

# MHR SB GOVERNANCE COMMITTEE MEETING

June 7, 2016

4:00 p.m.

## Agenda

Item	Information Enclosed	Action Required	Allocation Required	Page
1. Call to Order				
2. Recognition of Visitors				
3. Meeting Minutes: May 10, 2016	✓	✓		1-3
4. FY 2017 Provider Agreement <i>(See Separate Attachment)</i>	✓	✓		4 (1)-(37)
5. MHR SB Table of Organization Proposed Changes	✓	✓		5-9
6. FY 2017 MHR SB Administrative Budget	✓	✓		10-13
7. ABLE CY 2015 Late Audit Submission Assessment Appeal	✓	✓		14-15
8. Inclusion Council Update	✓			16
9. Open Session				
10. Adjournment				

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**GOVERNANCE COMMITTEE MEETING MINUTES****May 10, 2016**

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**Governance Committee Members Present:**

Audrey Weis-Maag	Pastor Perryman	Neema Bell
Linda Alvarado-Arce	Andre Tiggs	Linda Howe
Tony Pfeiffer	Lynn Olman	Dr. Tim Valko

**Governance Committee Members Not Present:**

**Staff:** Scott Sylak, Tom Bartlett, Donna Robinson, Delores Williams.

**Visitors:** Richard Arnold; George Johnson, Rescue; Margaret Dobson, Zepf; Candace T. Garmon, Full Circle to Completion; Kevin Bellman, T. Whitehead Recovery Center; John and Jill Hughes, T. Whitehead Recovery Center; Paul Lewis, Recovery Council; Ronnie Ford, Visitor; Todd Yost, Compubooks; Geof Allan, UMADAOP; John Edwards, UMADAOP.

Ms. Bell opened the meeting at 3:58 p.m., with introduction of visitors.

**Minutes of Meeting – April 12, 2016**

*Dr. Valko made a motion to approve the minutes and it was seconded by Pastor Perryman. There was no discussion and the minutes were approved by a voice vote.*

**UMADAOP FY 2015 Audit Last Submission Assessment Appeal**

Mr. Bartlett discussed the UMADAOP FY 2015 Audited Financial Statements that the MHRSB received on April 19, 2016. UMADAOP's FY 2016 Provider Agreement, Article 7.4.1 specifies that the agency's audited financial statements are due by November 1, 2015. Accordingly, UMADAOP received an assessment fee in the amount of \$13,250 for the time period of November 2, 2015 to April 19, 2016 due to their late submission.

Mr. Bartlett explained that under Article 7.4.1, UMADAOP was provided an opportunity to appeal the assessment fee within 14 days of receipt of the assessment notice. Mr. Edwards formally appealed the assessment on May 3, 2016 via the letter on page six of the meeting packet. The MHRSB has 30 days from the agency's appeal letter date to consider the appeal and render a final decision. Mr. Bartlett provided UMADAOP's FY 2015 Audited Financial Statements Timeline for the Committee to review and then he addressed questions regarding it.

The Committee asked if the Staff reviewed UMADAOP's management letter; Mr. Bartlett reported that it was a "clean" audit, except there were five significant deficiencies associated with the FY 2015 audit.

The Board staff informed Mr. Edwards that a corrective action plan was needed to address each of the deficiencies. Upon Mr. Bartlett's review of the five deficiencies, the Committee expressed concern about them and asked Mr. Edwards for his feedback with regard to his interaction with

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## GOVERNANCE COMMITTEE MEETING MINUTES

May 10, 2016

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UMADAOP's Board of Directors. Mr. Edwards explained that the UMADAOP Board meets monthly and has been concerned about UMADAOP's actual vs. budget comparisons for a longtime. He expressed issues with Tucker, Kissling and Associates, their previous accounting firm. Mr. Edwards stated that UMADAOP recently hired Compubooks Accounting firm led by Todd Yost, and he indicated that UMADAOP is contracting with Family Service of Northwest Ohio (FSNO) to provide Medicaid and non-Medicaid billing services for UMADAOP.

The Committee suggested conducting a Board-to-Board meeting with UMADAOP and MHRSB to hear more about the internal controls in place, discuss the financial audit deficiencies, and to determine how to collect the late audit fee without having a significant impact on the unique services provided by UMADAOP.

*Pastor Perryman moved to make a motion to the Board of Trustees and it was seconded by Ms. Weis-Maag that the penalty of \$13,250 be assessed to UMADAOP and future arrangements for payback to the MHRSB will be determined in a future Board-to-Board meeting.*

*Following discussion, the Committee recommended approval of the motion by a unanimous vote of (9-0).*

### 120-Day Notice Update

- **UMADAOP AOD Treatment Services**

Mr. Goyer stated that on February 16, 2016, UMADAOP was issued a 120-Day Notice of Intent to not renew their Provider Agreement for AOD treatment services due to their inability to bill for those services through MACSIS as required by their contract. UMADAOP appealed the 120-Day Notice and has met with Board staff to resolve their billing issue. UMADAOP has signed a Memorandum of Understanding (MOU) with Family Service of Northwest Ohio (FSNO) whereby FSNO would act as an administrative service organization and will provide billing services for UMADAOP. Board staff is comfortable with this relationship and recommends that UMADAOP's contract be renewed as part of the FY 2017 Purchasing Plan.

The following motion was presented for consideration by the Board of Trustees:

*The Mental Health and Recovery Services Board of Lucas County withdraws its Notice of Intent issued February 16, 2016 to not renew or make material changes to its contract with UMADAOP for AOD treatment services so that these services may be included as part of the FY 2017 purchasing plan.*

*Dr. Valko moved to make a motion and it was seconded by Pastor Perryman. Following discussion, the Committee recommended approval of the motion by a unanimous vote of (9-0).*

**Affirmative Action Program Report**

Mr. Sylak indicated that the Affirmative Action Program Policy requires an annual report to the Board of Trustees. He reviewed the report outlined on pages 7-10 of the meeting packet which compared the U.S. Consensus Bureau for 2014 in Lucas County with the latest census figures for race and gender to actual MHR SB membership, MHR SB employees, funded agency Board Membership and Funded Agency employees. In review of the report, Mr. Sylak said the MHR SB Trustee membership and employees, as well as funded agency Trustee membership is fairly reflective of the US Census; however, the funded agency minority employees trail the U.S. Census figures by nearly 9%. Mr. Sylak indicated that the Diversity and Inclusion Report presented recommendations to help increase minority employee recruitment. He also indicated that the Diversity and Inclusion Report will be presented to the system providers at a yet to be scheduled meeting.

**Whistleblower Activity Annual Report**

Mr. Sylak explained the Whistle Blower Policy and provided the annual report that is required to the Governance Committee outlining compliance activities related to alleged accounting and financial improprieties. Mr. Sylak reported that there have been no allegations made to the MHR SB during the period of February 1, 2014 through May 6, 2016.

**Annual Health Officer Committee Appointments**

Ms. Bell indicated that the Annual Health Officer Committee Appointments agenda item was pulled off the agenda for today's meeting.

**Revised Meeting Schedule**

Ms. Bell reviewed the revised 2016 MHR SB Board and Committee meeting schedule included on page 12 of the meeting packet, indicating that the Governance and Planning & Finance Committee meeting times have been exchanged beginning in June 2016.

**Open Session**

- No comments were made.

**Adjournment**

The meeting was adjourned at 4:44 p.m.

**FY 2017 Provider Agreement (See Separate Attachment)**

In February, Board Staff engaged Christina Shaynak-Diaz, Esq. to perform a review of the templates for the Board's FY 2017 Provider Agreements. Ms. Shaynak-Diaz formerly worked with OACBHA as a staff attorney, and subsequently has gone into private practice in the Columbus area. She continues to provide training and consultation for ADAMHS Boards regarding contracting. Staff asked her to specifically look at: 1) a two-year agreement, 2) consolidating MHR SB's two agreements into one, and 3) ensuring that references and language used in the agreement are consistent with recent changes in Ohio Revised Code (ORC). Staff also asked that she perform a general review to recommend any changes in content, language, or format, and to see if the document could be reduced in size at all.

Attached is the document Ms. Shaynak-Diaz has proposed. With regard to switching to a two-year provider agreement, she recommends (and staff agrees) to stick with a one-year provider agreement in light of the uncertainties surrounding Medicaid redesign. The proposed document does consolidate the previous two agreements into one and contains her recommended changes to citations, language, and format. Her general comment was that our existing agreement(s) were rather comprehensive documents and she felt that trying to eliminate language or provisions would weaken the understandings of the agreement.

There were no material revisions to contract requirements proposed for FY 2017. As noted, there were a number of references changed because the State has combined former MH and AOD rules into one document and most of the ORC and OAC references have been renumbered in recent months. Language was added to several sections to ensure that the agreement was consistent with federal audit guidelines – the Uniform Guidance, and in compliance with provisions of the OMHAS assurances and anti-discrimination and affirmative action laws. There is also some updated language to strengthen sections about hospitalization pre-screening duties, confidentiality provisions, 120-Day Notices and dispute resolution.

Copies of the red-lined documents were sent to the Executive Directors of all contract agencies on May 18, 2016 requesting feedback related to the proposed provider agreement. To date, two providers have responded, and that was for clarification, not for dispute or with proposed revisions. Board staff has reviewed several iterations of the agreement while in consultation with Ms. Shaynak-Diaz, and recommend the attached document as the format for contracting with service providers in FY 2017.

The following motion is recommended to the Board of Trustees:

***The Mental Health & Recovery Services Board of Lucas County approves the format and boilerplate content of the Provider Agreement for Mental Health and Addiction Treatment, Prevention and Supportive Services as presented at the June 21, 2016 Board meeting, and authorizes its Executive Director to use documents in this form in order to enter into agreements with provider agencies in accordance with allocations that were made at the May 17, 2016 Board meeting.***

**MHR SB Table of Organization Proposed Changes**

Tom Bartlett, Associate Executive Director of the MHR SB, has chosen to retire as of June 30, 2016 presenting the opportunity for the MHR SB to consider revision to its Table of Organization. The position of Associate Executive Director was established during the merger process of the Alcohol and Drug Addiction Services and the Mental Health Boards of Lucas County in 2006. Along with this position, the merger committee also established an Executive Director and Associate Director positions.

The core functions of the Associate Executive Director's responsibilities include the design, implementation, and management of financial support services, including accounting, budgeting, financial forecasting, client benefit enrollment, claims processing, and all associated personnel related activities and communications. Additionally, the position provides strategic and technical leadership for the Board and the provider system in the development of financial operations and strategies that ensure the maintenance of a high quality, efficient and accountable network of prevention, treatment and support services.

With the expanded investments that the MHR SB has made over the past four years, oversight of the fiscal responsibilities have consumed a larger portion of the Associate Executive Director's day-to-day activities. It is appropriate that the position title reflect more closely the position's actual responsibilities, and therefore, it is being recommended that the position of Associate Executive Director be abolished as of July 1, 2016. To ensure that the fiscal integrity of the MHR SB is maintained, it is further recommended that a position of Director of Finance be established with a salary range of \$68,000 to \$103,000 effective June 22, 2016 (note that this salary range is consistent with the other Director positions).

A revised MHR SB Organizational Chart showing recommended changes as of July 1, 2016 is attached, as well as a "draft" Job Description for the Director of Finance position. If the two recommendations are approved in the motions presented below, the MHR SB can expect to reduce its administrative expenses by up to \$30,000, as the responsibilities transition from a more tenured staff member to a less tenured individual.

Additionally, should the Board of Trustees approve the recommendations; it would be the Executive Director's intent to immediately appoint an Interim Director of Finance, while a search for a permanent employee occurs.

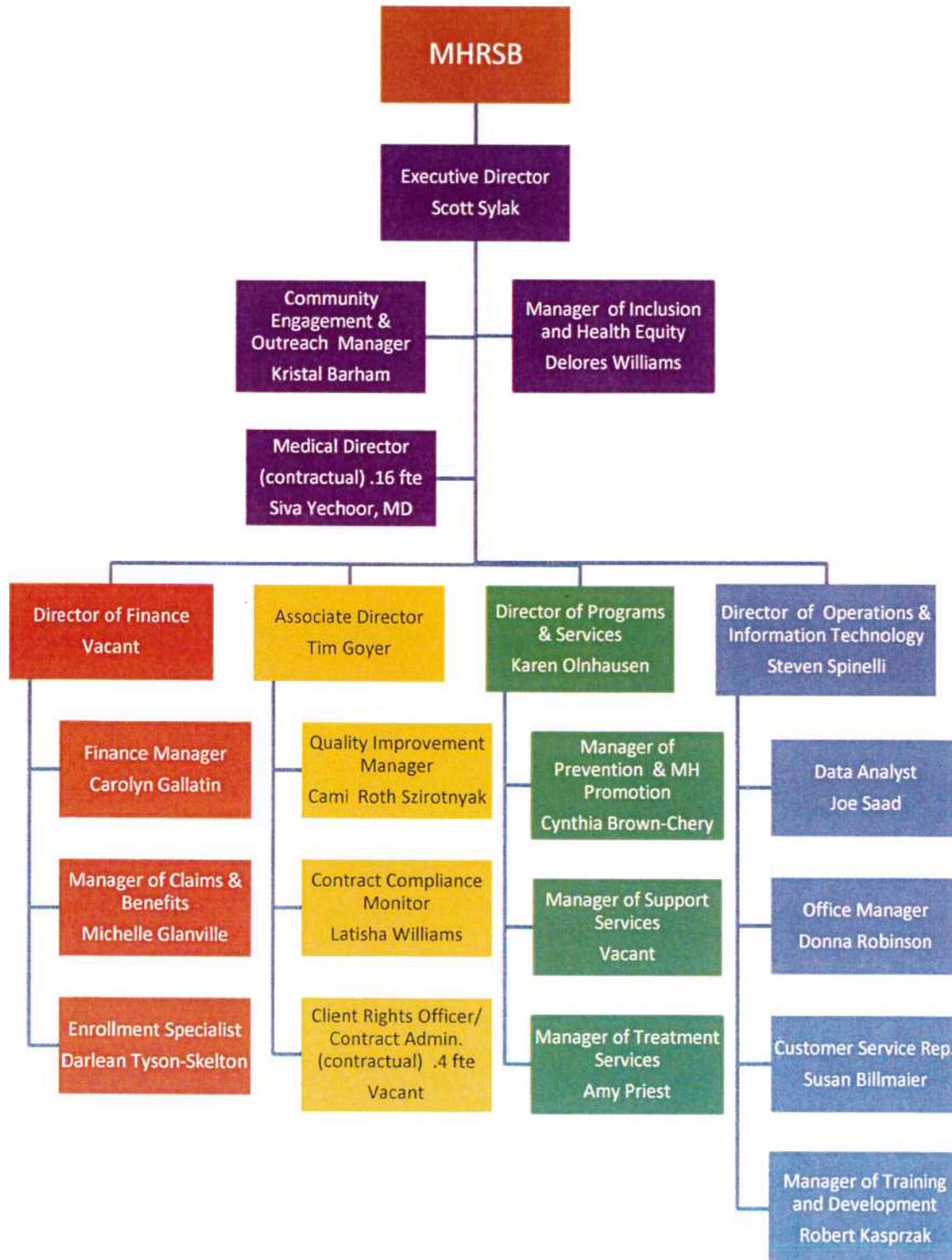
The following motion is recommended to the Board of Trustees:

***The Mental Health and Recovery Services Board of Lucas County approves the following revisions to the Table of Organization:***

- *Eliminates the full-time position of Associate Executive Director effective July 1, 2016.*
- *Adds the full-time position of Director of Finance and establishes a salary range of \$68,000 to \$103,000 for the new position effective June 22, 2016.*

# MHRSB Organizational Chart

## July 1, 2016



**MENTAL HEALTH AND RECOVERY SERVICES  
BOARD OF LUCAS COUNTY**

**Position Description**

<b>Director of Finance</b>	<b>Classified</b>	<b>Unclassified X</b>
	<b>Exempt X</b>	<b>Non-Exempt</b>
	<b>Supervises:</b>	<b>3</b>
	<b>Reports To:</b>	<b>Executive Director</b>
	<b>Effective Date:</b>	<b>6/22/2016</b>

**SUMMARY**

Responsible for the design, implementation, and management of financial support services, including accounting, budgeting, financial forecasting, client benefit enrollment, claims processing, including all associated personnel related activities and communications. Provides strategic and technical leadership for the Board and the provider system in the development of financial operations and strategies that ensure the maintenance of a high quality, efficient and accountable network of prevention, treatment and support services.

**PRIMARY DUTIES AND RESPONSIBILITIES:**

1. Directs the fiscal management of the organization, including oversight of the Board's financial and accounting functions, annual budget preparation, and specific budgets for contracts, special grants, and request for proposals issued by or responded to by the Board.
2. Presents Board and Provider budget, financial, statistical, and audit reports to the Board of Trustees for their use in monitoring and planning. Ensures that financial reporting to federal, state, and local authorities is done on a timely basis.
3. Designs and maintains the Board's internal control structure, including financial policies and procedures, segregation of duties, and auditing to ensure the security of Board assets.
4. Designs and maintains the Board's client enrollment and claims processing to ensure accurate and timely adjudication.
5. Liaisons with the appropriate county department on personnel matters related to employee salaries, benefits, new hires and terminations and ensures appropriate related documentation is maintained in the personnel files.
6. Provide regular financial forecasts for the Executive Director and the Board of Trustees. These forecasts should inform the Board of Trustees regarding the projected financial situation of the MHRS Board in future years to guide decision making with respect to financial resources.

**MENTAL HEALTH AND RECOVERY SERVICES  
BOARD OF LUCAS COUNTY**

**Position Description**

<b>Director of Finance</b>	<b>Classified</b>	<b>Unclassified X</b>
	<b>Exempt X</b>	<b>Non-Exempt</b>
	<b>Supervises:</b>	<b>3</b>
	<b>Reports To:</b>	<b>Executive Director</b>
	<b>Effective Date:</b>	<b>6/22/2016</b>

7. Collaborates with and participates on the Board’s executive management team to develop and support a care system through which the Board can efficiently manage costs while effectively ensuring a desired standard of care, accessibility and measurable outcomes.
8. As appropriate and required, reviews, develops and revises business operations and financial policies, policy recommendations, and internal operating procedures.
9. Provide leadership in the establishment of the Board’s Annual Purchasing Plan.
10. Monitors Board Administration expenses and explains variances from budget.
11. Ensures Board compliance with applicable Ohio Revised Code laws related to competitive and minority bidding and contracting requirements and tracks and reports same to the Executive Director.
12. Provides direct supervision to the Finance Manager, Manager of Benefits and Claims, and the Enrollment Specialist.
13. Provides executive level support for the MHRS Board’s Committees, including but not limited to; acting as the primary liaison to the Planning and Finance committee members, development of the meeting agendas and committee meeting packets and committee assignment follow through.
14. Other duties as assigned.

**MENTAL HEALTH AND RECOVERY SERVICES  
BOARD OF LUCAS COUNTY**

**Position Description**

<b>Director of Finance</b>	<b>Classified</b>	<b>Unclassified X</b>
	<b>Exempt X</b>	<b>Non-Exempt</b>
	<b>Supervises:</b>	<b>3</b>
	<b>Reports To:</b>	<b>Executive Director</b>
	<b>Effective Date:</b>	<b>6/22/2016</b>

**EDUCATION/EXPERIENCE:**

Master’s degree in business or healthcare administration, finance or accounting plus a minimum of five (5) years experience in financial planning and senior level operations experience (finance, budget, accounting, audit, MIS, administrative support, human resources) is required. Health care (medical or behavioral health) operations experience is highly desirable and preferred.

Must have broad knowledge of the behavioral healthcare field. Supervisory, staff development and senior level management skills are essential. Must have knowledge of and extensive experience with business administration, personnel, budget and financial planning and analysis and must be conversant with technology and information systems. Knowledge of managed care information systems including authorizations, enrollment, eligibility and claims processing is preferred. Expertise in spreadsheet, word processing, graphics, and accounting/financial software is required.

\_\_\_\_\_  
**Signature Employee:**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Signature Supervisor**

\_\_\_\_\_  
**Date**

**FY 2017 MHR SB Administrative Budget**

The attached proposed FY 2017 MHR SB Administrative Budget compares the FY 2013 through the recommended FY 2017 admin budget with the dollar changes between the FY 2016 and FY 2017 budgets included. The recommended FY 2017 MHR SB Administrative Budget is \$1,805,385 as compared to the FY 2016 MHR SB Administrative Budget of \$1,735,704 which is an increase of 4.0%.

The main differences between these two budgets are summarized in the following narrative:

- The FY 2017 Admin Budget Salaries line item assumes the continuation of the current staffing level of 19 employees. Most of the total personnel cost increase is related to the three new employees approved in the FY 2016 Admin Budget who will work twelve months in FY 2017 as opposed to limited months in FY 2016.
- A total of 3.0% was added to the Salaries total to allow salary increases based on performance for staff members which will occur on the employees' anniversary dates.
- The FY 2017 budget assumes a 10% increase in health insurance cost as of March 2017, the start of the County's health insurance plan year.
- No adjustment was made in the Medical Director's hourly compensation rate.
- Strategic Planning and Executive Director evaluation expenses were included.
- Increases in Professional Services - MIS, Travel and Advertising expenses were included in the FY 2017 Administrative Budget based on the actual FY 2016 utilization.

It is important to acknowledge that the recommended FY 2017 Board Admin Budget does not include a capital funding request for a new Non-Medicaid POS billing software package. The Board staff is evaluating possible options, but this analysis has not been completed at this time.

Since OMHAS has indicated to the Boards that they are not going to make the required changes to MACSIS to accommodate the new behavioral health code set which will be effective on January 1, 2017, the MHR SB will have to move to a new billing software which will be able to bill the new behavioral health code sets. By moving to a new Non-Medicaid POS billing software, the MHR SB will continue its long-established practice of not paying providers in excess of Medicaid ceiling rates when the additional billing rates become effective.

Adoption of this proposed FY 2017 Board Administrative Budget would enable the MHR SB to invest approximately \$.93 cents of every \$1.00 dollar of Board Revenue for treatment, prevention and supportive services in Lucas County.

The following motion is recommended to the Board of Trustees:

*The Mental Health & Recovery Services Board of Lucas County approves the Fiscal Year 2017 MHRS Board Administrative Budget of \$1,805,385 as contained in the June 21, 2016 MHRS Board packet.*

**Mental Health and Recovery Services Board of Lucas County  
FY 2013 -FY 2016 Board Admin Budgets and Recommended FY 2017 Board Admin Budget**

DESCRIPTION	FY 2013		FY 2014		FY 2015		FY 2016		Recommended FY 2017		FY 2017 Decrease/ (Increase) FY 2016	Comments
	Board Admin Budget	Budget	Board Admin Budget	Budget	Board Admin Budget	Budget	Board Admin Budget	Budget	Board Admin Budget	Budget		
Salaries	\$ 855,638	\$ 938,976	\$ 943,355	\$ 1,107,577	\$ 1,145,021	\$ (37,444)	19 FTEs					
PERS	\$ 119,789	\$ 129,222	\$ 132,070	\$ 155,057	\$ 161,303	\$ (6,246)						
FICA	\$ 11,804	\$ 13,384	\$ 13,679	\$ 16,061	\$ 16,603	\$ (542)						
Health Insurance	\$ 85,026	\$ 63,245	\$ 64,447	\$ 104,290	\$ 110,952	\$ (6,662)						
Workers Compensation	\$ 9,000	\$ 9,167	\$ 9,000	\$ 11,962	\$ 11,962	\$ -	Lucas County estimate.					
Total Personnel Costs	\$ 1,081,257	\$ 1,153,994	\$ 1,162,551	\$ 1,394,947	\$ 1,445,841	\$ (50,894)						
Rent	\$ 75,597	\$ 60,789	\$ 60,789	\$ 62,005	\$ 63,245	\$ (1,240)	2% rent increase.					
Prof. Services - Clinical Equipment/Software	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -						
Prof. Services - Consultants	\$ 5,600	\$ 26,604	\$ 24,225	\$ 24,255	\$ 24,255	\$ -						
Director Discretionary Fund	\$ 8,700	\$ 24,128	\$ 24,148	\$ 26,624	\$ 26,624	\$ -						
Dues	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -						
Telephone	\$ 17,660	\$ 17,660	\$ 17,660	\$ 17,660	\$ 18,500	\$ (840)	OACBHA 3% increase.					
Liability Insurance	\$ 16,500	\$ 16,500	\$ 16,500	\$ 16,500	\$ 16,500	\$ -						
Parking - Staff	\$ 10,600	\$ 14,089	\$ 14,089	\$ 14,089	\$ 14,089	\$ -						
Agency Workforce Develop.	\$ 10,350	\$ 15,810	\$ 15,810	\$ 15,300	\$ 15,300	\$ -						
Community Engagement	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ -						
Office Supplies	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ -						
Equipment Rental	\$ 10,200	\$ 10,506	\$ 10,506	\$ 10,037	\$ 10,037	\$ -						
Travel	\$ 9,400	\$ 9,400	\$ 9,400	\$ 8,548	\$ 8,548	\$ -						
Staff Training	\$ 7,343	\$ 6,900	\$ 9,000	\$ 7,343	\$ 8,500	\$ (1,157)	Higher utilization					
Parking - Other	\$ 2,400	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ -						
County HR Department	\$ 6,500	\$ 6,500	\$ 6,500	\$ 6,237	\$ 6,237	\$ -						
Accounting/Printing	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ -						
	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 5,250	\$ (1,250)	Higher utilization					

**Mental Health and Recovery Services Board of Lucas County  
FY 2013 -FY 2016 Board Admin Budgets and Recommended FY 2017 Board Admin Budget**

DESCRIPTION	FY 2013	FY 2014	FY 2015	FY 2016	Recommended	FY 2017	Comments
	Board Admin Budget	Decrease/ (Increase) FY 2016					
Meetings	\$ 2,400	\$ 2,400	\$ 3,800	\$ 3,800	\$ 3,800	\$ -	
Postage	\$ 2,000	\$ 2,400	\$ 3,200	\$ 2,759	\$ 2,759	\$ -	
211 Telephone Support	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ 3,000	
Maintenance Agreements	\$ 2,500	\$ 2,400	\$ 2,500	\$ 2,500	\$ 2,500	\$ -	
CJCC - NORIS	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ -	
Miscellaneous	\$ 2,000	\$ 2,200	\$ 2,110	\$ 2,400	\$ 2,400	\$ -	
Prof. Services - MIS	\$ 1,500	\$ 1,500	\$ 1,500	\$ 3,800	\$ 6,100	\$ (2,300)	Expanded bandwidth.
Strategic Planning	\$ -	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ (10,000)	
ED Evaluation	\$ -	\$ 10,000	\$ -	\$ -	\$ 5,000	\$ (5,000)	
Equipment Repairs	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ -	
<b>TOTAL ADMIN BUDGET</b>	<b>\$ 1,376,407</b>	<b>\$ 1,510,680</b>	<b>\$ 1,501,188</b>	<b>\$ 1,735,704</b>	<b>\$ 1,805,385</b>	<b>\$ (69,681)</b>	<b>4.0% increase from FY 2016 Budget.</b>

Recommended FY 2017 Budget Assumptions

- 19 FTE plus current PT staffing (no increases in Board staffing). Most of the salaries line item increase is due to paying the three new employees approved in FY 2016 for 12 months in FY 2017.
- 3% assumed increase in Staff salaries on service anniversary dates.
- Higher health/drug/dental expense: 10% projected increase in rates (Plan Year starts in March).
- No adjustment was made in the Medical Director's hourly compensation rate.
- Added Strategic Planning and Executive Director evaluation expenses.
- Budgeted increases for Professional Services - MIS, Travel, and Advertising based on actual FY 2016 utilization.

6/2/2016

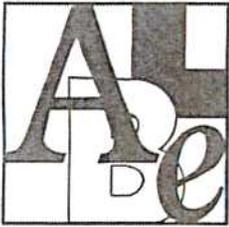
**ABLE CY 2015 Late Audit Submission Assessment Appeal**

The MHRS Board received ABLE's Calendar Year (CY) 2015 Audited Financial Statements on May 10, 2016. Under ABLE's FY 2016 Provider Agreement, Article 7.4.1 (Annual Audit) specifies that if the CY 2015 Audited Financial Statements are not submitted to the MHR SB by May 1, 2016, an assessment is due to the Board for late submission. Given this contract language, ABLE was informed that a \$1,500 assessment was payable to the MHR SB due to the late submission of their CY 2015 Audited Financial Statements.

Article 7.4.1 also provides ABLE the opportunity to appeal this assessment to the MHR SB within 14 days of the Board's notice of this assessment. Mr. Joe Tafelski, Executive Director of ABLE, formally appealed this assessment on May 31, 2016 (a copy of this letter is attached).

Under the same Article 7.4.1 of ABLE's FY 2016 Provider Agreement, the MHR SB has 30 days from the agency's appeal letter's date to act on this appeal. The MHR SB, acting in its discretion, can enforce, waive or amend the assessment. The decision of the MHR SB is final.

The Board staff has no recommendation regarding this subject since the Governance Committee has not had the opportunity to discuss ABLE's appeal of this assessment. Under ABLE's FY 2016 Provider Agreement, the Board staff has no discretion or ability to make a formal recommendation regarding this assessment.



Advocates for Basic  
Legal Equality, Inc.

Center for  
Equal Justice

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ABLE is funded  
in part by:



May 31, 2016

Mr. Scott A. Sylak  
Executive Director  
Mental Health & Recovery Services  
Board of Lucas County  
701 Adam Street, Suite 800  
Toledo, OH 43604

Re: Assessment Appeal

Dear Mr. Sylak:

Please accept this letter as a formal appeal by Advocates for Basic Legal Equality, Inc. (ABLE) from the assessment of \$1,500, as set forth in the attached letter of Thomas Bartlett dated May 18, 2016, for late submission of ABLE's 2015 Audited Financial Statements.

We apologize and regret that we submitted our audit 10 days after the deadline. Over the years our compliance with the Mental Health & Recovery Services Board of Lucas County requirements has been very good. We take great pride in the professional administration of our organization and our relationship with our funding partners. This oversight was truly an aberration, one that we corrected immediately as soon as it was brought to our attention.

By way of further background, our Finance Team handles the budgeting and finances for both ABLE and our partner organization Legal Aid of Western Ohio, Inc. (LAWO). This year's completion of the ABLE and LAWO audits coincided with an extensive compliance visit by the Legal Services Corporation (LAWO's major funder). That visit absorbed nearly all of the Finance Team's time and attention. I do not offer this as an excuse for missing the deadline, but rather as an explanation that the combination of all these projects occurring during the same time strongly contributed to our missing the LCMHRSB deadline.

It is our sincere hope that based on our excellent record of compliance in the past, and our commitment to the same in the future, the LCMHRSB will waive the \$1,500 assessment for the late submission of the 2015 Audited Financial Statements. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads 'Joseph R. Tafelski'. The signature is written in a cursive style with a large initial 'J'.

Joseph R. Tafelski  
Executive Director

**Inclusion Council Report**

On April 12, 2016, the MHR SB accepted the Diversity Workgroup Report which included a recommendation for an advisory group to support the implementation of the action steps outlined in the report. This advisory group, known as the Inclusion Council, held its initial meeting on May 4, 2016 to establish structure, meeting expectations and to receive outcomes from the surveys administered at three provider agencies presented by Joyce Litton Ph.D. and her students from Lourdes University. Board staff will utilize the data they presented from the surveys to build further data collection plans to achieve the action steps outlined in the Diversity Report.

The MHR SB Inclusion and Health Equity initiative was presented to the contracted provider agency executives or their designees at a meeting held on June 2, 2016. Those provider agencies present were encouraged to provide input for consideration on the use of incentives throughout the system to support improvements in the system.

Board staff strategy includes working with provider agencies to implement organizational self-assessment tools that will help each agency establish benchmarks for future data collection and measurement.

**FISCAL YEAR 2017**

**PROVIDER AGREEMENT**

**MENTAL HEALTH AND ADDICTION TREATMENT,  
PREVENTION AND SUPPORTIVE SERVICES**

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**FISCAL YEAR 2017  
PROVIDER AGREEMENT  
Mental Health and Addiction Services**

This Agreement is made and entered into at Toledo, Ohio, effective as of the 1<sup>st</sup> day of July, 2016 by and between the **ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES BOARD KNOWN AS MENTAL HEALTH AND RECOVERY SERVICES BOARD OF LUCAS COUNTY**, whose principal place of business is 701 Adams Street, Suite 800, Toledo, Ohio 43604 ("Board") and **Agency Name**, whose principal place of business is Agency Address ("Agency").

**RECITALS**

A. The Board is a community Board of Alcohol, Drug Addiction and Mental Health Services formed pursuant to Ohio Revised Code Section 340.02 serving residents of Lucas County, Ohio and is authorized to enter into contracts with public and private agencies for the provision of alcohol, drug addiction and mental health services, to approve methods of payment for such services in accordance with guidelines issued by Ohio Department of Mental Health and Addiction Services ("OhioMHAS"), and to establish such rules, operating procedures, and standards as are necessary to carry out its purposes.

B. The Agency is an Ohio nonprofit corporation, certified by OhioMHAS to provide the services described in this agreement.

C. The Board and the Agency desire to enter into an agreement for the provision of services and the performance of certain duties and responsibilities to the residents of Lucas County upon the terms and conditions set forth below.

**STATEMENT OF AGREEMENT**

In consideration of their mutual promises the parties agree as follows:

**ARTICLE I – DEFINITIONS**

1.1 "**Board Policies**" are the policies, procedures, protocols, rules and regulations that have been adopted by the Board and made available to Agency, and any such items that are subsequently adopted or revised by the Board of which the Agency has received written notice of in accordance with Section 3.1 (c) below.

1.2 "**Client**" is an Eligible Person to whom the Agency provides Services under this Agreement.

1.3 "Eligible Person" is a person who meets the standards of eligibility established by the Board for receiving services under this Agreement, as set forth in Attachment 1, and/or who has been assessed as needing prevention or supportive services under this Agreement.

1.4 "Enrolled Client" is an Eligible Person whose eligibility for services has been verified by the Board staff, and for whom the Agency provides services.

1.5 "Fiscal Year" is the period from July 1 to June 30.

1.6 "Medically Necessary Service" is a service that is: (i) appropriate for the care, diagnosis or treatment of an Eligible Person; (ii) provided in the least costly medically appropriate setting based on the severity of illness and intensity of service required; (iii) not solely for the Eligible Person's convenience or that of a health care professional; and (iv) within standards of practice within the community.

1.7 "Resident" is a person whose residence, as defined in Ohio Revised Code (ORC) 5122.01(S), is in Lucas County, except as "Resident" is otherwise defined in the OhioMHAS "Guidelines and Operating Principles for Residency Determinations among CMH/ADAS/ADAMHS Boards".

## ARTICLE II – SERVICES

2.1 **General.** The Agency agrees to provide the ~~Medically Necessary~~ services specified in Attachment 3 to Eligible Persons ("Services"), in accordance with the terms and conditions of this Agreement. Services shall not be provided under this Agreement to persons eligible for Medicaid services under Title XIX of the Social Security Act. Clients who are eligible for Medicaid and who have reached their benefit limitations are not eligible for Services under this Agreement. Agency shall not materially change the provision of or access to any Service provided under this Agreement without prior written consent of the Board.

2.2 **Hospitalization and Commitment Legal Proceedings.** ~~The Agency will be responsible for providing~~ shall recommend and retain attorneys to represent the Board in ~~legal probate court~~ proceedings under ORC Chapter 5122, "Hospitalization of Mentally Ill", with respect to Agency Clients. The Board will annually designate attorneys to be utilized for this purpose based upon the Agency's recommendations, provided the Agency notifies the Board of the name, address and phone number of the recommended attorney(s). ~~The Agency shall bear the expense of the attorney.~~ is responsible for payment of any and all attorney fees and expenses.

2.3 **Additional Duties.** The Parties shall perform the obligations set forth in this Section 2.3 and the Services and Projected Outcomes requirements contained in Attachment 3, as applicable.

**2.3.1 Duties applicable to treatment services and programs:**

(a) ensure that treatment services provided under this Agreement are Medically Necessary Services;

(a)(b) comply with the MHRSB Waiting List Policy;

(b)(c) participate in the planning and implementation of the Board System-Wide Disaster Response Plan, including the development of a Disaster Mental Health Response Team, to be available for deployment to local sites upon requests;

(c)(d) provide 24 hour access to a clinician consistent with provisions of Board's After Hours Access policy;

(d)(e) process client transfers in compliance with provisions of Board's Continuity of Care policy;

(e)(f) participate in the county-wide Service Coordination Mechanism for select children with serious emotional disturbance with multiple needs, and the Behavioral Health Forum, as needed; and

(f)(g) accept, without duplication of, Diagnostic Assessments completed within the last 90 days by providers who are certified by OhioMHAS to perform said assessments;

(g)(h) accept clients into treatment in accordance with priorities, as provided in the Board's Clinical Eligibility for Board Funded Treatment Services Policy;

(h)(i) provide necessary services to clients who have exhausted their Medicaid health benefits for the defined period (such services are not reimbursable by Board under this Agreement per Section 2.1);

(i)(j) comply with Board's Treatment Services Benefit Plan (Attachment 1);

(j)(k) re-verify income and family size annually for all active clients and submit changes to LC Enrollment Center, the Board's Business Associate, for updates to the Multi-Agency Community Services Information System (MACSIS);

(k)(l) complete Housing Impairment Assessment forms within 5 business Days from receipt of request;

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(l)(m) provide mental health and addiction treatment services only with the informed consent of the client or the client's legal representative, except as otherwise permitted by law; and

(m)(n) conduct assessments, notifications and evaluations and participate in probate court proceedings in accordance with the requirements of ORC Chapter 5122, if the Agency has been designated by the Board to perform the hospitalization and commitment functions described in Chapter 5122 on behalf of Board.

**2.3.2 Duties applicable to prevention services and programs:**

- (a) report prevention program National Outcomes Measures (NOMs) through OhioMHAS' Grants Management System with goals and objectives by the 30<sup>th</sup> day of the month following each fiscal quarter;
- (b) Use funds designated for prevention services under this Agreement only for prevention services and not for the provision of, or assessment for, treatment, cessation or rehabilitation;
- (c) emphasize abstinence from the use of alcohol and other drugs in all projects with a youth target population; and
- (d) establish Performance Targets for all projects that contribute to the Board's Community Plan Prevention Investment Targets.

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**2.3.3 Duties applicable to all services/programs:**

- (a) contract through a written lease for any non-Agency owned facilities used for agency operations; said leases will include a provision that the landlord may not terminate the lease with fewer than 60-days notice;
- (b) disclose all salaries and other compensation by position upon Board's request;
- (c) maintain a record retention and destruction policy that complies with state and federal law and is reviewed annually by Agency's board;
- (d) provide a minimum 120-day notice to the Board of the following occurrences, unless these occurrences are the result of a reduction in Board funding:
  - a. 20 % reduction in staffing levels;

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- b. reduction in hours of operation; or
  - c. program elimination;
- (e) assure the protection of Client rights and comply with the client complaint and grievance requirements of Ohio Administrative Code (OAC) 5122-26-18; and
- (f) adopt a policy that precludes the establishment of dual relationships created by the exchange of money, valuables or services between its governing board, staff and clients unless exceptions are identified in that policy.

### ARTICLE III – STANDARDS

**3.1 Compliance with Certain Matters.** All Services shall be provided in compliance with the applicable requirements of:

- (a) accepted standards of professional practice;
- (b) the Board's Community Plan as approved by OhioMHAS;
- (c) Board Policies, provided that as to any new policy or change in policy which has an effect on the Agency, the Board has provided written notice of the policy or change at least 60 days prior to adoption, and at least 120 days prior to the date of enforcement unless the policy or change is required under Ohio or federal law to be implemented prior to such time;
- (d) the Articles of Incorporation, Code of Regulations, policies and procedures of the Agency;
- (e) Agency's Service Plan;
- (f) all requirements of other entities – that provide funding for the programs under which the Agency receives payment, certifications, licenses and/or accreditations; and
- (g) The applicable confidentiality requirements of state and federal law, including, but not limited to, the following: ORC 5122.31 – hospitalization and commitment records, ORC 5119.27 – alcohol and other drug records, ORC 5122.28 – mental health records, OAC 5122-26-08 – confidentiality & security of client records, OAC 5122-27-06 – OhioMHAS release of information, 42 CFR Part 2 - federal alcohol & other drug record regulations, and 45 CFR Part 160 and Subparts A, C and E of Part

164 (Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its implementing regulations) – federal healthcare privacy and security regulations.

**3.2 Nondiscrimination.**—The Agency shall not discriminate in the provision of services on the basis of race, color, religion, national origin, gender, ethnicity, age, marital status, disability, pregnancy, military/veteran status, genetic information, sexual orientation, creed, human immunodeficiency virus status or other federal, state or local protected class.

**3.3 Access to Services.** The Agency shall ensure that Services are not terminated or denied to an Eligible Person for any of the following reasons:

- (a) behavior that is symptomatic of the illness or condition that causes an Eligible Person to need Treatment Services under this Agreement unless the behavior is such as to make other types of Services more appropriate, in which case the person may be transferred by an Appropriate Transfer;
- (b) refusal by the person or the person's family to accept other services offered by the Agency, provided that this shall not require the Agency to provide services in a manner that is clinically inappropriate;
- (c) the client's inability or unwillingness to pay for such services. This provision applies only to those persons who meet severe and persistent mental illness, youth with serious emotional disturbance, co-occurring disorder with a severe and persistent mental illness and drug and alcohol diagnosis and pregnant women eligibility criteria;
- (d) the extent of Medically Necessary Services that the Client may require; or
- (e) a failure by the Client's family to be cooperative, provided that any required informed consent to treatment has been obtained.

Services to any Client shall not be terminated until the Agency has taken reasonable steps to meet anticipated needs of the Client for related services, made appropriate referrals and complied with the Board's Continuity of Care policy.

### **3.4 Staffing.**

**3.4.1 ACCO.** If the Agency provides mental health services, the Agency shall appoint an Agency Chief Clinical Officer (ACCO) who meets the requirements of O.R.C 5122.01 (k). The ACCO shall be responsible for the supervision of diagnostic and treatment services provided under this Agreement. The ACCO is required to perform all services in compliance with this Agreement, and in accordance with Board Policies governing reporting to and coordination with the Board Chief Clinical Officer and such other persons as the Executive Director of the Board shall designate.

**3.4.2 Equal Employment Opportunity.** The Agency shall comply with all laws and regulations governing discrimination in employment that are applicable to Board contractors, and shall adopt a plan of affirmative action for the provision of equal employment opportunities that complies with the requirements of ORC 340.12, 125.111 and OhioMHAS rules. In addition, the parties agree to continue their efforts to achieve diversity in accordance with the Board's Affirmative Action Program policy.

**3.4.3 Staff Training, Licenses and Certifications.** The Agency shall provide sufficient staff with sufficient training to perform the Services required by this Agreement. Agency shall ensure that Services are being provided by appropriately licensed and/or certified individuals. If the Board determines that, as a result of any staff licenses and/or certifications being inadequate, suspended, revoked and/or not current in any way, that the delivery of Services under this Agreement are or will be negatively impacted, the Board may take any action it deems appropriate including but not limited to reporting such information to OhioMHAS, CARF or other accreditation/certification bodies, and/or the suspension of payments in accordance with Section 6.6.

#### **ARTICLE IV – INFORMATION AND REPORTS**

**4.1 General.** The Agency shall provide such information and reports as are required by law and Board Policies, and such other information as the Board reasonably determines to be necessary to carry out its functions. Such information shall include individual Client records when necessary. The Board will provide no less than 60 days advance notice of any changes to the format of Board required reports. The Board, or its business associate, shall be granted electronic access to Agency databases containing financial and clinical data relating to Clients.

**(a)** The exchange of information and reports required under this Agreement and applicable law shall be in accordance with state and federal confidentiality requirements as required by Section 3.1(g). The Agency shall obtain any releases of information that are required by applicable requirements in order to fulfill its obligations under this Agreement and applicable law. The parties will limit requests and disclosures of confidential information to the minimum amount of information necessary to fulfill the purpose of each request or disclosure.

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**(b)** The Agency shall permit the Board or its designee to electronically transmit data to the Agency (e.g. via the Board's FTP server) concerning an Eligible or Enrolled Person's right to obtain Services, including but not limited to information concerning the person's status as an Eligible, or Enrolled Person, and Medical Necessity determinations. The Agency shall take all reasonable steps necessary

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to facilitate such electronic access to, and ability to transmit information to, the Agency by the Board or its designated agent. This provision shall not be construed to permit the Board to directly enter data into the Agency's database.

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- (e)(c) If the Board requests the Agency to compile data which is not specifically called for by this Agreement or which is not required for the provision of services under this Agreement, the Agency will make a reasonable effort to provide such information. However, if the collection or compilation of such additional data requires the Agency to incur additional costs, the Agency will inform the Board of the anticipated costs and time involved and if the Board deems the information necessary, it will reimburse the Agency for its additional expenses.

**4.2 Provider Performance and Outcomes Reporting.** The Agency agrees to:

- (a) collect and provide the Board with Agency performance and outcomes data, in the prescribed Board format, for all Services, for Children, Adults, and supportive services, as indicated in Attachment 3 and as required by OAC 5122-28-04, by January 15 of the current fiscal year (first half) and July 15 of the subsequent fiscal year (year-end report). Upon request, submit quarterly reports by October 15 (first quarter) and April 15 (third quarter) of the current fiscal year; and
- (b) collect and provide agency performance and outcomes data with respect to Board System Wide Goals.

**4.3 Specific Information and Reports.** The Agency shall submit the following documents and reports to Board as specified:

- (a) applicable accreditation /certifications documentation (OhioMHAS Treatment, Prevention, and other services, JCAHO, CARF, etc.) – with this executed Agreement;
- (b) documentation of the insurance coverage required under Article IX, with this executed Agreement. Agency will provide proof of renewal of each type of coverage within 30 days of renewal;
- (c) the annual client complaint and grievance report in Board prescribed format by July 30 of the subsequent fiscal year;
- (d) the annual employee and trustee ~~and consumer~~ ~~employee~~ ~~diversity~~ survey in format prescribed by the Board by July 30 of the subsequent fiscal year;

- (e) notification of reportable incidents in accordance with OAC 5122-26-13, and provide a complete written report upon request of the Board;
- (f) documentation of the provision of a biennial training for Agency governing board members regarding duties and responsibilities of non-profit board members, including training in appropriate financial oversight;
- (g) certified annual fiscal audit report (electronic copy) and management letter (if issued) within 4 months after the end of the Agency's fiscal year;
- (h) documentation that the agency's audit firm presented its annual audit report to the full board within 4 months after the end of the Agency's fiscal year;
- (i) quarterly balance sheet and FYTD statements of revenue and expense (in agency format) providing actual and budget amounts by the 30th day of the month following the end of each fiscal quarter, accompanied by minutes showing review and approval by Agency's governing board;
- (j) individual FYTD program revenue and expenditure reports providing actual and budget amounts by the 30th day of the month following the end of each fiscal quarter.
- (k) ~~actual Uniform Cost Report and a~~Actual Revenue Report (052) by December 15 of the subsequent fiscal year with reports tying to Agency's fiscal year audit;
- (l) overall annual budget, signed by the Agency's governing board and accompanied by the governing board resolution approving the budget including board approval of the agency compensation plan or scales, with the submission of this executed agreement;
- (m) compensation of the executive director upon governing board action approving the compensation;
- (n) IRS Form 990 (electronic copy) upon submission to the Internal Revenue Service;
- (o) Annual Quality Assurance/Performance Improvement plans (from non-deemed providers) when completed by Agency;
- (p) ~~Annual Utilization Review and Peer Reviews by August 2 of the subsequent fiscal year, 2016;~~

(q)(p) Bi-annual Quality Assurance /Quality Improvement reports by January 31 of the current fiscal year and July 31 of the subsequent fiscal year; (Rescue only)

(r)(a) physician roster by July 1 and provide roster updates as they occur.

(r) annual inventory of all property in which the Board has an interest, by January 15, as provided in the Board's Property Inventories for Agency Capital policy;

(s) a new budget for prevention or supportive services when circumstances change at the Agency which will result in lower programming cost, within thirty days of such change;

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(t) documentation, by December 31, of an annual fire inspection for any apartments or rooms Agency has built, subsidized, renovated, rented, owned or leased for individuals eligible to receive Board subsidized services, that are not licensed residential facilities as required by Board's Non-Licensed Housing policy; and

(u) Agency's waiting list information in accordance with ORC 5119.362 and OhioMHAS rules.

**4.4 Claims Processing.** Claims for POS services, as identified in Attachment 3, must be submitted by using ~~MAGSIS~~ the Board's prescribed billing process (MACSIS or its Successor).

**4.5 Untimely Reports.** If the Agency fails to provide any report within the time frames and the requirements specified in this Article IV, or fails to provide any other report due under this Agreement within 14 days of the date due, the Executive Director of the Board may withhold payment of any funds otherwise due to the agency in accordance with Section 6.6.

**4.6 Allegations of Abuse/Neglect.** Agency shall provide Board with immediate access to information without prior notice, including access to staff, individual Client records and Client accounts, when such information is reasonably related to allegations of abuse or neglect of a client being investigated in accordance with ORC 340.03(A)(2) or to prevent imminent harm to clients. Agency shall cooperate with the Board in investigations by the Board of complaints alleging abuse and neglect and in implementing any action determined by Board to be necessary to correct the conditions which have caused or contributed to abuse or neglect.

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**4.7 Reports of Claims.**

(a) **Notification of Claims Against Agency.** In the event that any person alleges in writing, either by filing a lawsuit or otherwise, that the Agency, an employee of the Agency, or a contractor of the Agency that provides any Services to Clients,

acted or failed to act in a manner that violated the party's duties to any person in any manner whatsoever, whether by negligence or otherwise, the Board shall be notified in writing of such claim within seven (7) days of the assertion of such claim, whether or not the affected person was an Eligible Person. The Agency shall enter into agreements with its contractors that provide Services to Clients requiring them to notify the Agency of any such claims. Provided, however, this Article shall not require the Agency to give notice to the Board of internal employee grievances or appeals or administrative charges filed by employees which do not relate to client services. Provided further, this Article shall not modify the obligations of the Agency to submit reportable incidents in accordance with Board's Incident Notification policy.

- (b) **Notification of Claims by Agency Against a System Provider.** At least ten days before commencing any action to recover compensation or seek any other relief, equitable or otherwise, against another Board funded provider, the Agency shall provide the Board with written notice of its intent to file a lawsuit or other claim.

**4.8 Survey and Investigation.** The Agency shall provide the Board with copies of any reports of surveys or investigations conducted by any government agency within seven (7) days of receipt of the report, and will provide the Board with copies of any related correspondence or any follow-up action relating to such reports. The Agency shall provide the Board with copies of any certificate concerning any accreditation by a non-governmental agency and shall advise the Board within seven (7) days of any changes in accreditation status. The Agency shall advise the Board of any information that it receives indicating that any investigation is being conducted or any action is being threatened by any governmental agency or accreditation agency relating to services provided by the Agency.

#### **ARTICLE V – ADMINISTRATION**

**5.1 General.** The Agency is independent and autonomous from Board and retains the ultimate responsibility for the care, treatment and all services and programs provided to Clients under this Agreement.

**5.2 Records.** The Agency shall keep accurate, current and complete clinical and financial records in accordance with accepted standards. The Agency shall provide Client and Service information for ~~non-Medicaid clients~~ to the Board in a timely manner as defined in this Agreement and in such format as the Board shall specify. In addition, the Agency affirms the Board's right to obtain Medicaid billing data in aggregate, non-client identifiable form. Payment for services shall not be made until complete and accurate information has been provided. All Client records shall be maintained in a manner that preserves confidentiality and security in accordance with applicable law and Board policies. The Agency shall have a

record retention policy that requires clinical records to be preserved for the period required by OhioMHAS; and requires all other records to be preserved for the period required by federal, state or local law. Provided, however, all financial records other than payroll records shall be preserved for at least ten years. The Agency shall insure that all records of contractors' subcontractors are maintained in accordance with the requirements of this agreement.

**5.3 Conflicts of Interest.** The Agency shall assure that: (i) none of its Trustees is a member or employee of the Board; (ii) none of its employees is a member of the Board; (iii) none of its employees is an employee of the Board unless the Board and the Agency have agreed to such arrangement in writing; and (iv) none of its Trustees is a family member of a member of the Board. The term "family member" means a spouse, child, parent, brother, sister, grandchild, stepparent, stepchild, stepbrother, stepsister, father-in-law, mother-in-law, daughter-in-law, brother-in-law or sister-in-law. Trustees, officers, employees and subcontractors of the Agency shall take all necessary steps to avoid a conflict of interest or the appearance of a conflict of interest between the provision of services pursuant to this Agreement and any other contract, employment or private practice relationship, and shall conform to all applicable ethics and tax statutes and regulations and to all applicable published opinions of the Ohio Ethics Commission.

**5.4 Licenses, Permits and Inspections.** The Agency shall obtain and maintain at all times any license, certification, permit, or other governmental approval or authorization that is necessary to operate its facilities or utilize its personnel and to provide the Services required under this Agreement, and will ensure that its employees and subcontractors have met all similar requirements. The Agency shall provide the Board with copies of all documentation upon request.

**5.5 Use of Board Logo.** The Agency shall use the Board logo on all printed matter, public displays, audio/visual presentations, agency stationery, newsletters, pamphlets, program bulletins and other public information and educational materials. The Agency shall participate with the Board in its annual marketing plan and display the Board's logo poster in a prominent outside location at –its central facility and each of its satellite locations, unless the Board expressly excludes a particular location. This requirement applies to all Agency programs funded in whole or in part by the Board.

**5.6 Subcontracts.** The Agency shall not enter into any arrangement for a subcontractor to provide Services required to be performed by the Agency under this Agreement unless the prospective subcontractor has agreed in writing to comply with all terms and conditions applicable to the Agency under this agreement relating to the provision of such Services. Any subcontract arrangement shall not relieve the Agency of any of its responsibilities or obligations under this Agreement.

**5.7 Board Funded Property.** To the extent the Board advances money to the Agency for the purchase of real or personal property of any kind, for the Agency's use in providing mental health or alcohol and drug addiction services, the Agency agrees that it will condition such purchases upon the Board's retention of a security interest in any and all such property as provided under Board's Property Inventories for Agency Capital policy. To protect the Board's interest, Agency will execute security agreements and/or financing statements at the time of purchase and cooperate with the Board in the perfection of its interests. The Board expressly reserves all rights that it now has in any real or personal property acquired by the Agency with Board funds under the terms of prior contracts providing the funds used for the purchases.

**5.8 Notice of Fund Raising.** The Agency shall notify the Board of its intent to do any major fund raising activity, including type of events being planned and date of event.

**5.9 Legal Compliance.** The Agency shall comply with all laws and regulations of federal, state, county and local agencies and authorities, including but not limited to such laws and regulations and state agency directives that are applicable to the Agency as a contract provider of Board.

**5.10 Agency Assurances.** The Agency shall execute and comply with the requirements of Attachment B, Agency Assurances Statement.

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**5.11 Uniform Guidance.** If the Agency receives any federal funding under this Agreement, as noted by Board, Agency shall comply with the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"), described in part in Attachment A.

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## ARTICLE VI – COMPENSATION

### **6.1 General.**

**6.1.1 Payer of Last Resort.** The Board shall be the payer of last resort. The Agency shall bill potential first and third party payers, both public and private, for all Services to Enrolled Clients paid on a Purchase of Service basis under Section 6.3. The Agency shall assure the Board that all clients eligible for Medicaid coverage will apply to Medicaid for coverage unless the client is medically unable to do so. Clients eligible for Medicaid coverage who elect not to apply for Medicaid coverage will not be eligible to receive any subsidized services payable under this provider agreement.

**6.1.2 Third Party Liability.** The Agency shall make a reasonable effort to obtain information from Enrolled Clients regarding third party payers and shall make a reasonable

effort to bill and collect Third Party Liability payment. Third Party Liability shall include but not be limited to payments for the federal share of Medicaid, Medicare and private insurance.

**6.1.3 Other Sources.** The Agency shall disclose to the Board all grants, awards, allocations or purchase of service agreements (collectively referred to as "Other Sources") from or with any other party, provided to the Agency for the Purpose of providing services to Eligible Persons. Funds from Other Sources shall be applied to the payment of Services delivered to Enrolled Clients before the costs of such Services may be billed to the Board.

**6.1.4 Coordination of Benefits.** If Services for an Enrolled Client is covered in part by commercial insurance or Medicare, the Agency may bill the Board as follows:

Medicare primary - The Agency may bill the Board for the Medicare Allowed Rate less any Medicare payments collected and less any copay required by the Board subsidy schedule. Total payments received by the Agency from all sources, including co-pays, for a Medicare-billable service, shall not exceed the Medicare allowed amount for such service.

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- (b) **New/Returning Clients** - Clients who are new to the Board's system of care, or have not received any treatment services from any of the Board-funded agencies for a year, will be referred for services to their insurer's in-network providers. If none of the Board-funded agencies are in-network providers for the insurance carrier, clients will be referred to an in-network provider outside of the Board funded agencies.
- (c) **Commercial Insurance is Primary** – The Board may be billed for the lesser of the contracted insurance rate, the insurance company's Usual and Customary rate, or the Board's allowed rate less any payments received from the insurance company and any copay required by the Board subsidy schedules. The Board will cover the deductible amount consistent with the Client's insurance policy if the Client is eligible under the Board subsidy schedules.
- (d) **Crisis care** – If the Agency is receiving a POS allocation from the Board, the Board will pay for crisis care provided to Clients for a maximum of 72 hours. After 72 hours, the Agency must refer the Client to an in-network provider of the Client's insurance carrier for additional services.
- (e) **Non-Covered Services** - The Board will continue to pay for Services which are not covered by commercial insurance plans, Medicaid or Medicare and which are included in the Board's Treatment Services Benefit Plan (Attachment 1), as otherwise described in this Agreement.

#### 6.1.5 Methods of Reimbursement.

- (a) For services provided on a Grant basis (identified in Attachment 3), the Board will pay the Agency six (6) equal bi-monthly installments in accordance with Section 6.2.
- (b) For Services provided on a Purchase of Service (POS) basis, the Board will compensate the Agency on a units of service basis in accordance with Section 6.3.

**6.1.6 Loss or Reduction in Funding.** Notwithstanding any provision in this Agreement to the contrary, any duty of the Board to compensate the Agency hereunder is subject to the limitations set forth in this Article. No amount shall be paid to the Agency in excess of the rates and allocation amounts approved by the Board.

- (a) **Pass Through Grants.** If Board funding is based upon grant funding for a particular service, and the funds projected to be received from the grantor by the Board is reduced or eliminated, the amount allocated to the Agency for the respective fiscal year for such service shall be reduced accordingly, and the Agency will not receive any amount in excess of the adjusted allocation. In the event of any reduction in funding pursuant to this Article, the Board shall give the Agency written notification of such reduction as soon as possible. Notwithstanding any reduction, the Agency shall make reasonable efforts to provide services to clients currently receiving services until the current treatment/program is completed, the client can be transferred by an Appropriate Transfer to another agency, or ninety (90) days after receipt of the written notice, whichever is sooner.
- (b) **Allocations.** In the event of a general reduction in funds projected to be received by the Board from governmental agencies, the Board may, by formal Board action, make a reduction in the amount allocated to the Agency, and the Agency will not receive any amount beyond the adjusted allocation. In the event any reduction in funding is proposed to be taken by the Board pursuant to this Article on any basis **other than a pro rata allocation of all program and services funding**, the Board shall give the Agency forty-five (45) days written notification of such reduction before its effective date. Whenever feasible, the Agency will be afforded the opportunity to meet with a Board committee designated by the Board chair before such Board action is taken. If such a meeting does not occur before the Board action, the Agency shall be afforded, upon written request, an opportunity to meet with a Board Committee designated by the Board Chair before the reduction becomes effective. Notwithstanding any reduction, the Agency shall make reasonable efforts to provide services under treatment until the

current course of treatment is completed; the client can be transferred by an Appropriate Transfer to another agency, or forty-five (45) days after receipt of the written notice, whichever is sooner.

**6.2 Installment Payments.**

**6.2.1 Board-Funded Grants.** For grant-based Services and programs identified in Attachment 3, the Agency shall be paid an amount not to exceed \$x,xxx,xxx as outlined below. The Board shall pay such amount in six (6) equal bi-monthly payments in July, September, November, January, March, and May by the 15th day of each payment month if any part of this allocation is funded with federal funds, a separate notice of award will be sent by the Board. A revised notice of award will be sent to the Agency to reflect any revisions due to changes in federal ~~or other~~ funding. The Agency agrees to be in compliance with all federal requirements including the Uniform Guidance (2 CFR § 200) requirements.

Description of Service	\$ Amount of Grant
Inpatient Engagement Services	\$123,456
Preventing Psychiatric Emergencies	\$123,456
Cognitive Enhancement Therapy	\$16,200
Other Programs	\$99,999

**6.2.2 Pass Through Grants.** The Agency shall be paid for any pass-through programs listing the Agency as the implementing agency in accordance with the grantor's requirements. The Board shall pay such amount in six (6) equal bi-monthly payments in July, September, November, January, March, and May by the 15th of each payment month. If any part of this allocation is funded with federal funds, a separate notice of award letter will be sent by the Board. A revised notice of award will be sent to the Agency to reflect any revisions due to changes in federal ~~or other~~ funding. The Agency agrees to be in compliance with all federal requirements including the Uniform Guidance (2 CFR § 200) requirements.

**6.3 Purchase of Service ("POS").**

**6.3.1 General.** For POS-based services and programs, identified in Attachment 3 provided to Enrolled clients, the Agency may be reimbursed at the rates set forth in Section 6.4, up to a maximum aggregate amount of \$1,234,567 as outlined below. If any part of this allocation is funded with federal funds, a separate notice of award letter will be sent by the Board. A revised notice of award letter will be sent to the Agency to reflect any revisions due to changes in federal ~~or other~~ funding. The Agency agrees to be in compliance with all federal requirements including the Uniform Guidance (2 CFR § 200) requirements. In consideration of these allocations, the agency agrees to accept new client referrals from Central Access/Rescue's Urgent Care and Recovery Helpline, T.A.S.C., and hospital discharges on a

weekly basis and projects that it will serve a total number of clients who will achieve prescribed outcomes as outlined in Attachment 3.

Description of Service	\$ Amount of Allocation
MH Outpatient Treatment	\$999,999
AOD Outpatient Treatment	\$123,321

**6.3.2 Reimbursable Amount.** The Agency will be reimbursed by the Board as the payer of last resort. The Reimbursable Amount owed will be determined by a) the Board approved Rate as established by Section 6.4 below, and b) the number of eligible billable Units of Service provided for Enrolled Clients.

**6.3.3 Reimbursement Process.**

(a) **Claim Submission.** The Board will accept claims on a daily basis before end of business day. No claim will be payable unless it has been submitted to the Board in accordance with the terms of this Agreement and all OhioMHAS services requirements within 365 days from the date of service.

(b) **Claims Adjudication.** The Board will remit claims submitted by the Agency through MACSIS to the State weekly. The State will perform the adjudication, and reports on errors, held and denied claims will be remitted back to the Board bi-weekly. The Board will forward any necessary reports to the Agency for further investigation and resubmission as appropriate.

(c) **Claims Payment.** The Board will pay the Reimbursable Amount for approved MACSIS claims. The Board will submit vouchers to the Lucas County Auditor for payment of State approved MACSIS claims at least bi-weekly.

(d) **Good Faith Accommodations.** In the event that the Board is unable to pay the agency for services rendered and billed through MACSIS because of failures in the operation of MACSIS or interruptions in payment processing by the Lucas County Auditor, both of which are events outside of the control of the Agency or the Board, the Board agrees to advance the Agency ninety percent (90%) of submitted claims filed if the Board has sufficient funds and the Agency authorizes subsequent withholding. Amounts so advanced shall be set off from payments due to the Agency after claims adjudication through MACSIS. Advances shall also be subject to adjustment for any claims paid but subsequently denied in MACSIS.

(e) Change in Claims and Information System. Agency acknowledges that it may be necessary for the Board to transition to a new claims and information system during the term of this Agreement. If such transition should occur, Agency agrees to

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cooperate in the implementation and use of the new system, including the process and procedural requirements of the new system. In addition, Agency shall:

- Cooperate with Board as necessary to successfully transition to the new system;
- Comply with any requirements related to the implementation and utilization of the new system as conveyed by Board; and
- Apply all requirements of this Agreement, that relate to MACSIS and claims activities to the new system, as directed by Board.

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#### 6.3.4 Reconciliation and Adjustments.

- (a) **Adjustments for First Party Payer Uncollectible Receivables.** Notwithstanding the provisions of Section 6.3.3 (a) above, within one year of the date of service was rendered, the Agency may bill the Board for any uncollected first-party payer-incurred expenses that have been outstanding for more than ninety (90) days. If the Agency has made a good faith effort to collect the first party payer incurred expenses, the Board shall reimburse the Agency for the amount of the uncollected expense, subject to the POS cap. In the event the amount reimbursed by the Board is subsequently collected by the Agency, the Agency shall remit such payment to the Board or, at the Board's election, set off the payment against payments due to the Agency. Upon request by the Board, the Agency shall assign to the Board the right to collect any first party payer obligation that has been reimbursed by the Board.
- (b) **Third Party Liability Denied.** Notwithstanding the provisions of Section 6.3.3 (a) above, within one year of the date the service was rendered, the Agency may bill the Board, and the Board shall pay the Agency for any Third Party Liability ("TPL") previously deducted as an adjustment to the monthly billing amount which is subsequently denied or becomes uncollectible, provided the Agency has first used its best efforts to secure payment from the third party payer. The Agency may bill the Board for denied or uncollectible TPL after all rights of appeal have been unsuccessfully exhausted, or one hundred twenty (120) days after denial of the claim, whichever first occurs. In the event the Agency receives payment from a third party payer for any amount paid by the Board, the Agency shall notify the Board and such amount shall, at the discretion of the Board, either be remitted by the Agency within 30 days of demand or set off against payments due the Agency.
- (c) **Adjustments by Board for Improper Billings.** The Board may set off or receive back from the Agency any payments made for services which are subsequently

determined by the Board to (i) not have been rendered or properly documented; (ii) rendered to a person not Enrolled; or (iii) rendered by an ineligible provider. Any such improper payment shall be remitted to the Board by the Agency within 30 days of demand, or set off against payments due the Agency.

- (d) **Adjustments by the Board for Denied Claims.** The Board may set off or receive back from the Agency within 30 days of demand any claims paid by the Board for which are subsequently denied by the State. Claims paid under prior years' agreements, that are subsequently denied, may be offset against claims to be paid under this Agreement at the discretion of the Board.
- (e) **Agency Adjustments.** The Agency shall submit corrected billings and any adjustments to billings including, without limitation, adjustments due to denial of TPL claims within one (1) year of the date the service is rendered.
- (f) **Grant Violations.** In the event that the Board is held liable by OhioMHAS, HUD, SAMHSA or any other agency for repayment of state or Federal awards as a result of the agency's failure to comply with the terms of the award, the Board reserves the right to withhold POS and/or grant payments as reimbursement.
- (g) **Prior Notice to Agency.** Before any Board action demanding any payment or adjustment under Section 6.3.4 (c), (d), (e) or (f) the Agency will be informed in writing of the proposed demand for payment or adjustment and the basis for the demand. The Agency will be afforded the opportunity to challenge the demand and, upon written request, will be afforded the opportunity to meet with a Board committee designated by the Board chair. The Board Committee shall make written recommendations to the Board, and state the basis for the recommendations.
- (h) **Grant Awards.** Agency must submit a Fiscal Year Statement of Revenues and Expenditures for all grant awards being funded by the Board. Agency has the discretion of increasing or decreasing individual revenue and expenditure line items by no more than 10% of the original Board approved budget assuming no changes are being made to the total net award amount or to the outcomes associated with the program. If the Agency wishes to amend any individual budget line item that causes it to change by more than 10%, the Agency must submit a written request to the Board's Executive Director for approval before March 1.
- (i) **Grant Award Under spending.** A final actual Statement of Revenues and Expenditures is due to the Board for all individual grant programs no later than 30

days after the end of the fiscal year. Any grant award amount that remains unexpended at the end of the fiscal year is to be returned to the Board within 90 days after the end of the fiscal year.

**6.4 Rates.** The Board will reimburse for Services at the lesser of the agencies calculated cost (UCR report) or the base rate stated on the Board's Subsidy Schedules (Attachment 4). Costs shall be calculated in accordance with the requirements of the Uniform Guidance and OhioMHAS requirements.

**6.5 Hospital Bed Days.** The Agency shall make a good faith effort to ~~control~~manage the number of inpatient bed days used. It will cooperate with the Board in its efforts to reduce the number of inpatient bed days, including admissions to Rescue's Crisis Stabilization Unit (CSU).

**6.6 Withholding Payments.** In addition to the rights to set off, withhold or suspend payments in accordance with Sections 3.4.3, 4.5, 6.3.4, 7.5.1, 7.5.5 or 7.6, and without limitation of those rights, any payment due under this Agreement may be withheld by formal action of the Board if it has reason to believe that any of the following events have occurred: (i) an event of insolvency relating to the Agency; (ii) any license or certification required by law or otherwise necessary to the operation of the Agency is suspended for any reason, (iii) there is reasonable cause to believe that conditions exist relating to the Agency that represent a substantial and imminent risk of harm; (iv) Agency has delinquent tax, interest or penalty obligations to any governmental agency (v) there is reasonable cause to believe the Agency is in violation of any Board, State, or Federal billing procedure, rule or regulation; (vi) there is reasonable cause to believe that a program, service or responsibility funded by the Board on a Grant or Capacity Basis is not being rendered by the Agency, or is being rendered in a manner substantially out of compliance with Board funding guidelines, Board Policies or other agreement pertaining to such program, service or responsibility, provided, however, the withholding permitted under this subsection (vi) of Section 6.6 may not exceed the unpaid balance of funding allocated to the relevant program, service or responsibility under Section 6.2.1.; (vii) excessive errors in claims data; (viii) Agency fails to submit the annual independent audit within required time lines; or (ix) lack of acceptable corrective action ;

Before the withholding permitted by this Section 6.6 occur, the Executive Director shall give the Agency written notice of intent to request Board action to withhold, stating the reason for doing so. The Agency shall have fourteen (14) days from the date of such notice in which to satisfy the Board that the event has not occurred or has been corrected. Before any formal Board action authorizing the withholding of funds under this Section 6.6 is taken, the Agency shall, upon request, be afforded an opportunity to meet with a Board Committee designated by the Board Chair. The Committee shall make written recommendations to the Board, and shall state the basis for the recommendation.

Payments withheld under this Section 6.6 will be remitted to the Agency only upon proof satisfactory to the Board that the event supporting the withholding did not occur; or upon correction or removal of the event(s) for which funds were withheld, and, with respect to funds withheld for Grant or Capacity funded services, only to the extent that the funded services, programs or responsibilities were provided or performed by the Agency in compliance with Board Funding Guidelines, Policies, this Agreement or other applicable agreements.

#### **ARTICLE VII – EVALUATION AND ACCOUNTABILITY**

**7.1 General.** The Agency shall cooperate with representatives from federal and state agencies and the Board in all audits and monitoring programs. The Agency shall provide such representatives access to all information, including but not limited to medical records, financial records, program records, and other information that such representatives deem necessary to assure compliance with applicable federal and state requirements, Board Policies, and this Agreement and as necessary for the Board to perform its duties under applicable requirement, including but not limited to, reporting activities, oversight, system administration, and program and service evaluation. The Board's representatives may conduct on-site inspections of the Agency to obtain information concerning services, programs and financial matters, by giving the Agency notice of the date and time of the inspection at least thirty (30) working days in advance. The Agency shall also permit the Board's representatives to interview the Agency's staff and clients.

**7.2 Continuous Quality Improvement.** The Agency shall develop and implement a continuous quality improvement program that includes a quality assurance plan and service evaluation activities that meet applicable federal and state requirements, including but not limited to OAC 5122-28-03 and Board Policies.

**7.3 Consumer Satisfaction Surveys.** The Board shall conduct periodic consumer satisfaction surveys and the Agency shall cooperate with such surveys and address identified areas of concern. The Agency shall also conduct periodic consumer satisfaction surveys throughout the fiscal year and shall provide reports of the results of said surveys to the Board.

**7.4 Accounting.** The Agency shall maintain complete and accurate financial records on an accrual basis or a modified accrual basis consistent with generally accepted accounting principles. Records shall be in a format acceptable to the Board. The Agency warrants the accuracy and completeness of information provided to the Board under this Agreement. The Agency shall provide the Board with quarterly actual and budgeted unaudited financial statements and the associated Balance Sheet within thirty (30) days of the end of each quarter. Upon request, the Agency shall provide the Board with actual and budgeted unaudited financial statements and the associated Balance Sheet within thirty (30) days of the end of each month. If the Agency receives pass through funding via the Board, the Agency

will provide the Board copies of all submissions made to OhioMHAS relative to that funding, including applications, budgets, interim and annual reports.

## **7.5 Financial Audits and Compliance Reviews.**

**7.5.1 Annual Audit.** The Agency shall have a financial and fiscal compliance audit performed annually by an independent certified public accountant approved by the Board in accordance with generally accepted auditing standards and all applicable requirements, including but not limited to the OhioMHAS Audit Guidelines, the Uniform Guidance and the Single Audit Act.

The Agency shall submit the final report of this audit to the Board within four (4) months after the end of the Agency's fiscal year, but not later than November 1 (State Fiscal Year) or May 1 (Calendar Year). No time extensions will be granted. If the Agency fails to submit the audit report by the appropriate due date, the Agency will be charged a \$1,000.00 assessment effective immediately. An additional assessment of \$500.00 per week will be assessed until the annual audit is completed and received by the Board.

Within 14 days after notification of the assessment by Board staff, the Agency may appeal in writing any assessment to the MHRS Board. The MHRS Board will act on the Agency's appeal within 30 days which may in its discretion enforce, waive or amend the assessment. The decision of the MHRS Board is final.

Assessments will be withheld, lump sum, from any amounts otherwise due to Agency. The Agency may request a different payment plan in writing which the Executive Director has the discretion to accept or amend the Agency's proposed payment plan.

**7.5.2 Audit Report.** The audit report shall include the Independent Auditor's Report, completed audited and reviewed financial statements, and the management letter.—~~By December 15, the agency will also provide the unaudited actual Uniform Cost Report, and an unaudited actual Revenue Report (052 Report).~~

A qualified opinion shall be accepted by the Board only if the Board determines that the qualified opinion does not adversely affect the Agency's ability to perform its functions under this Agreement. The Agency agrees that as part of the annual audit, the Board may require Agency's independent auditors to review and verify all costs relating to payments by the Board.

**7.5.3 Audit Costs.** Except as otherwise provided herein, the costs of financial and compliance audits shall be at the expense of the Agency. Such costs may be included in the

Agency's computation of service costs. When other payers pay for an audit, the Board shall deem the audit costs to be a non-allowable cost.

**7.5.4 Other Audits or Reviews.** The Board may require additional special audits or reviews if the Board determines that there is reasonable cause to believe that the Agency is demonstrating noncompliance with Board Policies or is not implementing corrective action required by an audit. The Board will pay the cost of any special audit or review that it requires under this Article XII. In addition, the Board, in its discretion, may require additional audits or reviews to be performed to address specific financial or billing issues.

**7.5.5 Corrective Actions.** The Agency shall be responsible for providing a response for any material weaknesses, material instances of non-compliance, findings, or questioned costs referred to in any audit referred to in this Section 7.5 or in any other audit or survey of the Agency's services by governmental agency. In the event of material weakness, material instances of non-compliance, findings, or, questioned costs, the Agency shall have thirty (30) days from receipt of notice of such findings to take corrective action or to submit a plan of correction that is acceptable to the Board. If corrective action is not taken or a plan of correction acceptable to the Board is not submitted within thirty (30) days, or such shorter period as the Board may deem necessary by the exigencies of circumstances, all funding may be immediately suspended by the Board. If the Agency is deemed not able to be audited for any such purposes, all funds may be suspended at the discretion of the Board until the audit is complete.

**7.6 Audits/Reviews.** The Agency shall be subject to and cooperate with an annual compliance review ~~for non-Medicaid treatment services~~ conducted by representatives of the Board. The review may consist of tests that verify compliance with any clause in this agreement, including determining priority clients, review of client records, compliance with assurance statements, housing referrals, and billing accuracy, as applicable. The Board shall provide written notice of the review up to 30 days prior to the review. Notification of the client records to be reviewed will be provided to the Agency not more than 48 hours prior to the review. The Board shall notify the Agency of review findings no later than 30 days after completion of the review. The Board may initiate the reversal of funds for ineligible claim findings identified in the review not sooner than 30 days after the Agency is notified of the review findings. Ineligible findings shall include duplicated claims, improperly documented service claims, services provided by an ineligible provider, or services that do not meet the service standards as described in the Ohio Administrative Code (OAC). The Agency shall be responsible for responding to any findings as described in the compliance review report including a Corrective Action Plan, if requested by the Board, within 30 days of the request.

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**7.7 Utilization Review.** Provider shall provide information and cooperate with the Board's Utilization Review processes. Utilization Review activities may include, but are not limited to, examining services for high risk cases, managing waiting lists and enhancing capacity and accessibility of services to assure the most effective and efficient use of services and resources.

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## **ARTICLE VIII – TERM, MODIFICATION, RENEWAL AND TERMINATION**

**8.1 Term.** This Agreement shall be effective as of July 1, 2016 and shall continue in effect through June 30, 2017 unless modified or terminated early as provided herein. Notwithstanding the foregoing, this Agreement shall not commence unless and until all of the following have occurred:

- (a) Board has accepted the Agency's services as part of the Board's approved Community Plan; and
- (b) Board has approved the allocation of funds to the Agency and has authorized the execution of this Agreement.

**8.2 Modification.** This Agreement may only be amended, including to extend its term, by the written agreement of the parties.

**8.3 Termination by Board for Cause.** The Board, by formal Board action, may terminate this Agreement by giving written notice to the Agency in the event of the occurrence of any of the following: (i) a Change in Ownership or Control of the Agency; (ii) an Event of Insolvency relating to the agency; (iii) any license or certification required by law or necessary to the operation of the agency is terminated or suspended for any reason; (iv) material uncured breaches of the contract; (v) the Board determines that there is reasonable cause to believe that conditions exist relating to the Agency that represent a substantial and imminent risk of harm to clients; or (vi) the agency receives a "going concern" finding in their last two audit reports by their independent audit firm.

The Agency shall notify the Board as soon as possible but not later than three (3) working days after the occurrence of any of the events described in items (ii) or (iii). The Agency shall give the Board at least thirty (30) days advance written notice of any event described in item (i).

For the purpose of this agreement, a "Change of Ownership or Control" is any of the following:

- (a) any merger or consolidation (consolidation being defined as the union of the operations of two or more entities into a single operation);
- (b) transfer by sale or otherwise of substantially all the assets of the Agency;
- (c) a change in the identity of fifty percent (50%) or more of the trustees of the Agency in any twelve-month period unless such change results from the lapse of terms or resignations tendered in the ordinary course; or
- (d) a change in the identity of the person or persons who hold fifty percent (50%) or more of the voting rights to elect the trustees of the Agency in any twelve-month period;

For purpose of the Agreement, an "**Event of Insolvency**" is any of the following:

- (a) the granting of an order for relief against the Agency under Title 11 of the United States Code;
- (b) the institution of a state-law reorganization, receivership, or other insolvency proceeding by or against the Agency;
- (c) an assignment for the benefit of the Agency's creditors;
- (d) failure by the Agency promptly to satisfy or discharge any execution, garnishment or attachment of such consequence as will impair its ability to carry out its obligations under this Agreement;
- (e) the entry by the Agency into an agreement of composition with its creditors;
- (f) the inability of the Agency to meet its financial obligations as they become due;
- (g) a credit default;
- (h) a lease default;
- (i) any notice of a tax delinquency; or
- (j) any notice of suspension or debarment.

Before any formal Board action terminating this Agreement, the Executive Director of the Board shall inform the Agency in writing of the Board's intent to recommend termination, and the reason for such recommendation. Upon written request, the agency shall be afforded an

opportunity to meet with a Board Committee designated by the Board Chair. The Committee shall make written recommendations to the Board, and shall state the basis for the recommendations. The Board may exercise its right of termination for cause by providing written notice of termination to the Agency. The termination shall be effective on the date specified therein, except that termination pursuant to item (iv) shall be effective no sooner than 30 days after the date of notice, unless the breach is cured prior to that date.

**8.4 Termination for Cause by Agency.** This contract may be terminated by the Agency if the Board fails to make payment due hereunder within thirty (30) days after receipt on notice from Agency of such failure.

The Agency may exercise such right of termination for cause by providing written notice of termination to the Board, which notice shall be effective on the date specified therein, but no sooner than thirty (30) days after receipt by the Board.

**8.5 Renewal/Non-Renewal.** Notice of either party's intent to not enter into a service contract for the subsequent fiscal year or to make substantial changes to the subsequent fiscal year's contract, shall be provided to the other party at least 120 days prior to the expiration of this Agreement. Any disputes arising under this section shall be handled in accordance with the requirements of ORC 340.03(A)(8)(a).

**8.6 Effect of Expiration or Termination.** In the event of any expiration or termination of this Agreement:

- (a) The Board shall not make any additional payments due to the Agency until all final audits are complete. The costs of a final reconciliation may be deducted by the Board out of amounts due the Agency.
- (b) The Agency shall take all steps necessary for continuity of Client care.
- (c) The Agency shall insure that all information and records necessary to continuity of care, including but not limited to Client data, is transferred to an appropriate site selected by the Board. The Board will work with Agency's Board of Trustees to effectuate the transfer.
- (d) The Agency shall continue to provide Services to the same extent as in the event of a reduction in funding as provided in Section 6.1.6.
- (e) The Agency shall transfer to the Board any property in which the Board has a reversionary interest pursuant to Section 5.7, or remit to the Board its prorated share of the market value of any such property.

## ARTICLE IX – INSURANCE AND INDEMNIFICATION

**9.1 Insurance.** The Agency shall carry comprehensive general liability insurance and professional liability insurance (including molestation insurance) on itself and on each person employed by it, under contract with it or volunteering on behalf of it, to perform Services hereunder, with such coverage limits as the Board may determine from time to time. The initial coverage limits required hereunder shall be One Million Dollars (\$1,000,000) per incident, and Three Million Dollars (\$3,000,000) annual aggregate.

All policies of insurance required hereunder shall be on an occurrence basis or, if on a "claims made" basis, shall contain an endorsement assuring the Agency of the right to purchase "tail" coverage at the termination or expiration of the policy. In such event, the Agency agrees to buy such tail coverage upon the termination or expiration of such policy. The obligations set forth in this Article shall continue in effect notwithstanding the termination or expiration of this Agreement. The Agency shall furnish the Board with a Certificate of Insurance annually within thirty (30) days prior to the renewal date of any such policy.

**9.2 Automobile Insurance.** The Agency shall carry automobile liability insurance for all vehicles used to transport clients, whether such vehicles are owned by the Agency or its agents, employees, volunteers or subcontractors, with coverage limits of an amount at least One Million Dollars (\$1,000,000) combined single limit coverage symbol 1 and for vans and buses One Million Dollars (\$1,000,000) combined single limit coverage symbol 1. The Agency shall provide the Board with a certificate of insurance evidencing such coverage, and shall provide the Board with thirty (30) days-notice of cancellation or non-renewal of any such coverage.

**9.3 Other Insurance.** The Agency shall provide (i) casualty loss insurance on its facilities and the furniture or equipment in its facilities, including any furniture or equipment in which the Board has an interest, which provides for benefits in the amount of full replacement cost; (ii) a fiduciary bond or other insurance coverage against acts of employee fraud or dishonesty for all administrative and fiscal staff of the Agency who have fiduciary responsibilities; (iii) directors' and officers' insurance; and (iv) worker's compensation insurance. Such policies shall have such coverage limits as the Board may require.

**9.4 Additional Insured and Notice of Cancellation or Non-Renewal.** Each insurance coverage policy required under this Article IX shall name the Board as an additional insured and provide that the Board shall be entitled to notice from the insurer at least thirty (30) days in advance of any cancellation or non-renewal of such policy.

**9.5 Indemnification.** The Board shall not be responsible or liable for any damage resulting from acts or omissions of the Agency, its trustees, officers, employees, agents, volunteers and contractors, under any theory of imputed negligence or otherwise, and the Agency shall indemnify the Board, its members, officers, agents and employees for, defend them against and hold them harmless from any and all claims relating to any acts or omissions of the Agency, its trustees, officers, employees, agents and contractors, and from any costs, attorney fees, expenses and liabilities incurred by them in connection with such claims or in the defense of any action or proceeding brought thereon.

The indemnification rights under this Agreement shall be in addition to any rights or remedies that may be available to the Board under general legal or equitable principles in the absence of an express agreement, and this Agreement shall not be construed to limit any such rights or remedies. The obligations set forth in this agreement shall continue in effect notwithstanding the termination or expiration of this Agreement.

**ARTICLE X – MISCELLANEOUS**

**10.1 Assignment.** Neither party may assign any rights or obligations under this Agreement without the express written approval of the other party.

**10.2 Waiver of Breach.** Any waiver of breach of any term or provision of this agreement shall not be deemed a waiver of any other breach of the same or different provision. In addition, any waiver of any provision, obligation or duty as provided in this agreement shall not constitute a waiver of a future breach.

**10.3 Notices.** Any notice required or permitted under this Agreement shall be in writing, and shall be sent by certified or registered mail, postage prepaid, return receipt requested, to the other party at the address set forth below or to such other address as the party may have designated by written notice to the other party, and the notice shall be effective on the date indicated on the return receipt:

If to the Board:

Mental Health and Recovery Services  
Board of Lucas County  
701 Adams Street, Suite 800  
Toledo, Ohio 43604  
Attn: Scott A. Sylak, Executive Director

If to the Agency:

Unison Behavioral Health Group  
544 E. Woodruff  
Toledo, Ohio 43604

Attn: Courtney Weiss, Executive Director

**10.4 Severability.** In the event any term or provision of this Agreement is declared invalid or unenforceable by any court of competent jurisdiction, the remainder of the provisions of this Agreement shall remain in force and effect, except as provided herein. If removal of the provision declared invalid or unenforceable will materially alter the obligations of either party in such a manner as to cause financial hardship to either party, the affected party may terminate this Agreement by giving written notice to the other party.

**10.5 Incorporation of Schedules and Attachments.** All Schedules and Attachments to this Agreement are incorporated by reference into the Agreement as though written herein.

**10.6 Entire Agreement.** This Agreement, including the Schedules and Attachments hereto constitutes the entire agreement between the parties relating to the subject matter hereof, and supersedes any prior oral or written agreements, promises, negotiations or representations relating to the subject matter of this agreement.

**10.7 Amendment.** This Agreement may be amended only by the mutual written consent of duly authorized representatives of the parties.

**10.8 Headings.** The section and article headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this agreement.

**10.9 Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio.

**10.10 Independent Contractors.** The Agency shall at all times act and perform as an independent contractor and not as a partner, employee or agent of the Board. The Board shall neither have nor exercise any control or direction over the methods by which the Agency performs Services hereunder. The Board's only relationship with the Agency is as set forth herein, i.e., through the Agency's contractual relationship with the Board embodied in this Agreement.

**10.11 Remedies.** Remedies contained in this Agreement shall not be considered exclusive of any other remedies available to either party, and such remedies shall be cumulative and shall be in addition to any other remedies available at law or in equity. No delay or omission to exercise any right or power shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

**10.12 Agreement Not Exclusive.** This Agreement is not intended to grant the Agency the exclusive right to provide the services described herein, or to guarantee any volume of Services to the Agency.

**10.13 Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall constitute an original but all of which combined shall constitute but one agreement.

**10.14 Material Changes.** If, at any time during the term of this Agreement Agency intends to make a material change to its capacity to provide services, the level or type of services provided, staffing levels, programming, operating budget, or any other significant change, Agency shall provide 120 days prior written notice to Board, so that the Board may determine if the Agency has deviated from the assumptions upon which this Agreement is based.

**10.15 Survival.** Rights and obligations under this Agreement which by their nature should survive, including, but not limited to audit and reporting requirements, reimbursement provisions and confidentiality, will remain in effect after expiration or termination of the Agreement until such time as those requirements are fulfilled.

**10.16 Dispute Resolution.** In the event of any dispute, claim, question or disagreement arising from or relating to this Agreement, or breach thereof, other than disputes arising under Section 8.5, the parties shall use their best efforts (including the participation of a member or members of the parties' respective governing boards, as necessary) to settle such dispute, claim, question or disagreement. To this effect, the parties shall consult in good faith and recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties. Engaging in dispute resolution procedures and negotiations to resolve disputes does not preclude either party from taking any other action available under applicable law, including litigation, to protect its rights. Status quo shall be maintained throughout any dispute resolution process.

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IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives as of the day and year first written above.

**MENTAL HEALTH AND RECOVERY SERVICES BOARD OF LUCAS COUNTY**

BY \_\_\_\_\_ Date \_\_\_\_\_  
Scott A. Sylak  
Executive Director

AND \_\_\_\_\_ Date \_\_\_\_\_  
Neema M. Bell  
Board Chair

Approved as to form:

\_\_\_\_\_  
Assistant Lucas County Prosecutor

BY \_\_\_\_\_ Date \_\_\_\_\_  
Exec Name  
Chief Operating Officer

AND \_\_\_\_\_ Date \_\_\_\_\_  
Name  
Board Chair

**CERTIFICATE OF FISCAL OFFICER**

The undersigned being the Chief Fiscal Officer of the Mental Health and Recovery Services Board of Lucas County, hereby certifies pursuant to ORC 5705.41 that the amounts required to meet the obligations of the Board under this Agreement during Fiscal Year 2016 have been lawfully appropriated for such purpose and are in the treasury of the Board or are in the process of collection to the credit of the appropriate fund free from any previous encumbrances.

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Thomas L. Bartlett  
Associate Executive Director