


<b>Substance Use Disorders Division</b>	<b>Attachment B – Provider Services</b>	 <b>LAKESHORE REGIONAL ENTITY</b> <small>CHANGING THE WAY LIVES ARE CHANGED</small>
<b>Effective 10/1/16 Revised:</b>	<b>PREVENTION SERVICES</b>	<b>Page 1 of 1</b>

**Public Health Muskegon County**

This agreement effective 10/1/16 made by and between Lakeshore Regional Entity and Public Health Muskegon County, as Provider, is for the following service:

**Substance Use Disorder Division**

**Prevention Services**

Responsibilities include:

- o Implementing the No Cigs For Our Kids Plan as outlined by the LRP protocol (attached), and serve as the county DYTUR (Designated Youth Tobacco use Representative)
- o Implementing Parenting Initiatives
- o Implementing the Rx Misuse and Diversion Project
- o Implementing the Childbearing and ATOD use Program(s)
- o Implementing Alcohol Retailer Education
- o Conducting and coordinating collaborative groups (including limited time to conduct Mental Health First Aid Trainings)

All of the above Prevention Services will be detailed out and pre-approved by LRP Prevention staff through the Annual Action Plan, Evaluation/Monitoring charts, and project narratives.

Budget:

- \$5,000 No Cigs for Our Kids/Tobacco Program
- \$1,000 Law enforcement for tobacco checks No Cigs for Our Kids
- \$408,917 Parenting, collaborative groups, ATOD prevention efforts

**Total Allocation: \$414,917**

Financial Agreement:

- o Provider will bill monthly by FSR (Financial Status Report) for the actual service delivered via the approved plan. The FSR will need to be submitted both electronically, by email or on disk, and the original signed FSR mailed. Please email the FSR to the Chief Financial Officer ([jeffl@lsre.org](mailto:jeffl@lsre.org)), Accountant ([maxinec@lsre.org](mailto:maxinec@lsre.org)) and prevention coordinator ([stephaniev@lsre.org](mailto:stephaniev@lsre.org)).
- o Claims must be submitted monthly for prior month actual expenditures no later than the 10<sup>th</sup> of every month unless the 10<sup>th</sup> is not a business day; in that case, the FSR is due by the close of business on the next business day.
- o Fiscal year payments are contingent upon and subject to the LRE receiving MDHHS prevention funds.

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The above service is contracted for the period of **10/1/16 through 9/30/17.**

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# LAKESHORE REGIONAL ENTITY

CHANGING THE WAY LIVES ARE CHANGED

## PREVENTION AGREEMENT BETWEEN

LAKESHORE REGIONAL ENTITY  
AND  
(Public Health Muskegon County)

**EFFECTIVE DATES: October 1, 2016 through September 30, 2017**

This Agreement is made by and between Lakeshore Regional Entity, a Michigan Prepaid Inpatient Health Plan Administrator (hereinafter called "Lakeshore Regional Entity") and Public Health Muskegon County, (hereinafter called "Provider").

### SECTION ONE GENERAL PROVISIONS

#### 1.1 Purpose

Lakeshore Regional Entity (LRE) hereby contracts to purchase **PREVENTION SERVICES** from Provider for clients of Lakeshore Regional Entity. A client of Lakeshore Regional Entity is defined as a person who receives, or is eligible to receive, a Lakeshore Regional Entity subsidy, or who is eligible for Medicaid services under the Mental Health/Substance Abuse section of the Michigan Department of Health and Human Services Medicaid Provider Manual, or who is enrolled in the MICHild Program. A client of Lakeshore Regional Entity must be a resident of one its regional counties (Allegan, Kent, Lake, Mason, Muskegon, Oceana, and Ottawa).

1.1.1 This Agreement is entered into for substance use disorder services under the authority granted by 1978 PA 368, as amended. Provisions of those Acts, all rules promulgated and adopted under those Acts and applicable state and federal laws and administrative rules shall govern the expenditure of funds and provision of services. This Agreement is entered into for services under the authority granted by the Michigan Department of Health and Human Services (hereinafter MDHHS) contracts with Lakeshore Regional Entity.

1.1.2 When providing services pursuant to this contract, Provider shall abide by the Provisions and requirements of services as set forth in Michigan Medicaid Provider Manual and/or Public Health Code and Annual Plan for Substance Use Disorder services.

**1.1.3** Lakeshore Regional Entity agrees to provide payment to Provider for the purchase of authorized substance use disorder services that are considered medically necessary as guided by the Medical Necessity Criteria found in the contract between Lakeshore Regional Entity and MDHHS. Conditions for payment are described in the Lakeshore Regional Entity Service Specifications which are considered to be part of this Agreement. Lakeshore Regional Entity payment of funds for purposes of this contract is subject to and conditioned upon the receipt of funds for such purposes, those being federal, state and/or local funds.

**1.1.4** Funds paid to Provider for the purchase of authorized mental health and/or substance use disorder services come from a variety of sources including Medicaid and federal, state and local sources, and as such, are subject to the rules, regulations, and laws of Medicaid and other federal, state and local funding sources.

## **1.2 Period of Agreement**

This Agreement shall be in effect from **October 1, 2016 through September 30, 2017**, unless otherwise stated in **Attachment B**, or amended or terminated according to the provisions in this Agreement for amendment or termination.

## **1.3 Statement of Work**

The Provider agrees to undertake, perform and complete the services described in **Attachment B** and the Provider Manual and/or applicable Policies that are hereby made a part of this Agreement through reference.

## **1.4 Method of Payment**

The payment procedures shall be followed as described in **Attachment E** that is hereby made a part of this Agreement through reference.

## **1.5 Termination of Agreement**

**1.5.1 Funding Contingency:** This contract obligation is contingent upon the availability of sufficient MDHHS funding. In the event that the LRE determines that it must reduce funding to the Provider, the LRE shall give immediate notice to Provider if it reduces or otherwise interferes with the ability of Provider to provide or maintain services or operational procedures for its service area. In such an event either party may terminate this contract, a service(s), or program(s) as provided in this section or as otherwise mutually agreed to by the parties.

**1.5.2** This Agreement may be terminated by either party with or without cause upon thirty (30) days written notice. Provider shall be available to provide services to clients of Lakeshore Regional Entity for a period of not less than 30 days from the date of the notice of termination issued by either party. During this 30-day period, Lakeshore Regional Entity and Provider will develop a management plan to assure uninterrupted service to clients. During the transfer period, Provider will be held to and be reimbursed according to the terms of this Agreement. No costs may be incurred by Provider beyond the 30-day period following the notice of termination unless both parties agree in writing.

## **1.6 Amendment of Agreement**

The provisions of this Agreement may not be varied or modified in any manner, except in a subsequent writing executed by an authorized representative of both parties.

### **1.7 Independent Contractor Status**

In the performance of services to be provided by Provider pursuant to this Agreement, it is mutually understood and agreed that Provider and individuals providing services on its behalf shall be and at all times are acting and performing as independent contractors of Lakeshore Regional Entity. Nothing in this Agreement shall be construed as creating or implying any relationship of employment with Lakeshore Regional Entity for any purpose whatsoever. Individuals rendering services on behalf of Provider pursuant to this Agreement shall be employees or contractors of Provider. Provider shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the LRE. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of the LRE. Any such prohibited assignment or transfer shall be void.

With respect to its employees, Provider shall do the following:

**1.7.1** Pay, or cause to be paid, all compensation and employment benefits of such persons.

**1.7.2** Withhold, or cause to be withheld, all applicable federal, state and local taxes, including FICA.

**1.7.3** Make, or cause to be made, any and all required payments relating to such employees, including any unemployment compensation fund payments.

**1.7.4** Maintain, or cause to be maintained, Worker's Compensation Fund Insurance, as required under Michigan law.

### **1.8 Holder of Record**

Substance Use Disorder Records - The clinical records (if applicable) shall be maintained by Provider consistent with Michigan and Federal law, including 1978 PA 368 and 42 CFR Part 2, and 42 USC 290. Provider will permit access to records by authorized representatives of the Lakeshore Regional Entity, MDHHS, the Federal Grantor Agency, Comptroller General of the United States, or any of their duly authorized representatives.

### **1.9 Protected Health Information**

To the extent the parties to this Agreement are sharing client information and records in the course of providing care to Lakeshore Regional Entity clients, such uses and sharing of information shall be done in accordance with each of the parties' respective obligations under this Agreement, and in accordance with and pursuant to federal and state laws and regulations, including the Health Insurance Portability and Accountability Act (hereinafter HIPAA) of 1996, 45 CFR Part 160 and 164, providing for the protection of patient/client health information, and the Health Information Technology for Economic and Clinical Health Act (hereinafter HITECH), part of the American Recovery and Reinvestment Act, PL 111-5, 2009.

The parties hereby agree to appropriately use and safeguard patient/client health information provided or disclosed to each other and to keep such information in strictest confidence in order to protect the privacy of all patients/clients, including but not limited to, providing clients with a Notice of Privacy Practice.

In addition, the business affairs and information of the parties, including, and without limitation to, information shared pursuant to this Agreement, are confidential and neither party will discuss such matters with or disclose the contents of this Agreement to anyone who is not a trustee, officer, agent, or a fiduciary of either party having a need to know such information in performance of his/her duties, all of whom shall be subject to this provision concerning confidentiality. The obligations set forth in this Section are intended to carry on beyond the term of this Agreement, irrespective of whether this Agreement is terminated as provided herein or expires by its own terms.

#### **1.10 Transmittance of Information**

Provider will provide and facilitate ready access of client records for referral of clients and for transmittal of information as required between Provider and other appropriate services to assure continuity of services to the client. Such transmittal of information shall be consistent with the MMHC for mental health clients and consistent with Federal rules that regulate the release of information for substance use disorder clients. Electronic Data Interchange (EDI) will comply with HIPAA. Particulars of the business rules, naming conventions, and expectations regarding EDI for compliance with HIPAA and Lakeshore Regional Entity requirements will be stated in a separate Business Associate Agreement (hereinafter BAA).

#### **1.11 Dispute Resolution**

Lakeshore Regional Entity and Provider agree to use a dispute resolution process to address any contract issue that cannot be resolved by Lakeshore Regional Entity staff and Provider staff. The parties will use the procedures outlined in the Lakeshore Regional Entity policy entitled "Dispute Resolution."

## **SECTION TWO PROVIDER RESPONSIBILITIES**

Provider agrees to the following:

#### **2.1 Electronic Data Interchange (EDI) and Information Systems (IS)**

**2.1.1** To ensure that EDI, data handling, network configuration, systems security and data storage will be conducted in a manner that is in compliance with the security, privacy and administrative simplification mandates required by HIPAA and HITECH and the BAA established with Lakeshore Regional Entity.

**2.1.2** To maintain an IS system sufficient to support the following requirements: history of encounter experiences for all persons in service; quality improvement; reporting of

encounter data, financial data, client demographics, and service use and performance indicators; evaluation of services and programs.

**2.1.3** To maintain policy and procedures to ensure compliance with federal, state and Lakeshore Regional Entity stipulations regarding the integrity and security of IS, including the following: deterrence of sabotage, fraud and criminal mischief; facilitation of continued operation of the system in the event of an emergency; protection of confidentiality of client level information.

## **2.2 Reimbursement for Services**

**2.2.1** Lakeshore Regional Entity shall reimburse the Provider at the rates identified in **Attachment B** for services rendered by the Provider that have been authorized by Lakeshore Regional Entity. Actual payments are subject to Ability to Pay in accordance with Chapter 8 of the Michigan Mental Health Code and Chapter 8 of the Michigan Administrative Rules.

## **2.3 Provider Panel Eligibility Requirements**

**2.3.1 Exclusion of Certain Individuals and Entities from Participation in Medicare and State Health Care Programs.** To assure compliance with the Social Security Act Sections 1128, 1128A, 1156 and 1892 and 45 CFR Part 76, Provider must assure the following:

**2.3.1.1** That to the best of Provider's knowledge and belief, Provider and its subcontractors, board members and employees are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a federal department or contractor.

**2.3.1.2** That to the best of Provider's knowledge and belief, Provider and its subcontractors, board members and employees have not, within a 3 year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal state antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

**2.3.1.3** That to the best of Provider's knowledge and belief, Provider and its subcontractors, board members and employees are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated above (see Section 2.3.1.2).

**2.3.1.4** That to the best of Provider's knowledge and belief, Provider and its subcontractors, board members and employees have not within a 3 year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default.

**2.3.1.5** Provider shall conduct an examination of federal and state data bases of excluded parties and litigation checks. Such examination must take place at the time of hiring by, contract with and/or joining the board of directors of Provider and at least monthly thereafter.

**2.3.1.6** Provider shall promptly disclose to Lakeshore Regional Entity any information regarding the ownership or control by a person convicted of a criminal offense described under Sections 1128(a) and 1128(b)(1), (2) or (3) of the Social Security Act and if any staff member, member of the board of directors, manager or an individual with an employment, consulting or other arrangement with Provider has been convicted of a criminal offense described under section 1128A of the Social Security Act.

**2.3.1.7** Provider agrees to immediately notify Lakeshore Regional Entity of any threatened, proposed, or actual exclusion from any federally funded health care program of it or its clinical staff.

### **2.3.2 Accreditation**

**2.3.2.1** To maintain certification from a state and/or national accrediting organization recognized by MDHHS and Lakeshore Regional Entity.

Accreditation may be issued by the following accrediting organizations:

- Joint Commission on Accreditation of Healthcare Organizations (JCAHO)
- Rehabilitation Accreditation Commission (CARF)
- Council on Accreditation for Families and Children (COA)
- American Osteopathic Association (AOA)
- Accreditation Association for Ambulatory Health Care (AAAHC)
- National Committee for Quality Assurance (NCQA), or MDHHS local public health accreditation program, may be chosen as the organization's accrediting organization for Substance Use Disorder providers only. Other accrediting organizations may be considered, but must be approved by Lakeshore Regional Entity.

**2.3.2.2** To provide Lakeshore Regional Entity with a copy of the accreditation notification letter or certificate. The survey report must be available to Lakeshore Regional Entity upon request.

**2.3.2.3** To notify LRE of any changes or cancellation in accreditation status.

### **2.3.3 Financial Requirements**

**2.3.3.1** To use the accrual method of accounting.

**2.3.3.2** To annually obtain a financial audit when total fiscal year revenue for Provider is \$500,000 or more. The American Institute of Certified Public Accountants Audit and Accounting Guides for non-profit organizations shall be used (i.e., Not-for-Profit Organizations or Health Care Organizations, whichever is applicable). The following items are specific requirements:

**2.3.3.2.1** The audit will cover Provider's fiscal year.

**2.3.3.2.2** The audit must be performed by a certified public accountant to assure the financial statements are presented in conformance with accounting principles generally accepted in the United States of America.

**2.3.3.2.3** The audit must include the required internal control and compliance reports when Government Auditing Standards (Yellow Book) or Single Audit requirements apply.

**2.3.3.2.4** The audit must comply with regulations set forth in the Single Audit Act, OMB Circular A-133 and Circular A-122 when applicable (or

2 CFR 200 after 12/26/2014). The Single Audit threshold is \$500,000 for the total amount of Federal Grant funding received by a Contractor.

**2.3.3.2.5** Management letter issued as a result of the audit by the certified public accountant must be submitted to Lakeshore Regional Entity. The auditor's letter to management includes comments and recommendations for strengthening internal controls and improving operations.

**2.3.3.3** To annually obtain a financial review when total fiscal year revenue for Provider is between \$100,000 and \$500,000, unless Provider is required to obtain an audit for some other reason. The American Institute of Certified Public Accountants Statements on Standards for Accounting and Review Services shall be used. The following items are specific requirements:

**2.3.3.3.1** The review will cover Provider's fiscal year.

**2.3.3.3.2** The review must be performed by a certified public accountant to provide limited assurance that there are not material modifications that should be made to the financial statements in order for them to be in conformance with accounting principles generally accepted in the United States of America.

**2.3.3.3.3** Management letter issued as a result of the review by the certified public accountant must be submitted to Lakeshore Regional Entity. The auditor's letter to management includes comments and recommendations for strengthening internal controls and improving operations.

**2.3.3.4** To submit a separate schedule of revenue and expense by Lakeshore Regional Entity program in accordance with the Lakeshore Regional Entity Contract Policy entitled, "Provider Schedule of Revenue and Expense" when Provider's fiscal year revenue from Lakeshore Regional Entity is \$5 million or more.

**2.3.3.5** To submit the items above to the Lakeshore Regional Entity Financial Compliance Auditor within 150 days following Provider's fiscal year. Any deviation from this requirement must be requested in writing and must be approved by the Lakeshore Regional Entity Chief Financial Officer.

**2.3.3.6** To submit a copy of Provider's Federal Form 990 – Return of Organization Exempt from Income Tax to the Lakeshore Regional Entity Financial Compliance Auditor within 30 days of submission to the Internal Revenue Service (IRS), if Provider is required to file Form 990 under IRS regulations.

**2.3.3.7** To permit Lakeshore Regional Entity auditors and other authorized representatives of Lakeshore Regional Entity and of the State of Michigan to review Provider's financial records as may be deemed necessary.

#### **2.3.4 Insurance**

To procure and maintain the following insurance coverage:

**2.3.4.1** Commercial General Liability or Self-Insurance Coverage:

(1) Occurrence form including premises/operations and blanket contractual liability and products and completed operations. Exception: Claims form is allowed if Provider submits in writing that Provider's services under contract



with Lakeshore Regional Entity have been covered retroactively for all previous claims from periods that Lakeshore Regional Entity has contracted with Provider. The coverage will be stipulated within Provider's current insurance Declaration page, a copy of which must be given to Lakeshore Regional Entity.

- (2) Minimum Limits: \$1,000,000/occurrence, \$3,000,000/aggregate – Bodily Injury, Personal Injury, Property Damage: (Broad form).
- (3) Provider is self-insured for generally liability. Provider shall maintain through the term of this Agreement the appropriate comprehensive general liability and professional liability insurance. The Provider is self-insured for this coverage and as such cannot list the Agency as an additional insured. The Provider will list the Agency as an additional insured on an excess liability policy for the term of the agreement instead, and provide a Certificate as evidence.

**2.3.4.2 Automobile Liability:**

- (1) Automobile Liability: Michigan No-Fault coverage and residual liability. Comprehensive form covering owned, non-owned and hired automobiles.
- (2) Minimum Limits: No-Fault coverage statutory. Combined single limit of \$1,000,000.

**2.3.4.3 Worker's Compensation and Employer's Liability**

- (1) Statutory Coverage
- (2) Minimum Limits: Worker's Compensation Statutory
- (3) Employer's Liability: \$500,000/occurrence

**2.3.4.4 Professional Liability**

- (1) Coverage to extend to all operations and all employees and shall include contractual liability.
- (2) Minimum Limits: \$1,000,000/occurrence

**2.3.4.5 Employee Dishonesty, Forgery and Alterations Blanket or Individual Bond** to cover all employees and/or positions that have access to cash, checks or financial records.

**2.3.4.6 Additional Insured:** All Commercial General Liability Insurance, Umbrella/Excess Policies and Professional (Malpractice) Liability shall be endorsed to show Lakeshore Regional Entity as additional insured.

**2.3.4.7 Provision of Certificates:** Certificates evidencing the above coverage with the minimum twenty (20) day cancellation clause shall be provided to Lakeshore Regional Entity at the onset of this contract. If Provider's insurance policies expire during the term of this contract, Provider shall provide renewal certificates to Lakeshore Regional Entity at least ten (10) days prior to the expiration date.

**2.3.5 Notifications**

To notify Lakeshore Regional Entity when there is a change of status to one of the Provider Panel Eligibility Requirements resulting in any of the following:

- 2.3.5.1** Loss of accreditation.
- 2.3.5.2** Loss of insurance.
- 2.3.5.3** Qualified Opinion on financial audit.
- 2.3.5.4** Pending or successful litigation claim against Provider.

**2.3.5.5** Loss of SUD treatment, prevention or DEA license or MDHHS certification.

**2.4 Evaluation of Services**

To permit the Chief Executive Officer (CEO) of Lakeshore Regional Entity or individuals authorized by the CEO to visit and conduct an evaluation of the services rendered by Provider.

**2.5 Licensure and Certification**

**2.5.1** To maintain policy and procedures to ensure that contracted physicians and other health care professionals are licensed by the State of Michigan and are qualified to perform their services. Provider must immediately notify Lakeshore Regional Entity if any license is terminated or revoked during the term of this Agreement.

**2.5.2** To maintain policy and procedures to ensure that licenses and certifications are current and valid.

**2.5.3** To maintain policy and procedures to ensure that support care staff who are not required to be licensed are qualified to perform their jobs.

**2.5.4** Provider agrees to immediately notify Lakeshore Regional Entity of any state licensure or certification investigation.

**2.6 Credentialing**

**2.6.1** To maintain policy and procedures on personnel selection, credentialing and privileging, including job descriptions or similar documents that describe specific credentialing, privileging and other requirements for all staff that deliver services to clients and including mechanisms to ensure requirements are met by all staff.

**2.6.2** To ensure that staff credentials are consistent with accreditation requirements, Medicaid and Medicare regulations, and other applicable regulations.

**2.6.4** To require annual criminal background checks for all persons providing services to or interacting with Lakeshore Regional Entity clients or with the authority to access or create Lakeshore Regional Entity client information, including members of Provider's board of directors and management staff. Criminal background checks of staff and members of Provider's board of directors must be done by Provider at the time of hire or election to the board and at least annually thereafter. Criminal background checks must be completed through the State of Michigan Licensing and Regulatory Affairs (LARA) Workforce Background Check system prior to starting work with individuals.

**2.6.5** To use Provider's Quality Improvement Plan in the re-credentialing process.

**2.7 Quality Improvement**

**2.7.1** To maintain a systemic Quality Improvement program which plans for the inclusion of recipients in the review and analysis of aggregate feedback from recipients on their experiences of services received; anticipates the need for innovation, new products, or new services; improves outcomes by examining the process under study, and problems or variations in the process; and, sets priorities to maximize benefits for individuals served.

**2.7.2** To improve a quality improvement plan that includes monitoring compliance with policies and procedures related to staff credentials.

2.7.3 To establish and monitor performance indicators for the purposes of identifying process improvement projects that achieve a beneficial effect on health outcomes and consumer satisfaction.

## **2.8 Cultural Competence**

2.8.1 To provide services that are culturally competent as described in this Section.

Definition of Cultural Competence – Cultural competence is the integration and transformation of knowledge about individuals and groups of people into specific standards, policies, practices and attitudes used in appropriate cultural settings to increase the quality of services, thereby producing better outcomes. Competence in cross-cultural functioning means learning new patterns of behavior and effectively applying them in appropriate settings.

2.8.2 The supports and services provided by Provider shall demonstrate an ongoing commitment to linguistic and cultural competence that ensures access and meaningful participation for all people in the services area. Such commitment includes acceptance and respect for cultural values, beliefs and practices of the community, as well as the ability to apply an understanding of the relationships of language and culture to the delivery of supports and services. Provider shall have an education, training and staff development plan for assuring ongoing culturally and linguistically appropriate service delivery.

2.8.3 Provider shall have a comprehensive cultural competency plan that addresses the following: 1) the identification and assessment of the cultural needs of potential and active clients served; 2) sufficient policies and procedures to reflect the agency's value and practice expectations; 3) a method of service assessment and monitoring; 4) ongoing training to assure that staff are aware of and able to effectively implement policies; and 5) the provision of supports and services within the cultural context of the consumer is also necessary to demonstrate this commitment.

2.8.4 Provider shall have a plan to recruit, retain and promote a diverse staff and leadership team, including board members, representative of the demographic characteristics of the populations served.

2.8.5 Provider shall assure equal access for people with diverse cultural backgrounds and/or limited English proficiency, as outlined by the Office of Civil Rights Policy Guidance in the Title VI Prohibition Against Discrimination as it Affects Persons with Limited English Proficiency. This guideline clarifies responsibilities for providing language assistance under Title VI of the Civil Rights Act of 1964. Provider shall have language assistance services and interpreters for the deaf available at no cost to the client.

2.8.6 Provider shall assure that clients served are allowed to choose their health care professional to the extent possible in accordance with 42 CFR 438.6(m).

## **2.9 Recipient Rights**

Providers shall ensure that all individuals employed received SUD Recipient Rights training within thirty (30) days of being employed by taking the on-line SUD rights training offered by the State of Michigan's Website. Providers will protect the rights of individuals through comprehensive compliance with applicable state and deral recipient rights requirements, including:

- Federal Confidentiality Law and Regulation (codified as 42 U.S.C. 290dd-2 and 42 CFR Part 2.
- Michigan DCH Mental Health and Substance Abuse Administration Recipient Rights (R325.1402 to R325.14306)

**2.9.1** To comply with and adhere to Lakeshore Regional Entity Recipient Rights policies and procedures as required by the MMHC. Provider agrees to maintain recipient rights policies at each service site operated by Provider, such policies to be in a location available to all employees.

## **2.10 Compliance**

**2.10.1** To ensure that all federal, state and local laws and regulations are followed. Compliance includes a commitment to uphold a high standard of ethical and legal business practices and to prevent misconduct.

**2.10.2** To assure that any Provider articles and publications that result from information gathered through use of State or Federal funds acknowledge receipt of that support from the Department of Community Health and/or the appropriate federal agencies, and/or Lakeshore Regional Entity.

**2.10.2.1** Applicable to Substance Use Disorder Providers only: The federal awarding agency, Substance Use Disorder and Mental Health Services Administration/Department of Health and Human Services (SAMHSA/DHHS), reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes: (a) The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant; and (b) Any rights of copyright to which a grantee, sub-grantee or a contractor purchases ownership with grant support, copyright to which a grantee, sub-grantee or a contractor purchases ownership with grant support.

**2.10.3** To comply with all applicable federal and state laws including, but not limited to the following:

**2.10.3.1 The Pro-Children Act** of 1994, 20 USC 6081 et seq., (PL 103-227). Assurance is hereby given that Provider will comply with this Act, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. Lakeshore Regional Entity must assure that this language is included in all sub-

contracts that contain provisions for children's services.

Provider also assures that, in addition to compliance with PL 103-227, any service or activity funded in whole or in part through this Agreement will be delivered in a smoke-free facility or environment. If activities or services are delivered in residential facilities or in facilities or areas that are not under the control of Provider (e.g., a mall, residential facility or private residence, restaurant or private work site), the activities or services shall be smoke free.

**2.10.3.2 The Anti-Lobbying Act**, Title 31 USC Section 1352 (added under Section 319 of PL 101-121) as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq., (PL 104-65) and Section 503 of the Departments of Labor, Health and Human Services and Education, and Related Agencies Appropriations Act (PL 104-208). The Byrd Anti-Lobbying Amendment, 31 USC 1352 and 45 CFR Part 93. No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

**2.10.3.3 Davis-Bacon Act** (40 USC 276a to a-7). When required by Federal program legislation, all construction contracts awarded by the recipients and sub-recipients of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR Part 5), "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction." Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The recipient shall report all suspected or reported violations to the Federal awarding agency.

**2.10.3.4 Contract Work Hours and Safety Standards** (40 USC 327-333). Where applicable, all contracts awarded by recipients in excess of \$2000 for construction contracts and in excess of \$2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with section 102 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327 - 333), as supplemented by Department of Labor regulations (29 CFR Part 5). Under Section 102 of the Act, each contractor shall be required to

compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 and 1/2 times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

**2.10.3.5 Rights to Inventions Made Under a Contract or Agreement.**

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

**2.10.3.6 Clean Air Act and Federal Water Pollution Control Act.** Clean Air Act (42 USC 7401 et seq.) and the Federal Water Pollution Control Act (33 USC 1251 et seq.), as amended – Contracts and sub grants of amounts in excess of \$100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 USC 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 USC 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

**2.10.3.7 The Hatch Political Activity Act (5 USC 1501-1508) and Intergovernmental Personnel Act of 1970, as amended by Title VI of Civil Service Reform Act (PL 95-454, 42 USC 4728).** Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally assisted programs.

**2.10.3.8 Limited English Proficiency.** The Office of Civil Rights Policy Guidance on Title VI Prohibition Against Discrimination as it affects persons with Limited English Proficiency. This guidance clarifies responsibilities for providing language assistance under Title VI of the Civil Rights Act of 1964.

**2.10.3.9. Contracts of Public Servants with Public Entities, 1973 PA 317, as amended; and Standards of Conduct for Public Officers and Employees, 1973 PA 196, as amended.**

**2.10.3.10 The Drug Free Workplace Act of 1988, 34 CFR Part 85, Subpart F.**

**2.10.3.11 Deficit Reduction Act (DRA) of 2005, PL 109-17, section 6032**

codified at Section 1902(a) (68) of Title XIX (Social Security Act) requires Employee Education About False Claims Recovery. Any entity that receives or makes annual payments under the state plan of at least \$5,000,000, as a condition of receiving such payments shall –

Establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed information about the False Claims Act, established under 31 USC Section 3729 through 3733, Administrative Remedies for False Claims and Statements established under 31 USC Chapter 38, any state laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1128B(f)).

Include as part of such written policies, detailed provisions regarding the entity's policies and procedures for detecting and preventing fraud, waste, and abuse; and,

Include in any employee handbook for the entity, a specific discussion of the laws described in subparagraph (A), the rights of employees to be protected as whistleblowers, and the entity's policies and procedures for detecting and preventing fraud, waste, and abuse.

This section applies to Provider, its employees, its contractors and/or its agents.

**2.10.3.12** Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1973, and the Americans with Disabilities Act, PL 101-336 (42 USC 12101 et seq.)

**2.10.3.13** The Elliot Larsen Civil Rights Act, 1976 PA 453, as amended; the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended; and, Section 504 of the Federal Rehabilitation Act. Any breach of these Acts may be considered a material breach of this contract.

**2.10.4 Charitable Choice Regulations.**

To ensure compliance with federal regulation 45 CFR Parts 54 and 96, regarding Charitable Choice regulations in the use of Substance Abuse Prevention and Treatment (SAPT) block grant funds with application to both substance use disorder prevention and substance use disorder treatment providers/programs. Accordingly, if Provider identifies itself to Lakeshore Regional Entity as a faith-based provider, it agrees:

**2.10.4.1** To be identified by Lakeshore Regional Entity as a religious or faith-based organization.

**2.10.4.2** To ensure that a client who objects to the religious character of Provider's program(s) has a right to notice, referral and alternative services which meet standards of timeliness, capacity, accessibility, and equivalency.

**2.10.4.3** To abide by all other requirements of the federal regulations, including an exclusion of the use of federal funds for inherently religious activities and a prohibition against discriminating against a program participant on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice.

**2.10.4.4** To notify Lakeshore Regional Entity , on an annual basis, regarding the number of individuals who choose to be referred to an alternative service because they object to the religious character of Provider's program.

## **2.11 Delegation**

The provisions of the Balanced Budget Act (hereinafter BBA) of 1997, allow States to establish Medicaid beneficiary protections in areas such as quality assurance, grievance rights, and customer service.

**2.11.1** Lakeshore Regional Entity is required by contract to oversee and be accountable for any administrative function or responsibility that it delegates to any subcontractor. 42 CFR 438.230 (a)(1).

**2.11.2** Lakeshore Regional Entity is required to provide for the revoking of delegation or the imposition of other sanctions if its subcontractor's performance is inadequate. 42 CFR 438.230 (B)(ii).

**2.11.3** Lakeshore Regional Entity will conduct periodic formal scheduled reviews of Provider's activities. The quality audit will include monitoring of administrative functions delegated to the Provider as described in Attachment F, if applicable.

**2.11.4** Unsatisfactory performance, lack of response, failure to submit a plan of correction within required timeframes, and/or discovery of significant risks may result in the CMH application of a sanction or termination of the contract.

## **2.12 Lakeshore Regional Entity Provider Service Specifications**

To operate in accordance with Lakeshore Regional Entity Provider Service Specifications which are available to providers on the Lakeshore Regional Entity website and are considered to be a part of this Agreement. It is anticipated by Lakeshore Regional Entity and Provider that changes will be made to the Lakeshore Regional Entity Provider Service Specifications during the term of this Boilerplate Agreement. Changes in Lakeshore Regional Entity Provider Service Specifications will be communicated to Provider and do not require the parties to sign a new Boilerplate Agreement or amendment.

## **2.13 DCH Guidelines and Lakeshore Regional Entity Policies**

**2.13.1** To comply where applicable, with Department of Health and Human Services Best Practice Guidelines contained in the Lakeshore Regional Entity contract with the MDHHS (where MH = Mental Health; SUD = Substance Use Disorder; MH/ SUD apply to both), which are available on the Lakeshore Regional Entity website ([www.lakeshoreregionalpartners.org](http://www.lakeshoreregionalpartners.org)). (**Attachment A**).



**2.13.2** To comply where applicable with the provisions and requirements of Lakeshore Regional Entity Policies (where MH = Mental Health; SUD = Substance Use Disorder; MH/ SUD apply to both), copies of which are available on the Lakeshore Regional Entity website ([www.lakeshoreregionalpartners.org](http://www.lakeshoreregionalpartners.org)) (**Attachment A**).

#### **2.14 Provider Meetings**

**2.14.1** To provide Lakeshore Regional Entity those portions of Provider's Board of Directors' meeting minutes and agendas that address issues pertaining to the Agreement with Lakeshore Regional Entity .

**2.14.2** To have a representative of Lakeshore Regional Entity attend those portions of Provider Board of Director meetings that address agenda items pertaining to this Agreement.

**2.14.3** To provide to Lakeshore Regional Entity three days' notice of all Committee, and full Provider Board meetings, and conduct all portions of such meetings pertaining to Lakeshore Regional Entity -funded programs in the same manner as required for meetings of public bodies under the Open Meetings Act, 1976 PA 267, being sections 15.261 to 15.275 of the Michigan Compiled Laws.

#### **2.15 Indemnification**

To the extent allowed by law, each party agrees to indemnify, defend and hold harmless the other, its agents and employees from and against any and all liability or expense, including defense costs and legal fees, incurred in connection with claims for damages of any nature, including but not limited to bodily injury, death, personal injury, property damage, or other damages arising from the performance or failure to perform its obligations under this Agreement, unless it is determined that the liability was the direct consequence of negligence or willful misconduct on the part of the other party, its agents or employees.

### **SECTION 3 LAKESHORE REGIONAL ENTITY OBLIGATIONS**

**3.1** To provide funds for the provision of services as described in the Lakeshore Regional Entity Provider Service Specifications. (**Attachment B**).

**3.2** To make available agendas and minutes of all meetings of the Lakeshore Regional Entity Board of Directors and standing Board committees to the Provider prior to the next scheduled Lakeshore Regional Entity Board meeting. When time does not allow this, Lakeshore Regional Entity shall notify Provider of potential action pertinent to Lakeshore Regional Entity -funded programs.

**3.3** To provide training to Provider for Recipient Rights and other training as appropriate.

### **SECTION 4 ATTACHMENTS TO AGREEMENT**

#### **4.1 Attachments**

Attachments to this agreement are referenced below, are attached, and are incorporated into this agreement and do not require individual signatures.

**4.1.1 Attachment A – MDHHS Best Practice Guidelines and Lakeshore Regional Entity Policies** available on the Lakeshore Regional Entity website (www.lsr.org )

**4.1.2 Attachment B – Provider Specific Services** purchased by Lakeshore Regional Entity under this Agreement.

**4.1.3 Attachment C – Program and Service Specifications**

**4.1.4 Attachment D – Service Eligibility, Access, and Authorization**

**4.1.5 Attachment E – Financial Requirements**

**4.1.6 Attachment F – Data Requirements**

**4.1.7 Attachment G – Monitoring and Evaluation Tracking Report**

**4.1.8 Attachment H - Quarterly FTE Calculations**

**4.1.9 Attachment I – Prevention Operations Manual**

**4.1.10 Attachment J-MPDS Time Tracking**

**4.1.11 Lakeshore Regional Entity Provider Service Specifications** – available on the website (www.lsr.org)

#### **4.2 Federal Grant Funds**

This agreement designated the provider as a vendor to the LRE. This agreement is being paid for with federal grant program funds. The federal funding used to pay for this contract is 100% ; the Catalog of Federal Domestic Assistance (CFDA) number is 93.959 and the CFDA Title is Block Grants for Prevention and Treatment Substance Abuse; the federal agency name is Department of Health and Human Services-Substance Abuse and Mental Health Services Administration; the federal grant award number is 93-BI-MI-SAPT and the award phase is October 1, 2016 through September 30, 2017. The federal program title is Substance Abuse Prevention and Treatment SAPT Block Grant.

#### **4.3 Notice Provision**

**4.3.1** It is agreed that written communication and/or notification pursuant to this agreement shall be deemed to have been duly given if delivered or mailed, postage prepaid, to the respective party as follows:

#### **4.3.2 Certifications of Authority to Sign Contract**

The persons signing this Agreement on behalf of Lakeshore Regional Entity and Provider certify by their signatures that this contract has been authorized by said parties and they are duly authorized to sign this contract on behalf of the said parties.

**LAKESHORE REGIONAL ENTITY**

**PROVIDER**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: LRE Board Chair

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_