non-clinical dispute arising between the parties shall be subject to the dispute resolution that follows.
- 8.1.1 Dispute Resolution. Upon written notice received from one party alleging a dispute as to any duty or obligation pursuant to this Agreement, or

applicable federal or state law, due to acts or omissions of the other party, the recipient party, within five (5) business days of receipt of the notice shall meet, or arrange a meeting, with the other party, to resolve the dispute. In the event the parties cannot resolve the dispute at the initial meeting, the party providing notice of the dispute initially, in its sole discretion, may request additional meetings to address resolution of the dispute or may elect to use a third-party mediation process.

In any event, if additional meetings are held and no resolution of the dispute is reached within thirty (30) calendar days from initial meeting, the initiating party may elect mediation with a third party. If resolution of the dispute occurs, the parties shall reduce such resolution to writing or amend the Agreement to include the resolution.

8.1.2 Third-Party Mediation. In the event the initiating party chooses third-party mediation as the process for dispute resolution, the parties shall agree upon the third party conducting the mediation. Such person shall possess the qualifications, education, and experience, in the reasonable judgement of both parties, to address and resolve the subject matter of the dispute. Any independent statements made by either party during the mediation process shall be considered as part of a settlement offer and shall not be admitted in any arbitration proceeding or court litigation. The costs of the mediation, exclusive of each party's costs of legal counsel, shall be shared equally.

St. Clair County CMH Board Representative

Lapeer County CMH Representative

Date: _____

Date: _____

SERVICES DESCRIPTION

~ *Administrative Services Organization (ASO)* ~

ADMINISTRATIVE SERVICES

The Administrative Services noted in this Attachment are the services to be purchased by the Lapeer CMH from the St. Clair County Community Mental Health Authority (hereinafter referred to as "St. Clair CMH").

The ASO services delineated in this Attachment are specific Administrative requirements to effectuate administrative efficiencies. This Agreement specifies those specific ASO services that the Lapeer CMH (hereinafter referred to as the "CMH") agrees to have St. Clair CMH perform on its behalf. In turn, St. Clair CMH agrees to provide these services to the performance expectations of the CMH. The CMH, from time to time, may purchase additional administrative service support, separate from the budget detail costs identified in both Attachments B1 and B2, from St. Clair CMH. When this occurs, St. Clair CMH staff will document their time and St. Clair CMH will invoice the CMH for its actual costs for the respective staff's time.

All ASO services performed by St. Clair CMH are subject to the terms and conditions of the ASO Contract. The agreed upon administrative services to be provided by St. Clair CMH are as follows:

I. ACCESS SERVICES

Access to services is managed through the Region 10 PIHP Access Center, however after-hours coverage is provided by Behavioral Health Response (BHR) which contracts with St. Clair CMH to provide after-hours coverage for St. Clair, Sanilac and Lapeer CMHs.

1. An Access Center that operates through a Sub-Contract for after-hours coverage that is staffed by Master's level behavioral healthcare professionals for non-emergency phone calls, as well as for immediate response to emergency and urgent phone calls from 4:30 pm to 8:00 am (ET), M - F and 24 hours a day on weekends and holidays.

II. HEALTH INFORMATION SYSTEM DATA MANAGEMENT SUPPORT

To avoid unnecessary software purchases, the CMH desires to purchase certain *Health Information System* (HIS) services from St. Clair CMH. In order for these desired ASO services to be provided, St. Clair CMH must ensure that they maintain a centralized chosen HIS that meets the requirements of the MDHHS / PIHP Contract. HIS capacities are necessary for at least the following areas:

- ▶ Maintenance of customer Electronic Health Record (EHR) (OASIS)
- ▶ Individual screening and demographic information

- ▶ Level II continued stay authorizations
- ▶ Tracking and analyzing services by population group and special need categories

In maintaining and programming OASIS, operationally it will be capable to perform the following operations / functions:

- ▶ Customer EHR
- ▶ Access for Crisis services – screening and authorizations
- ▶ Customer services
- ▶ Recipient rights incident reporting & MDHHS reporting
- ▶ Medical health services including e-prescribing (certified care management system for meaningful use requirements)
- ▶ Provider management
- ▶ Financial: Claims, insurance billing, reports, etc.

St. Clair CMH Data Management staff are available to provide:

- ▶ General data support
- ▶ Help desk operations
- ▶ Liaison to PCE (vendor providing the HIS OASIS system)
- ▶ OASIS Data Management Committee

St. Clair CMH shall maintain a capability to produce the customized reports necessary to meet the operational and management needs of the ASO operation. St. Clair CMH's system shall include claims, customer eligibility and Provider data to permit the production of financial and Utilization Management reports for the CMH.

St. Clair CMH will ensure that PCE and any additional vendors, as appropriate, conform to the industry's best practices to provide annual maintenance for its communication hardware and computer network administrator services.

The CMH will be responsible to comply with all of the HIPAA security standards according to federal guidelines and ensure that any of their Sub-Contractors are in compliance as well.

III. SOFTWARE

St. Clair CMH will take lead purchasing the software on behalf of the CMHs that provides for the necessary software and ongoing maintenance for each of the CMHs.

The software services the CMH is purchasing from St. Clair CMH, via this ASO Contract, specifically include:

- ▶ *PCE – OASIS* (Electronic Case Record, Claims Billing & Encounter reporting)
- ▶ *Multi-Health Systems - CAFAS* (Children's Functional Assessments through Web Services)
- ▶ *Deerfield Behavioral Health: LOCUS* Assessment

ASO CONTRACT

BUDGET DETAIL: Non-Medicaid

AGENCY: LAPEER COUNTY COMMUNITY MENTAL HEALTH

CURRENT CONTRACT EFFECTIVE DATE: 10/1/20 – 9/30/21

DESCRIPTION OF SERVICES:

The period of FY2021 (October 1, 2020 through September 30, 2021) budget for St. Clair CMH shared costs is \$287,196. Of this amount, \$246,799 is reimbursable by Medicaid funds for the provision of required administrative and program management services to the Medicaid target population. The remaining balance of \$40,397 is to be reimbursed by funds generated through ASO purchase of Service Contracts with the member CMH's for St. Clair CMH's provision of Administrative and Management Services to the General Fund (GF) target populations on behalf of the CMHs.

Lapeer County Community Mental Health's charge for these ASO services is \$11,237. This amount is the portion of the total non-Medicaid expense for St. Clair CMH shared costs for which Lapeer CMH's percent was calculated based upon Lapeer CMH's ratio of GF revenue to the total GF revenue for all member CMHs.

LAPEER COUNTY CMH COSTS	\$11,237
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This amount is to be paid in four (4) equal installments as follows:

Due October 1, 2020	\$2,809
Due January 1, 2021	\$2,809
Due April 1, 2021	\$2,809
Due July 1, 2021	\$2,810

ASO CONTRACT

BUDGET DETAIL: Software

AGENCY: LAPEER COUNTY COMMUNITY MENTAL HEALTH

CURRENT CONTRACT EFFECTIVE DATE: 10/1/20 – 9/30/21

DESCRIPTION OF SERVICES:

St. Clair CMH will purchase and maintain software and renew licenses as needed to conduct claims reporting, maintain electronic case record, provide ongoing staff training and perform human resource functions. Lapeer County Community Mental Health will reimburse St. Clair CMH accordingly.

Lapeer County Community Mental Health's total period of FY2021 (October 1, 2020 through September 30, 2021) charge for software, software maintenance and licenses is \$105,587.

This amount is to be paid in four (4) equal installments as follows:

Due October 1, 2020	\$26,397
Due January 1, 2021	\$26,397
Due April 1, 2021	\$26,397
Due July 1, 2021	\$26,396

FY2021 - ASO Expenses (IT)

	Vendor	Description	Allocation Method	Term	Total Cost	Lapeer %	Lapeer Amount	Quarterly Payment
4	PCE-OASIS	Electronic Case Record, Claims Billing and Encounter Reporting Software	Three yr. contract renewed with PCE 9/30/20 at \$435,840 per year (\$12,000 of this paid by Region 10 for data transfers / invoiced directly to them). Remaining Balance of \$423,840 per year is split based on a per person served fee (Expires 9-30-21)	3 years	\$423,840.00	23%	\$97,767.57	\$24,441.89
4.1	PCE-OASIS	E-prescribing module (for controlled substance)	FY2018 - Contracted for PCE to provide functionality; \$1500/month with SC,SAN and LAP each paying \$500/month	3 years (addendum to master contract)	\$18,000.00	33%	\$6,000.00	\$1,500.00
5	Multi-Health Systems (CAFAS)	Functional Assessment (Children's) web service - data transfer to/from OASIS	Signed invoice to renew through 5/12/21 = \$1497 (\$499 per CMH)	annual	\$1,497.00	33%	\$499.00	\$124.75
6	Deerfield Behavioral Health (LOCUS)	Linked with OASIS; assessment completed at intake to determine level of service	On-going usage fee 5,400/year (quarterly payments of 1,350) (SC (107 licenses) - \$750; LAP (38 licenses) - \$330, SAN (28 licenses) - \$270) Contract has been extended. Amendment #5 signed 2-18-20 to extend agreement to 3-6-21	annual	\$5,400.00	n/a	\$1,320.00	\$330.00

\$448,737.00

Subtotal

\$105,586.57

\$26,396.64

\$8,798.88 monthly

Based on Number of Individuals Served for FY 20:			
	SC	4104	53%
	LAP	2340	30%
	SAN	1270	16%
	Total:	7714	100%
Provided by Michelle Measel-Morris			